



## **AltaPacific Bancorp and Stellar Business Bank Sign Definitive Agreement to Merge**

Santa Rosa and Covina, Calif.--(BUSINESS WIRE) – September 14, 2011 -- AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, and Stellar Business Bank (OTCBB: SLRB) announced the signing of a definitive agreement to merge. Under the terms of the agreement AltaPacific Bancorp will acquire all outstanding shares of common stock of Stellar Business Bank in a stock-for-stock transaction and the operations of Stellar Business Bank will be combined into AltaPacific Bank. Completion of the merger is subject to regulatory and shareholder approvals.

The transaction, with an approximate total value of \$17.4 million, is expected to be completed in the fourth quarter of 2011. Under terms of the agreement, Stellar Business Bank shareholders will receive 0.8443 shares of AltaPacific Bancorp common stock for each share of Stellar Business Bank common stock. The combined company will have approximately \$190 million in assets, \$109 million in loans and \$127 million in deposits. AltaPacific Bank has branches in Santa Rosa and Rancho Cucamonga, Calif. and Stellar Business Bank operates one branch in Covina, Calif. AltaPacific Bank will not be closing the Stellar Business Bank branch.

“We are fortunate to find such a great partner to help us continue with the growth of our business,” reported Charles O. Hall, President and Chief Executive Officer of AltaPacific Bancorp. “Stellar has adopted a similar business strategy and they recognize the strength that will be created by putting our two banks together. We believe this merger will be the first of many in the growth and development of AltaPacific Bancorp.”

Timothy P. Walbridge, President and Chief Executive Officer of Stellar Business Bank stated, “We are pleased to be able to combine our resources with AltaPacific Bank. We quickly recognized their commitment to serving the needs of business professionals as well as their desire to grow the company through mergers and acquisitions.” Mr. Walbridge also reported, “We were also impressed with AltaPacific Bank’s knowledge and commitment to community banking in Southern California. The management team and Board of Directors possess a wide range of talent and we look forward to being part of the continued development of such a great company.”

Upon completion of the transaction, Stellar Business Bank’s Chairman of the Board, Rich Jett, and President and Chief Executive Officer, Timothy Walbridge, will both join the Board of Directors of AltaPacific Bancorp and AltaPacific Bank. Additionally, Timothy Walbridge will join the leadership team of AltaPacific Bank.

AltaPacific Bancorp is being advised in this merger transaction by the law firm of Bingham McCutchen, LLP and ParaCap Group, a subsidiary of Paragon Capital Group, LLC. Stellar Business Bank is being advised by King, Holmes, Paterno & Berliner, LLP and Western Financial Corporation.

AltaPacific Bancorp is the parent company for AltaPacific Bank. AltaPacific Bank is an independent business bank headquartered in Santa Rosa, Calif. and has offices in Santa Rosa and Rancho Cucamonga, Calif. The bank was originally organized in 2006. More information on AltaPacific Bank may be obtained by visiting [www.apbconnect.com](http://www.apbconnect.com).

Stellar Business Bank is headquartered in Covina, Calif. The bank was organized in 2007 and focuses on serving the needs of small to medium sized businesses. More information on Stellar Business Bank may be obtained by visiting [www.stellarbusinessbank.com](http://www.stellarbusinessbank.com).

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