

City of Los Angeles Deferred Compensation Plan FDIC Insured Deposit Account

Date: May 21st, 2019

EWB Presenters:

Paul Branks, SVP Regional Manager

Sherrie Carr, VP Branch Manager

George Hernandez, AVP CRA Program Manager



Agenda

- 1. East West Bank Summary**
- 2. Strategy Background, Portfolio Characteristics & Performance Review**
- 3. Economic/Market Review**
- 4. Corporate Review**
- 5. Summary**



**City of Los Angeles
Deferred Compensation Plan
FDIC Deposit Saving Account**

East West Bank Summary

Firm Name	East West Bank				
As of date	April 4, 2019				
Fund Name	FDIC Insured Bank Deposit Account				
Ticker Symbol	N/A				
Investment Vehicle Type	FDIC Insured Bank Deposit Account				
Fund Manager	Paul Branks, SVP Regional Manager				
Manager Tenure with Firm	9 years				
Manager Tenure with Fund	14 years				
Total Firm Assets Under Management	\$35 Billion				
Total Firm Assets in Strategy	\$35 Billion				
Total Assets Managed for City of LA DCP	\$191 Million				
In DCP Fund	\$191 Million				
In Profile Funds	Not Applicable				
Fees: Expense Ratio for LA DCP Holdings	0.0% Gross/0.0% Net				
Revenue Share	Not Applicable				
Returns (net of fees)	10 Year**	5 Year**	3 Year**	1 Year**	2019 Q2**
Fund Return*	0.73%	1.14%	1.68%	2.53%	2.59%
Benchmark: 3 Month LIBOR minus 3 bps					



*Rates reflected are for the Index (3M LIBOR – 3bps) on a Quarterly basis. Actual Rates for the City of Los Angeles vary slightly as Rates are set 2 Days before the end of the Quarter.
 **Average calculated Rate on annualized basis.



Strategy Background, Portfolio Characteristics & Performance Review

Strategy Background

Strategy is to provide bank Money Market returns while minimizing risk.

- ✓ Since opening with East West Bank the rate paid to the City Participants has increased from 0.21% to 2.59% - an increase of 2.38% in 4 1/2 years. Participants fully benefit from increases in rates. The rate paid is contractual and is objectively determined.
- ✓ Rate Reset: Rate is reset quarterly and credited monthly.
- ✓ Fees : No expenses to Participants or to the City Deferred Compensation Plan.
- ✓ FDIC Insurance: East West Bank's Deferred Compensation Plan Account is FDIC insured for the Participants up to \$250,000.
- ✓ Collateral: Amounts over \$250,000, per beneficial owner, are fully collateralized. Collateral amount determined, monthly, by the Plan's third party Record Keeper.
- ✓ Acceptable Collateral:
As permitted by law, but specifically to include Standby Letters of Credit issued by the Federal Home Loan Bank of San Francisco (Code section 53651(p)).
- ✓ Fraud Deterrent:
The account is restricted to sending and receiving funds to and from the Trustee only. No other Debits and Credits are allowed. No checks or ACH transactions are allowed.
- ✓ All Transactions are reviewed and handled daily by the dedicated East West Bank Downtown Team which has had zero turnover for 8 years.

Performance Review

Review of current portfolio composition and positioning including, though not limited to:

- Sector weightings compared to benchmark

This is a Bank FDIC Insured Deposit Account. See next page for historic yields.

- Top ten holdings of fund and percentages

100% EWBC Deposits. This is a Bank Deposit Account.

- Key portfolio ratios

Not applicable. This is FDIC Insured Deposit Account. Safety is utmost priority.

Rationale for positioning as it relates to investment philosophy and/or market outlook

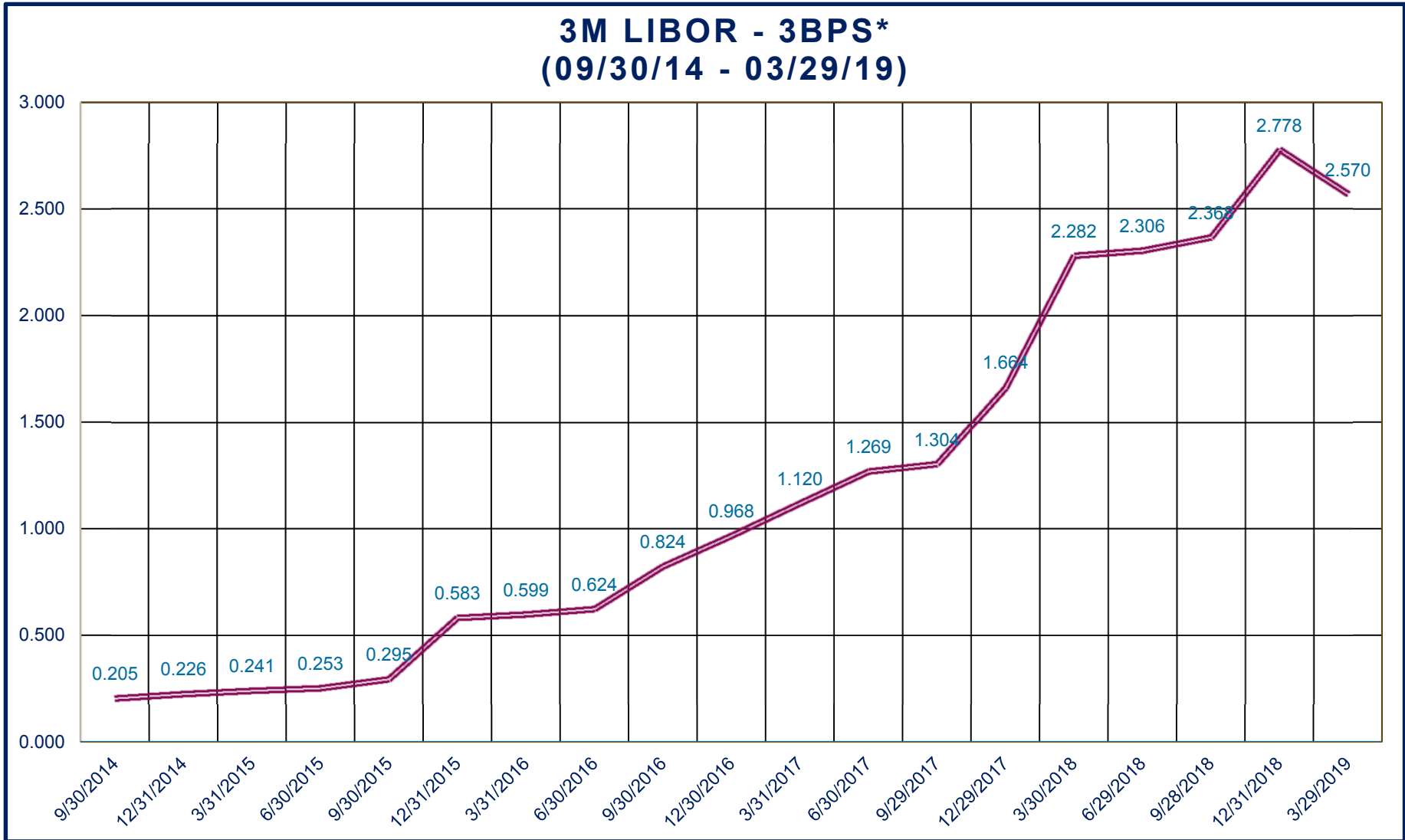
- Safety and Liquidity are the primary concerns.

All Deposits up to \$250,000, per beneficial owner are fully FDIC Insured.

All amounts over \$250,000, per beneficial owner, are fully collateralized.

No limits on transfers in or out of this account are imposed by East West Bank.

City of Los Angeles Quarterly Index



* Rates vary slightly due to City of Los Angeles Rate is determined as 2 Days prior to Quarter end.

Portfolio Characteristics

Review of Fund Performance Index (net of fees)

➤ Performance

- Rates of return are as reflected below.

Returns (net of fees)	10 Year**	5 Year**	3 Year**	1 Year**	2019 Q2**
Fund Return*	0.73%	1.14%	1.68%	2.53%	2.59%
Benchmark:	3 Month LIBOR minus 3 bps				

*Rates reflected are for the Index (3M LIBOR – 3bps) on a Quarterly basis. Actual Rates for the City of Los Angeles vary slightly as Rates are set 2 Days before the end of the Quarter.

**This is Average calculated quarterly Rate on annualized basis.



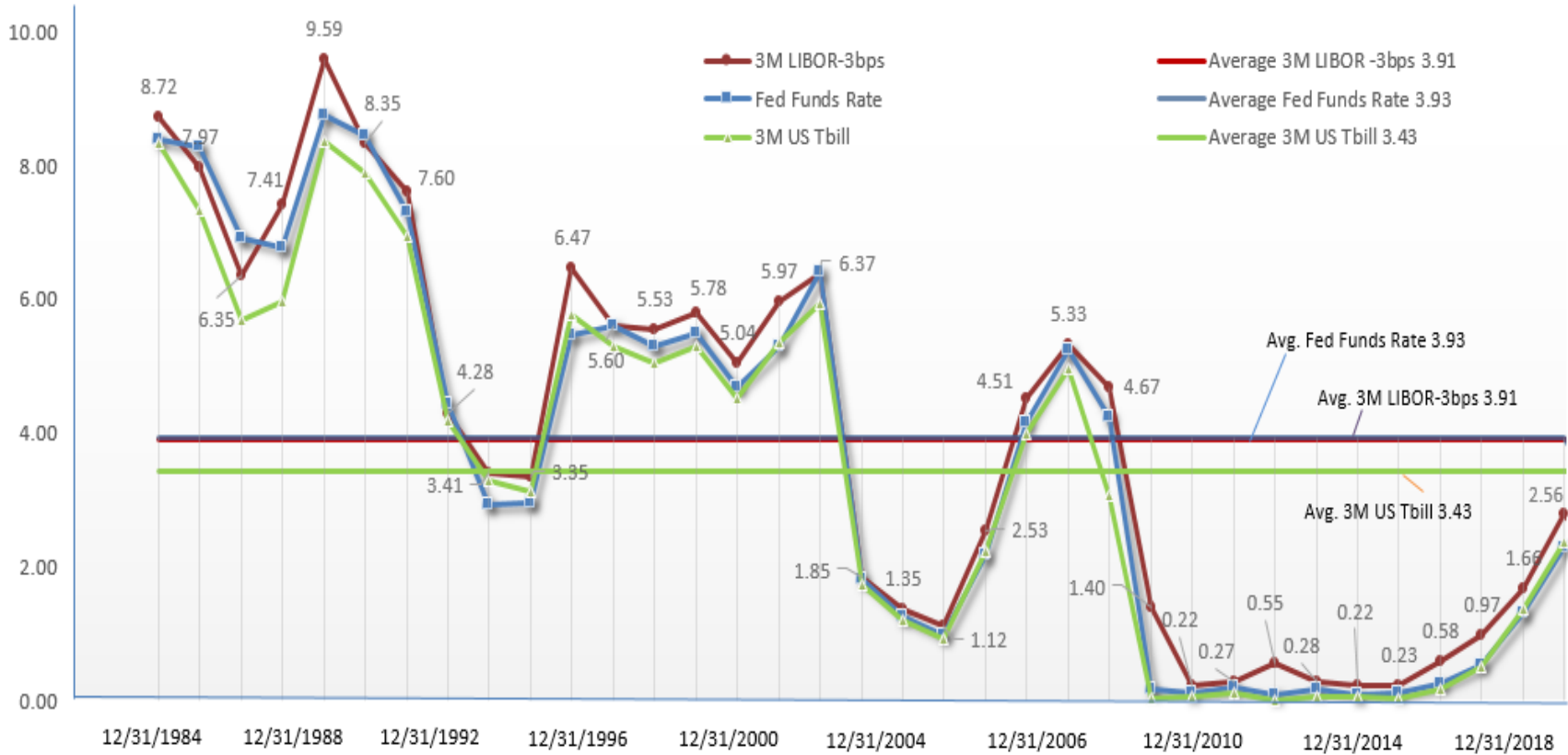
Economic/Market Review

Economic/Market Review

- Review of macro trends in the economy and markets which may impact fund performance and expectations
 - Interest rates are affected by many different Economic and Political Factors.
 - Revision to the mean is a powerful force. Please see attached Interest Rate Trends from 1984 through 2019 Q1. Current rates remain 1.4% below long term averages. Over the long term an increase in rates is likely.
 - Factors tending to push rates higher include
 - Structural Deficits
 - Economic Growth
 - Inflation
 - Factors tending to push rates lower include:
 - The inevitability of a Recession at some point in the future either in the US or Internationally
 - Government Intervention in the Money Markets
 - The current persistently Low Inflation

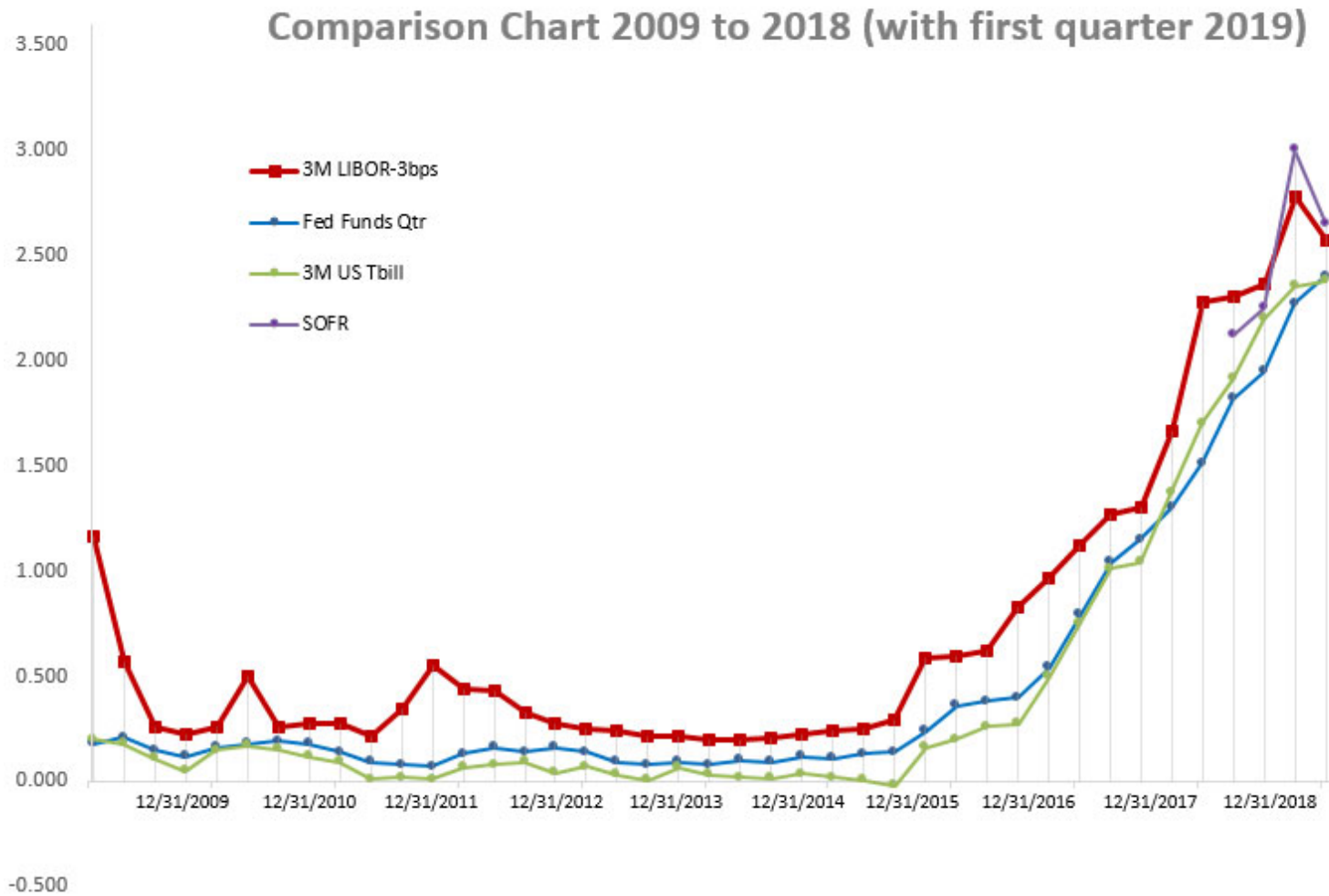
3M LIBOR – 3bps*, Fed Funds Effective Rate and 3M US T-Bill History

3M LIBOR-3bps, Fed Funds Rate & 3M US Tbill 1984 to 2018 (with first quarter 2019)



* Rates vary slightly due to City of Los Angeles Rate is determined as 2 Days prior to Quarter end.

Comparison chart of indexes from 2009 to 2018





Corporate Review

Corporate Review

WHAT SETS US ABOVE THE REST

- **Rich History** – Founded in the Los Angeles in 1973. Serving the community for over 46 years
 - East West Bank was founded in Downtown Los Angeles.
 - East West Bank is publically traded on the NASDAQ Exchange: EWBC
 - East West Bank was originally founded to service the Immigrant Community and today continues that Mission, by serving small and mid-sized local businesses, municipalities and non-profits.
- **Strong Financial Performance** - Consistent record earnings
- **Giving Back to the Community** – We are actively involved in the Communities we serve.
- **City of Los Angeles is Unique** - Understanding your needs
- **Dedicated Relationship Team** - Experienced Bankers
 - Paul Branks, over 30 years of banking experience*
 - Sherrie Carr, over 25 years of banking experience*
 - Ricardo Carranza, over 19 years of banking experience*
 - Gloria Beristain, over 11 years of banking experience*

East West Today

East West Bank is the largest independent bank headquartered in Southern California

With \$41 billion in total assets, 46 years of operating history, and 3,200 associates, East West Bank is the leading bank serving the Communities in the areas it is located.

UNITED STATES

120+ Locations

Across 60+ cities in 10 metropolitan areas

81 U.S. branches in California

2010-2019 TOP 15

Forbes 2019
BEST BANKS
IN AMERICA

10 Locations

*5 Full-service branches
5 Representative offices*



Strong Ratings/Ranking

S&P Global Ratings*:

East West Bancorp – BBB+ (Outlook: Stable)

FITCH Ratings*:

East West Bank – BBB (investment grade, Outlook: Stable)

IDC Ratings*:

East West Bank – 300 (superior)

Forbes has ranked East West Bank among the top 15 of “**America’s 100 Best Banks**” since 2010.

*S&P Global Ratings are as of 06/1/2018.
FITCH Ratings are as of 12/15/2017.
IDC Ratings are as of Q2, 2018.

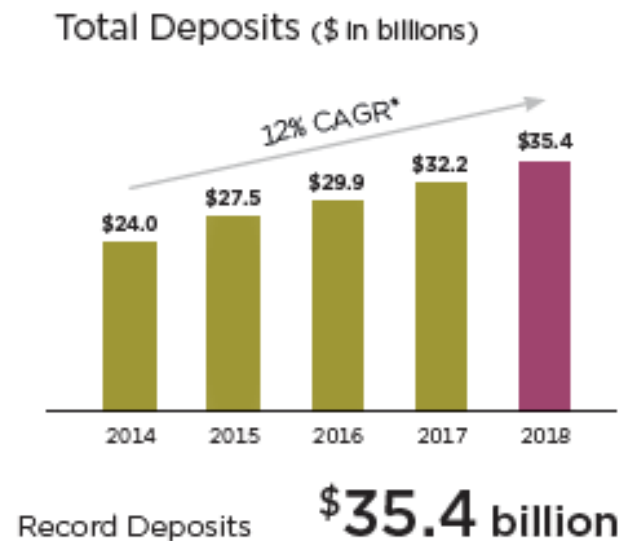
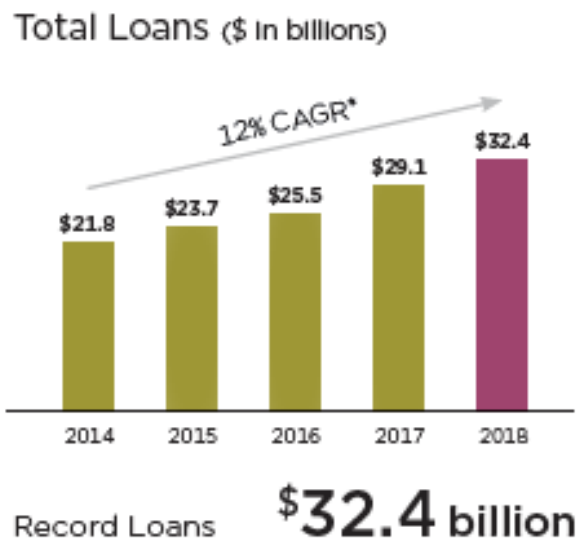
Bank Ranking by Total Assets and Market Cap

Rank	Total Assets (as of 12.31.18)	Ticker	\$ Billion	Mcap / Assets	Rank	Market Cap (as of 2.28.19)	Ticker	\$ Billion	Mcap / Assets
1	JPMorgan Chase & Co.	JPM	2,622.5	13%	1	JPMorgan Chase & Co.	JPM	341.8	13%
2	Bank of America Corporation	BAC	2,354.5	12%	2	Bank of America Corporation	BAC	280.9	12%
3	Citigroup Inc.	C	1,917.4	8%	3	Wells Fargo & Company	WFC	228.6	12%
4	Wells Fargo & Company	WFC	1,895.9	12%	4	Citigroup Inc.	C	150.5	8%
5	U.S. Bancorp	USB	467.4	18%	5	U.S. Bancorp	USB	82.7	18%
6	PNC Financial Services Group	PNC	382.3	15%	6	PNC Financial Services Group	PNC	57.6	15%
7	Capital One	COF	372.5	10%	7	Capital One	COF	39.1	10%
8	BB&T Corporation*	BBT	225.7	17%	8	BB&T Corporation*	BBT	38.9	17%
9	SunTrust Banks, Inc.*	STI	215.5	13%	9	SunTrust Banks, Inc.*	STI	28.8	13%
10	Citizens Financial Group, Inc.	CFG	160.5	11%	10	M&T Bank Corporation	MTB	24.0	20%
11	Fifth Third Bancorp	FITB	146.1	12%	11	Fifth Third Bancorp	FITB	17.8	12%
12	KeyCorp	KEY	139.6	13%	12	KeyCorp	KEY	17.8	13%
13	Regions Financial Corporation	RF	125.7	13%	13	First Republic Bank	FRC	17.3	17%
14	M&T Bank Corporation	MTB	120.1	20%	14	Citizens Financial Group, Inc.	CFG	17.0	11%
15	Huntington Bancshares	HBAN	108.8	14%	15	Regions Financial Corporation	RF	16.7	13%
16	First Republic Bank	FRC	99.2	17%	16	Huntington Bancshares	HBAN	15.1	14%
17	Comerica Incorporated	CMA	70.8	20%	17	Comerica Incorporated	CMA	13.9	20%
18	Zions Bancorporation	ZION	68.7	14%	18	SVB Financial Group	SIVB	13.0	23%
19	SVB Financial Group	SIVB	56.9	23%	19	Zions Bancorporation	ZION	9.5	14%
20	New York Community Bancorp	NYCB	51.9	11%	20	East West Bancorp, Inc.	EWBC	7.9	19%
21	CIT Group Inc.	CIT	48.5	11%	21	Signature Bank	SBNY	7.5	16%
22	People's United Financial, Inc.	PBCT	47.9	14%	22	Commerce Bancshares, Inc.	CBSH	7.0	27%
23	Signature Bank	SBNY	47.4	16%	23	People's United Financial, Inc.	PBCT	6.6	14%
24	East West Bancorp, Inc.	EWBC	41.0	19%	24	Synovus Financial Corp.	SNV	6.6	20%
25	First Horizon Nat'l Corp.	FHN	40.8	12%	25	Cullen/Frost Bankers, Inc.	CFR	6.5	20%

*BBT & STI announced a merger of equals on February 7, 2019. Source: S&P Global Market Intelligence (SNL Financial). Data based on commercial banks.

Strong Financial Performance

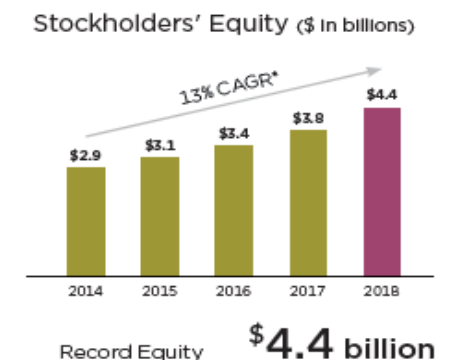
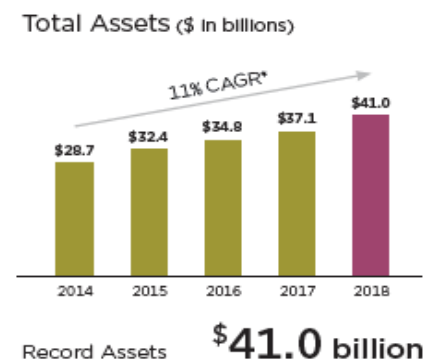
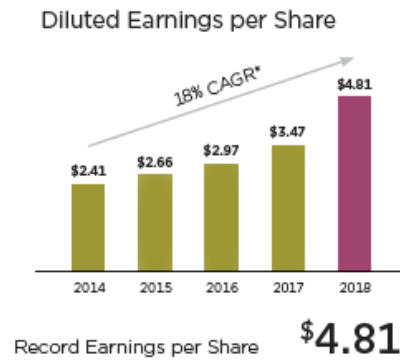
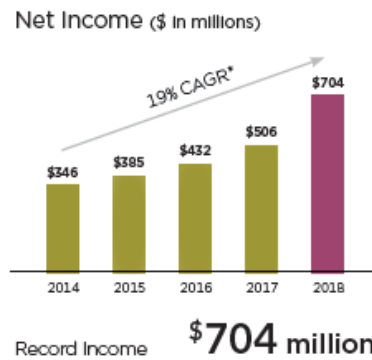
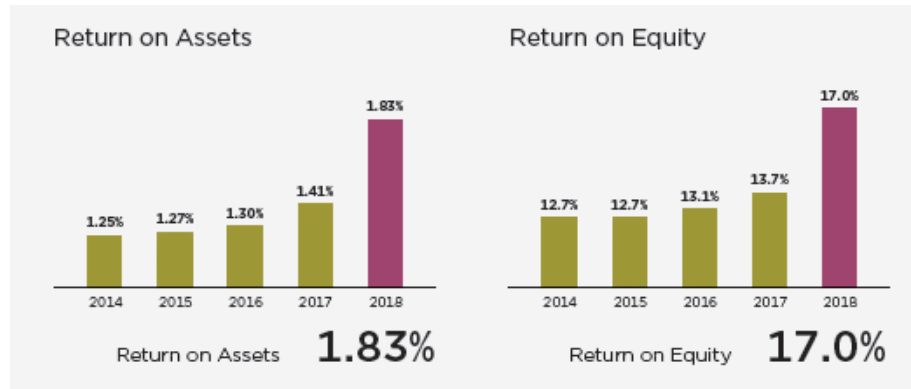
2018 East West Bank Financial Highlights



* CAGR = 5-year compound annual growth rate, December 31, 2013 to December 31, 2018.

Strong Financial Performance

2018 East West Bank Financial Highlights



* CAGR = 5-year compound annual growth rate, December 31, 2013 to December 31, 2018.

Corporate Review

Review of staffing resources dedicated to investment management operations globally and within any and all sub-classes including specific fund type offered by the City (include biographical information for the latter)

Paul Branks, SVP Regional Manager

Raised in Southern California, Paul has 33 years of California banking experience, and 17 years of experience in handling Deferred Compensation clients. He has a Bachelor's Degree from the University of California San Diego and an MBA from the University of Southern California.

He has been the Manager of the East West Bank Downtown Branch since 2009.

He is a Board member of the Los Angeles Community College Foundation and the Chair of the Finance Counsel for St. Dennis Catholic Church

Sherrie Carr, VP Branch Manager

Sherrie was born in South Korea into the family of a former Agriculture Banker who dreamt of coming to America and made that a reality. She started her banking career right out of High School with Security Pacific Bank in Glendale, CA and went through all Retail Banking positions and became the Commercial Banking Center Manager. She has been working for East West Bank, Los Angeles, Downtown office for over 16 years.

She was raised in Los Angeles, CA and graduated Fairfax High School, Cal Poly Pomona (Undergraduate) and Pacific States University (Graduate), Los Angeles.

Sherrie serves voluntarily in Nonprofit organizations: Executive Women International, Los Angeles Chapter for 5+ years as President (2015-2016) and Board Member, and Living Flame Church in the Finance Committee for 8+ years. Believes in giving back to the Community that has shaped and molded her to who she is today.



Summary

City of Los Angeles Summary

East West Bank Key points for City of Los Angeles...

- We are a local home grown Bank.
- Service: Dedicated team who knows your business.
- Accounts: No banking or transaction fees for The City of Los Angeles Deferred Compensation Plan Account.
- Competitive Rate
- Safety: Each Individual Account is FDIC Insured up to \$250,000. Amounts over \$250,000 are Fully Collateralized by East West Bank.

Why We Make a Great Team

We're all in this together

Given that East West Bank was founded in Los Angeles, no one cares about this city more than we do!

We know that whatever happens in this city, positive or negative, will directly impact us. So let's join forces to make a positive impact together!

Not only do we want to help you make this city a better place, we want to be a part of it!

Services

Dedicated Relationship Team in Downtown LA

- Experienced Bankers
- Hands on Management and Oversight
- One Stop Shop

Fraud Prevention

- Trusteer – protects the online system against financial malware & phishing attacks.
- Multi-layer security – dual control for the online system.
- Dedicated Experienced Bankers – We have 4 Bankers when combined, have over 80 years of Banking experience. They have been with the City of Los Angeles since inception with zero turnover.

Giving Back to the Community...

THE LIST

CORPORATE PHILANTHROPISTS

Ranked by cash donations to L.A. County charities in 2015

► NEXT WEEK

The Largest Auto Dealerships in L.A. County

THE PACESETTER: Wells Fargo is the largest corporate philanthropist in Los Angeles County. The San Francisco-based bank made \$19.6 million in donations to local charities last year. Overall, the company made \$281 million in cash donations in 2015. Company employees contributed an additional \$8.2 million.

Rank	Company • name • address • website	2015 Cash Donations • L.A. County • total (in millions)	Focus of Giving	Description of Operations	Top Philanthropy Officer • name • title	Top Local Executive • name • title • phone
1	Wells Fargo 333 S. Grand Ave., Suite 1100 Los Angeles 90071 wellsfargo.com	\$19.6 \$281.3	arts and culture, civic and community development, education, affordable housing, human services	diversified financial services	Jonathan Weedman Sr. V.P., Head of the Wells Fargo Foundation for Greater Los Angeles	David DiCristofaro Lead Region President (800) 869-3557
2	Walt Disney Co. 500 S. Buena Vista St. Burbank 91521	15.5 NA	community, conservation, creativity and healthy living	entertainment	Kevin Callahan V.P., Corporate Citizenship, Community Engagement &	Robert Iger Chairman, CEO (818) 560-1000

9	East West Bank 135 N. Los Robles Ave., Seventh Floor, Pasadena 91101 eastwestbank.com	5.4 6.1	affordable housing, financial empowerment, education, economic development, financial literacy	financial institution, banking	Dominic Ng Chairman, CEO	Dominic Ng Chairman, CEO (626) 768-6000
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COLLEGE: Edison International has awarded \$6.5 million in scholarships to 550 students since 2006 through its annual Edison Scholars program, which provides \$40,000 scholarships to high school students from minority and low-income communities to pursue science, technology, engineering, or mathematics degrees in college.

6	edison.com Panda Restaurant Group 1683 Walnut Grove Ave. Rosemead 91770 pandarg.com	6.7 16.1	engagement health and education for underserved children, humanitarian needs	owner and operator of restaurant chains Panda Express, Panda Inn and Hibachi-San	Peggy Cherng Co-Chairwoman, Co-CEO	Peggy Cherng/Andrew Cherng Co-Chairwoman/Co-Chairman (626) 799-9898
7	Bank of America Corp. 333 S. Hope St., Suite 2340 Los Angeles 90071 bankofamerica.com	6.4 168.5	community development, education/workforce development, human services, arts and culture	consumer and commercial banking, wealth management, investment banking	Garrett Gin Sr. V.P., Enterprise Business & Community Engagement	Raul A. Anaya Greater Los Angeles Market President (213) 621-3600
8	Target Corp. 1000 Nicollet Mall Minneapolis 55403 target.com	5.7 NA	education, community safety	retailer	NA	Carmen Moch Group Vice President (612) 304-6073
9	East West Bank 135 N. Los Robles Ave., Seventh Floor, Pasadena 91101 eastwestbank.com	5.4 6.1	affordable housing, financial empowerment, education, economic development, financial literacy	financial institution, banking	Dominic Ng Chairman, CEO	Dominic Ng Chairman, CEO (626) 768-6000
10	Capital Group Cos. 333 S. Hope St. Los Angeles 90071 thecapitalgroup.com	5.0 19.5	matching gifts and grants to the organizations supported by company employees	financial services	Alyson Sattler Sr. Manager	Philip de Toledo President (213) 486-9200
11	U.S. Bank 633 W. Fifth St. Los Angeles 90071	3.8 53.0	employment, community, culture, and recreation	commercial bank	Jill McCullough West Region Community Relations Manager	Rudy Medina Southern California Market President (626) 673-2600

We care about our Community...



1 out of 3

East West Bank branches are located in low-to-moderate income areas



\$866 million

financing for affordable housing and homes in low-to-moderate income areas in 2018



\$569 million

small business lending in 2018



\$38.4 million

corporate giving contributions since 2010



\$7.2 million

raised by East West Bank and its associates for our annual United Way campaign since 2010



32,600

volunteered hours dedicated to CRA community development services since 2010

Promoting and supporting our communities through:

- Affordable housing
- Small business loans
- Contributions
- Donations
- Volunteer hours
- Financial education
- SBA seminars

Recognized by SCMSDC as a Certified Minority Bank

THIS CERTIFIES THAT

EAST WEST BANK



* Nationally certified by the: **SOUTHERN CALIFORNIA MINORITY SUPPLIER DEVELOPMENT COUNCIL**

* NAICS Code(s): 522110

* Description of their product/services as defined by the North American Industry Classification System (NAICS)

10/01/2018

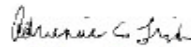
Issued Date

10/01/2019

Expiration Date

SC04022

Certificate Number


Adrienne Trimble



Virginia Gomez, President

By using your password (NMSDC issued only), authorized users may log into NMSDC Central to view the entire profile: <http://nmsdc.org>

Certify, Develop, Connect, Advocate.

* MBEs certified by an Affiliate of the National Minority Supplier Development Council, Inc.®

A Few Community Partners...



East West Bank Contact Information

Our Team contacts:

Paul Branks, SVP Regional Manager

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Email: Paul.branks@eastwestbank.com

Sherrie Carr, VP Branch Manager

Office: 213.688.8617 Mobile: 213.256.5729

Email: Sherrie.carr@eastwestbank.com

Ricardo Carranza, AVP Assistant Branch Manager

Office: 213.688.8603 Email: Ricardo.Carranza@eastwestbank.com

Gloria Beristain, Customer Service Lead

Office: 213.688.8607 Email: Gloria.Beristain@eastwestbank.com



*Thank you for the opportunity
to earn your business.*