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I have enjoyed my banking and finance career since 1971 and unlike my peers, retirement is not in my plans. I am enthusiastic as ever and I bring successful career knowledge. Based upon what I read, I still work harder and longer than the younger generation. In 1971 our bank staff technology was limited to a 10-key adding machine. This made banking operations cumbersome and inefficient. I almost left banking before I realized that new technology was the challenge and the future of banking.

The inefficiency I saw drove me to focus on cost control and increasing bank productivity. In about 1990 I realized that banking was built around people and offices and the cost of both was high and rapidly increasing. At the same time technology costs were constantly going lower. I needed to focus on increasing technology and removing people and real estate from banking. I pioneered Internet Banking in 1994 as President of La Jolla Bank.

Developing and training staff when materially changing an industry is difficult. The staff has always been very receptive to my management style, even in a failing bank. Self-motivation, ethics and an open-door policy are fundamental to my modified Servant leadership management style.

In 2023, I am taking a big calculated risk and pivoting back to my bad economy, bank, and loan workout skills. Including Bank Consulting, Trustee and Receivership work. This will include whole bank purchase due diligence, complex real estate loan pool due diligence and change management both technology and otherwise.

In the early 80s when I was at the 6th largest Savings Bank in America I saw that the banking staff couldn't communicate well with the technical staff and vice versa. The president needed a leader for a new Asset / Liability and IRR forecast project and no existing staff wanted to lead the project. I volunteered to lead the design and build of the first A/L system at one of the largest banks in the country. All bank departments had input and the data center gave me top priority. This is when I learned that anything I can detail and describe can be built. The project was very successful and accurate in the first-year forecast before I moved on. This also was my introduction to IBM PCs.

Planned Projects After Recession

I document digital finance and real estate values at www.DFIN.com as I have since 1996. DFIN has already spun off DigitU financial education site and Bank of Internet. One day I will pivot back to further banking design and technology to the next generation. DFIN is the R&D source for a new "Financial System" (ecosystem) that is being designed to be the first Challenger Financial System. I am an approvable bank CEO but after 40+ years in banking, the NEW DFIN solution requires that my team and I work without a bank charter. The focus includes digital currency, the Metaverse and non-fungible digital assets (Defi and Web 3), banking, and payments for the future.

A web3 Metaverse blockchain payment network will be sponsored and partially owned by merchants. Banks will be secondary and merchants will save millions in card fees and some will also earn millions in transaction fees. Consumers will always be free and will benefit from ample merchant loyalty rewards that will prove better than bank card rewards. The DFIN mobile solution includes teaching retailers how



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to open an account, (like Starbucks does today) hold customers' money safely, and teaching consumers to spend money using the retailer's apps like a mobile bank checking account.

Consulting for Banks and Prior Recessions

I have always been successful in forecasting, planning for, and benefiting from a bad economy. I am one of a few people that is qualified and has extensive experience in helping a failing bank. I have been recruited or sought out to be the CEO and or director of four failing or failed banks. The banks I led had minimal loan problems and never had a monthly loss except during the start-up phase. Learning from other bankers' mistakes was a very valuable learning experience. Unfortunately, I arrived too late to stop the problems at 3 of the 4 banks before they were irreversible. I only recapitalized one bank.

- One Bank Was Liquidated, - I was a director.
- Two Banks Were Sold to Other Banks – I was the CEO of both.
- One bank was salvageable and was recapitalized by my team and saved. In an unusual twist, we had no government assistance. – I led Due Diligence, completed the application, and applied for the new charter. I then led the new bank opening.

My objective with a failing business or bank is to motivate and stabilize the staff, liquidate the problems, and make the business or bank attractive to an investor or buyer.

Recessions Specifics

- **Late 70s – Early 80s – Stagflation and a 21% Prime** - I was CFO at Marina Federal Savings and I started building liquidity in ~1975 and hedging with a very large portfolio of put and call options on GNMA MBS. In the mid-70s, stopped making 30-year fixed-rate loans. We replaced it with 30 year MBS that were government-guaranteed and liquid. In 1977 CRA became law, and regulators said we had to make 30-year fixed-rate loans. We protested to regulators in DC and no action was taken.
- **Late 80s – Early 90s Primarily Over Building and Income property problems** - As CEO at La Jolla Bank – Began nationwide apartment lending – went into Arizona after real estate collapse and all local thrifts failed. We monopolized Arizona and Texas income property loan markets. Loan pool packages were our main business.
- **Great Recession – 2007 through 2009.** I was Founder, CEO and Director of Bank of Internet. The problems faced included real estate speculation, excess leverage, and Creative MBS. Then in 2005 I had an innovative auction IPO with WR Hambrecht. In late 2005, then 2006 and 2007 we tightened our underwriting and Wall Street had little reasonable alternatives to offer. My positioning was not appreciated by the board, but I was proved correct. When the market fell apart, we had more deeply discounted and very profitable loan offerings than I ever saw in prior recessions.
- **2023 – 2025+ - I expect this to be the worst economy of my life** – Why? Economy was shut down for Covid – excessive monetary growth – Fed Balance sheet is out of control – excessive government spending – Work from Home shift – Higher Interest Rate etc.