

Cash Management Account Analysis Proposal for **Palisades Charter High School**
 Prepared by Cathay Bank
 October 05, 2016

CATHAY BANK			
Statement:	November 2015	Cathay Bank	
Services:	Rate	Volume	Balance
Earning Credit Rate	0.63%		
Average Uncollected Funds			0.00
Average Collected Balance			927,309.58
Reserve Requirement	10%		92,730.96
Balance for Services			834,578.62
Deposit Activities:	Unit \$	Volume	Price
Account Maintenance	16.00	10	160.00
Check Deposited (On-us)	0.08	50	4.00
Check Paid	0.15	90	13.50
Deposit Item Returned	5.00	2	10.00
Deposit Posted	1.40	3	4.20
Deposit Administration Fee	0.00	516	0.00
Total			191.70
Bank Services:	Unit \$	Volume	Price
ACH Credit	0.00	40	0.00
ACH Debit	0.00	10	0.00
Wire Amendment/Cancellation	15.00	1	15.00
Wire Tracer	15.00		0.00
Total			15.00
Cash Vault Service	Unit \$	Volume	Price
Armored Car/Transportation Service (Unit + Cost/TBD)	72.50	1	72.50
Manual Cash Order	10.25	1	10.25
Emergency Orders	18.00	1	18.00
Cash Vault Deposit	1.40	22	30.80
Currency Dep - STD (Per \$100)	0.15	1109	166.35
Rolled Coin	1.00	1	1.00
Currency Furnished (Non - Std)	0.10	3	0.30
Coin Furnished - Rolls	0.10	25	2.50
Deposit Adjustment	3.00	2	6.00
Total			307.70
ZBA	Unit \$	Volume	Price
Lead Acct	0.00	1	0.00
Subsidiary Acct (Per account)	20.00	1	20.00
Total			20.00
Online Banking:	Unit \$	Volume	Price
Wire Monthly Maintenance	0.00	1	0.00
Intraday Report Previous/Current Day	0.00	17	0.00
Monthly DDA Statement	0.00	13	0.00
Stop Payment/Renewal	30.00		0.00
Account Transfer	0.00	8	0.00
Total			0.00
Merchant Deposit Capture:	Unit \$	Volume	Price
Monthly Maintenance (\$50,000 bal to waive fee)	45.00		0.00
Deposit (First 25)	0.00	25	0.00
Deposit (26 or more)	1.00	12	12.00
Items (First 100 items)	0.00	100	0.00
Items (101 or more)	0.20	1219	243.80
Scanner Purchase - Single Feed CX-30 (with 2 years warranty)	500.00		0.00
Scanner Purchase - Multi-Feed TS240-50 (with 2 years warranty)	850.00		0.00
Total			255.80
Total Services Provided			790.20
Less Fee Waive			0.00
Total Earning Credit			432.15
Account Charged:			358.05

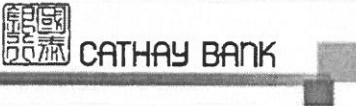
CURRENT BANK			
Statement:	November 2015	Bank of the West	
Services:	Rate	Volume	Balance
Earning Credit Rate	0.40%		
Average Uncollected Funds			0.00
Average Collected Balance			509,384.34
Reserve Requirement	10%		50,938.43
Balance for Services			458,445.91
Deposit Activities:	Unit \$	Volume	Price
Account Maintenance	10.00	9	90.00
Check Deposited (On-us)	0.00		0.00
Check Paid	0.22	5	1.10
Deposit Item Returned	0.00		0.00
Deposit Posted	0.00		0.00
Deposit Administration Fee	0.15	516	77.40
Total			168.50
Bank Services:	Unit \$	Volume	Price
ACH Credit	0.22	39	8.58
ACH Debit	0.20	9	1.80
Wire Amendment/Cancellation (Reverse)	15.00	1	15.00
Wire Tracer	0.00		0.00
Premier Maintenance	65.00	1	65.00
Premier Additional Acct Maintenance	5.00	5	25.00
Total			115.38
ZBA	Unit \$	Volume	Price
Armored Car Service (Unit + Cost)	0.00		0.00
Manual Order / Call-In - CV2	15.00	1	15.00
Late / Special Emergency Order - CV2	30.00	1	30.00
Cash Vault Deposits - CV2	0.90	22	19.80
Currency Deposit (Per \$100)	0.12	149	17.88
Rolled Coin	1.00	1	1.00
Currency Furnished Non - STD	0.12	3	0.36
Coin Furnished - Rolls	0.10	25	2.50
Deposit Adjustment	5.00	2	10.00
Total			99.54
ZBA	Unit \$	Volume	Price
Lead Acct	40.00	1	40.00
Subsidiary Acct (Per account)	27.00	1	27.00
Total			67.00
Online Banking:	Unit \$	Volume	Price
Wire Monthly Maintenance (Wire Transfer Base Fee)	5.00	1	5.00
Monthly DDA Statement	0.00		0.00
Account Transfer Items	1.00	8	8.00
Stop Payment/Renewal	0.00		0.00
Corp-Prev Day Mo Fee, 1st Acct	40.00	1	40.00
Corp-Prev Day Mo Fee 2-10 Accts	10.00	9	90.00
Corp-Prev Day Mo Fee, 11+ Accts	10.00	7	70.00
Corp-Prev Day Balance reported	0.07	1135	79.45
WD Corp/Previous Day Summary Items	0.07	178	12.46
WD Corp/Previous Day Detail Items	0.07	142	9.94
WD Check Imaging	0.10	13	1.30
WD Deposit Statement	1.25	13	16.25
Total			332.40
Merchant Deposit Capture:	Unit \$	Volume	Price
Monthly Maintenance	0.00		0.00
Deposit	1.50	34	51.00
Deposit	0.00		0.00
Items	0.12	119	14.28
Items	0.00		0.00
Scanner Purchase - Single Feed	0.00		0.00
Scanner Purchase - Multi-Feed	0.00		0.00
Total			65.28
Total Services Provided			848.10
Less Fee Waive			27.46
Less Uncollected Fund Charges (XX%)			0.00
Total Earning Credit			150.72
Account Charged:			669.92

Estimated Monthly Analysis Charges/Savings with Cathay Bank: \$ 311.87

Cash Management Account Analysis Proposal for Palisades High Student Body

Prepared by Cathay Bank

October 05, 2016

			
Statement:	November 2015	Cathay Bank	
Services:	Rate		Balance
Earning Credit Rate	0.63%		
Average Uncollected Funds			0.00
Average Collected Balance			570,000.00
Reserve Requirement	10%		57,000.00
Balance for Services			513,000.00
Deposit Activities:	Unit \$	Volume	Price
Account Maintenance	16.00	1	16.00
Check Deposited (On-us)	0.08	50	4.00
Check Deposited (Transit)	0.10		0.00
Check Paid	0.15	85	12.75
Deposit Item Returned	5.00	2	10.00
Deposit Corrections/Adjustments	3.00		0.00
Deposit Posted	1.40	3	4.20
Total			46.95
Bank Services:	Unit \$	Volume	Price
ACH Credit	0.00	1	0.00
ACH Debit	0.00	1	0.00
Total			0.00
Cash Vault Service	Unit \$	Volume	Price
Armored Car/Transportation Service (Unit + Cost/TBD)	72.50	1	72.50
Manual Cash Order	10.25		0.00
Emergency Orders	18.00		0.00
Cash Vault Deposit	1.40		0.00
Currency Dep - Std (Per \$100)	0.15	960	144.00
Rolled Coin	1.00		0.00
Currency Furnished (Non - Std)	0.10		0.00
Coin Furnished - Rolls	0.10		0.00
Deposit Adjustment	3.00		0.00
Total			216.50
Merchant Deposit Capture:	Unit \$	Volume	Price
Monthly Maintenance (\$50,000 bal to waive fee)	45.00		0.00
Deposit (First 25)	0.00		0.00
Deposit (26 or more)	1.00		0.00
Items (First 100 items)	0.00		0.00
Items (101 or more)	0.20		0.00
Scanner Purchase - Single Feed CX-30 (with 2 years warranty)	500.00		0.00
Scanner Purchase - Multi-Feed TS240-50 (with 2 years warranty)	850.00		0.00
Total			0.00
Total Services Provided			263.45
Less Fee Waive			0.00
Total Earning Credit			265.64
Account Charged:			-2.19

Note: The \$145 per month transportation charge (with Sectran) to be split between Charter High School and Student Body account, \$72.50 each.

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BEST BANKS

IN AMERICA

We looked at 10 metrics this year regarding asset quality, capital adequacy, growth and profitability. Banks range in size from \$7 billion-in-assets Banc of California to \$2.4 trillion giant JPMorgan Chase JPM -0.01%. We tweaked the methodology this year to better reflect the current banking environment. We dropped return on average equity and nonperforming loans (NPLs) as a percentage of loans. We added three new metrics: return on average tangible common equity, return on average assets and net charge-offs as a percent of total loans.

Other metrics include: net interest margin; nonperforming assets as a percent of assets, efficiency ratio, reserves as a percent of NPLs, two capital ratios (Tier 1 and risk-based) and revenue growth over the last 12 months. All data is based on regulatory filings for the period ending Sept. 30. Each of the 10 metrics are weighted equally in the final rankings. Click [here](#) for the full story.

Rank	Company	Total assets (bil)	Return on avg. total common equity	NPAs/total assets	Tier 1 ratio	Efficiency ratio	Latest 12-mos revenue growth
1	CVB Financial	\$8	11.9%	0.40%	17.4%	47%	9%
2	PacWest Bancorp	\$17	17.0%	0.72%	12.7%	40%	48%
3	Prosperity Bancshares	\$22	22.0%	0.22%	13.4%	40%	3%
4	Glacier Bancorp	\$9	12.9%	0.97%	16.6%	55%	6%
5	Hilltop Holdings	\$12	18.7%	0.48%	18.9%	79%	40%
6	Signature Bank	\$32	13.5%	0.21%	11.6%	35%	20%
7	First Republic Bank	\$55	13.1%	0.10%	13.2%	54%	10%
8	Community Bank System	\$8	15.8%	0.34%	18.3%	60%	-3%
9	Bank of Hawaii	\$15	15.3%	0.25%	14.1%	60%	4%
10	Western Alliance Bancorp	\$14	17.4%	0.79%	10.1%	48%	21%
11	Cullen/Frost Bankers	\$28	14.4%	0.23%	12.6%	57%	8%
12	Cathay General Bancorp	\$13	11.9%	0.78%	14.0%	48%	5%
13	East West Bancorp	\$31	16.2%	0.56%	10.9%	49%	13%
14	BankUnited	\$23	11.9%	0.44%	13.5%	59%	8%
15	Home BancShares	\$9	19.3%	0.75%	11.7%	41%	14%
16	Washington Federal	\$15	9.8%	0.87%	18.8%	50%	10%
17	National Penn Bancshares	\$10	12.8%	0.43%	13.3%	56%	6%

August 23, 2016

Palisades Charter High School
15777 Bowdoin Street
Pacific Palisades, CA 90272

Greg,

I am pleased to present the following proposal for banking services and sincerely appreciate the opportunity. In the proceeding pages, I have included information about California Credit Union, including our financial strength, our products and services, as well as our commitment to serving the needs of your school. In addition to what we can offer your school, we have a great Educator Program for your entire staff.

Our credit union was born of a need to provide reliable, rewarding and convenient financial services to teachers and others in the education community. Our story begins in 1931, during the depths of the Great Depression. It was then that Elementary Teachers' Club asked a Los Angeles teacher, Georgia B. Parsons, to represent them at the annual winter convention of public school superintendents being held in Atlantic City, New Jersey. Ms. Parsons accepted, but when she approached local lenders asking for money to purchase a wool suit for the trip, she was denied because the institutions "didn't favor teachers' loans." Our success can be traced to a simple philosophy: unlike banks, whose profits benefit a few stockholders, the credit union returns earnings to members in the form of reduced loan rates, higher savings yields and reduced fees.

As a member-owned financial cooperative, California Credit Union deals only with stable and secure products and services. This philosophy has served us well for more than 80 years, and will continue to guide us for many more years to come. All funds deposited with California Credit Union are federally insured by the NCUA up to \$250,000. We also undergo regular financial reviews by an independent auditor.

Today, we still hold dear our partnership with California educators. We are also proud supporters of California Charter School Association.

Mission Statement

California Credit Union serves the educational community, providing our members with sound financial resources and convenient, personalized services.

School Cash Management Services

California Credit Union's cash management services help you expedite your deposits, manage your payments, and retrieve detailed information on your school accounts. You can even complete most transactions right from your desk, helping reduce the time you spend away from what's more important - running your school.

Remote Deposit Capture (RDC) Deposit checks without leaving the office. Simply scan your checks and transmit the images to your CCU school account via the Internet. With software that provides security and convenience, Remote Deposit Capture is a critical business tool for your business that can save you valuable time.

Balance Reporting Balance reporting provides you with complete cash and liabilities position reporting. You'll have a snapshot of your daily activity through every stage of the payment cycle so you never miss a beat.

Balance Alerts Stay up to date, even when you don't have the time to. Our balance alert service offers you and your employees proactive notification of key banking, balance, and transactional events through e-mail.

Sweeps Never be surprised by your balance. Set up automated sweeps on accounts to keep balances within your defined limits. When a limit is reached, the system automatically transfers money between specified accounts and sends an alert to notify you of the transfer.

Bill Payment If you know how easy personal online bill pay is, then you can imagine the convenience of the school business version. You can even attach relevant invoice information to payments to further automate the accounts payable process. Define payees and schedule single and/or recurring payments.

Automated Clearing House (ACH) ACH allows you to improve your payment processing efficiency and accuracy while reducing expenses to save you time and provide you with a secure way to transfer funds. You can make single or recurring ACH transfers.

Wire Transfer Wire transfer service is the most expedient method for transferring funds between your CCU business checking account and other bank accounts. Plus, you can initiate and monitor outgoing domestic and international wire payment activity.

Account Reconciliation Knowing your school's daily cash position is critical. However, determining balances, detecting errors, and sorting and retrieving checks can make manually reconciling your accounts a time consuming process. CCU's account reconciliation service expedites the process through an automated delivery system, so you can get back to work with the knowledge you need.

Positive Pay Dramatically decreases your susceptibility to check fraud. Positive Pay is a service that matches the account number, check number and dollar amount of each check presented for payment against a list of checks you previously authorized and issued to increase your account safety and give you peace of mind.

School Business Checking Accounts

Our School Business Checking Accounts are designed for the way you want to manage your cash flow. Whether your needs are small or large, we offer an option to fit any size budget or institution.

All Business Checking accounts feature:

- Low minimum opening deposits
- Free Online Banking and Bill Pay
- Insured by the NCUA, backed by the full faith and credit of the U.S. government

Basic School Business Checking

This account has no minimum daily balance requirement and no monthly maintenance fee. At no extra cost, each month you'll be able to write 150 checks, make 20 deposits, and process coin and currency of \$3,000. Only \$200 minimum deposit to open.

Premium School Business Checking

This dividend-bearing account lets your organization enjoy greater returns with our highest-tiered yields. Plus, with a Minimum Average Daily Balance of \$2,500, your monthly maintenance fee of \$15 is waived. With this account, each month your school can write 300 checks and make 30 deposits, all at no extra cost. Only \$200 minimum deposit to open.

School Business Savings Accounts

Safely and securely invest your business funds for the future with our selection of savings solutions designed for businesses just like yours.

Business School Savings Accounts

A simple solution to deposit your savings into a high-yield account with all the flexibility you need.

Business School Money Market Accounts

The reward tiers of our Business Money Market Account let you earn even higher yields than you would with a traditional savings account. So the more you save, the more you earn.

School Business Lending

As someone involved in education, you know that good schools require serious investments of time and money. You've given your time, and California Credit Union has the school loans you need to help reach your goals. We're your financial partner, and we've created ways to make managing cash flow, purchasing books, computers or even a facility easier than ever-all with professional service, fast approvals, and excellent rates and fees.

Business School Rewards Visa (Approved for \$25,000 Line)

- No personal guarantee required
- Low interest rates
- Generous credit lines
- Easy purchases at Charter Buy and retail merchants

Plus, we'll give back 1% of all your annual purchases to the Charter School of your choice. So the more you use your CCU Business School Rewards Visa, the more it benefits the students of your Charter School.

Facilities Financing (Separate Loan Bid Process)

- up to \$10,000,000
- only 10% down payment
- Fixed Rate (7 year fixed)
- Rates as low as 4.50%
- Funding within 30 days
- Tenant improvement/build-out for long term leased facilities

Lines of Credit (Separate Application)

We know cash flow can sometimes be tight. But you can be sure that you'll always have the working capital you need to keep your school on track each month with a California Credit Union Line of Credit. Use it to for supplies, to fund special projects or to cover monthly expenses.

Term Loans

For major purchases or expenses, we offer financing options that deliver long-term capital at great fixed rates and flexible terms to help minimize the impact on your monthly budget. This is a perfect choice for financing investments in technology and other major initiatives. You can even refinance higher interest loans from other financial institutions to lower your rate and monthly payments.

Overdraft Protection

We know that in a school environment, budgets can be tight and days can be hectic - and sometimes that means you can't stop to transfer funds from account to account. But with California Credit Union's Overdraft Protection service, you'll never have to worry about overdraft surprises because our Overdraft Protection line of credit has you covered.

Application Is Easy

California Credit Union's variety of school business loans makes financing your school's endeavors fast, convenient and affordable. To apply for any of our financing options, simply complete the appropriate application and collect the required information listed on each form. Then contact a Small Business Sales Representative at (866) 438-1899 to schedule an appointment. Your loan application will be processed quickly and you will receive an answer within days.

Products and Services Designed for Educators

Free Checking Your Way

- Instantly issued debit card
- Mobile Banking with mobile deposit
- No monthly service fee
- No minimum deposit required
- Free access to nearly 30,000 ATMs

School Summer Savings

- Grow your money faster with 3.00% APY
- Make monthly payroll or direct deposits ranging from \$50 up to \$2,000
- Withdrawal available at any time
- Disbursed in July

.25% APR Mortgage Loan Discount

- Receive a rate discount of 0.25% APR
- Primary residential loan only
- Discount is for purchases only

School Rewards Visa Credit Card

- Enjoy rates as low as 8.5% APR
- Give 1% cash rebate to the California school of your choice on all purchases

0% APR Classroom Cash

- Designed especially for teachers
- Borrow up to \$1,500 at 0% APR

0% APR Gear Up Loan

- Designed especially for classified employees
- Borrow up to \$500 at 0% APR

Next Career Steps Loan

- Designed for teachers and administrators who are pursuing their next steps in the educational field
- Borrow up to \$10,000
- 5.9% Fixed Rate for up to 60 months

Relocation Loan

- Receive up to \$5,000 towards moving expenses
- 5.9% Fixed Rate for up to 36 months

Educator Skip-A-Pay

- Designed for educators who may not get paid during the summer months
- Can skip two loan payments per year (July and August OR August and September)
- Available on most loans

Banking Offices

Beaudry Branch (LAUSD Headquarters)

333 S. Beaudry Ave., Suite 215 (Beaudry & 3rd)
Los Angeles, CA 90017

Carson Branch

633 East University Dr. (University & Avalon)
Carson, CA 90746

Covina Branch

800 S. Barranca Ave. (Barranca & Workman)
Covina, CA 91723

Downey Branch (LACOE Campus)

9300 East Imperial Hwy. (Imperial & Ardis)
Downey, CA 90242

Glendale Branch

701 North Brand Blvd. Suite 100 (Brand & 134 Fwy.)
Glendale, CA 91203

Inglewood Branch

3550 W. Century Blvd. (Century & Yukon)
Inglewood, CA 90303

North Hills Branch

9026 Woodley Ave. (Woodley & Nordhoff)
North Hills, CA 91343

North Hollywood Branch

11331 Camarillo St. (Camarillo & Tujunga)
North Hollywood, CA 91602

Pasadena Branch

527 South Lake Ave. (Lake & California)
Pasadena, CA 91101

Rosenell Terrace Branch

420 North Rosenell Terrace (Temple & Alvarado)
Los Angeles, CA 90026

Torrance Branch

20016 Hawthorne Blvd. (Hawthorne & Del Amo)
Torrance, CA 90503

Valencia Branch

24343 Magic Mountain Parkway
(River Oaks Shopping Center, next to Target)
Santa Clarita, CA 91355

West Los Angeles Branch

2215 Westwood Blvd. (Westwood & Olympic)
Los Angeles, CA 90064

We are pleased to propose the following to Palisades Charter High School:

Business Deposits

Palisades Charter High School needs to maintain \$1,000,000 in deposits for all bank fees to be waived. PCHS shall pay all 3rd party vendor fees (merchant services, armored courier services, etc.)

Business School Credit Cards

Amount: \$25,000

Rate: 8.50% Variable (WSJ Prime + 5.00%)

Higher limit subject to receipt and satisfactory review of June 30th, 2016 FYE Financial Statements (unaudited)

Cash-Secured Operating Line of Credit

Line of Credit Amount = Palisades Charter HS Decision

Interest rate = 2.0% + 0.30% (Current Business Deposit Account Yield) = 2.30%

Please review the proposal and feel free to contact me with any questions and/or clarifications.

I look forward to building a strong and lasting relationship with you.

Regards,

Meline "Mel" Zograbyan
VP, Business Banking Officer
California Credit Union

STATEMENTS OF FINANCIAL CONDITION

For the Years ended December 31 (In Thousands)	2015	2014
ASSETS		
Cash and cash equivalents	\$56,037	\$50,932
Investments		
Securities available for sale, at fair value	242,314	312,408
Other	9,284	8,929
Loans held for sale	3,893	2,725
Loans receivable, net of allowance for loan losses	1,053,905	866,950
Accrued interest receivable	4,500	3,973
Property and equipment, net of accumulated depreciation	62,223	54,455
National Credit Union Share Insurance Fund deposit	10,642	9,682
Other assets	20,742	24,103
TOTAL ASSETS	\$1,463,540	\$1,334,157
LIABILITIES AND MEMBERS' EQUITY		
Members' shares	\$1,167,309	\$1,028,679
Borrowed Funds	150,000	170,000
Accrued expenses and other liabilities	28,317	20,528
Total Liabilities	1,345,626	1,219,207
Members' equity, substantially restricted:		
Regular reserve	16,459	16,459
Undivided earnings	137,551	128,493
Accumulated other comprehensive loss	(36,096)	(30,002)
Total members' equity	117,914	114,950
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$1,463,540	\$1,334,157

2015 data unaudited, as presented

The Advantages of Working with California Credit Union

- Access to bank management and the most senior-level bank officers
- Fast, responsive local decision-making and underwriting
- Integrated financial solutions that leverage the power of CCU's total product mix
- Substantial capital that supports clients' growing credit needs