

# Steve Way, Financial Planner and Director

Steve Way, a Certified Financial Planner and Insurance Agent in San Mateo, is bullish on United American Bank (In Organization) and not a bit shy about sharing the reasons why.

“Community banking on the Peninsula has been hit hard by all the consolidations, the mergers and acquisitions,” he said. “It has tended to depersonalize banking, and employee turnover is a real problem. You never know who you’re going to talk to when you call and they know very little about you.”

As a Director for United American Bank (In Organization), Way is convinced that a locally-owned and operated community bank, with service and professionalism as core values, will succeed on the Peninsula.

Way knows this market. He has lived in San Mateo for 38 years, raised his family here and provided financial advice for his clients who live in the county.

He knows the community

through his involvement in the Rotary Club (since 1975) and San Mateo Chamber of Commerce. He



is a past board member of the local Boy Scout Council and the past president of Coyote Point Museum and the San Mateo County Historical Association.

He also knows banking. He worked for a large state bank for two years, served as San Mateo Branch Manager for United California

Bank, and he was a Director for Burlingame Bank and Trust from 1983-1991.

Way sees the Peninsula’s diverse economy as a huge plus during the current economic downturn. He believes, “This is a particularly favorable time to start a bank. Although spreads and margins are thin right now, businesses here have made it through.

“However, they are still looking for a bank that’s going to pay attention to their business. We know it will be a challenge to get people to change banks, but we are confident we can do just that.”

This report may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank is conducting its operations, including the real estate market in California and other factors beyond the Bank’s control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management’s view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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(In Organization)

# Newsletter

June 2003

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CPA**  
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By the mid-June opening of United American Bank (In Organization), the new interior spaces of the Bank at 101 S. Ellsworth Ave. in San Mateo will be staffed by its complete leadership team. They will be greeting new clients who are looking for a full-service, locally owned and operated Peninsula bank with customer service as its primary goal. The illustration above is the artist’s rendering by the architects, Hagman Associates.

## Capitalization exceeds \$15M

John Schrup finds himself in an enviable position. The chief executive officer of United American Bank (In Organization) (the “Bank”) said the Bank has received subscriptions well over the authorized capitalization level of \$15,125,000.

“Exceeding the \$15 million mark in subscriptions positions the Bank to exceed the business plan.” Schrup said from his new office at the Bank’s headquarters, located at 101 S. Ellsworth Ave. in San Mateo.

“It is significant to have

achieved this level of success during the past four months, in what has been a very challenging period to be selling bank common stock. The obstacles we faced, including weak economic conditions, the recent foreign conflict, and income tax filing season, were substantial.

“Thus far, the average level of investment has been \$40,000.”

In addition, the Bank plans to open its doors in mid-June to greet prospective clients. Throughout the

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## Founders

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 Frank A. Baldanzi  
 Robert Batinovich  
 Dave Blewett  
 Norman I. & Judith Ann Book  
 Gerald Brown  
 Rodney & Eleanor Carpenter  
 John H. & Lucina Clinton  
 James B. Creighton  
 R. Magdalena Del Valle  
 Dennis C. DiSalvo  
 E. John Doyle  
 Hans Eide  
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 David R. & Mary C. Harkin  
 William W. & Susan M. Hill  
 Eleanor Schrup Holscher  
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 Sherry A. Price  
 Gordon Ringoen  
 Stephanie Holscher Savage  
 John C. & Michelle Schrup  
 Nicholas & Carrie Schrup  
 Sarah O'Rourke Schrup  
 Eleanor Schrup Holscher

## Mark Feathers, Senior Loan Officer

"There really aren't a lot of well-trained, experienced commercial bankers out there right now," according to Mark Feathers, Senior Vice President and the Senior Loan Officer of United American Bank (In Organization).



A seasoned banker with 10 years' experience, he intends to take advantage of the shortage of bankers who can "take a look at a financial statement and understand how that business works."

"This area is ripe for a bank like ours. I've found small businesses to be very receptive to our story," Feathers said. Persuading them to move their business to United American Bank (In Organization) is just a matter of "closing the sale. For a lot of businesses, their current banks are a security blanket, even though they don't like the relationship."

Does the current economic

## Capitalization

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capital raising campaign the Directors, Founders and leadership team of the Bank have been getting to know potential customers, talking to them about the value of having a locally owned and operated community bank on the Peninsula and encouraging them to open a Charter

situation create problems for someone whose main task is business development and marketing?

"That's a macro issue; we deal in micro issues. Every small business has its own environment, its own need for loans and banking services. We intend to focus on those needs."

Feathers came to United American Bank (In Organization) from a small commercial bank in San Francisco where he helped bring the bank to its first profitable year in the last decade with his loan-funding activities. A graduate of Pennsylvania State University with an MBA from Golden Gate University, he worked for two years with the Small Business Administration as a senior commercial loan specialist before joining private banking.

Feathers is particularly pleased with the chance to work with a start-up effort like United American Bank (In Organization). "This is really a very rare opportunity and the experiences have been pleasant ones. I've been impressed with the caliber of leadership here."

Relationship with the Bank.

Those potential clients will be met by a group of professional bankers that Schrup considers to be "the very best in the marketplace. We have filled every position with people who understand the mission of the bank. We believe that will translate into a value-added team of consulting professionals who know

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## Geraldine Felix, Construction Loans

Geraldine Felix is convinced that history is on her side.

As Vice President and Manager of the Construction Loan Department she will be responsible for residential and commercial construction lending.

"Historically, there has always been a shortage of housing in the Bay Area. Now, with interest rates as low as they are, developers appear ready to move."

Because of the Peninsula's need for housing, Felix isn't daunted by the current excess of available office space in the building market. "Lenders in general aren't seeking office construction projects. A lot of office buildings were already in progress when the dot.com collapse created the current situation."

"But the residential market is different. Jobs are always a critical factor, but there's a lot of money out there just sitting on the sidelines. Residential development has always been attractive in this area."

Felix was drawn to United

American Bank (In Organization) by Bill Walters, the bank's Chief Credit Officer, who had a working relationship with her at Bank of Los Altos. "Last fall, Bill called me



and told me what he was doing. It sounded intriguing. I started working for the Bank in early April to create our loan systems and begin the development of

new client relationships.

"I love small community banks. It's very exciting to be part of the organizing process and see the commitment of the board and the leadership team here."

Felix, who lives in Redwood City, has two grown children, a daughter who graduated from University of California at Santa Barbara and a son who is an alumnus of UC Davis.

## Capitalization

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how to provide an exceptional level of service for our clients."

After 30 to 60 days of operation, Schrup plans to hold a Grand Opening for the Bank.

Later in the summer, about 90 days after the Bank's mid-June opening, United American Bank expects to be listed on the over-

the-counter market for limited stock trading during the Bank's first year of operations, Schrup said.

Once the initial offering is closed, investors who have let the opportunity pass this round are not necessarily shut out. "We expect to make a secondary offering, perhaps two years down the road," Schrup said.

## Founders

Doreen L. Sinclair  
 James H. Smith  
 Mark Soloman  
 Glen Strauss  
 Margaret Taylor & Floyd Gonella  
 William R. Walters  
 Stephen A. Way  
 Howard J. Weiland

Organizing Founders as a group have contributed a total of \$1,175,000 toward opening United American Bank (In Organization).

## Bank officers

**John C. Schrup**  
 President & Chief Executive Officer

**Gerald Brown**  
 Executive Vice President & Chief Financial Officer

**Sherry A. Price**  
 Executive Vice President & Chief Operating Officer

**William R. Walters**  
 Executive Vice President & Chief Credit Officer

**R. Magdalena Del Valle**  
 Senior Vice President & Manager Marketing, Cash Management & Deposit Services

**Mark Feathers**  
 Senior Vice President & Senior Loan Officer

**Geraldine Felix**  
 Vice President & Construction Loan Manager

**Ruth Farrell**  
 Vice President & Note Department Supervisor

**Patricia Torres**  
 Vice President Finance & Operations

**Marianne Johnson**  
 Assistant Vice President & Commercial Loan Officer