



Five Generations ■ 110 Years ■ Strong ■ Conservative ■ Friendly



1907



2017

Five Generations

Strong ■ Conservative ■ Friendly



Friends:

In 2007, we were pleased to bring you the story of F&M bank as we celebrated our centennial year. It was the story of C.J. and Carrie Walker and their remarkable journey to Long Beach, California, where they lived out their dreams in what Carrie described as “a small beginning in a small town ... dreams of a happy married life ... dreams of prosperity, of usefulness ... dreams of a future in Long Beach.”

In the ensuing decades, this devout Christian couple worked together as both business partners and parents. Together, they set a precedent as they reared their children, served their customers and were instrumental in developing a seaside village into a shining city on the blue Pacific Ocean.

Both C.J. and Carrie lived to see their beloved son Gus shoulder F&M's leadership. And Carrie lived to see her grandson Kenneth pursue his career in the family business as well.

As we entered our second century, we were faced with our greatest challenge since the Great Depression. Led by our fourth generation, Daniel and Henry Walker, we stuck to our faith and our philosophy and not only survived those troubled times but also enjoyed unprecedented growth.

In the process, we have welcomed a fifth generation of family leadership into our ranks.

We are honored to bring our continuing saga to you in this book. It is a story of our dedication to our customers, our people and our principles. And, as always, our unwavering devotion to our faith.

**Five Generations • One Hundred and Ten Years
Strong • Conservative • Friendly**



Charles J. Walker
1907

First
Generation

PAGE (4)



Gustavus A. Walker
1937

Second
Generation

PAGE (38)



“Bring me men to match my mountains, Bring me men
And new eras in

The Gilded Age The New Century The Progressive Era WWI The Roaring Twenties The Great Depression



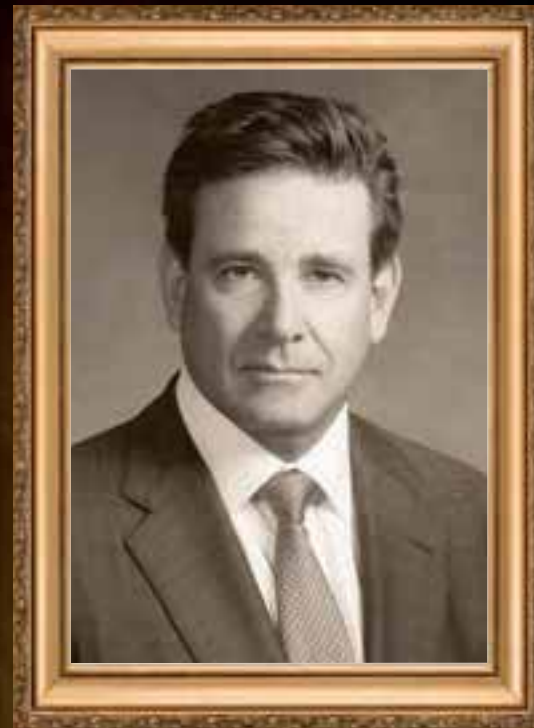
Kenneth G. Walker
1979

Third
Generation
PAGE (66)



Daniel K. Walker
2002

PAGE (96)



W. Henry Walker
2002

PAGE (98)



to match my plains, Men with empires in their purpose,
their brains.” – Sam Foss

ision WWII The Fifties The Sixties The Seventies The Eighties The Nineties Twenty-First Century

A large, sepia-toned portrait of C.J. Walker, a man with a mustache, wearing a suit and tie. In the background, there are silhouettes of horses running.

CJ Walker



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Pioneer Spirit

Charles Jabez “C.J.” Walker was born the youngest of five children to Mr. and Mrs. William Delmar Walker on November 8, 1869, in the tiny village of Newberg, Michigan. His mother died when he was in infancy. Soon thereafter, William moved the family to Almond, New York, where he supported his family as a skilled wood-carver and furniture maker.

When C.J. was eleven years old, William, like so many during the age of expansion, was drawn to the call of the West. Seeking a better future for his family, he migrated to California. He eventually settled in Springville, a small lumber town

in the foothills of the high Sierras in Tulare County, where he acquired five hundred acres of land and started the Walker Irrigation Company.

Over the course of the next decade, C.J. attended public schools, entered Alfred College (*where he completed part of a business course*) and grew from a barefooted farm boy to a strapping young man.

Work came early to young C.J., who held a variety of jobs, including a stint as a brakeman on the New York, Lake Erie and Western Railway.

At twenty years of age, he set out to reunite with his father.

After making his way to Kansas City by rail (*no doubt, using his employee's pass*), he took a job as an outrider on a wagon train bound for California.

In what was surely an unforgettable adventure, he spent the next four months on horseback, helping to guide lumbering Conestogas across vast, barren plains and over the snowcapped mountains that led to California.



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When C.J. finally arrived in Tulare County in 1889, he was greeted with the heartbreaking news that his father had passed away.

William had died intestate and left a tax lien on his land, leaving C.J. unable to acquire it. With no other options, he did what came naturally; he went to work. C.J. labored first as a lumberjack, then later as a clerk in an abstract office (*today's equivalent is a real estate title office*) and finally rose to the position of deputy county auditor of Tulare County.

In the early years of public education, it was common for small towns to provide lodging or “teacherages” as part of a teacher’s compensation. These

accommodations were often a room in the local boardinghouse or, if no boardinghouse was available, with a family.

Such was the case in Springville in the fall of 1893, where a family by the name of Ayers had taken in a young lady who was the town’s schoolteacher.

For Thanksgiving that year, Mrs. Ayers (*in her self-appointed role as town matchmaker*) invited C.J. to dinner with her family—a dinner that, not so coincidentally, included the young lady.

By the time the meal was finished, C.J. Walker had fallen in love. Her name was Carrie Della Zeigler. She had auburn hair, bright blue eyes and a wonderful laugh. To C.J., she was the most beautiful woman he’d ever seen.

Journey west



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Golden Moment

On Saturday morning, October 12, 1907, a crowd of anxious citizens gathered at the dusty corner of First Street and Pine Avenue in Long Beach, California, and waited for the First National Bank to open its doors.

Earlier in the month, the stock market in New York City had grown unstable. When word got out that First National's senior officers had surreptitiously divested their holdings, angry depositors staged a "run." Now, in the shadow of the bank's clock tower, they had come for their money.

A few blocks away at the Southern Pacific train depot, thirty-eight-year-old businessman C.J. Walker waited in the morning sun with the local chief of police. Together, the two men watched a gang of baggage men (*under the watchful protection of the chief, who was armed with a shotgun*) load \$500,000 in gold bullion and coins into the bed of a horse-drawn wagon. When the last box was accounted for, the two men climbed aboard.

Walker snapped the reins over his favorite mare, "Maude," and slowly drove through the dirt streets to the bank, where the heavy wooden boxes and gray canvas sacks were off-loaded and carried inside.

While the crowd grumbled impatiently, bank personnel stacked pyramids of shiny gold bars in the window and passed coins to tellers waiting behind their cages. When they finished, the doors were unlocked, and the crowd surged inside.

Standing above the clamor on a curved countertop with a stack of bullion at his feet, the sandy-haired, blue-eyed Walker waited for the lobby to fill before speaking. He confidently introduced himself as the bank's new

president and assured his customers that not only was their money safe, but if they desired, the bank would fully refund their deposits in gold. He went on to state that banking hours would be extended beyond the customary 12:00 p.m. closing time—and indeed, that the bank would be open all night if necessary—until every depositor was satisfied.

Among the throng, an elderly woman listened to Walker's words and waited. Finally, her turn came, and she stepped to the window, where Walker himself offered to serve her. Frightened and nervous, she asked to withdraw her entire savings and, with trembling hands, began to write a check for that purpose. Noting her difficulty, Walker offered to write the check for her and, stepping to a nearby desk, asked how much he should write it for. "Eight hundred dollars," she answered. "It's all the money I had in the world." Walker looked at the woman and smiled. "No," he quietly corrected, "it's all the money you *have*, for your money is still here." And with that, he gently escorted her to a teller, who counted out her savings in gold.

On a day marked by chaos and panic, C.J. Walker acted with professional courage and human kindness. And while no one knew it at the time, it was the first step on a century-long journey that would give the people of California the strongest bank in their history.



Humble Beginnings

The balance of history often tips on the unexpected. In this case, it was a labor dispute.

At the close of the school year in 1894, Carrie Zeigler bid farewell to her students in Tulare County and traveled south to Long Beach for a summer with her parents.

By this time, she and C.J. (*whom she called "Charlie"*) had enjoyed a wonderful courtship and were engaged.

Before she left, she filed an application for a new teaching position during the upcoming semester in Tulare.

But that spring, the American Railway Union, under the leadership of Eugene V. Debs, staged a strike over a dispute with the Pullman Palace Company in Chicago and all but shut down the nation's mail.

As the mild summer lazed on, Carrie heard no word from Tulare and decided to apply for a job locally. As she was a graduate of the California State Normal School of Los Angeles (*now UCLA*), Long Beach administrators found her sufficiently qualified and offered her a position teaching "primary school" (*first grade*) and music. Carrie accepted.

In mid-July, the bitter strike was

But one spring day, no such letter came. Disappointed, the two women turned their horse and buggy around and started up Pine Avenue for home. When they reached Third Street, they were greeted with the pleasant surprise of Charlie Walker walking across Pine Avenue, headed for the Zeigler home!

Apparently, C.J. had grown impatient and come south, looking for his bride. When reminded of his surprise arrival in later years, all he would say was, "I didn't come for the climate."

At noon on June 23, 1895, the quiet farm boy from New York

and the pretty schoolteacher from Kansas stood before Methodist pastor F.V. Fisher in the parlor of the Zeigler home and pledged their love.

After a carriage ride down the coast to the "Devil's Gate" (*a rocky outcropping replaced by Belmont Pier*), they returned to town and set up housekeeping.



settled, and postal service was restored. When her mail finally arrived, Carrie discovered, to her chagrin, that her application in Tulare had been accepted. But it was too late—she was committed to Long Beach, and in Long Beach she would stay.

Carrie settled in teaching at the Pine Avenue School the following fall. After class each day, she and her mother drove to the post office at the corner of First Street and Pine Avenue to collect their mail, which always included a letter from Charlie.

Charlie & Carrie Walker



*"Whichever part of our day we're in,
Let's make it bright;
Play our game from beginning to end,
With all our might.
Doing the part that's ours to do,
You helping me, and I helping you,
Seeing the entire game clear thru,
Before it's night."*

– Carrie Walker

They were young and in love, with their whole lives before them, and they were about to make history.



Family
Home at 4th and Cedar Avenue



Long Beach ...

Named by the wife of a local merchant and postmaster named Belle Lowe, who loved its long white beaches and cerulean skies, Long Beach, in the final years of the nineteenth century, was a lovely seaside resort of around 2,500 residents.

Plated in a grid ten blocks deep and twelve blocks wide—a configuration left over from a failed attempt at development by early pioneer William Willmore—Long Beach was one of the first planned communities in the West.

It was neat and tidy, with hitching posts and water troughs in every block. Its graded dirt streets were sprinkled with water each day to keep the dust down and lined with cement curbs and sidewalks. There were several beautiful parks and a wonderful single-deck pleasure pier at the foot of Pine Avenue.



C.J. Walker & Company Real Estate
Notary public, insurance, renting and loans

Long Beach was a church town. Its most prominent building was a large, low, rambling edifice called “the Tabernacle.” Located in a eucalyptus grove between Third and Fourth Streets, it was owned and operated by the Methodist Resort Association and, in the summer, was a venue for revival services and Chautauqua meetings.

In addition to the Tabernacle, churches representing nearly every denomination were a prominent part of the scene.

With the exception of a single saloon in an “out-of-the-way place not likely to tempt the youth or the average passerby,” Long Beach was “dry.”

A small beginning in a small town

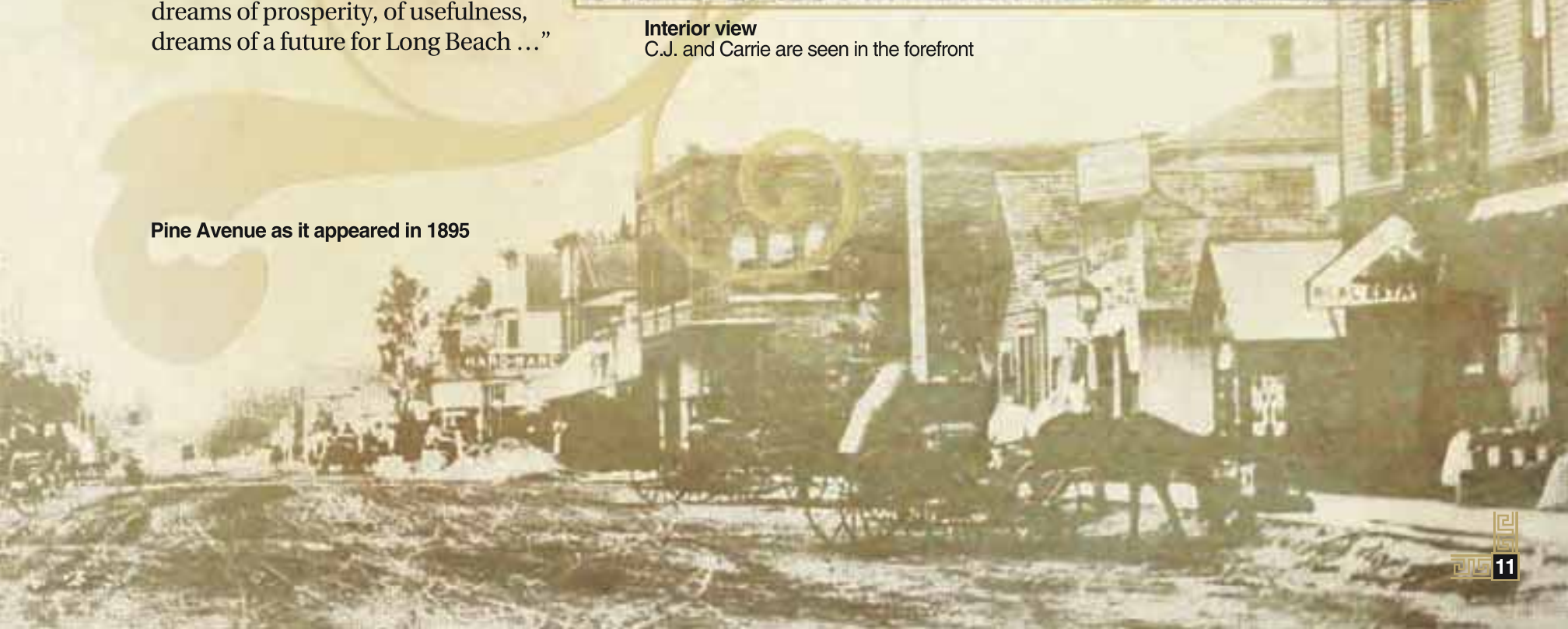
For a hardworking, devout couple like the Walkers, the little village by the sea was idyllic and offered boundless opportunity. With that in mind, C.J. rented office space at the corner of Pine Avenue and Second Street, purchased a rolltop desk and opened “C.J. Walker & Company Real Estate.” During the day, he and Carrie worked together, brokering real estate, arranging loans and selling insurance. In their off hours, they lived in a partitioned space in the rear of the office.

“It was,” wrote Carrie years later, “a small beginning in a small town, located on a large ocean, in a large state, and with large opportunities, and we had wonderful dreams of a happy married life, we two together, dreams of prosperity, of usefulness, dreams of a future for Long Beach ...”



Interior view
C.J. and Carrie are seen in the forefront

Pine Avenue as it appeared in 1895



From the very beginning, C.J. was deeply involved in the promotion and growth of his community. Quiet and unassuming, he was a natural leader and associated with men of like purpose. One such man was Stephen Townsend, who, like C.J., was involved in the real estate business.

Townsend possessed a savvy business acumen and was a committed Christian. Although he was twenty years older than C.J., the two had much in common and became not only trusted business associates but also close friends.



S. Townsend

In a small-town environment with ever-increasing needs, the two collaborated on a number of ventures, stepping forward to organize and help run dozens of companies and associations that ran the gamut from a mercantile operation called “the Cash Store” to a land improvement company to *(in an era with no refrigeration)* an ice company.

C.J. also served on the board of directors for the First Methodist Church and, in a portent of things to come, sat on the board of the town’s first official YMCA.



The Cash Store Co.
Display window

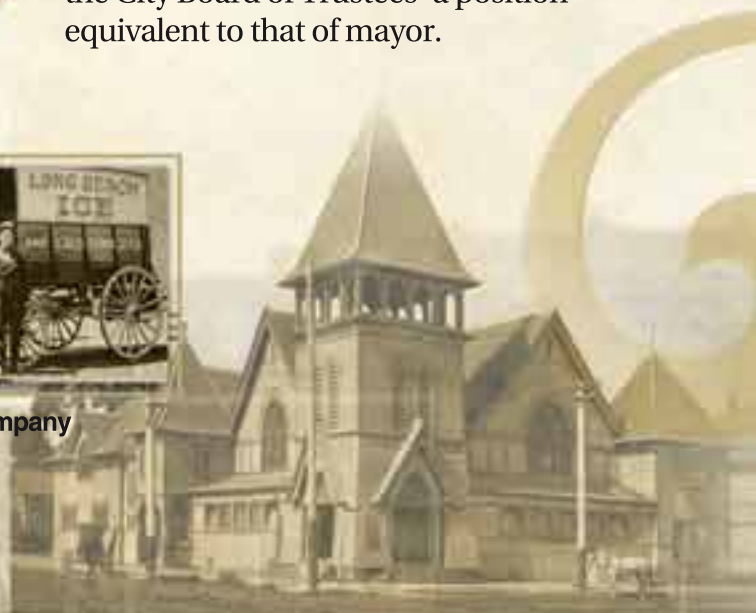
In 1900, his contributions and leadership were recognized by his peers, who elected him president of the City Board of Trustees—a position equivalent to that of mayor.



The Cash Store Co.
Dress Goods—Draperies—Millinery—Dry Goods—Cloaks and Suits—Notions—
Men’s Furnishings—Hardware—Furniture—Carpets and Rugs



Long Beach Ice Company



First Methodist Church



Long Beach City Officials



W. B. JULIAN,
City Clerk

A. C. LAWSON,
City Attorney

C. J. WALKER,
Mayor

E. L. HEARTWELL,
City Treasurer

J. C. BAKER,
City Marshal



A. S. CALDWELL,
Trustee



W. L. SAMPWELL,
Trustee



J. A. HART,
Trustee



T. A. STEPHENS,
Trustee

Long Beach boasts of an excellent commercial organization, which is administered by a body of men public spirited and advancing interests. The municipal officers of Long Beach are as follows: C. W. Walker, mayor;

W. L. Campbell, T. A. Stephens, A. S. Caldwell, and J. J. Hart, city trustees; C. J. Heartwell, city treasurer; A. C. Lawson, city attorney; W. B. Julian, city clerk; and J. C. Baker, city marshal.

The mayor's term of office is for four years and the terms of the trustees expire in odd years which insure a steady succession of policy in government. The municipal officers of Long Beach attend every possible meeting in order to see that they are ready to serve the people.

Long Beach has long been in order to encourage prospective residents of the city. Any communication addressed to the municipal officers of Long Beach will receive prompt and courteous attention.

People Come to Long Beach and Stay

Population Increases by Leaps and Bounds. From a Village to a Metropolis in a Few Years.

Two years before C.J. was elected into mayorship, a retired army colonel and millionaire named Charles Rivers Drake arrived in town. Armed with vision and money, Drake purchased a strip of prime beachfront and announced plans to invest \$100,000 in an opulent bathhouse on the strand.

Drake realized, as did C.J. and others, that attracting people to his bathhouse—and the city at large—would require a cheap and convenient mode of transportation.

Toward that end, Drake negotiated an easement and cut a deal with Henry Huntington (*owner of the Pacific Electric Railway*) to run an electric streetcar line from downtown Los Angeles to the back door of his bathhouse at Ocean Park Boulevard (*now Ocean Boulevard*) and Pacific Avenue.

On the bright summer morning of July 4, 1902, Long Beachers awoke to the clang of the trolley bells on the “Red Cars” and the clamor of over 60,000 visitors sweeping into town.

The moment was seismic. From that day on, the town never stopped growing. Indeed, in later years, historians would cite the decision to bring in the Pacific Electric’s Red Cars as the greatest contributing factor to the early development of the city.



Already a major force behind the town's surge in prosperity, C.J. and Townsend became increasingly involved in city development. The two formed a syndicate called the "Long Beach Land and Navigation Company" in 1903 and purchased from the Seaside Water Company eight hundred acres of marshland on the west side of town.

Two years later, the acreage was purchased by the Los Angeles Dock and Terminal Company for \$500,000, and dredging began in the Los Angeles River. However, the project soon halted when the Salt Lake Railroad built a trestle over the Cerritos slough.

But a year later, the Craig Shipbuilding Company moved to town and built a shipyard. After pressure from a number of entities (*including the United States Department of War*) to replace the trestle with a jackknife bridge, dredging was resumed.

On June 30, 1909, the prodigious project was finally finished, and the Long Beach Harbor opened to the sea.

In 1904, Charles A. Buffum and his brother Edwin E. ("*Double E*") came to town from Lafayette, Illinois, with the dream of opening a retail store.

At the time, the primary retail establishment in town was Schillings, a one-story frame building located on Pine Avenue. With the backing of C.J. and Townsend, the two brothers pooled their money, purchased Schillings and operated it under the name of the Mercantile Company

(*C.J. remained president of this concern until 1918*).

A few years later, the brothers renamed their store "Buffum's." Over the decades, their flagship store on Pine Avenue—famous for its elegant tea room, where shoppers could dine in refinement above the din of the street—grew to a 16-store chain and became a Southern Californian landmark.



A simple start for Buffum's at Broadway and Pine Avenue
The original store was opened in the left half of the main floor of this building



Dredging the harbor

LONG BEACH HARBOR **OPEN DOORWAY TO THE ORIENT**

*Will Be One of the Three Most Complete Harbors in the World.
To This Port will come the ships of Every Nation.*

By now, Long Beach had begun to take on the trappings of a resort destination. Colonel Drake (*who continued to develop the area around his bathhouse as an amusement park known as “The Walk of a Thousand Lights” and thence “The Pike”*) sought to create a luxury hotel to cater to a higher clientele. In 1906, he gathered a group of top investors in town to form a corporation to build one.

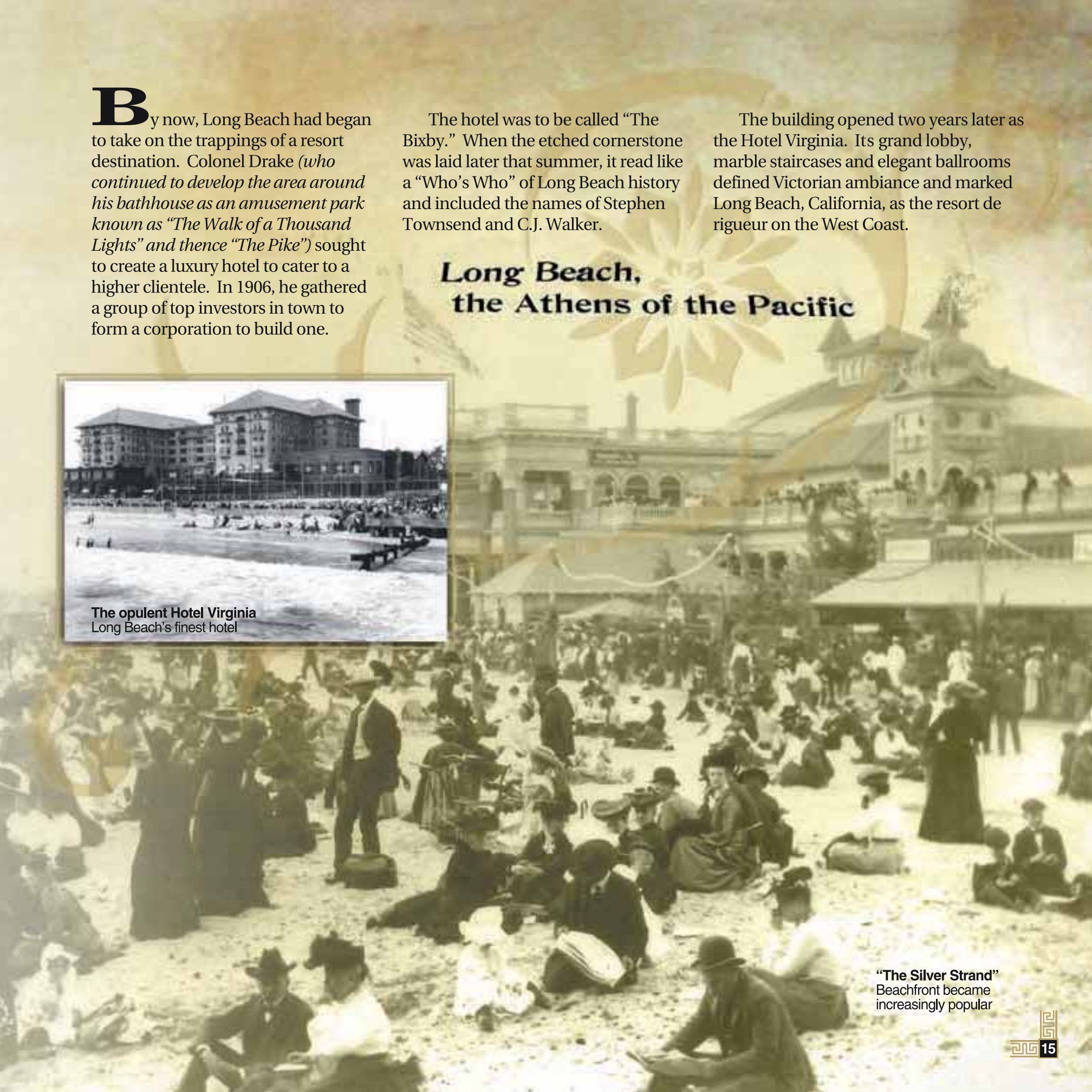
The hotel was to be called “The Bixby.” When the etched cornerstone was laid later that summer, it read like a “Who’s Who” of Long Beach history and included the names of Stephen Townsend and C.J. Walker.

The building opened two years later as the Hotel Virginia. Its grand lobby, marble staircases and elegant ballrooms defined Victorian ambiance and marked Long Beach, California, as the resort de rigueur on the West Coast.

Long Beach, the Athens of the Pacific



The opulent Hotel Virginia
Long Beach's finest hotel



“The Silver Strand”
Beachfront became
increasingly popular



The Run ...

Before the Federal Reserve System and the FDIC were created to protect depositors, banking, at least from the customers' perspective, was often a leap of faith.

Banks did not (*and still don't*) keep 100% percent of their depositors' money on hand. Thus, when a bank's solvency came into question and customers decided to withdraw their funds en masse, the ensuing panic or "run" was devastating to both the bank and its customers.

Such was the case in the fall of 1907, when word hit the street that the senior officers of the First National Bank in Long Beach had sold their interests to a group of capitalists in Los Angeles who refused to reveal their identity.

Although the L.A. group appointed C.J. (*who was on the board*) president, he was appalled at their actions and indifference to their customers. When the shenanigans were reported in the local press (*along with a report that the neighboring Citizens' Savings Bank required a 90-day notice for payment in full*), depositors grew edgy and staged a run on the bank.

C.J. realized that the loss of the bank could be disastrous and decided on an audacious solution. In an all-or-nothing gamble, he used the bank's assets to collateralize a loan of \$500,000 in gold bullion and specie and had it shipped by rail to Long Beach immediately.

On the morning when C.J. made his famous stand among the stacks of gold, he did so with the knowledge that if he failed, the bank was finished. But his gamble paid off. By noon of the second day, the uprising was quelled. The "run on the First National Bank...passed into history shortly after 3 o'clock," reported the press. "The bank remained open until 8:30, but none withdrew." The story went on to note that one man withdrew \$8,000, only to walk to the end of the line and wait to redeposit it!

The experience catapulted C.J. into the public spotlight. "Nothing but praise for C.J. Walker—the man of nerve, as he is called now—is heard today," wrote reporters in afternoon editions. "It's not every day that a man exists who has the quality of holding himself and a bank's attaches together at such a time and inspiring public confidence."



Passes into history

FIRST NATIONAL BANK HAS CASH TO PAY EVERY DEPOSITOR

Institution Placed upon Absolutely Sound Basis



The First National Bank

Pictured with its distinctive cupola and clock tower during the horse-and-buggy era

OFFICERS and DIRECTORS

J.M. Elliott, *President*

J.B. Heartwell, *Vice President*

C.L. Heartwell, *Cashier*

W.P.L. Stafford, *Attorney*

W.W. Lowe

W.L. Campbell

C.J. Walker

The Gold Standard of 1900

Even by 1907, currency was still considered unstable, and depositors often requested to be paid in gold



Founding

Original
Founders
Directors



W. H. Dunn



S. Townsend



C. J. Walker



B. W. Hahn



T. W. Williams



301 Pine Avenue

The second location of the bank, where it would last until moved to the main office in 1923

Top: The First Days Ledger

Handwritten by Carrie Walker, showing each founder's initial investment of \$5,000

F&M Bank

"We accommodate the people"

The bank run was a defining moment for C.J. By now, he had been in Long Beach for over a decade and had come to regard his customers and friends as one and the same—a sentiment he did not feel the Los Angeles-based directors of First National Bank shared with him.

Most of those who had staged the run were small depositors of limited means. C.J. had seen firsthand the panic in their eyes and felt their sense of helplessness. Guided by a set of Christian principles and an unyielding philosophy of placing service above self, he set out to see that such an act of desperation would never happen again.

If C.J. were to be instrumental in the growth of his community, he reasoned, he needed the facility of a locally owned bank that reflected his ideology.

With his mission defined, C.J. gathered four other men of like character and philosophy: W.H. Dunn, Thomas W. Williams, Senator



C.J. at His Desk

In fact, the original rolltop still sits in main office today

B.W. Hahn and his longtime friend and associate, Stephen Townsend. Each man, including C.J., put up \$5,000, bringing the initial capital stock to \$25,000.

In a nod to working folks both in town and the nearby countryside, the investors called their new bank "Farmers & Merchants Bank of Long Beach" (*F&M*).

On the brisk morning of November 25, 1907, they opened their doors for business in a remodeled storefront at 227 Pine Avenue. By the

time C.J. rode his black Kentucky thoroughbred "Midnight" home that evening, deposits totaled \$5,769.18.

It wasn't much, but it was a start. From the very first, C.J. was completely committed to his customers. In an embodiment of his slogan, "We accomodate the people," he established a tradition by placing his desk conspicuously in the center of the floor so he would be the first to greet customers when they arrived.

C.J. never forgot those less fortunate than himself. Each day when he went to lunch, he'd place a \$20 dollar bill under a crate of pears at the grocery store next door with instructions to the proprietor to use it to purchase food if someone in need stopped by.

C.J. paid his bills in cash. For the first three years of operations, he used his own savings to cover any losses. As a result, F&M grew slowly and safely, both virtues C.J. held dear. "It's not necessary to be as big as the biggest or as small as the smallest," he proclaimed. "The key is to be as strong as the strongest."

Woodland *Modjeska*

As busy as they were with work and home, C.J. and Carrie took ample time for family and recreation. A favorite spot was Arden, the former estate of Mme. Helena Modjeska, which C.J. and a group of investors purchased to develop as a country club in 1906.

Modjeska was a renowned Polish actress who immigrated to America with the intent of establishing an artists' colony in the wilds of Orange County's Santiago Canyon. Although her attempt at creating Utopia failed, the estate she built in the shadow of Flores Peak included a beautiful American Renaissance home designed by famed architect Stanford White and 1,300 acres of untainted land.

C.J. acquired the property outright in 1923, and over the years, he and Carrie transformed the rambling house with its lovely gardens, English gables and Palladian window into a marvelous vacation retreat.

Both were animal lovers, and together, they collected a fantastic menagerie that included a pair of horned antelopes named "Jack and Jill," several ostriches,



"Arden"

The nickname given to the home by Mme. Modjeska

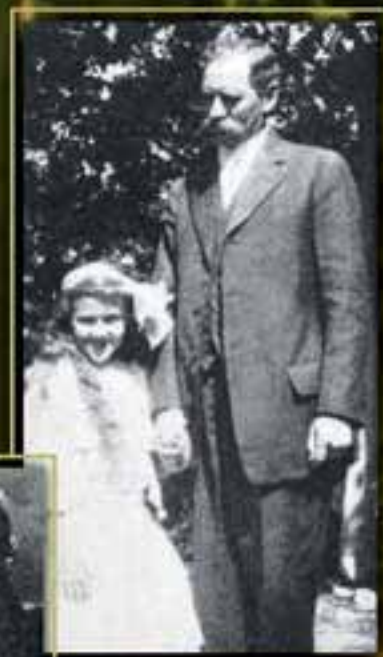
exotic birds of many species, a lumbering brown bear named "Horatio" and a kennel of ten Great Danes to whom C.J. loved to toss pancakes from the back porch.

The estate had a huge pond and also Orange County's first swimming pool. The family planted over thirty redwood trees to augment the large number of palms and California live oaks—one of which had a rope swing for the kids.

Away from the constraints of business and social obligations, C.J. and Carrie were a devoted and affectionate couple. They had four children: sons Charles and Gustavus (*whom everyone called "Gus"*) and daughters Alice and Marian.

Together, C.J. and Carrie loved spending time with their children (*and later their grandchildren*) at "Modjeska"—the family roamed the grounds, rode horses, explored the rustic canyons or simply sat in the grove listening to the clatter of the woodpeckers while the arroyo winds whispered through the redwoods.

Carrie was a remarkable woman. She had a dry wit (*"kissing a man without a mustache is like kissing your brother," she once said*) and found humor in nearly everything.



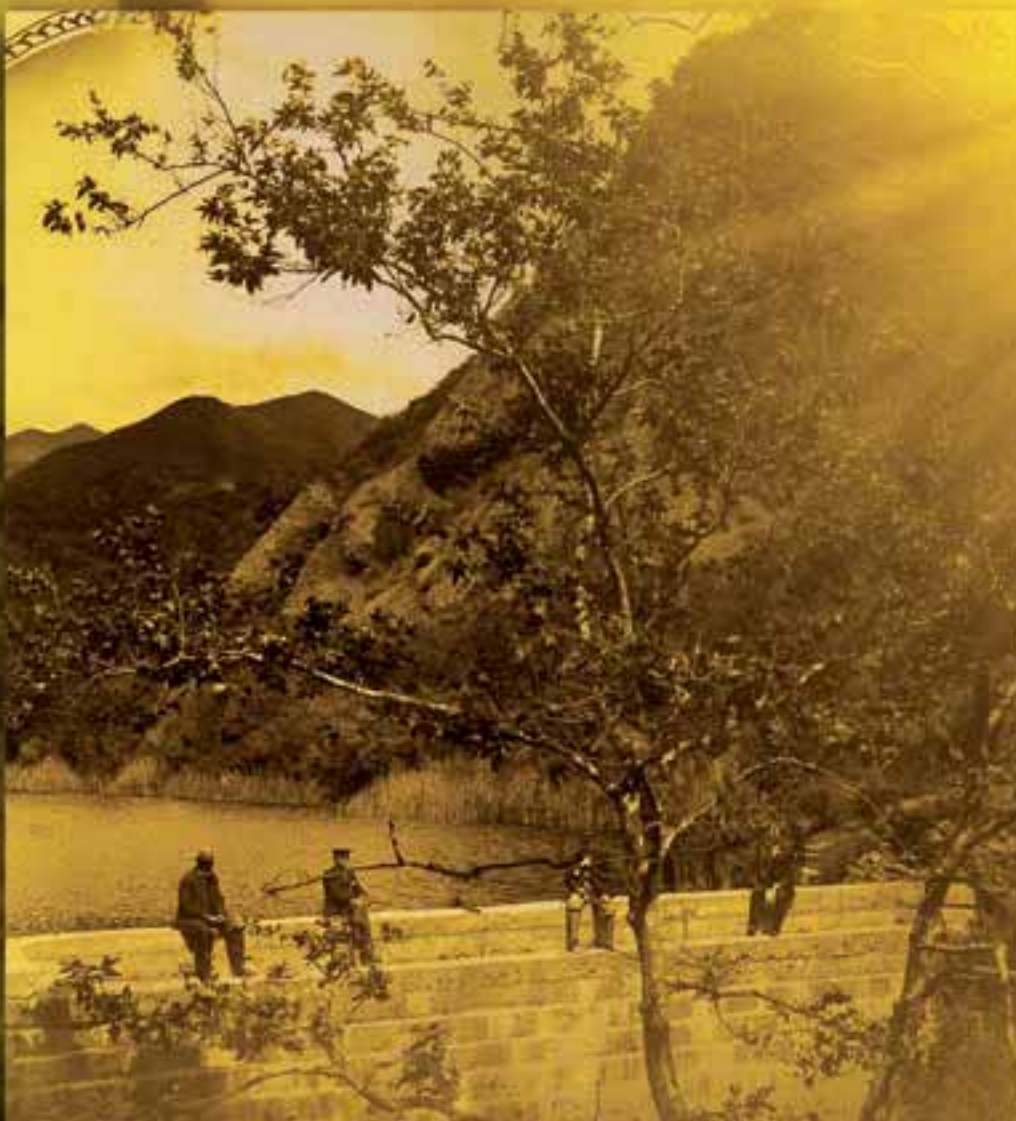
Gus at four

She was also a gifted and sensitive writer with a deep appreciation for God's handiwork. Her poetry was beautiful. She penned verses about her love of nature, her family and, on one occasion, a lovely ode to a fallen pepper tree.

For nearly her entire adult life, she was a devoted Sunday school teacher. For years, she illustrated cards for her students, depicting scenes and verses from the Bible. Beautifully drawn in colored pencil, the little works of art not only gave the children a visual impression of the stories Carrie held sacred but were also a treasured memento to take home.

She also had a wonderful sense of adventure. For example, in 1903, Carrie was the first woman in Long Beach to drive an automobile. It was a single-cylinder Oldsmobile, with a hand crank, high-backed leather seats and a tiller for a steering wheel. Her career as a driver was short-lived, however, because fellow citizens complained that the "one lung" thumper of an engine kept backfiring and scaring their horses. C.J. eventually pressed the vehicle into service transporting the city fire department, often outracing the horse-drawn pumpers.

Carrie was a competitive checkers player and taught the game to her children and grandchildren. But she never lost intentionally; if you beat her, it had to be legitimate. For her, Saint Paul's letter to the Corinthians had real-life meaning, and she always taught her children to "run to win."



Enjoying the splendor of Modjeska

*"Tis man who limitations make; We tire while elbowing our way thru city life;
We freedom take; And to the mountains go to play."*

– Carrie Walker

The Great War

WWI

By 1917, F&M deposits approached \$2,000,000. What was once a storefront operation had moved to a larger location at the northeast corner of Third Street and Pine Avenue.

C.J. had established a reputation for conservatism and strength as F&M became deeply woven into the fabric of the community.

With a population approaching 50,000 people, the city itself was growing up as well. Almost all streets were now paved and, along with the rumble of the ever-present Red Cars, the exhaust fumes and chug of the automobile were swiftly replacing the rattle and reek of the horse and carriage.

But beneath the throb of commerce and veil of domestic serenity lurked the darker reality of the Great War raging overseas.



*"And 'twas then we saw them marching,
Only boys of yesterday;
Khaki clad, straps on their shoulders,
Joking as they marched away."*

— Carrie Walker



Charles, Gus and C.J.

Stepping forward

By the spring of 1917, President Woodrow Wilson found it impossible to keep America on the sidelines. On April 6 of that year, the United States declared war on Germany, and a short six months later, American doughboys were in the bloody fields of France, fighting the Central Powers.

Charles and Gus Walker both stepped forward to serve, while C.J. and Carrie joined the millions of American parents who kept the home fires burning and prayed for the safe return of their boys. C.J. did his part by serving in the Home Guard.

Never reluctant to voice his political views (*as a state delegate in earlier years, he had proudly cast his*

ballot for Theodore Roosevelt), he valued patriotism over profit and urged his peers to do the same. “This is not the time to make money or rest in comfort,” he railed in a speech delivered to the Long Beach Business Men’s Association, “but this is the time and the most accepted time to lick the Kaiser!”

At 11 a.m. on November 11, 1918, the guns at last fell silent, and the “War to End all Wars” was, mercifully, over. The cost had been staggering.

Nearly 20 million people had died. America, in a span of just 18 months, had lost 116,000 killed and another 200,000 wounded.

Among the casualties was Charles Walker, who contracted tuberculosis while serving as an ambulance wagoner in France. It was a condition from which he would suffer for the rest of his life.



Gus

Chas. Walker Meets Number Long Beach Boys Serving Abroad

C. J. Walker, president of the Farmers and Merchants' bank, has received a letter from his son, Charles Walker, who is a driver for one of the American ambulance divisions in France.

The young man writes that by taking a thirty-five mile hike he was able to enjoy a visit with Harry Buffum, Vernon Green and Harold Crowe, well-known Long Beach boys, sons of prominent families, who are stationed with various hospital divisions in France.

All four have seen some of the big things that have been carried out by General Pershing and the Yankee boys in conjunction with the allies during the last few months.

CHARLES WALKER HOME FROM FRANCE

Was Wagoner in Ambulance Co. Overseas 1 Year

After a year's service in France, Charles Z. Walker, son of Mr. and Mrs. C. J. Walker, of 408 Cedar Avenue, has returned to Long Beach. He was released from the service this week at Presidio. Walker enlisted in November, 1917, when a junior in the University of Southern California. He was trained at Camp Kearny and assigned to the 158th Ambulance company of the 115th Sanitary train of the 40th division. He went overseas with this unit but was still in training when hostilities ceased. He was a first class wagoner of his ambulance company.

Signal Hill Oil

The end of the war ushered in a zeitgeist unlike any in American history. On the national scene, Congress passed the Volstead Act banning the “manufacture, sale or transportation of intoxicating liquors.”

The country going “dry” was a stark contrast to a devil-may-care societal shift that saw rising hemlines, flappers, women’s suffrage, a sharp increase in organized crime, a racy dance called the “Charleston”

and a splendid new device called the “radio.”

But for the citizens of Long Beach, the real news in the 1920s took place on the evening of June 23, 1921, when a gang of roughnecks brought in an oil well at the dusty corner of Hill Street and Temple Avenue on the southeast slope of Signal Hill.

Blowing a greenish-black torrent of crude oil over one hundred feet into the night sky, the gusher was so loud that citizens reported hearing it as far away as Ocean Boulevard.

Like the clang of the Red Cars nineteen years earlier, the noise

signaled a dramatic change in Long Beach history.

The discovery of oil affected the town on multiple fronts. From a demographic perspective, speculators from every walk of life, including wealthy investors, freewheeling wildcatters, roughnecks, roustabouts, ramblers and gamblers, all rolled into town looking to ring their respective cash registers.

Signal Hill—which heretofore had been an isolated area dotted with fine homes and an on-location set for silent movies—became a boisterous boomtown overnight.

Unbridled expansion

To accommodate the surge, F&M opened their its branch office in September, 1921, at the corner of Obispo Avenue and Anaheim Road in the heart of a little village that had once been called “Zafaria.”

The new East Side Branch offered a friendly, convenient place for the hardworking roustabouts and roughnecks to cash their paychecks. They quickly adopted the “Zafaria Branch” as “their” community bank.

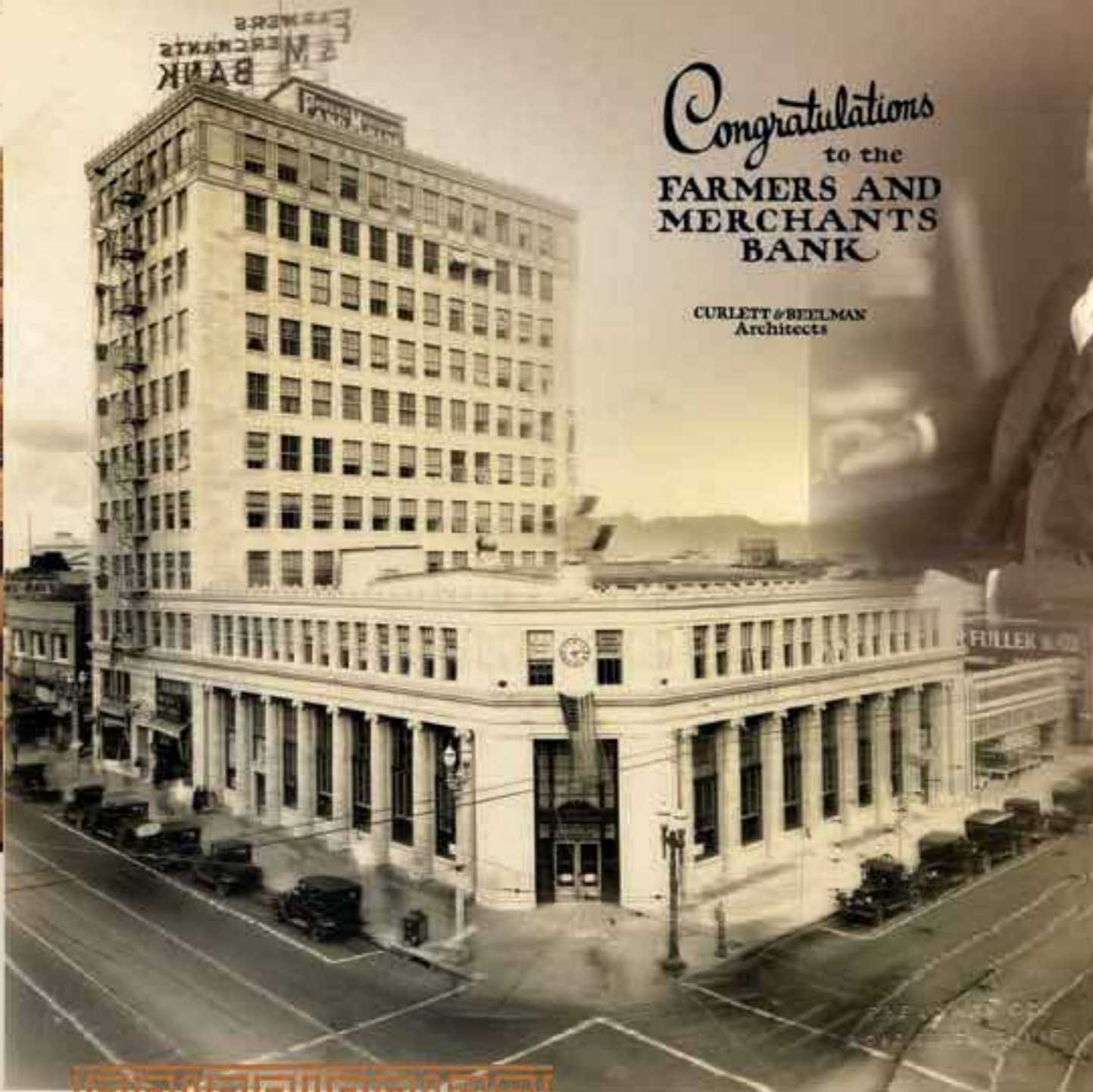
“The Black Forest”

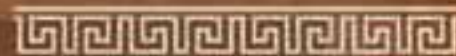
Or “Porcupine Hill” earned its nickname from the derricks that lined the horizon of Signal Hill



A Building

"A credit to the city and to the bank"





For The Ages

Oil created an enormous source of revenue for the city. This resulted in, among other things, a “million dollar a month” building spree.

F&M set the early standard in 1922, when C.J. commissioned the famed architectural firm of Curlett and Beelman to design and build a new structure on the northeast corner of Pine Avenue and Third Street. Curlett and Beelman were the preeminent executants of the Italian Renaissance Revival architectural style in their day, and the masterpiece they created was, as C.J. promised, “a credit to Pine Avenue, to the city and to the bank.”

Local contractor J.V. McNeil broke ground on July 12, 1922. A longtime fixture in Southern California, McNeil was an old-school businessman known for his honesty and his deep knowledge in the still nascent field of reinforced concrete construction.

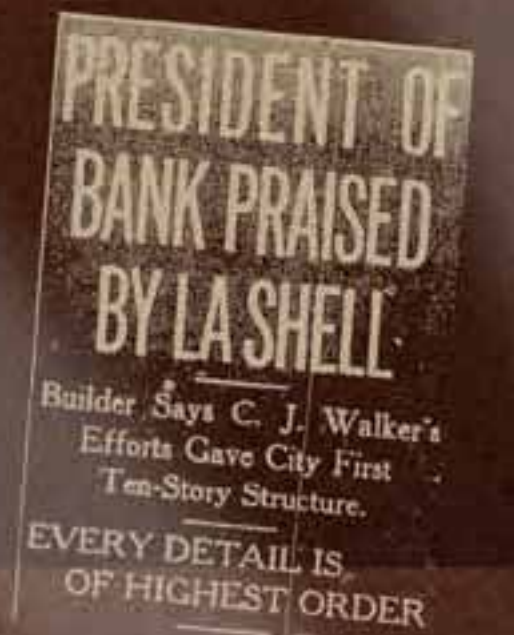
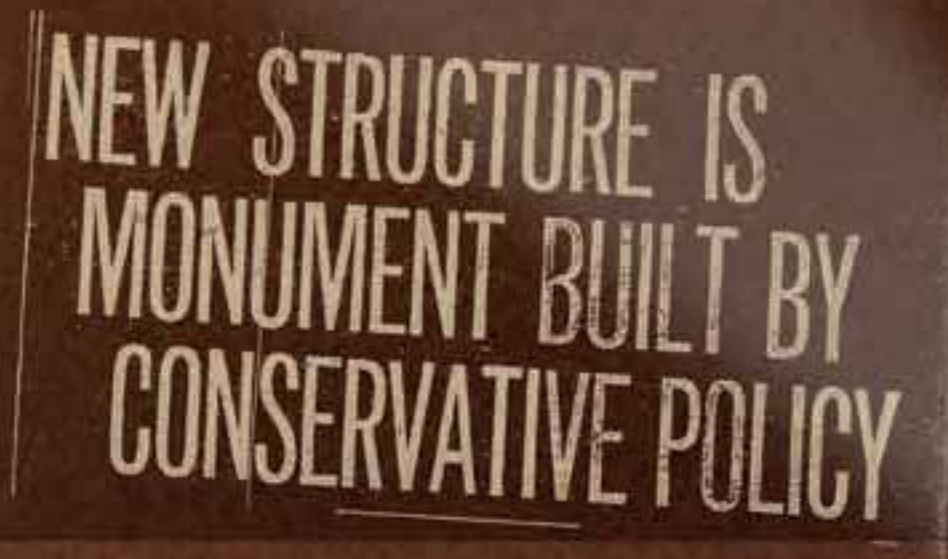
Situated on a corner, the building was made of porcelain-glazed cement and designed with an angled entrance. The two sides facing the street were supported by eight classically fluted columns extending two stories high and separating large banks of windows.

Both side doors and the main entrance were made of brass-plated steel framed in Verona red marble. Over the main entrance, a huge clock with Roman numerals displayed the time to passersby.

The adjoining ten-story tower (*built a year later*) was constructed in the same motif. As Long Beach’s inaugural “skyscraper,” it ushered in the era of modern building design to the city.

While the clean, classic lines of the exterior sent a message of stability and strength, the interior was marked by a painstaking attention to exquisite detail. Supported by columns of glistening Verona red marble, a two-sided open mezzanine overlooked the atrium lobby and a large banking floor made of stunning Tennessee pink marble. Above the mezzanine, a series of ornate terra-cotta friezes depicting classic Roman figures, and floral patterns trimmed the atrium on all

four sides. The entire room was crowned by a massive skylight made from over six hundred panes of amber kokomo glass, separated by beams decorated in golden terra-cotta. In the evenings, the building was illuminated by a dozen custom-made brass chandeliers accented with turquoise enamel.



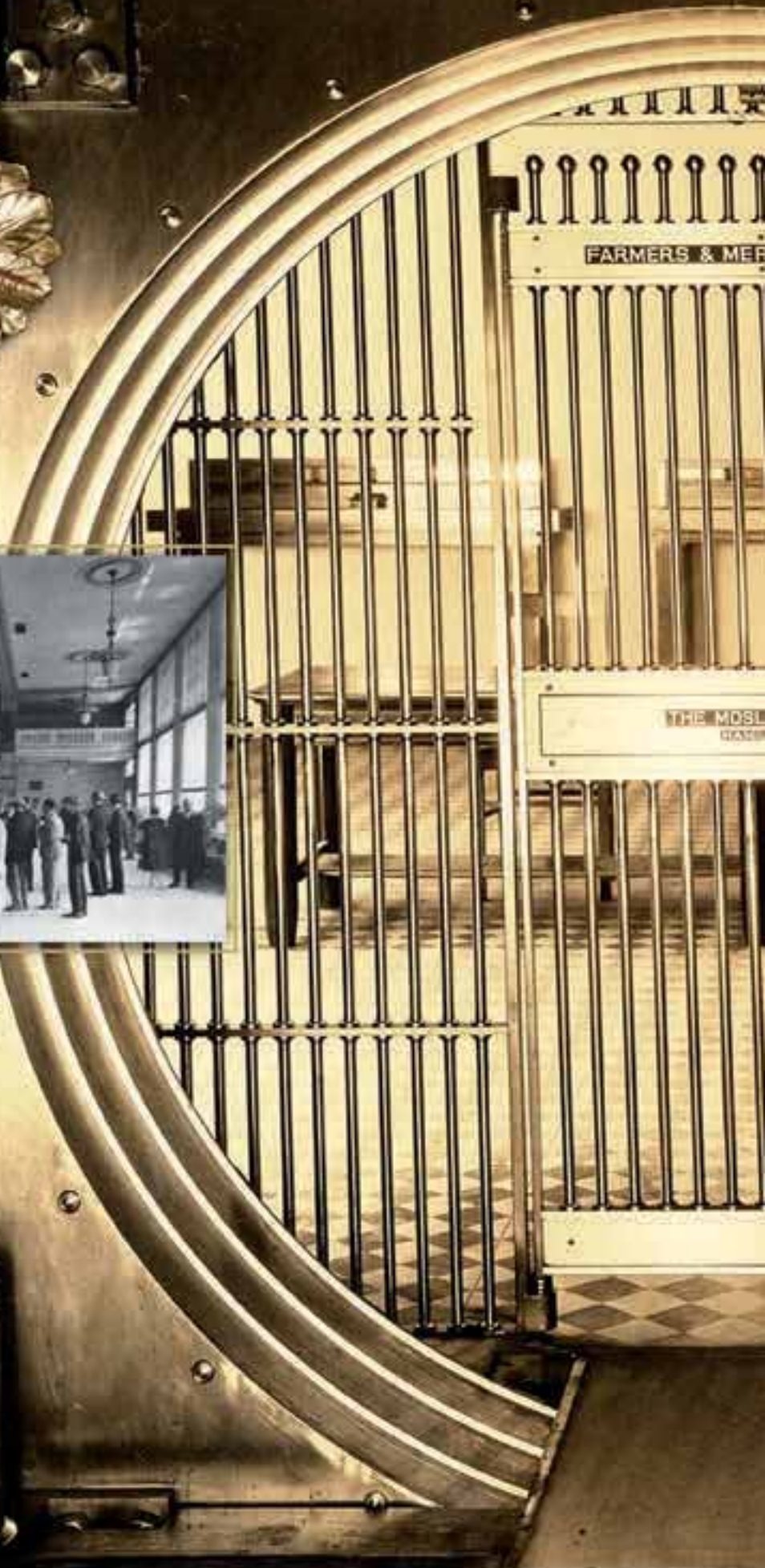
In addition to detail and beauty, C.J.'s new building was built for comfort and functionality. The ventilation system was the most modern of its day. Along the lobby walls were spacious reception rooms where clients could sit in comfort. All three departments (*Commercial, Trust, and Bonds and Investment*) had separate sections for easier customer access.

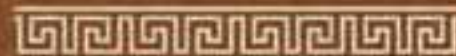
C.J. also built private committee rooms, restrooms and a large boardroom where businessmen could hold meetings and events. There were separate locker rooms and clubrooms for the employees and a dining area where they were served a free lunch daily. Below the banking floor was a massive, state-of-the-art, round-door vault and safety deposit boxes to secure depositors' valuables.

A full week before the grand opening, local papers heralded the event. Virtually every vendor involved with the building's creation, from Curlett and Beelman to the company that had provided the fittings for the tellers' cages and doors ran advertisements congratulating C.J., his bank and his people on the majestic building that now graced their city.



Main office
Long Beachers embrace
their new financial center





Saturday, April 7, 1923, was a citywide event. Pictures of all forty-five F&M employees bordered a full-page ad in the *Press-Telegram*. After the obligatory speeches by the city's glitterati, the doors swung open. By the end of the day, over 8,000 citizens had passed through their new bank. They marveled at its beauty, enjoyed some refreshments, listened to music provided by the employees' own band and were greeted by C.J. and his proud family, all of whom served on the reception committee.

C.J.'s new building was the first of its kind in the city. From the day it opened, its grandeur and beauty have served as a timeless exemplar of financial stability and sincere appreciation for Long Beach and her people.



Reception Area



Savings



Bonds and Investments



Commercial and Trust

Realization



In a decade marked by free-wheeling speculation and questionable mores, C.J. practiced a business and personal ethos of Christian conservatism. While F&M made loans to the commercial sector for buildings like the Blackstone and Willmore Hotels, its premier real estate customer was the city's spiritual community. In the 1920s, virtually every religious denomination in town built a new sanctuary financed by F&M.

The underlying principle was simple, yet profitable—churches reliably paid their bills. When word got around that F&M was supporting their church, congregants tended to become depositors. The result was a reciprocating cycle of spending that enhanced the community and developed a concrete confidence in F&M.

A similar rationale applied to the YWCA and YMCA, both organizations that C.J. and Carrie had long supported. Indeed, it was Carrie herself, in 1902, who helped start the city's first

YWCA after a young homeless woman was found destitute and crying on the steps of the city auditorium. When the poor girl's plight was brought to Carrie's attention, she convened a group of Christian women in the parlor of her home with the intent of ensuring such a

thing would never happen again.

Drawing inspiration from the book of Zachariah, which read, "Not by might, nor by power, but by my Spirit, saith the Lord," they collected a modest treasury of \$4 and started Long Beach's first chapter of the Young Women's Christian Improvement Association (YWICIA), which later became the YWCA.



The ground breaking
Marked C.A. Buffum's first public appearance as mayor, joined by C.J. and the founders

Of a community's dream

By 1920, C.J. (as president of the YMCA) had spearheaded two capital campaigns to fund the erection of a new “Y” building at the corner of Sixth Street and American Boulevard. The funds raised totaled over \$400,000. When the new facility opened its doors in February 1922, over five hundred people were on hand to see C.J. presented with the keys and hear Mayor C.A. Buffum dedicate the building to “the glory of God.”

Two years later, the YMCA commissioned architect Julia Morgan to design and oversee the construction of a new building for its organization at the corner of Sixth Street and Pacific Avenue.

By the time she accepted the Long Beach assignment, Morgan had garnered widespread fame as the architect of William Randolph Hearst’s castle and had completed a

number of YWCA’s on the West Coast.

For the Long Beach project, she designed a beautiful five-story Italian Renaissance edifice of red brick. Lovely in its simplicity, the ground floor featured a large dining room, gymnasium and clubhouse. The upper floors had one hundred residential rooms to accommodate visitors, while the roof held a covered loggia and a tennis court. Below the ground floor was the kitchen and

a stunning swimming pool lined by arched windows and supported by Italian tiled pillars.

For C.J. and Carrie, the completion of these two beautiful

buildings was a fitting culmination to years of dedicated support. Both would remain generous benefactors of the “Y” for the rest of their lives.

The great building boom was nearly over by the dawn of 1929. The city’s once modest skyline was now a montage of architectural beauty. Ocean Boulevard—crowned by the Spanish Revival tower of the Breakers Hotel at one end and the French Chateaux facade and green copper roof of the Villa Rivera at the other—had become the city’s Champs Elysees. In every respect, Carrie’s “small town located on a large ocean” had grown up, and citizens and visitors alike considered Long Beach to be the jeweled capstone of the American West.



YMCA



YWCA

The Crash And The

**“The only thing we have to fear
is fear itself.”**

– President Franklin D. Roosevelt

On Friday, November 8, 1929, C.J. celebrated his sixtieth birthday. For over twenty years, he had run his bank safely and conservatively. Now, after a decade of unparalleled growth, deposits were in excess of \$12,000,000. By any measure, the future was bright.

To commemorate the occasion, he granted an interview to a local reporter who asked his opinion on the future of Long Beach in light of the stock market crash that had occurred two weeks earlier in New York City.

“Long Beach is just getting started,” C.J. proclaimed optimistically. “Looking back, I do not believe I would live anywhere but Long Beach if I had it to do all over again. We have a wonderful city. I know of no other spot that is more blessed...”

But with all his experience and acumen, even C.J. could not have anticipated what was about to happen. In the next three-and-a-half horrible years, America tumbled from the crest of prosperity to the brink of despair as the darkness of the Great Depression engulfed the nation.

By the end of 1932, unemployment had risen to a crippling 26 percent. In a nation fed largely by family farms, mortgages were being foreclosed at the rate of 20,000 per month. With no work and little hope, tens of thousands of homeless Americans had taken to the rails and roads seeking relief. Many ended up squatting on the outskirts of cities in filthy shantytowns called “Hoovervilles” (*a bitter encomium of President Herbert Hoover’s failed economic policies*).

The Depression was defined by local conditions. For over 150,000

Long Beachers, the experience was a mixed bag. On the one hand, jobs were tight, and working folks were hard pressed.

On the other hand, both Ford Motor Company and Procter and Gamble established factories in the harbor area that, between them, employed over 3,000 citizens. And in 1932, the Navy officially made Long Beach

home to part of its Pacific Fleet, eventually bringing nearly 28,000 servicemen and their families to town.



Spirit-lifting bike ride
Miss Caroline Jackson and other bank staff take a bike ride organized to build spirit during the Depression



The Pacific Fleet
Made Long Beach its home in 1932 and brought 28,000 servicemen with it

Great Depression

Unyielding optimism

Thanks to C.J.'s foresight and steadfast policies, F&M suffered no layoffs, but even so, deposits decreased significantly, and "prudence" was the word of the day.

But overall, it was still a very tough time. Work was so scarce that the Chamber of Commerce discouraged visitors from settling in Long Beach unless they had a job.

The nadir of the Depression was represented by a national banking crisis that threatened the very solvency of the country. By January 1933, over 8,000 institutions in thirty-eight states (*most of them rural and privately owned*) were either closed or on the brink of collapse. In many places, withdrawals were limited to a mere ten dollars per day.

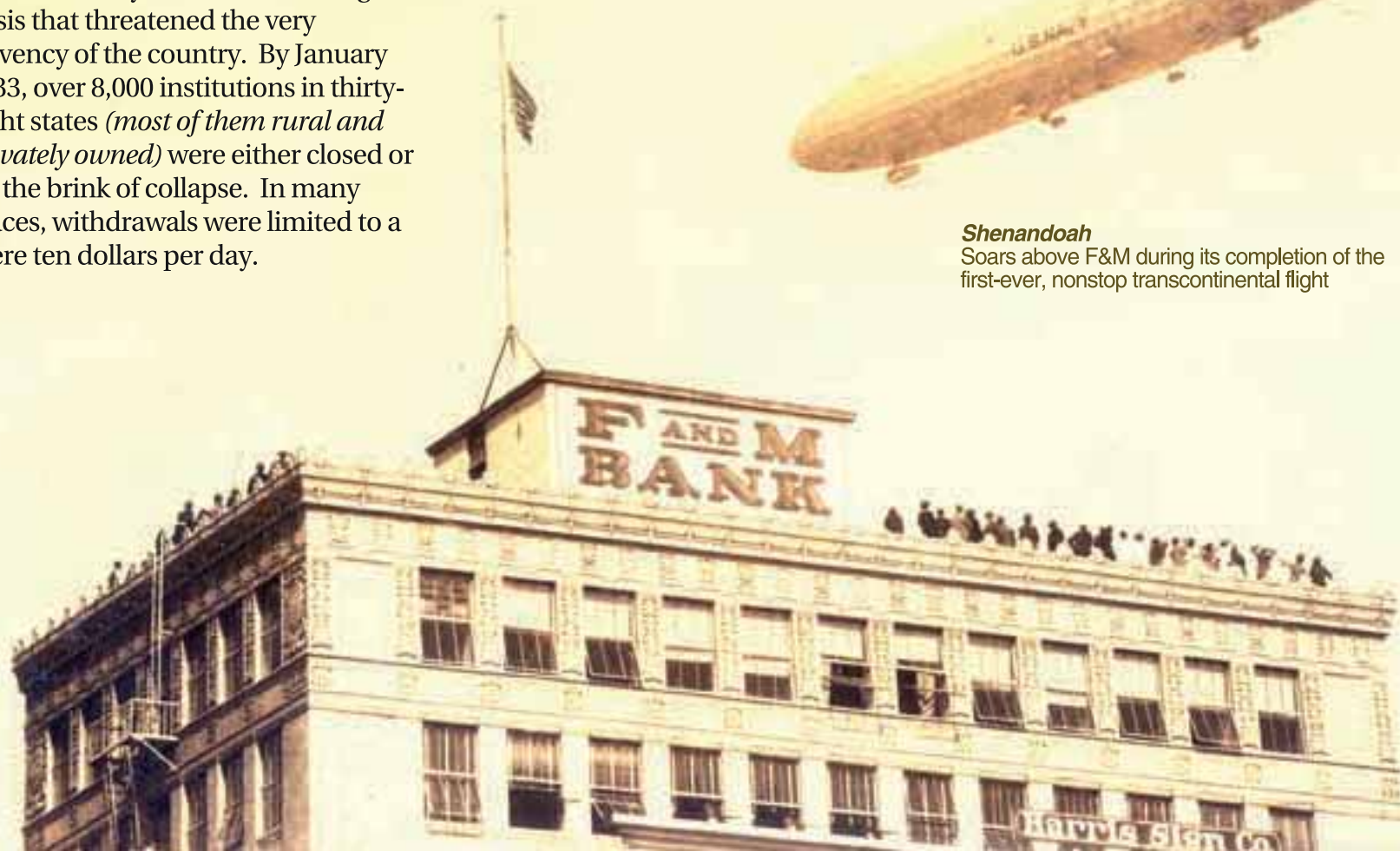
On Saturday, March 4, 1933, newly elected President Franklin Delano Roosevelt addressed the crisis in his first inaugural address. Declaring "The only thing we have to fear is fear itself," he called a special session of Congress and passed the Emergency Banking Act, which mandated a four-day bank holiday that closed every bank in the nation until it could be declared financially solvent.

As a result, on Tuesday, March 7, 1933—for the first and only time in its history—Farmers & Merchants Bank of Long Beach was closed to its customers. No one could have guessed what was about to happen, just three days later.



Shenandoah

Soars above F&M during its completion of the first-ever, nonstop transcontinental flight



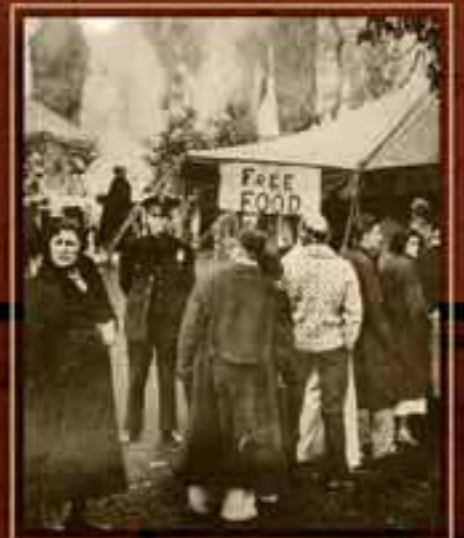
The Earthquake

Eleven horrific seconds

In all of nature, there is nothing more unpredictable and terrifying than an earthquake. The one that struck Long Beach at 5:55 p.m. on March 10, 1933, was centered six miles off the coast of Newport Beach. For eleven horrific seconds, it seemed that God himself reached down and rumpled the earth like a giant counterpane. The ensuing shock wave shook the city like a limp rag. When it was over, one hundred and twenty citizens lay dead amid \$50 million dollars' worth of damage.

Hardest hit were buildings constructed of unreinforced masonry—specifically the city's school buildings. Among them were Franklin Junior High School and Poly High School, both of which were virtually destroyed. Indeed, had the tragedy occurred a few hours earlier while school was in session, the death toll would have been catastrophic. As it was, five children died when the gymnasium they were playing in collapsed.

With help from Army troops from nearby Fort McArthur, as well as from sailors and Marines from the fleet anchored offshore, relief agencies like the Salvation Army, the Red Cross and the National Guard set up field kitchens and quarters in the parks throughout the city. By the following morning, breakfast was being served to the homeless, and relief efforts were in full swing.



Long Beach earthquake photos
Showing damage and the aftermath



F&M's East Long Beach branch
Shown after the quake

Almost lost in the shuffle was the fact that F&M had been cleared by federal regulators to reopen. On Monday morning, C.J. ran an advertisement in both editions of the local paper informing the populace that F&M's main office had stood strong, was in "positively perfect condition" and entirely open for business.

Unfortunately, the East Long Beach branch was rendered uninhabitable when an entire corner of the structure tumbled to the street. Rallying as family, F&M personnel never missed a beat. On the morning after the quake, C.J.'s son Gus entered the building, opened the vault, pulled out the necessary funds and set up shop in a small shack on the sidewalk, serving customers with courtesy and competence in the midst of the rubble.

With the horror of the earthquake and the uncertainty of the bank holiday behind them, the people of Long Beach concentrated on rebuilding their city. With the help of federal money and an inherent grit, they were able to do so. But for all who survived that fateful afternoon, the memory of those eleven violent seconds lingered forever.

Despite the best of recovery efforts, the Depression ground on. In 1935, the Citizens' State Bank of Long Beach fell on hard times. In a testament to its solvency and strength, F&M assumed Citizens deposit liability of nearly \$500,000 and purchased the struggling institution.

When the acquired bank was reopened at the corner of Fourth Street and American Boulevard, it gave F&M its second branch and a welcome infusion of new depositors.



Temporary office
Set up by Gus Walker the day after the quake



Fourth and American branch
Opened after F&M acquired the failing Citizens State Bank of Long Beach

Passages...

By October of 1937, a lingering heart condition was taking a deep toll, and C.J.'s health had begun to fail. Realizing that he was no longer able to give his full attention to the bank, he wrote a letter to his friend, Board Director Hugh V. Ketcherside.

In it, C.J. suggested that the time for change was at hand and wondered if his son Gus might be considered as his replacement. With typical humility, he offered his opinion:

"Gus," he wrote, "is of a retiring nature and does not put himself forward. But he has had the training and does study and work hard. He knows the customers and Long Beach, and above all, is thoroughly reliable. He has no side issues and gives all his initiative to the bank. He is versatile and can handle a loan to a customer or dig out the sewer in the basement, if necessary. He also has the good sense to refer legal and technical matters to legal and technical men, and the good judgment to advise with others on important matters. He is thirty-eight years old, and I was thirty-seven when I organized the bank."



H. V. Ketcherside

C.J.'s missive was a statement of pride and love for a son for whom he had heartfelt confidence. The board felt the same way. Toward that end, they unanimously elected Gus as their new president and installed C.J. as chairman of the board.

After thirty years of service and leadership, the torch was passed from father to son.



C.J. and Gus

On Friday afternoon, May 13, 1938, C.J. attended the monthly board of directors' meeting. As the session progressed, he complained of not feeling well and asked to be taken home. A few hours later, surrounded by Carrie and his children, he closed his eyes a final time and stepped into eternity.

Downtown at the corner of Third and Pine, a sea breeze blew in and fell away, and the fading sun laved the city in a tranquil glow. On the distant horizon, Catalina Island was cast in purple silhouette, and the blue Pacific waters rolled in peace.



Carrie and Charlie

*“May we,
hand in hand, when, then comes,
Stroll along the other shore.”*

– Carrie Walker



GUS

WALKER



College And Cassieta
42



Not Your Average Banker
44



A New President
46



Day Of Infamy
48

A BANKER'S SON...

Gustavus (*Gus*) Arthur Walker was born on June 25, 1899, at his parents' home on the corner of Fourth Street and Cedar Avenue in Long Beach, California. His boyhood occurred during an age of rapid innovation, in an emerging city still heavily defined by the adventurous spirit of frontier freedom.

There was nothing cosseted about Gus's upbringing; his parents taught him early to be responsible. When he was eight years old, his father, C.J., gave him and his older brother, Charles, their first horses (*a sorrel mare named "Eva" for Gus and a bay named "Prince" for Charles*). C.J. developed his boys' sense of responsibility early, as he held them entirely accountable for proper care of their new animals.

From his father, who taught him to ride and shoot, Gus learned the ways of an outdoorsman. From both his parents, he gained a heartfelt appreciation for the endless and sweeping beauty of God's

creation. Young Gus also learned to be courageous. When the boy was still an adolescent, his father gave him a gun to protect himself from bandits while he and a friend drove a horse-drawn wagon down the eighty miles of rugged, untamed coastline between Long Beach and San Diego.

In an era when the nation was shifting from the horse and carriage to the automobile, Gus showed an early penchant for engineering and became fascinated with the internal combustion engine. For nearly all his life, he found solitude and peace tinkering with mechanics.

Gus began his career at his father's bank at the age of fifteen, filling in for a vacationing custodian. It wasn't glamorous, but, by all accounts, Gus did a pretty good job.

"The job required waking up before 6 a.m., going down to the bank and washing off the sidewalks in front of the building," he recalled in later years. "After that, I had to clean the entire building."



Residence of CJ Walker, 4th St. and Cedar Ave.



Peace At Last
50



Orange County Expansion
52



Golden Anniversary
54



Civic Responsibility
56

And a pretty good janitor

I became an expert in the use of the bucket, mop, squeegee, chamois and soap.” When his tenure in building maintenance ended, he was promoted to messenger boy and clerk.

Along with the academic rigor of attending the Daisy Avenue School and Pine Avenue School (*where his mother had once taught*) and later, Long Beach Poly, Gus’s education included a healthy dose of Bible study and Christian faith. He was active in his church and a leader of his senior high school Bible class—a group of boys that included Jack Rothrock, Long Beach’s first major league baseball player.

By the time he graduated in the spring of 1918, the quiet, self-effacing banker’s son was slim and athletic. Strikingly good-looking, with his father’s blondish hair and bright blue eyes, Gus could lead a Bible class, ride a horse, build an engine and handle a weapon. He was also a pretty good janitor.



Polytechnic Senior High School



Branching Out
58



Teller In A Box
60



Preserving A Legacy
62



A Faithful Man
64



PATRIOTISM OVER PROFIT

Wednesday afternoon of February 16, 1943, Gus
 president of Farmers & Merchants Bank of Long
 met with over one hundred citizens and dignitaries

On the Tuesday afternoon of February 16, 1943, Gus Walker, president of Farmers & Merchants Bank of Long Beach, met with over one hundred citizens and dignitaries at Mon's Café on Pine Avenue. After lunch and a short speech, he and the other chairmen from each United Nations War Relief (*UNWR*) committee signed a letter of congratulations and appreciation to the people of Stalingrad, Russia, who had emerged victorious after suffering horrible casualties during a savage German siege.

Two weeks later, in his role as district chairman, Gus proudly sent \$45,000 to UNWR headquarters in Washington, D.C., to aid the relief effort. This was not, however, his first contribution. Gus's involvement with the UNWR began over one year earlier, when Japanese forces attacked Pearl Harbor on the morning of December 7, 1941. It was an event that united Americans in every way to defeat the forces of tyranny.

The scope and violence of the conflict were numbing. By the time America entered the fight, the war had already been raging for over two years.

By 1943, millions of innocent men, woman and children were cast adrift and left homeless among the carnage throughout Europe and Asia. The Roosevelt administration, in an effort to bring them relief, organized the UNWR agency, with a charter to assist civilians in the British Empire, China, France, Greece, the Netherlands, Poland and Russia.

The agency enlisted the help of national celebrities, including movie mogul David O. Selznick and English actor Basil Rathbone. They also signed on local leaders, like Gus

Walker, whom they appointed chairman of the Long Beach District Committee. Gus acted immediately by establishing UNWR headquarters in his bank building at Third Street and Pine Avenue and holding a press conference. "Lend-lease aid is supplying our allies with the implements of war, and the Red Cross is ministering to the wounded," Gus told fellow citizens through an interview in the *Press Telegram*. "But there are no provisions, except those found in the UN War Relief activities, for providing civilians with food, clothing, housing and many other articles and services which the hundreds of thousands in the invaded countries need."

Gus's efforts had led to the afternoon luncheon at Mon's Cafe and to the fulfillment of his

districes pledge. Just as his father had before him, he embodied the practice of patriotism over profit.

Gus ensured that he, his family, and his bank were always ready to step forward and serve.



COLLEGE AND CASSIETA...

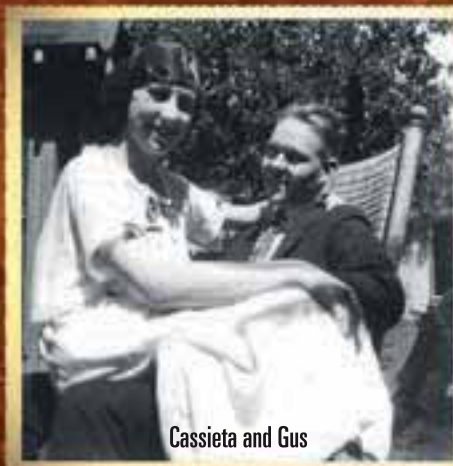
While not yet famous for its research, academics or championship football teams, the University of Southern California, in the fall of 1918, was a school on the rise.

Founded in a nineteenth-century town with dirt streets and board sidewalks, the modest Methodist college had grown from fifty-three students and ten teachers into a fine institution with a student body of several thousand. Fund-raising was underway for a master building plan, a tough Trojan football team was carving a tradition and students enjoyed a vibrant campus life surrounded by the 500,000 residents of Los Angeles.

For Gus Walker, USC presented boundless opportunity. He initially enrolled in courses that emphasized engineering and agriculture, explaining later that “in farming you could be your own boss, and engineering entered into some of my hobbies, like racing boats.” After some careful deliberation with his fiscally minded father, Gus would eventually have a change of heart and earn his degree in business administration.

Aside from his studies, Gus also found time to pledge the Kappa Alpha fraternity. He returned home on Saturdays to work as a teller in F&M’s newly opened “Zafaria” branch, cashing paychecks for roughnecks from the nearby oil patch in Signal Hill.

Of course, Gus could not focus his mind entirely on school and work. He soon became involved in a budding romance with fellow Trojan Cassieta Smith, a gorgeous girl who seemed his match in every way. By the time Gus was a senior, the couple’s relationship had blossomed, and they were engaged to be married.



Cassieta and Gus

Born on April 10, 1902, in Hollywood, California, long before it was “Home to the Stars,” Cassieta Celia Smith was one of five children born to Cassius Maxim and Martha Myers Smith. She was a niece of Sara Bixby-Smith (*the daughter of Lewellyn Bixby, one of the early pioneers of Long Beach*) and a graduate of Hollywood High School.

Blessed with blond hair and blue eyes, Cassieta had a beautiful smile and a refreshing Californian elegance. Even in a county as large as Los Angeles, her engagement to Gus Walker was no small event. When her mother, Martha, hosted a pre-wedding tea at songwriter Carrie Jacobs Bond’s “Rose Cottage,” it was reported in the society page of the *Los Angeles Times*.

Likewise, Carrie Walker’s one-hundred-guest luncheon at Long Beach’s private Virginia Country Club was noted in the *Press Telegram*.

The best was yet to come

The marriage of Gus Walker and Cassieta Smith on Thursday evening, May 25, 1922, was truly a family affair. Cassieta's sister, Virginia, also exchanged vows with her husband in a double-wedding ceremony.

After a three-week honeymoon to St. Louis, New England, New York and New Orleans (*where Cassieta fell in love with the stately riverboats that plied the Mississippi*), the newlyweds returned to town. They settled into a new home on Roswell Avenue, complete with a front door distinguished by little glass portholes in the shape of a "G."

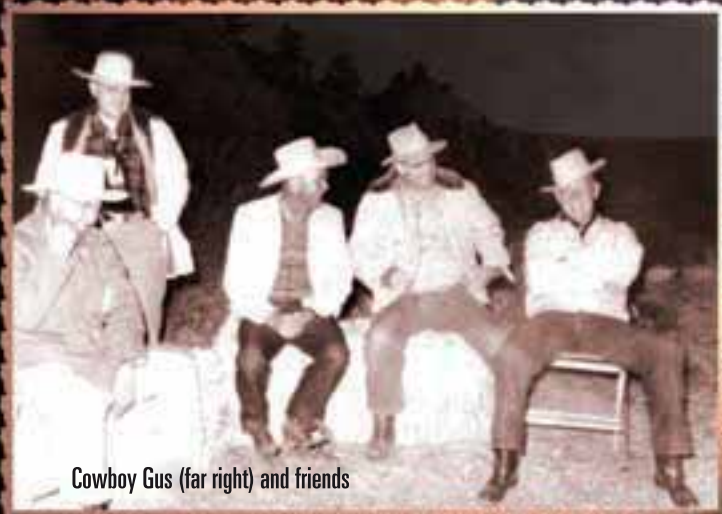
Cassieta settled in as a homemaker. For his part, Gus had worked hard gathering an understanding of the bank's inner workings and was rewarded with a full-time teller position at the bank.

The previous year, Gus's father, C.J., had purchased a lot on the northeast corner of Pine Avenue and Third Street and made plans to construct a stately new building. Recognizing Gus's love for engineering, C.J. gave him an opportunity to learn how to build a bank from "the ground up" by tacitly appointing him project manager. Years later, Gus would talk fondly of interfacing with the contractor and building crews and experiencing the daily thrill of watching the great building grow.



NOT JUST YOUR AVERAGE

Horses, Hunting



Cowboy Gus (far right) and friends

Although Gus may have appeared to be a mild-mannered gentleman on the banking floor, those who knew him say he embodied the “heart of a cowboy.” He owned horses all his life and not only relished the challenge of training them but also the thrill and danger of breaking them to halter. He taught his four sons and daughter to ride when they were children. When the boys were old enough, Gus taught them to play polo, a grueling and dangerous game in which the Walker family still participates.

Gus was completely fearless on horseback. On one occasion, he persuaded officials at the Riviera Country Club in Los Angeles to let him ride in a steeplechase. With a complete lack of experience, and competing against more experienced riders, he astounded the audience by taking second place.

In another instance, he took part in an especially tough roundup of cattle. Afterward, a leather-tough cowboy paid him the highest of compliments, telling him, “It’s a darn shame you have to go back and work at a bank.”

Gus was also a passionate hunter. In the fall of 1928, he and fellow adventurers Dick Loynes (*championship hydroplane racer*), Earl Daugherty (“*America’s Greatest Stunt Pilot*”) and Hugh Ketcherside (*F&M vice president*) mounted a hunting expedition for mule-tailed deer in the Kaibab National Forest



BANKER... *and Hydroplanes*

Gus takes a spin at
the helm of *Contender*

of Northern Arizona. Upon their arrival, Gus learned that a mountain lion had been ravishing nearby cattle ranches. Distraught at the news, he hired a professional guide and set out on horseback with four bloodhounds and three foxhounds to track the animal down. After three frozen days traversing the northern rim of the Grand Canyon, the baying hounds treed the snarling feline at the top of a slope, and Gus dropped the two-hundred-pound beast from thirty paces with a perfect shot between the eyes. When the animal was stuffed and mounted, the taxidermist measured it at over seven feet long and pronounced it a perfect specimen. Now over 80 years old, the great cat still bares its fangs from its lair on the mezzanine level of F&M's main office.

One of Gus's boyhood friends was a Long Beach lad named Richard "Dick" Loynes. Like Gus, Dick loved to work on engines, and throughout the 1920s, he and Gus raced hydroplanes together. By the end of the decade, Loynes's sleek-hulled *Miss California* (*with an engine tuned by Gus Walker*) had won over a dozen regattas. Her reign spanned from Long Beach to Tampa to the

Caribbean waters off of Havana, and she brought three national titles and two world championships home to Long Beach to show for it.

The two friends were also inaugural flag officers of the newly formed Long Beach Yacht Club in 1929, with Dick as commodore and Gus as treasurer. The following year, Gus served a term as port captain.

Loynes skippered his one-hundred-six-foot gaff-headed yawl, *Contender*, to victory in the 1939 TransPac race between San Francisco and Honolulu (*the start was switched that year to commemorate the opening of the Golden Gate Bridge*). His sixteen-man crew included Gus's brother-in-law, former USC Rose Bowl letterman Winchell Boice.

Contender became a legend of the local yachting scene for years after her glory days, and photographs of the era show Loynes hosting Gus, Cassieta and members of the F&M family on a cruise aboard the beautiful vessel.

These adventures, and many others like them, were a crucible that shaped the character of Gus, his family and his bank as they readied themselves for new responsibility.



The F&M family enjoys an afternoon at sea

A NEW PRESIDENT...

Gus assumed the presidency of his father's bank in 1937. By the time the summer of 1939 drew to a close, F&M employed over one hundred people, held nearly \$20,000,000 in deposits and was serving a customer base of almost 25,000 depositors in a city approaching 180,000 residents.

But across the Atlantic, things were not as promising. In September 1939, Adolph Hitler attacked Poland and plunged the world into war. As Americans watched these events from afar, President Roosevelt called them to action. "We must be the great arsenal of democracy," he said in a signature fireside chat. "For us, this is an emergency as serious as war itself." American industry (*later aided by the Lend Lease Act*) responded and began building and shipping massive amounts of war materiel to the country's overseas allies.

In Long Beach, local shipyards enjoyed a sharp increase in contracts and job openings. Famed aircraft builder Donald Douglas broke ground for an enormous manufacturing plant located north of Daugherty Field (*now the Long Beach Airport*) in 1940 and began building airplanes to export overseas.

The influx of business was a boon for F&M. Though the bank became larger and more diverse, Gus ensured his relationships with employees remained close at heart. To work at F&M—no matter how big it grew—was to enter into a family. In that regard, Gus took the time to welcome each new member and interview him or her on a personal level.

To maintain morale and foster camaraderie, Gus often organized social gatherings and group activities. In the spring of 1940, he and Cassieta hosted the entire F&M family (*over three hundred and fifty people*) at a picnic and supper at the Walker vacation

home at Modjeska. It was a grand affair, with a horse show for adults and a dog act and games for kids. The evening was capped off by an open-air Spanish supper, served in the shade of the redwoods.

Later that year, Gus brought his people together for an elegant banquet and honored those who had served F&M for twenty years with a gold watch. To this day, a banquet is still held each anniversary to commemorate the bank's achievements.



GUS A. WALKER
Pres., Farmers & Merchants Bank
of Long Beach, City's oldest inde-
pendent bank. Est. 1907. Known
for stability, sound principles.



Gus (at far right) with his fellow twenty-year club members

Gus's reputation and stature among his peers also blossomed during this time. In April of 1940, he was elected regional chairman of the California Bankers Association. He was recognized a year later for his service on the board of the Long Beach Metropolitan Water District, for helping to bring water to the city from the Colorado River.



Gus (middle) smiles proudly
as construction begins
on the new waterway



Employees enjoy food, fun and games at Modjeska

In a new era

By mid 1940, the need to expand the bank became increasingly apparent. Plans were drawn up to relocate F&M's office at Fourth Street and American Avenue (*Long Beach Boulevard*) to a new facility ten blocks to the north. Rumor of the impending move spread through the community, and several area businessmen signed a petition expressing their support. Gus not only acknowledged their good wishes but also displayed a keen eye for future trends by recognizing the developing dependence upon automobiles. When the sparkling new office at the corner of Fourteenth Street and American Avenue opened April 28, 1941, it was the first bank in the state (*and only the sixth in the nation*) to feature drive-in teller windows.



While Gus concentrated on his duties at the bank, Cassieta remained intensely involved in her volunteer efforts. On Sunday, November 23, 1941, she was recognized in the *Press Telegram* for her work to enlist 1,600 volunteers to assist the local chapter of the Red Cross in the overseas war effort. Four days later, Long Beachers celebrated Thanksgiving. A spirit of hope in an uncertain world hung in the holiday air.



C.W. Hagan greets one of California's first drive-in banking customers

Independent 4-27 Farmers & Merchants Bank Opens New Drive-In Branch

G. A. Walker, president, announced yesterday that the newly completed 14th Street and American Avenue branch of the Farmers and Merchants Bank of Long Beach will open tomorrow morning.

The new branch is the result of more than a third of a century's careful study of banking problems and has many innovations which simplify banking procedure, according to Walker. All friends of the Farmers and Merchants are cordially invited to visit the new branch and inspect the facilities available, he said.

The exterior of the new building carries out the functional theme, using porcelain enamel walls, glass brick, large plate windows, steel ashes and stainless steel doors. Inside, the build-

Cassieta sits during a meeting with the Red Cross

A DAY OF INFAMY...

On Sunday, December 7, 1941, a pellucid sky softened the dawn as carillons called the faithful to church. When services were over, Long Beach was bathed in bright sunlight...and the United States was at war.

The Japanese attack on Hawaii was intensely personal for Long Beachers. Many of the great ships that lay smoking in the shallow waters of Pearl Harbor had once been homeported in their town. There was scarcely a Navy family in Long Beach who did not have a loved one serving in the Pacific.

Throughout the day, a crowd of frightened young wives and citizens queued three blocks north of the F&M building in front of the *Press Telegram*, straining for word from Hawaii. The news they received was heartbreaking. That evening, the vesper bells tolled a soft evensong for the souls of the departed and the one hundred and sixty new widows in Long Beach.

F&M and the Walker family's response to the attack mirrored that of the country; it was unreserved and patriotic. Gus's older son, Richard "Dick" Walker, was a senior at Poly High School and enlisted in the Army after his graduation in the spring of 1942. Dick eventually attended Officer Candidate School and was commissioned second lieutenant. He served in a number of billets overseas, including the Philippines, as an engineering officer.



Lt. Chuck Walker USMC
waits on a wing of his Wildcat

Gus's nephew, Charles "Chuck" Walker, dropped out of Stanford University a week after the attack and enlisted in the Navy. After surviving a midair collision during flight training at NAS Corpus Christi, Texas, he earned the golden wings of a Naval Aviator and transferred to the Marine Corps. Chuck flew scores of combat missions in the Grumman F4F Wildcat and the F4U gull-winged Corsair, providing close-air support for fellow leathernecks at Okinawa. He later flew bombing missions over mainland Japan.

Gus's second son, Kenneth, was still a high school student in 1941. Upon his graduation from Poly High School in the spring of 1944, Ken enlisted in the U.S. Navy and served as a seaman until hostilities ended.

Gus flung himself into the fray through his bank. Echoing the sentiments of his father, he told a meeting of the Independent Bankers Association of Southern California (*of which he was president*) that "banks large and small, unit and branch, have but one objective...and that is winning the war!"



Kenny poses in his sailor suit

Toward that end, Gus established F&M's main office as headquarters for the UNWR and also as a focal point for the United States Treasury War Finance Committee's twelfth district. For the duration of the conflict, Gus helped lead an unrelenting effort to sell war bonds. F&M advertising on highway billboards and in newspapers proclaimed the purchase of war bonds "an investment for every purpose."



Foster and Kleiser

The second World War



Both the bank and Gus were specifically recognized in 1943 for their contribution to the Second War Loan Drive. In July 1945, Gus was once again feted for helping to bring the Mighty Seventh War Loan Campaign to a successful conclusion. "The United States Treasury Department," wrote Chairman William Graef, "as represented by the Long Beach War Finance Committee, wishes to commend you personally for a job well done."

F&M's contributions to the war effort stretched from the shores of Long Beach to the beaches of Normandy. By the time Japan surrendered on the teak decks of the battleship USS Missouri in September 1945, Americans had purchased over \$185 billion in war bonds. To this day, the figure has never been matched.



PEACE AT LAST...

A sigh of relief

With the war finally behind them, Long Beachers began the process of transitioning back to civilian life. Much had changed since that bloody Sunday in December four years earlier. Massive defense spending had been a tremendous boon to the local economy, liberating the town (*and the nation*) from the depths of the Depression and bringing an immense influx in population and money. The war also brought with it over 75,000 new citizens to Long Beach, making it home to a total of 250,000 by 1945. As usual, the growth of F&M paralleled that of the city, and deposits soared to a staggering \$50 million. As thousands of servicemen and women returned to civilian life, folks offered a prayer of thanks, heaved a collective sigh of relief and looked to the future.

The five years immediately following the war brought Gus Walker considerable recognition from his peers. By now, he had been leading F&M for eight years and had not only set a standard of integrity but also established a philosophy of “service above self” that mirrored the mores of his father. Other bankers had come to respect the soft-spoken, modest deportment of Gus. He was viewed as a man of few words, who, when he spoke, could bring a meeting to order through the force of his personality and the practical wisdom of his words. In 1945, Gus was elected president of

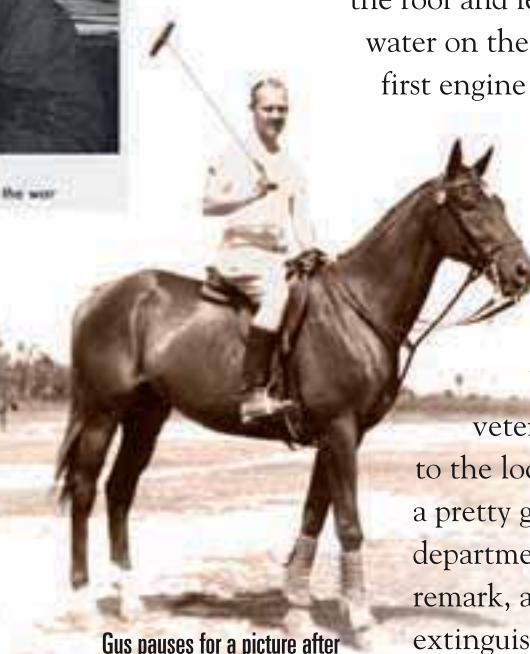
the Long Beach Clearinghouse Association, replacing P.E. Hatch. Hatch was a local banking pioneer and had been the association’s only president since its inception in 1910. Soon thereafter, Gus achieved membership in the California Bankers Association, an organization through which he would quickly advance and in which he would remain actively involved for years to come.

Gus’s life wasn’t all business though; occasionally, he encountered excitement and danger. Such was the case in June 1946, when a six-alarm fire broke out in the basement of the Liggett Furniture Company next door to the bank. The fire department was called immediately, but Gus hesitated no more than a moment before springing into action. He grabbed a fire hose from one of the bank’s emergency extinguishers, hauled the heavy canvas contraption to the roof and let fly a steady stream of water on the inferno below. When the first engine companies arrived on the

scene (*greeted by the toughest “smoke to eat” they’d encountered in years*), Gus Walker was already standing atop his bank,

battling the blaze “like a veteran fire-eater,” according to the local fire chief. “He’d make a pretty good man for the fire department,” the chief went on to remark, after the fire had been extinguished. “But I guess there’s no chance of getting him. He seems to be doing pretty well in the banking business.”

Gus also promoted the city’s sporting scene. A fine athlete in his own right (*he played competitive polo for years*), he enthusiastically accepted the chairmanship of the Citizens’ Advisory Committee. The group was in charge of raising



Gus pauses for a picture after another polo victory

money to build a memorial sports stadium. In a statement in the *Press Telegram*, Gus urged townspeople to flock to the polls and vote for the project. "Long Beach is a fast-growing city, and a stadium is one of its real needs," he told reporters. "The thrill of competition...does something fine to us, inside of us, that thrills and stimulates us. A stadium will be...relaxing and beneficial to us all." The bond passed overwhelmingly and resulted in the construction of a 12,000-seat stadium near the intersection of Clark Avenue and Carson Street. Since 1948, millions of athletes and sports fans have enjoyed thousands of games and events in Long Beach Veteran's Memorial Stadium.

In the deepest of Walker family traditions, Gus had long been a generous benefactor to the Long Beach YMCA. In 1948, he was elected president, a position held by his father a generation before.

BANKER PROVES HE'S GOOD FIREFIGHTER

Gus Walker, president of the Farmers & Merchants Bank, proved yesterday that he is an able fireman as well as a good banker.

Last evening when the fire broke out in the building next to his bank, Walker grabbed a fire hose in the bank building, hauled it to the roof and proceeded to battle the blaze like a veteran fire-eater.

Fire Chief Sandeman today praised Walker for his efforts.

"He'd make a pretty good man for the fire department," said Sandeman. "But I guess there's no chance of us getting him. He seems to be doing pretty well in the banking business."

For Gus, it was a high honor to serve an organization his father helped to start, in a building his father helped to build, all while upholding the intrinsic dedication of the "Y" to the "Glory of God."



Gus (upper right) directs firefighters from atop his building



The 1950s, for F&M, were characterized by rapid growth and continued community outreach. Assisted by the G.I. Bill (*a package of veteran's benefits that included college tuition and low-interest loans*), nearly 12 million veterans assimilated back into society. They filled the nation's colleges and universities, purchased millions of new homes and, most importantly, started families. The resulting "Baby Boom" saw a colossal increase in the nation's birthrate that altered the makeup of the entire country, especially Southern California.

In Orange County, the land that had long been home to citrus groves and tidy farming communities began to change dramatically. F&M was no stranger to the area. In fact, the bank had serviced the region from its main office in Long Beach for years and maintained a full-time farm manager to handle the special nuances of farm loans. The system had sufficed to this point, but Gus Walker's foresight told him that the explosion in population would require a whole new level of service.

In 1954, a group of local businessmen in the unincorporated hamlet of Garden Grove recognized similar trends and sought to start a bank of their own. After a series of meetings, they petitioned F&M to build a bank in their town. The result was a gorgeous, \$500,000 office built on the corner of Garden Grove Boulevard and Bowen Street (*an intersection locally known as "Friendship Corner"*).

Manned by a twenty-person staff made up strictly of local residents, the new facility opened for business on October 15, 1955, and was state-of-the-art in every way. Its most distinctive feature, a three-hundred-and-fifty-ton vault made of steel-reinforced concrete, was guarded by an imposing twenty-ton door fabricated from solid steel. The office also showcased drive-in windows, air conditioning and piped-in music (*considered very classy at the time*).

ORANGE

Garden Grove's

Customers and visitors marvel at the spectacle of the new structure and celebrate the grand opening

COUNTY EXPANSION...

“Ranch Branch”



The Garden Grove office (which employees dubbed the “Ranch Branch”) was the first F&M facility located outside of Long Beach, as well as the first in Orange County. To reflect its expansion beyond traditional horizons, F&M changed its name in the region to Farmers & Merchants Bank of Southern Counties.

A GOLDEN

As the assurgent 1950s progressed, Gus continued to reach out to the bank's customers and friends by sponsoring a series of public forums. For nearly three decades, notable economists, bankers and business leaders alike attended F&M Financial Forums to exchange ideas and express their views. Gus preferred to do more listening than talking and often served as moderator for the participants. In 1978, Dr. Arthur Burns, former chairman of the Federal Reserve Board, spoke at the final meeting in the series, addressing 5,000 attendees at the Long Beach Arena.



Gus moderates one of several F&M Financial Forums that helped leaders shape the fate of the community

Gus seemed to be everywhere in the 50s and held a wide variety of positions. In 1959, the California Bankers Association—a state-wide organization that represented over three hundred banks—elected him president at its annual convention in Colorado.

Locally, he served a term on the city's Advisory Council on Naval Affairs, a stint that took him aboard the great warships that lined the docks of the sprawling Long Beach Navy Base. As president of the Long Beach Rotary Club, he hosted a young politician and former actor named Ronald Regan.



ANNIVERSARY...

Fifty years of faith

Gus continued to serve the Long Beach YMCA, was treasurer of the First Methodist Church, sat on the board of the General Telephone Company and was even recognized by the local culinary community when he was named the *Press Telegram's* "Chef of the Week" after revealing a "secret" homemade recipe.

Like his father, Gus realized that F&M's most valuable asset was its people. He always strove to keep his "family" happy, and F&M employees responded with an abiding loyalty and a deep appreciation for their work environment.

In 1953, Gus established an employee profit-sharing trust fund, enabling workers to receive a direct share of bank profits to assist them in retirement.



ANNIVERSARY OBSERVED
At fiftyth anniversary banquet of Farmers & Merchants Bank of Long Beach held in Long Beach Hotel, are (from left) J. A. Walker, president; Mrs. C. E. Walker, widow of the founder (center); Mrs. H. J. Cline, a 50-year veteran; and C. H. Cline, also a 50-year veteran. The banquet was held for the stockholders of the bank and honored its loyal customers. Each was given a \$10 limited gold piece.

In early 1957, the first two employees (*both of whom had served F&M for more than thirty years*) retired under the benefits of the plan. Later that same year, Gus gave F&M's longest tenured employee, Raleigh (Pop) E. Jennings, and his wife, Emma, an all-expenses-paid vacation to Hawaii. It was a heartfelt gesture of appreciation for Pop's forty-five years of faithful service.

Throughout the 1950s, F&M enjoyed many rewards and milestones, but none was more significant than its Golden Anniversary. In a statement written from his heart, Gus expressed his gratitude to his people and his customers: "Courage, hard work and the savings and faith of people working together in good times and bad...made our community a better place in which to live," he wrote. "With your continued friendship, we're looking forward to another fifty years of service to community progress as your independent Farmers & Merchants Bank."



FAMILIAR FIGURE

Raleigh E. Jennings, long a familiar figure at the First Bank of Farmers & Merchants Bank, gave thanks for the bank's 50th anniversary and the fact that it was still a family-owned business. He said the bank was "a family affair" and that it was "a privilege to be a part of it."

Bank Gives Hawaiian Trip to Pop Jennings and Wife

"Pop" Jennings and his wife, Emma, were given a \$10 limited gold piece as a token of appreciation for their 45 years of faithful service to the bank. The couple will spend the next several weeks of their vacation in Hawaii, where they will visit their children and grandchildren.

CIVIC RESPONSIBILITY...

On May 24, 1962, Carrie D. Walker quietly passed away. She was laid to rest beside her husband, C.J., in a graveside ceremony at Sunnyside Cemetery in Long Beach, California. To some, the passing of this noble woman marked the ending of an era. But for those who knew her, her life as a pioneer, a wife, a mother, a philanthropist, a poet and a devout Christian left a legacy that will pervade forever through her family.

When his mother died, Gus's mien of personal modesty, his business acumen and his quiet noblesse oblige had served the citizens of Long Beach for more than two decades. Salutations and recognition notwithstanding, there were two accomplishments in the 1960s that, for many, best exemplified the essence of Gus's character.



Carrie Walker



Carrie smiles on her ninety-second birthday as a young palm opens to reveal a chicklet

One took place in January 1961, when the Bernard and Milton Sahl Post of the Jewish War Veterans and the Long Beach Jewish Community Council recognized his contributions to "the better understanding among all races and creeds" by naming him their Man of the Year. It was a profound honor that transcended both religious affiliations and social distinctions, and Gus was deeply touched.

With characteristic humility, he expressed his feelings in an acceptance speech at the Grand Ballroom of the Lafayette Hotel. "This is not mine alone," he quietly told the gathering, "but must be shared with those whose inspiration and wise counsel have influenced and strengthened the way of life that is being honored here tonight."

Jewish War Vets Hail Banker Walker

Gus A. Walker, president of the Farmers and Merchants Bank of Long Beach, has been Post of the Jewish War Veterans and the Long Beach Jewish Community Council, it was announced Saturday. The award will be presented to Walker on Monday, Feb. 22, at a dinner in the Lafayette Hotel at 7 p.m.



GUS WALKER
'Man of the Year'

Sam E. Ledell, president of the Jewish Community Council and Rowland Kosloff, commander of the Jewish War Veterans, said Walker was chosen because of his contribution to better understanding among all races, colors and creeds.

Lawrence A. Collins Jr., editorial columnist for The Independent Press-Telegram, said Walker was chosen because of his contribution to better understanding among all races, colors and creeds.

Walker, a native of Long Beach, serves on numerous civic organizations, including the YMCA. He is president of the California Bankers' Assn., a past president and director of the YMCA and also is treasurer of First Methodist Church of Long Beach.

Showman in Mexico

His second wife, Jolie Nellie, a circus performer who weighed 685 pounds.

A quiet noblesse oblige

The other definitive event occurred in late 1968, when the Long Beach Unified School District sought to build the much-needed Elizabeth Hudson

Elementary School on the city's Westside.

To finance the project, the district advertised for sale \$1,850,000 in school bonds. Unfortunately, there were no takers, and the fate of the school was soon in jeopardy.

For Gus, the funding of an academically sound public education system was not only an essential civic component but also a wise investment of depositor funds. Toward that end, he stepped forward and purchased the entire bond issue with which the school was built.

Today, Elizabeth Hudson School is the first Westside school in Long Beach to win consecutive California Distinguished School awards and be recognized as a Title One National Achieving School. It is also an International Studies Magnet School. "Gus Walker took a gamble when he purchased the bonds to build our school," said Principal Wendy Claflin in 2007. "He did a great thing. I sincerely hope he knows that his investment paid off for a lot of great kids."

Throughout the years, Cassieta Walker's volunteerism paralleled that of her husband. She supported the Girl Scouts and even became friends with Lady Baden-Powell (*the founder of the international scouting movement for girls*). Cassieta visited the Baden-Powells on one of her trips to London and, on a later occasion, Lady Baden-Powell returned the favor by spending time at the Walkers' vacation retreat at Modjeska.

Cassieta was also instrumental in founding the Assistance League of Long Beach in 1940. Dedicated to delivering philanthropic services, the Assistance League is staffed entirely by volunteers and, to this day, continues to provide a wide variety of services and programs to those in need. Cassieta wore the yellow uniform of a Red Cross volunteer during WWII and devoted countless hours at Seaside Hospital (*now Long Beach Memorial Medical Center*). Afterward, she was a principal founder of the hospital's volunteer group and became a regular fixture for nearly fifty years. Today, the heritage of her selfless contributions is reflected in a continuing and deep association between the Walker family and LBMMC.

Cassieta possessed an amazing ability to balance her involvement in several philanthropic endeavors

'Concern a Must For Our Schools'

Concern with what is going on within our schools is an absolute necessity if our system of government is to survive. Long Beach's honor graduate of the week said Monday.

Gus Walker, president of the Farmer's and Merchants Bank and a graduate of Poly High School in 1918, spoke of the need for constant interest and concern in how our children are being taught at a Public Schools Week observance at the Scottish Rite Temple.

In accepting the award for "distinguished service to the community and its boys and girls," the community leader cited the enviable record of achievement of the Long Beach school system but warned against future complacency. "Few events shattered the peace and quiet of the Fine Armer school of my mother's day," Walker said. "Reading, writing and arithmetic proceeded at a slow but even pace. Little concern was felt by the teachers for what went on inside that schoolhouse.

Today, however, things are changing he said. Modern methods of communication and our technological revolution have tended to outpace the systems response. And the shortness of this response has increased frustrations.

"Today, our failure to connect ourselves with what goes on with in the walls of our modern school buildings can be catastrophic," Walker said, "as has already been proven by the events of the past few years.

"But just as no man is an island unto himself neither are the institutions that man creates. The Long Beach school system of tomorrow depends not only upon its administration and teachers, but upon us."

It depends, he said, on how much we care about its successes and failures and how much time parents are willing



Gus Walker

to devote to its problems and those of their children.

Walker said the successful school has a terrific election in February in a sense the citizenry is concerned with the quality of the schooling of their children. He warned, however, that it will not be the last time the community will be asked to come to the aid of its schools.

"Whether this support will continue to be forthcoming will not only depend on how well we adapt our educational process to the needs of modern society," he said, "but how well our schools continue to reflect the sound principles of our forefathers."

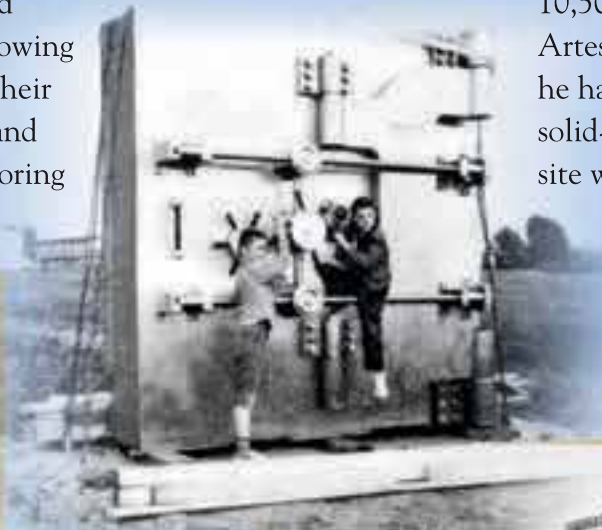
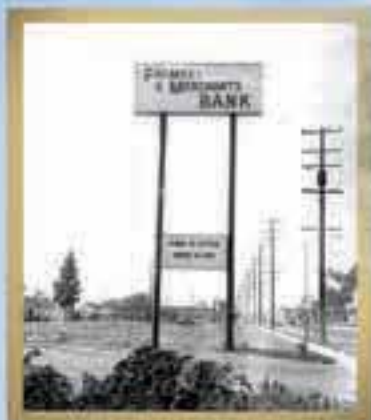
Schools, must, he said, prepare youngsters to successfully cope with the world of change and also support "our American way of life and its system of free enterprise."

The degree to which the school system does both these things will be a measure of the amount of support it will receive from the public, he said.

Walker's speech was just one of many observances of the 12th annual Public Schools Week. An estimated 200,000 parents in the Long Beach-Lakewood-Bellflower area will be visiting local public schools during the week.

BRANCHING OUT

As postwar housing shortages began to moderate in the late 1950s, residential real estate values soared. For the Dutch and Portuguese dairymen in the tiny village of Artesia, the milk business had become increasingly unprofitable. Bowing to the inevitable, they began to sell their farms and relocate their operations—and the region’s milk shed—to the neighboring farmlands of Chino.



Artesia Branch

As a result, Artesia incorporated in 1960 and city fathers began enticing businesses to their burgeoning new town.

With characteristic vision, Gus announced plans to build a 10,500-square-foot office upon an open lot on Artesia Boulevard. To advertise F&M’s arrival, he had the future office’s colossal twenty-two-ton, solid-steel vault door “deposited” on the building site weeks in advance of the actual construction.

The sixteen-foot door was a traffic stopper and a brilliant advertising ploy. When the office opened on March 16, 1963, it featured a massive, eighteen-foot-high vault of reinforced concrete, secured by the same

door that had once stood exposed to the open sky.



IN EARNEST...

Urban growth and expansion



Many similar cities sprung up rapidly in the postwar 1950s, but none captured the spirit of the suburban boomtown more than Lakewood. In just forty-eight frantic months, developers utilized assembly-line techniques to transform 3,500 acres of plowed-under sugar beets and beans into a thriving community. With more than 70,000 residents and a \$100 million shopping center, the town soon attracted visitors and consumers from as far as thirty miles away.



Potential residents flocked to Lakewood to view model homes

F&M expanded into Lakewood in the summer of 1966 with a beautiful new office at the corner of Candlewood and Graywood Streets (*later Lakewood Boulevard*). It featured 5,000 square feet of bronzed solar glass to filter the sun's rays and increase energy efficiency. The modern design was also accented by a distinct orange-tiled, two-story circular vault that loomed above the street like a lighthouse, guiding customers to a safe landfall of financial strength and security.

The new offices ensured that the traditional bank maintained a contemporary air and kept pace with its changing surroundings. Unfortunately, this was not the case for all of Long Beach's trademark sights.

As thrill seekers looked to the stars for a final time atop the peak of the Pike's Cyclone Racer in 1969, a former naval commander from Ohio named Neil Armstrong reached heights only previously imagined when he graced the surface of the moon. The wrecking of the leviathan landmark signaled the ending of an era. The world had entered the space age, and the 1970s were on the horizon.



Lakewood branch

TELLER IN A BOX...

For F&M, the new decade would bring with it a revolutionary banking concept pioneered at a new office in the north town neighborhood of Bixby Knolls.

As the story goes, Gus Walker was purchasing some Christmas gifts at Buffum's Department Store in the late 1960s. After paying for his purchases, he watched the sales clerk place his money and receipt in a cylindrical canister and send it, via a pneumatic air tube, to a cashier located in a secure office above the sales floor. A few moments later, the canister came whizzing back to the clerk, who gave Gus his change, wished him a merry Christmas and sent him on his way. It was a procedure Gus (*and any consumer of the era*) had witnessed thousands of times before. Nonetheless, on this occasion, it sparked an idea.

Gus had already recognized the automobile as the preferred mode of transportation for Southern California consumers; indeed, he had installed the region's first drive-up teller windows to accommodate them. However, drive-up windows could only handle a single customer at a time. If a system could be developed that would serve multiple customers simultaneously, it would not only increase efficiency but also provide a higher level of service.

With that in mind, Gus called upon longtime friend and bank employee Robert "Bob" Leavelle. A Texas farm boy by way of New Mexico, Bob held a degree in engineering and, like Gus and Ken, had a proclivity for mechanics. "Dad had a mechanical background," recalled Bob's son Marty. "He and Gus and Ken sat down and brainstormed the concept into reality. Dad designed and patented a special canister specifically for a banking application. He called it a 'pneumatic carrier.' I drew up the plans and did the installation. We put the system in, and I have to say, it worked very well."



F&M's test tube baby



When the new office opened on January 24, 1970, its remote drive-up teller consoles were an immediate success, with cars lining up six abreast to enjoy the convenience of true drive-up banking. To utilize the system, the customer made his or her request over a two-way intercom to a teller stationed behind a bullet-resistant window overlooking the parking lot. The customer then placed the appropriate documents or deposit into one of Leavelle's carriers, secured the metal latch and dropped it into a round opening. Seconds later, the carrier arrived at the teller's desk after being zipped at the rate of twenty feet per second through a four-inch-wide underground tube beneath the parking lot. When the transaction was completed, the carrier was placed back in the tube, and a moment later, plopped into the waiting bin back at the console.

Officially, it was called a zip tube teller system, or a "teller in a box." But employees fondly referred to it as their "test tube baby." It was the first of its kind in California and not only became a standard feature for F&M's future offices but eventually found its way to other banks throughout the nation.

By March 1973, F&M had opened two additional offices in the neighborhoods of Belmont Shore and Los Altos. The bank that young Gus Walker had watched rise from an empty lot on the corner of Third and Pine fifty years earlier was now a full-service financial institution serving thousands of customers from nine branch offices in four cities.



PRESERVING

On January 1, 1979, Gus Walker relinquished the presidency of his bank to his son Kenneth. By any measure, his tenure had been remarkable. Two weeks after Gus assumed his new position as the bank's chairman of the board, *Finance* magazine recognized the excellence of his leadership by ranking Farmers & Merchants Bank of Long Beach the safest of four hundred and twenty-one banking institutions in the United States.

Despite his age, Gus's new role was not a move into retirement. He continued to work full days, meeting with customers and conducting business from his office on the mezzanine, while Ken worked at the traditional rolltop desk on the banking floor.

On January 28, 1981, tragedy struck when Gus's wife, Cassietta, passed away. Her loss was a tremendous blow to Gus and the entire family. Today, she is fondly remembered for her steadfast devotion to her church and family, and for her long and generous service to her community.

After his wife's passing, Gus soldiered on. He remained a hands-on banker and continued practice of his open-door policy to all. On one occasion, he learned that a four-year-old boy had been denied a new savings account because his \$21 total did not meet the bank's \$100 minimum for new accounts. Gus loved children and was never one to turn away a depositor, no matter how small. He responded immediately to the child's need, and the next day, the *Press Telegram* carried a front-page picture of Gus helping the tireless tyke count his money (including a shiny silver dollar from Gus) as he deposited it into his new savings account.

Gus continued to enjoy recognition from his community. In 1984, the YMCA of Greater Long Beach celebrated its centennial anniversary with a gala dinner dance and feted

Gus for his family's five generations of service to the "Y."

A few years later, the Senior Care Action Network Foundation (SCAN), a nonprofit health and social services agency dedicated to the city's elderly, honored Gus with their Horizon Award for his support and contributions to the senior community.



Cassietta Walker

In Gus's experience, there was no better security system (*either personal or professional*) than a loaded gun. To keep his eye sharp, he often practiced marksmanship in the bank's basement. "He'd done that for years," recalled longtime employee Sean Miller. "He'd set up a table, lay out all his guns, wear his cowboy boots and strap on his six gun. Then, like a real cowboy, he'd practice his quick draw against a silhouette on the wall. "One time," Miller went on, "he fired a submachine gun. The thing kicked straight up and shot a string of holes in the ceiling. The holes are still there."

Gus never lost his skills or passion for hunting. "He still knew how to do it," recalled grandson Dan. "When he was in his 90s, he stalked and shot a wild boar. He tracked it and anticipated its every move. He knew just where it would be, waited for it to reveal itself and shot it."

A LEGACY...

And “doing a little mopping”

Gus also continued to play polo. In 1990, the Walker family played in an eight-goal polo tournament called the Wickenden Cup at the Santa Barbara Polo and Racquet Club. In what may have been the only polo match in history involving a team made up of four generations, Gus mounted a pony named “Attacross” and led his son Ken, grandson Dan and great-grandson Mathew onto the field. In a spirited battle in the soft shadows of the Santa Barbara Mountains, Gus played two competitive chukkars and complained afterwards that Attacross was not spirited enough.

Through it all, Gus Walker never forgot who he was or where he came from. He was defined by a personal ethos of faith, hard work and the same tenacity that his parents had instilled in him as a child. Late in his life, Gus exhibited his remarkable adherence to those values in an interview with a local newspaperman. No different from his days as a youth scrubbing the sidewalks of Pine Avenue, he gestured to a mop and bucket in the corner. “If there’s a little mopping to do, and a mop is close by,” he said deferentially, “then I’ll do a little mopping.”



Four-year-old Landon Bachman counts out his \$21 prior to opening his first savings account



Meka Voge presents awards to four generations of Walkers (Mathew, Henry, Dan, Ken and Gus) who represented Long Beach on the polo field in 1990



A GOOD AND

Gus A. Walker passed away at his residence in Long Beach, California, on January 11, 1994. He was ninety-four years old.

In life, Gus had always put his customers first, often saying: “A customer is not an interruption of our work; he is the reason for it.” True to form, he saw no reason to interrupt the lives of F&M customers with something as insignificant as his funeral and requested that it be celebrated on a non-banking day. His wish was granted when services were scheduled on a banking holiday honoring another great American, Dr. Martin Luther King Jr.

Worshippers filled the brown mahogany pews and stood in the aisles of the California Heights United Methodist Church in Long Beach to pay their respects on a soft winter day.

The gathering was a cross section of life; both prominent and plebeian alike came to bid farewell to their friend.

“But they that wait upon the Lord shall
renew their strength ... they shall mount up
with wings as eagles.” -Isaiah 40:31

FAITHFUL MAN...

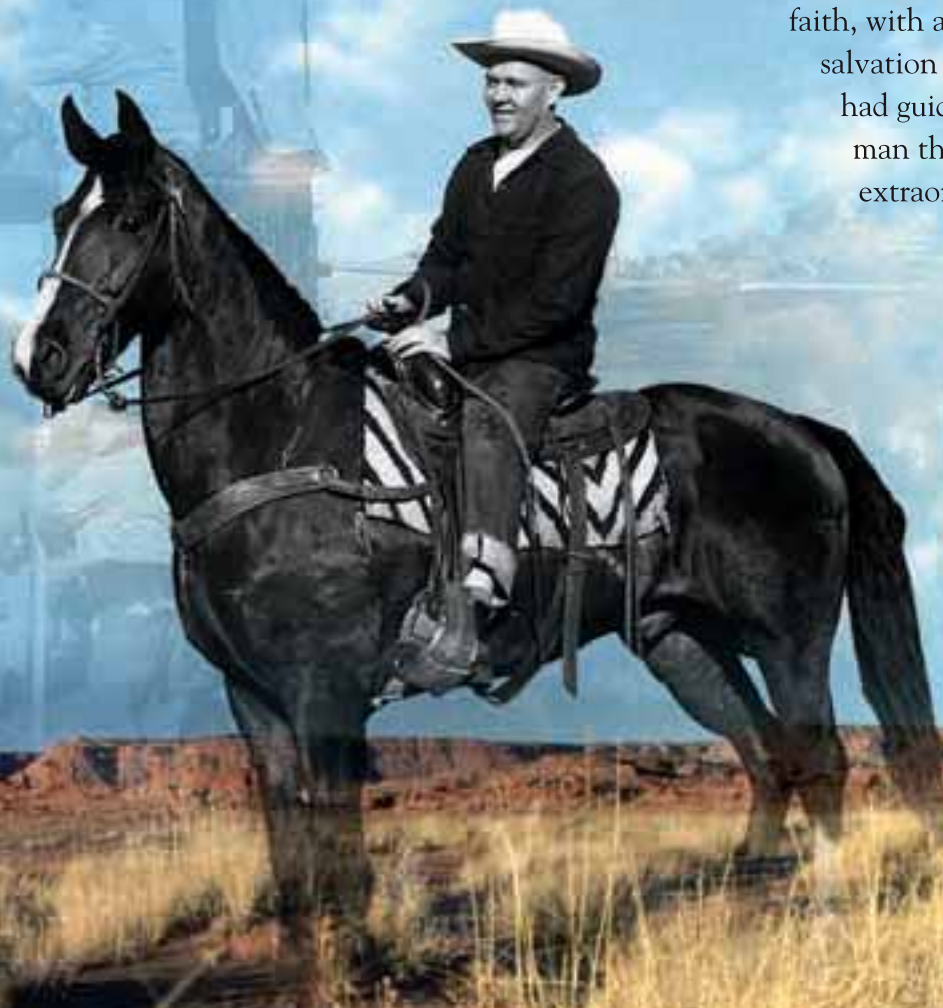
A long and extraordinary life

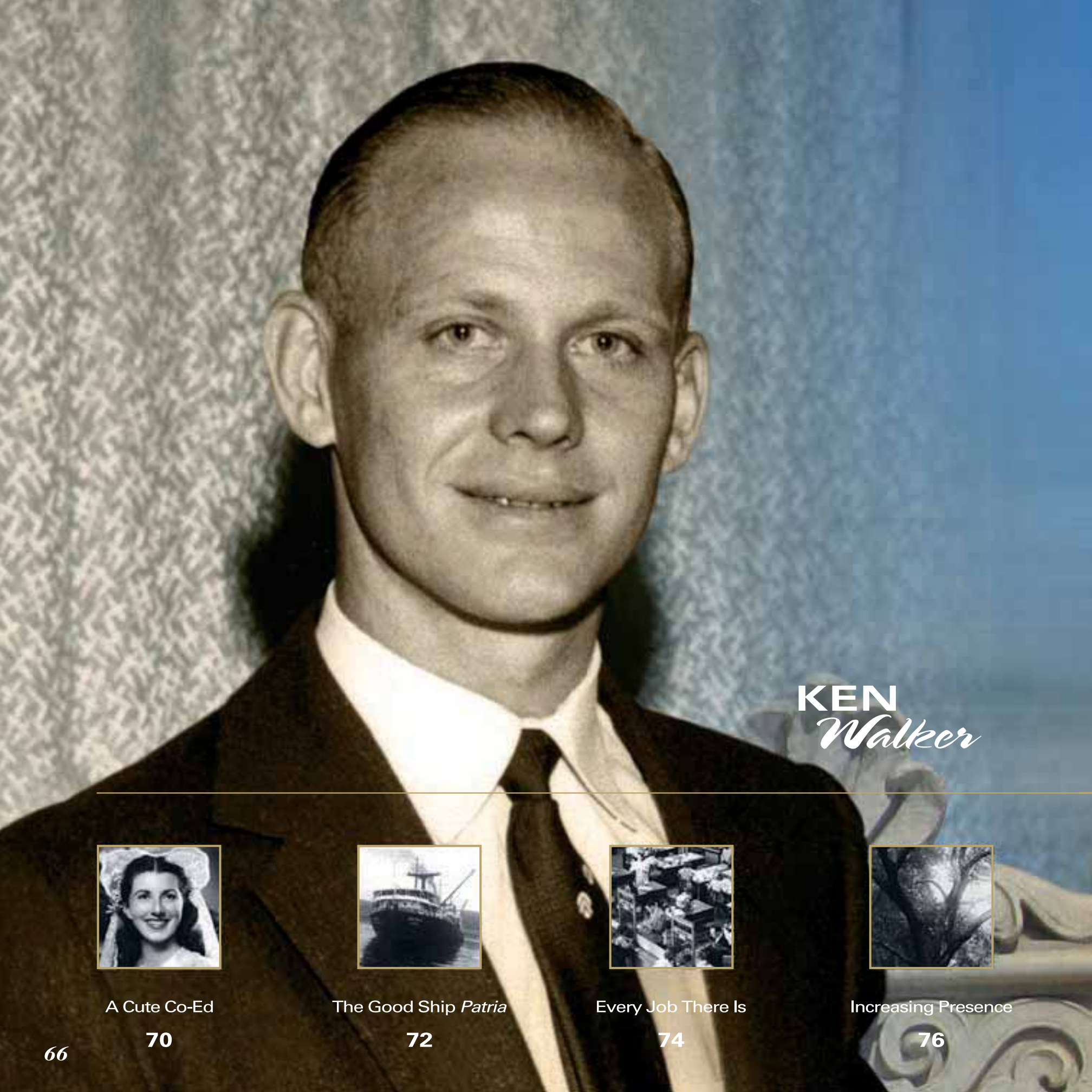
Gus and his youngest son David, a long-time minister of the Gospel, had planned every aspect of the service, but it was Gus's selection of music that best reflected his sentiments. Among the hymns he choose were "God of Our Fathers", "Blessed Assurance", the grand Negro spiritual "O' Happy Day", and perhaps the two most powerful Christian hymns ever written, "Amazing Grace", by John Newton, and Martin Luther's "A Mighty Fortress Is Our God".

Toward the end of the service, David addressed the congregation. "Gus always loved to sing," he said. "He had many favorite hymns and was so moved by their

message that he would often weep when singing them. When he and I were planning today's services, he asked that we sing some of his favorites. As we do, I want you to not only sing them for the Lord but also for Gus."

In a moment both beautiful and sublime, the faithful raised their voices in the gossamer light and filled the church with a lovely rendition of "Jesus Loves Me". For all who were there, and for all who were not, it was a moment most fitting: a child's song of faith, with a simple message of salvation through Christ, which had guided this good and faithful man through a long and extraordinary life to eternal rest.





KEN
Walker



A Cute Co-Ed

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The Good Ship *Patria*

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Every Job There Is

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Increasing Presence

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WINDOW WASHING...



Ken at three

Kenneth G. Walker was born on April 17, 1927, at Seaside Hospital in Long Beach, California. When he was five years old, Ken's father, Gus, moved the family from their home in Belmont Shore to a new house on Country Club Drive near the old (and freshly restored) Rancho Los Cerritos and adjacent to the present day Virginia Country Club.

The new Walker home was one of the very first dwellings built on the tree-shaded drive. While lovely homes and wide streets would eventually mark the area, when Ken was a child, it was still rural and open.

As a boy, Ken's life was a mix of joy, exploration and responsibility. Not long after he had learned to walk, he was already up on the back of a horse (soon becoming an expert horseman) and developed a deep appreciation for animals.



Kenny and "Honkey"

When he was still very young, he and his dad rescued a baby donkey from the Dr. Ross Cat and Dog food company in neighboring Los Alamitos. "He was only three days old," Ken chuckled, years later. "We brought him home in the back seat of my dad's LaSalle. I named him Honkey the Donkey. He was my first love."

"Ken and that donkey were inseparable," affirmed his sister Beverly. "He'd go around the neighborhood and collect the freshly cut grass from peoples' lawns to feed him. When he walked his paper route, Honkey would follow him around."

The Walker family tradition called for an early introduction to the virtue of hard work. No exception, Ken assumed a position at his father's bank as an elevator operator when he was just



Take the bus?
Young Ken had discovered a
faster way to school



Friends in Need

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Creating an Image

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And a donkey named "Honkey"

11 years old. Things did not go well. "I ran the elevator in the lobby," he later recalled. "It was one of those old-fashioned ones with a handle that made it go up and down, and you had to line it up with the floor before you opened the door. I didn't line it up right, and an older woman stumbled as she stepped from the car. It happened right in front of my dad. After that, I was 'promoted' to the position of venetian-blind cleaner and window washer!"

Along with Ken's duties at the bank came the responsibilities of growing up. He attended Los Cerritos Elementary School, often riding horses to class, and then Washington Junior High School. For fun, he would sometimes hitchhike to school, laughing at his friends who had taken the "long way" on the school bus. Strong and disciplined, Ken was a fine athlete, earning three varsity letters and being elected captain of the gymnastics team at Long Beach Poly High School.



Captain of the gymnastics team

Ken was also a determined youngster with a mind of his own. "I guess there have been several variations of the story," remembered his older brother Dick, 60 years later. "When I joined the Army after Pearl Harbor, Ken was too young to enlist. I was sent to Colorado for training, and Ken decided to come visit me.

"So, unbeknownst to anyone, he stuck out his thumb and, a couple of days later, arrived at the base in Denver. Apparently, he used my service number to gain access. He lasted about 10 days before our parents discovered where he had run off to. They made me promise to get him on a bus for the journey back, before his thumb got him into trouble."



In the Navy

With his "hitch" up and his adventure over, Ken returned to school, graduated in the spring of 1944 and immediately volunteered for Uncle Sam's Navy. He served a year as a seaman on a motor launch, shuttling personnel around the Long Beach Harbor while working at the bank in his off hours.

When hostilities ended in the summer of 1945, Ken readily resumed his life as a civilian. In the fall of 1946, he followed in the footsteps of his father and headed for the University of Southern California to study economics and finance.



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RELATIONSHIPS START WITH A HANDSHAKE

"No act of kindness, no matter how small, is ever wasted." – Aesop

In the days before credit cards, ATM's and the internet, a farmer from the San Joaquin Valley drove his vintage pick-up truck through the Tehachapi Mountains and south to Long Beach. Apparently the vehicle was much the worse for wear. For once it reached its destination, it gave up the ghost and broke down.

To make matters worse, the man learned that repairs would cost \$400, much more than he had with him. With no other options, he began walking up Pine Avenue, visiting banks along the way, to see if he could procure a loan. But to no avail.

Finally, he walked through the brass doors of F&M and asked the receptionist who he should speak to about a loan. Without delay, he was escorted to a teller's window where bank president Kenneth Walker, in keeping with the tradition started by his grandfather C.J. Walker, sat behind an antique roll-top desk.

Dressed in worn overalls, dusty work boots and a rumpled hat the rough-hewn farmer offered Ken a calloused hand and explained his plight. To the uninitiated it must have been quite a sight. A rugged crofter speaking with a dapper bank president who treated him with respect and dignity. But to those who know Ken Walker, it was commonplace.

As a descendent of hard working men, Ken had learned from his father and grandfather to look beyond a person's appearance and consider their character.

In the case of the farmer, he saw a decent, hard-working man of the soil who needed help. He willingly loaned him enough money to have his truck repaired and to travel home safely. In return, the farmer not only repaid the loan, but opened an account and remained a faithful customer and friend for more than 60 years.



Ken Walker, as seen from his roll-top desk located on the main floor directly behind the teller windows.

A CUTE CO-ED AND A

Ken and Nancy

Unlike the small, emerging college that Ken's parents had attended, the mid-1940s version of USC was a nationally renowned institution of higher learning. It boasted a spacious campus adjacent to Exhibition Park (*and the massive Memorial Coliseum*), a vibrant social and fraternal community, and championship athletic teams in virtually every sport.

Ken and his brother, Dick, matriculated in the fall of 1946, and each epitomized the postwar college man. They were young, handsome, seasoned by their experience in the service and ready to carry on their lives after the four-year interruption of the war. They were also a bit avant-garde. When they rumbled down fraternity row on their motorcycles (*Ken on an Indian and Dick on a Harley*), they not only impressed their fraternity brothers at the Kappa Alpha house but also caught the attention of the sisters at the Pi Beta Phi sorority across the street.

One such co-ed, by the name of Nancy MacMillan, was a lovely girl with raven hair and twinkling brown eyes. On March 24, 1926, in Greeley, Colorado, Nancy became the youngest of three daughters born to Cornelia Mathew MacMillan and Howard Gove MacMillan.

Her father was a plant pathologist for the United States Department of Agriculture, and her mother was a homemaker. When Nancy was four years old, her father's employment brought the family to Los Angeles, where Nancy attended public schools and graduated from Los Angeles High School in the spring of 1944.

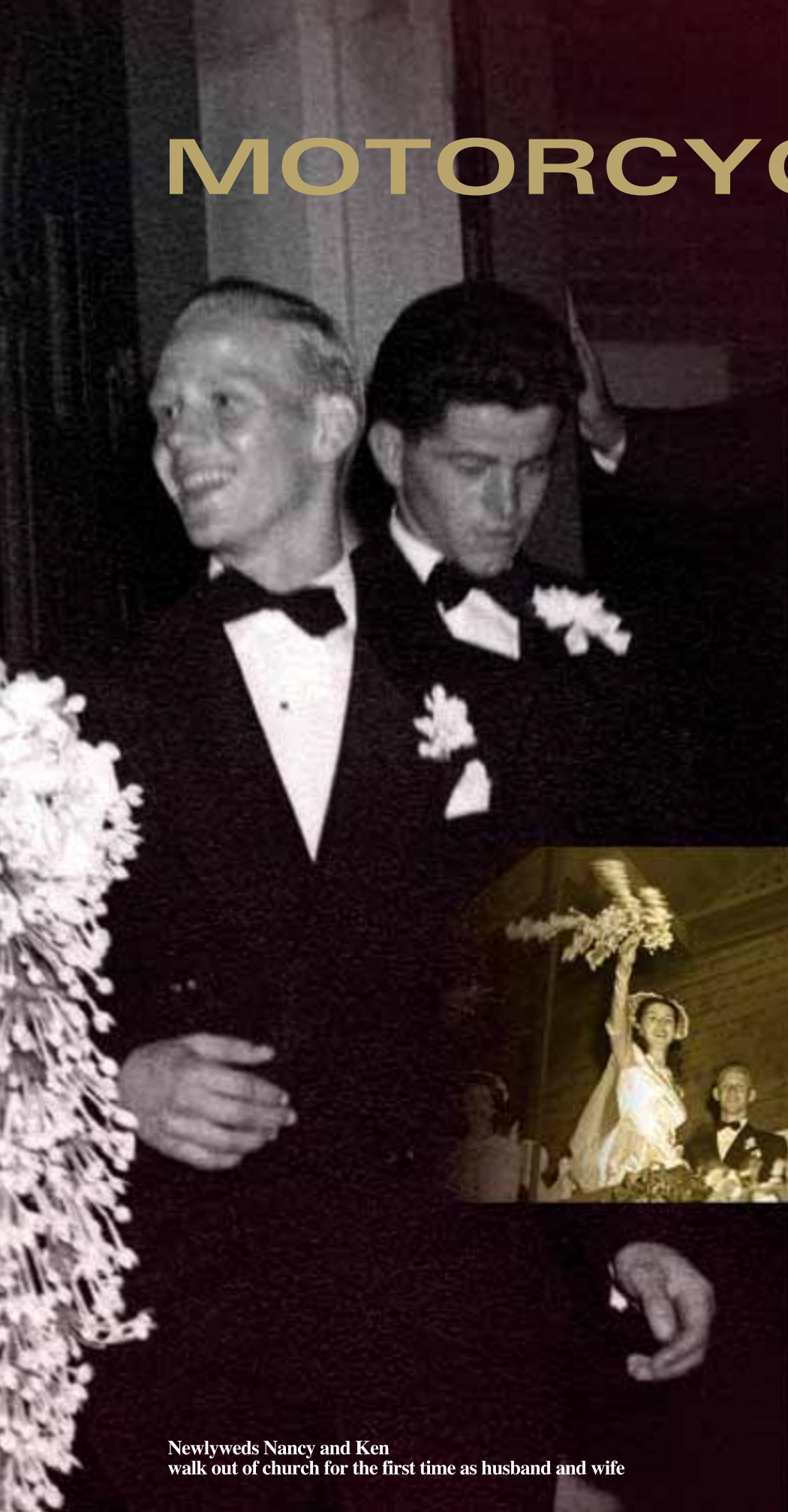


MOTORCYCLE RIDE...

The following fall, she entered USC as a sociology major and pledged Pi Beta Phi.

By the fall of 1946, she was living with her sorority sisters across the street from the Kappa Alpha house on fraternity row. Like everyone else on the street, she noticed the two handsome brothers and their somewhat outré mode of transportation. "They were both really nice guys," laughed Nancy in 2007, "and riding a motorcycle looked like fun. So, I went across the street and asked Kenny for a ride." The outing evolved into a friendship that quickly blossomed into love; Ken Walker and Nancy MacMillan were married on September 5, 1948, at the Messiah Congregational Church in Los Angeles, California.

After a short, three-day honeymoon to Yosemite National Park, they returned to Long Beach and took up residence in an apartment on 45th Street. A week later, Ken started working full time as a teller at the main office. After five years in the apartment, they moved to a home on San Antonio Drive in the Los Cerritos area near Ken's parents. For Ken and his growing family, the future held great promise.



Newlyweds Nancy and Ken
walk out of church for the first time as husband and wife



Nancy and Ken are all smiles
after the birth of their first child, John



COTTON, CATTLE AND

*"More time in the saddle
than in the sack"*

Along with an undying loyalty to the bank, Ken inherited his father's entrepreneurial spirit. He loved the satisfaction that came from creating and running a successful business and, while astute and conservative, was never afraid to take risks.

In the first years of his marriage, Ken opened a machine shop, working after hours and weekends with a hired foreman. Later, he purchased a farm in northern California, driving north every weekend to check up on his crop. In the course of a long career as a part-time entrepreneur, Ken farmed everything from strawberries to cotton, ran hotels and motels and owned a construction business. He even developed a cattle ranch, where he rode on roundups, branded and inoculated cattle, ate cold beans and hard tack, and learned that success was derived from "spending more time in the saddle than in the sack."

But of all his adventures, there was none more challenging than the saga of the good ship *Patria*. Launched in 1944 from Vancouver, British Columbia, the *Patria* (originally named Moose Mountain Park) was a WWII liberty ship that had been converted to a freighter after the war.

On June 21, 1954, laden with a cargo of 10,000 tons of coal, the 425-foot-long vessel ran aground in a dense fog off the beach near Skunk Point, Santa Rosa Island, in the Santa Barbara Channel. Fortunately, there were no injuries or fatalities. But when the ship's owners decided the cost of raising and repairing her would be prohibitive, they left *Patria* stranded stern-high on the shoal.

Ken in the mud with his grandkids



The *Patria* stranded aground



THE GOOD SHIP

Patria...



Weekend Warriors
Dick, Ken and Gus Walker



To Ken Walker, the marooned vessel represented an opportunity, especially after it was confirmed that at low tide, all five holds (*containing over 10,000 tons of undamaged coal*) were above water.

Wasting no time, Ken immediately purchased salvage rights, including to the coal below decks, and went to work. His ambitions were not without precedence; in the years immediately following the war, he had helped his father salvage and convert a U.S. Navy minesweeper into a family pleasure ship called the *Wandermore*.

The *Patria*, though, was a different story. She sat firmly embedded in the sand, completely subject to the whim of the vacillating tides. To solve the problem, a team of welders (*led by mechanical genius and family friend Dale Messer*) worked with the rhythm of the sea and welded 8x10-foot iron sheets over each hold. After 30 tedious days, the chambers were convincingly sealed tight. An enormous air compressor was then brought aboard, air was forced into the holds and the formerly woebegone *Patria* once again floated free.

With the compressor still chugging and the hatches sealed shut, the vessel put to sea and made her way south to the Mexican port of Salina Cruz, where the gaping hole in her hull was entirely repaired. After the 10 tons of coal onboard had been sold, the *Patria* was sailed through the Panama Canal to the East Coast. She was acquired by a new owner, renamed and restored to life on the seven seas.

Ken on deck

The *Patria*...raised, repaired and docked

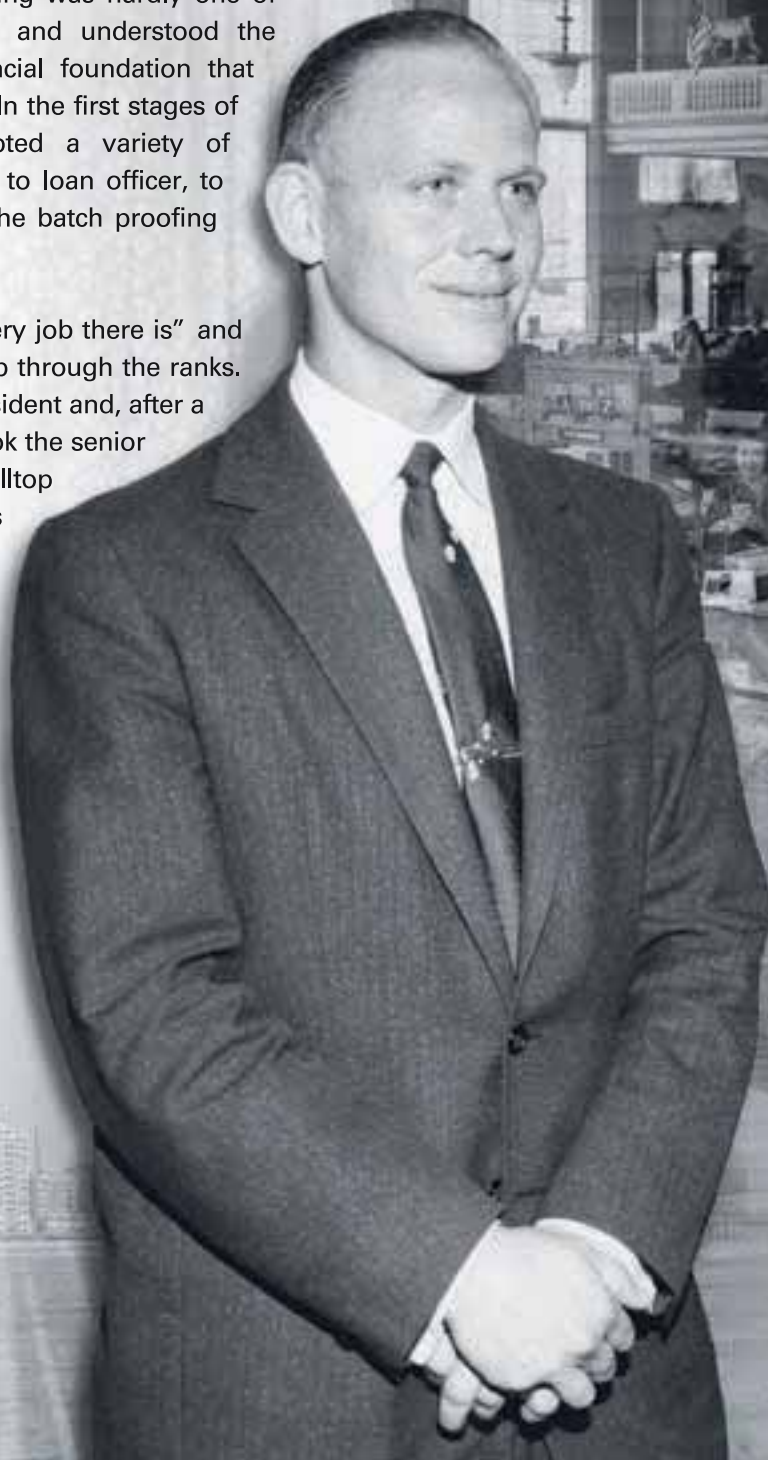
DOING EVERY JOB

A wealth of knowledge

Ken's early career in banking was hardly one of privilege. He recognized and understood the value of a practical financial foundation that began with the basics. In the first stages of his career, Ken willingly accepted a variety of positions that ranged from teller to loan officer, to sorter and tabulator of items in the batch proofing department in the basement.

By 1966, Ken had performed "every job there is" and had nearly completed his climb up through the ranks. He was elected executive vice president and, after a little resistance from his father, took the senior Walker's place behind the old rolltop desk on the banking floor. "Gus did not want to move upstairs," said Dan Walker of his grandfather's disinclination to leave behind his desk on the main floor. "He felt that if he left the banking floor, he would lose touch with his customers."

"But it made sense," he continued. "The bank had grown to the extent that Ken



THERE IS...



Ken shares a laugh with his assistant



needed to concentrate on lending and Gus on assets and investments. It was better that Gus have an office where he could meet customers, so it all worked out for the best."

In the course of the next 13 years, Ken directed the lending department with a cautious and conservative business philosophy that combined his common sense with the practical wisdom inherited from his father. "The three things that are important in the banking industry," he once told a reporter, "are liquidity, capital strength and earnings. We believe we have achieved those three goals."

In 1979, Ken succeeded Gus as president. He had earned his spurs. He was experienced and savvy, with a keen eye for money and a fine working knowledge of the banking industry. In this, he was fortunate, as the next decades would bring not only widespread expansion but also a surge of glittering global technology that would change the world and bring about a new century—one in which the challenges for Ken Walker and his bank would be profound.



STRENGTH IN

An increasing presence



Bixby Knolls

With Ken Walker at the helm of the bank, the 1980s evolved into a period of great expansion for F&M. The trend began in 1980 with the construction of a new office in Memorial Hospital and continued to the building of a full-service branch at Bixby Knolls.

The same year, in Orange County, offices were opened in Lake Forest in late April and in the City of Orange in May. The new branches and the convenience of the bank's teller machines being electronically linked to the main office in Long Beach served to broaden F&M's presence throughout the region.

By the end of 1984, Ken's consistently conservative policies continued to pay off. Year-end figures showed a capital-to-assets ratio of 17 percent (*nearly three times the federal requirement*), cash and securities totaling \$453.7 million (*more than enough to cover the \$452.1 million in total deposits*) and a nonperforming (*bad*) loan ratio of a miniscule 1 percent.

As a result, in early 1985, professional bank monitors declared Farmers and Merchants Bank of Long Beach to be the safest of 441 similar institutions in California. With such solid numbers, it came as no surprise when the Federal Deposit Insurance Corporation (FDIC) asked F&M to bid on the purchase of the Capistrano National Bank, which had recently been declared insolvent.



Lake Forest



Orange



Now Walker's the bigger Vice President Dan Walker says Farmers & Merchants Bank had wanted to expand in Orange County for some time.

Long Beach bank fills OC holes

Capistrano failure provides an opening

By Cathy Taylor
The Register

SANTA ANA — Farmers & Merchants Bank of Long Beach more than doubled its Orange County presence when it bought failed Capistrano National Bank.

Capistrano, with \$9.7 million in assets at year-end, was declared insolvent and closed by federal regulators Friday. It was the first bank closure in Orange County this year, the third in the state. Capistrano's deposits and some of its assets were sold to F&M for \$3.85 million.

AT A GLANCE

Farmers & Merchants Bank of Long Beach, founded in 1917, is one of the largest independent banks in California.

Figures in millions	12/31/83	12/31/84	Change
Assets	\$610.0	\$654.0	7%
Net income	\$13.2	\$14.9	13%
Total capital	\$96.0	\$109.5	14%

Source: Farmers & Merchants Bank of Long Beach

"We felt by purchasing Capistrano we would fill in the holes in Orange County," said Daniel Walker, F&M vice president and grand grandson of the bank's founder, C.J. Walker.

Daniel and his father, Kenneth, F&M's president, were in Capistrano's old executive offices in Santa Ana on Monday to oversee the transfer. Phone via BANK-22

NUMBERS...



San Juan Capistrano



Fullerton



Santa Ana



Rossmore

F&M branches out

While the acquisition of the failed institution would mean additional growth, Ken remained typically reserved, stating, "Profit is not necessarily related to the desire to grow." Nonetheless, he was always open to considering an opportunity and, after two days of analysis and deliberation, submitted a bid of \$3.05 million.

After considering more than a dozen proposals, the United States comptroller of currency awarded the bid to F&M. The acquisition included leases on the bank's main building in San Juan Capistrano and three others in Santa Ana, Fullerton and Irvine.

On Monday, April 8, 1985, three of the offices (*the Irvine branch was closed initially*) were reopened as F&M offices, effectively doubling the bank's presence in Orange County. "We've had a branch in Garden Grove for 27 years," said Ken's son Daniel Walker. "We've been casting about for an additional acquisition for the last few years and felt that by purchasing Capistrano, we would fill in the holes in Orange County."

In October of the same year, F&M negotiated a friendly merger with the Town and Country Bank of Seal Beach for \$1.5 million. The office was renamed and reopened as F&M's Rossmore branch, marking a period of profit and growth that brought the total number of F&M offices to 17. Although the bank continued to stretch its strong arms further around its community, it made certain to always maintain a gentle cradle within.

MEMORIAL HOSPITAL

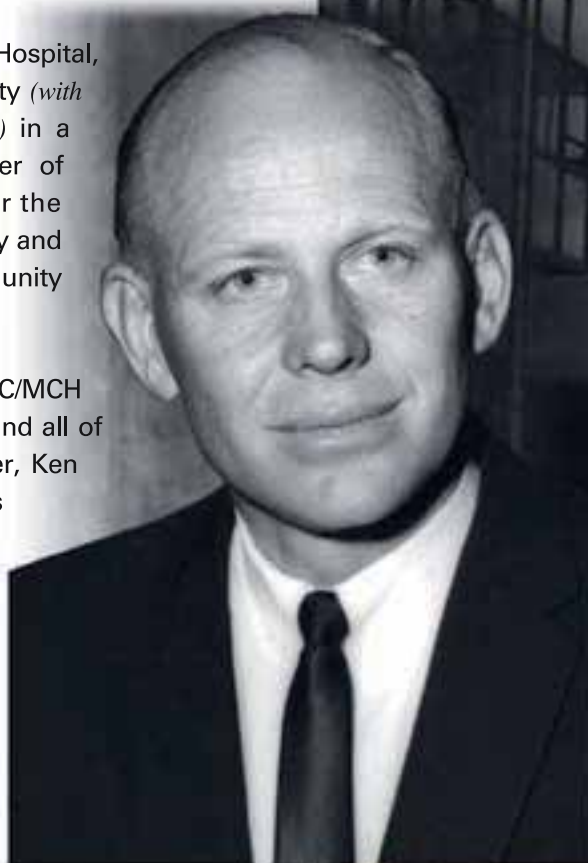
Friends in need

From the day C.J. Walker first placed a \$20 bill under a crate of pears at Martin's grocery store for folks in need, the Walker family has made a habit of generously giving back to their community. Many have enjoyed the benefit of their largesse and, in the process, become their friends. But in the long list of beneficiaries of the Walker generosity, there is no organization that Ken and the family hold dearer than the Long Beach Memorial Medical Center/Miller Children's Hospital (LBMMC/MCH).

Opened in 1907 as Seaside Hospital, LBMMC/MCH started as an 18-bed facility (*with a remodeled kitchen for an operating theater*) in a rented Victorian mansion at the corner of Junipero and Broadway Streets. Over the years, the little hospital grew with the city and today is a major regional and community medical center.

The Walker's involvement with LBMMC/MCH started almost from its beginning; Ken and all of his siblings were born at Seaside. Later, Ken and Nancy's children were born there as well. Ken's mother, Cassieta, was a torchbearer for the family's commitment as she volunteered weekly at the hospital for over 40 years.

Donna M. Reckseen, president emerita of the Memorial Medical Center Foundation, has known Ken Walker and his family for over 30 years. When asked about the



**In 1980,
Ken gave Memorial
its own F&M office**





**LBMHC/MCH in 1923,
when it was known as
Seaside Hospital**



hospital's relationship with F&M, she put it like this: "What would a community be without an ethical bank, first-class medical facilities, well-funded churches and excellent schools? Long Beach has them all, thanks in large part to a century of heartfelt generosity from the Walkers."

Whenever the hospital's needs arose, F&M was consistently there to lend both funds and expertise. Ken has served on the board of trustees, on the finance committee, and as chairman of the LBMHC board of directors, and it was F&M that loaned the \$4 million to buy the land upon which the current medical campus now resides.

In January 1980, Ken's entrepreneurial instincts recognized an opportunity to innovate. He noticed that doctors, hospital employees and patients alike were somewhat inconvenienced when they were forced to leave the facility to handle issues of personal finance. In a mutual process, Ken and LBMHC came up with a unique solution: establish a complete F&M branch office on the ground floor of the hospital. The results were a tremendous success, allowing the 4,500 employees of the medical center to spend more time doing what they do best—take exemplary care of their patients.

In every way imaginable, the relationship between Ken's family and LBMHC/MCH is more than a mere partnership; it is an implicit trust and a heartfelt friendship.

For his part, Ken has stayed consistent with his support of LBMHC/MCH, saying recently, "F&M is always more than ready to meet Memorial's needs, whether daily or with capital growth." And as the bank meets those needs, it makes sure to maintain its own health and strength, as new advances bring the mixed blessing of opportunity and vulnerability.

KEEPING TRACK...

*And watching out for
the bad guys*

One look at the handwritten ledger that Carrie Walker kept on F&M's first day of business reveals the essentiality of financial bookkeeping: knowing how much money came in, how much went out and how much was left over.

Today, F&M financiers record the same information, though on a much grander scale. During Ken's tenure alone, the leap in technology has ranged from hand-cranked 10-key adding machines (*a device old-timers checked by hand because they didn't trust such a "fancy-Dan" contraption*) to the wonders of online banking.

The move to modernize began in 1963, when the bank purchased a Burroughs 373 computer with an astounding (*at the time*) capacity of 9,800 characters. By the end of the decade, electric typewriters were becoming ubiquitous and, by the mid-70s, a state-of-the-art system with 200,000 bytes of memory and 20mb of fixed disk space was handling the bank's daily processing load.

By 1979, F&M's Data Center had grown large enough to warrant a more secure, off-site location. Now, it is a 45-person operation that directs an array of input from certificates of deposit (*CDs*) to online banking transactions. Most impressive, though, is the rapid processing of check data.

The center handles, on average, nearly \$200 million dollars every day via high-speed encoding machines, each running at a rate of 1,150 documents per minute. In order for incoming funds to be posted and credit given, the center must complete its work and deliver the results to a central clearinghouse no later than 10:00 p.m. each evening. Despite the constraints, F&M's Data Center keeps an impressive service commitment of 95 percent efficiency.





It is true that Gus Walker once told a bomber, who was strapped with dynamite, "If you leave now, I will let you go." Years later, Gus wisely denied a stranger's request to meet privately with him in his office-the same day, the man walked into a neighboring bank and revealed a briefcase full of explosives.

Not surprisingly, Ken inherited a similar mien, once tailing an armed robber out the door on foot. After nearly a mile, Ken jumped into a patrolling motorcycle officer's sidecar, and they chased the delinquent until they caught him. Ken, despite the turmoil, expressed that his only concern was being late for an afternoon meeting in Los Angeles.

But times have changed. Modern employees are instructed and trained extensively to handle a face-to-face robbery with a minimum of risk, to refrain from trying to "be a hero" and to never put themselves or others in harm's way.

With the advent of the Internet has come a new wave of security challenges for banks and banking customers. The perils of an ever-growing, 21st-century cyberspace present an ongoing "catch me if you can" environment. Crimes like identity theft, "pinging" into the bank's secure firewall, "phishing" with false e-mails, terrorist financing and other nefarious acts (*some yet to be concocted*) are a constant threat.

To stay on top of the digital cat-and-mouse game, F&M's security staff continuously and discreetly interface with one another—always mindful of their obligations to keep the customers' money safe, stay in compliance with the law and keep a vigilant eye out for the next bad guy.

fmb.com

THE YMCA...

"To laugh, love and lift"

Since 1899, when C.J. Walker became an early organizer and member of the board of directors, there has never been a moment when the Greater Long Beach YMCA has not been graced with the guidance and support of one or more Walkers.

For them, the "Y" is a deeply rooted family affair. As a youth in 1911, Gus Walker attended Camp Kole in the Angelus National Forest and co-led a Bible class. Ken later attended the same camp, while all of his sons attended Camp Oakes in the San Bernardino Mountains.

Ken's fidelity to the organization has not diminished with time. Today, he continues to be a proud and active participant in the YMCA Rags/Leather program, achieving the right to wear the distinguished White Rag—the highest of seven levels, signifying a lifetime commitment to Christian service.

"Most people know Ken as a staid banker in a suit and tie," says Alan Hostrup, chief executive officer of the Greater Long Beach YMCA. "But we see him in a different light. We see him at a Ragger Ceremony on a spring afternoon at Camp Oakes, dressed in blue jeans, testifying to his faith. We see him laughing and joking with kids, trying to teach them in the ways they should go and helping them in any way he can."

Ken and his wife, Nancy, evidenced their continued commitment to the "Y" by endowing the C.J., Carrie D. and R. Howard Walker Foundation in 1974. Created to memorialize the memory of



The Walkers are honored with a plaque for their generations of commitment



Ken leads prayer during a Christian Leadership Conference

CLC 2006



Ken's grandparents and his and Nancy's son Howard, who had passed away the year before, the foundation supports the Christian Leadership Conference (CLC).

The CLC, first held in 1974 at Camp Oakes, California, consists of several training sessions that center on teaching young leaders (*both lay and staff*) how to conduct a "Y" camp. At the conference's

conclusion, participants receive a complimentary Bible—provided by the foundation and personally signed by Ken, Nancy or a representative of the CLC—to serve as a spiritual touchstone for their futures.

It is estimated that Ken's grandmother, Carrie D. Walker, gifted recipients with as many as 2,000 Bibles over the course of her lifetime. She must be proud to know that her grandson and his family now make gifts of that many in a single year, through a living memorial to her, her husband and her great-grandson.

Ken and Nancy attended the first CLC in 1974 and have never missed a conference in 33 years. Their steadfastness has helped the program grow to more than 15 gatherings (*totaling 2,000 attendants*) at a variety of "Y" campsites nationwide.

It was once said that the greatest sermon a man can preach is the life he lives. For Ken Walker, much of his sermon is preached through his involvement with the YMCA and, perhaps, is best articulated in the closing lines of the Ragger's Creed:

*"I would be friend to all-the foe, the friendless;
I would be giving, and forget the gift;
I would be humble, for I know my weakness;
I would look up, and laugh, and love and lift."*



STEEL AND STONE...

Creating an image

By the new millennium, the little brick bank that Ken's grandfather had once commuted to on horseback had matured to a full-service regional institution connected by a maze of congested freeways and the phenomenon of the Internet.

While each F&M office applied the same banking practices on the inside, most differed in physical appearance on the outside. Constructed at different times and acquired through different means, there was little consistency in their appearance and no roadside message or "brand" image in the public consciousness.

A new architectural theme was developed that blended the bank's traditional elements with present-day design. Externally, the new look utilized a combination of metal facings, chocolate-colored sandstone and glistening steel to instill feelings of permanence and strength.

High ceilings emphasize the bank's openness and availability, while the wood-paneled walls and black granite counters on the inside evoke a sense of warmth. Further enhancing the welcoming atmosphere is clean-lined wooden furniture with side panels stained in matching tones. In each office, customers can enjoy cookies and beverages while sitting in matching occasional chairs around a coffee table.

The interior of the Rolling Hills branch was the first to be redone with the new look in 2002, and the Torrance office followed shortly thereafter. In 2003, the Los Altos office was torn down entirely and rebuilt from the ground up with the new motif.





Four more offices were soon erected in the same theme when F&M came to Laguna Hills and Huntington Beach in 2004, and to San Clemente and Newport Beach in 2006. The opening of a stunning new Tustin office in 2007 gave the bank a total of 22 locations spread across two counties.

From the street, the look of each office is unmistakably F&M, and many branches offer local touches of flavor. The Huntington Beach office, for example, hangs the scenic oil paintings of an area artist and displays a surfboard to honor the town's heritage as "Surf City."

The development of each new office has allowed F&M to expand its network of services to new communities while increasing the sense of uniformity and reliability bank wide.

WASSAIL AND

Holiday traditions

There are certainly few organizations richer in tradition than Farmers & Merchants Bank of Long Beach. This holds especially true at Christmas time, when employees, customers and anyone who wishes to drop by are treated to the warmth and fellowship of the Walkers and their F&M family.

In the years when the bank was composed of only nine offices and three departments, Ken and Gus personally wished every employee a "Merry Christmas" and hosted a holiday breakfast. These days, though the bank has expanded to 24 offices and 43 departments, the tradition continues with the bank's executive officers, including Ken and sons Dan and Henry hosting a Christmas breakfast for their F&M family.



A GIANT TREE...



Ken puts the finishing touches on another dazzling Christmas tree

The exciting tradition of a Christmas tree in the lobby dates back to C.J. Walker's days as president. Each year, he had an enormous Douglas fir carried into the bank, muscled over the tellers' cages and raised in the center of the banking floor. To decorate the huge tree, a makeshift scaffold of two ladders and a board plank were rigged so that Gus (*and now Ken*) could crown the tree with a star and decorate it from the top down. The lower portions of the tree were reserved for the children of employees, who were allowed in after hours with their parents to finish the decorating. In the years before forced-air heating, C.J. warded off the winter chill by serving hot wassail (*made from a homemade recipe*) and gingerbread to all in attendance.

For more than 100 years, a beautifully decorated Christmas tree, C.J. Walker's hot wassail, a healthy serving of rich brown gingerbread and a heartfelt "Merry Christmas" have greeted everyone who walks through the door of an F&M during the holiday season.

RESTORATION AND

Waking up the echoes

When F&M's 45 employees greeted the citizens of Long Beach in the marble lobby of the main office on opening day in 1923, the building they stood in was a stunning tribute to the bank's financial strength and a brilliant beacon for a bright future. But more than eight decades later, the ravages of time had taken a deep toll and the grand lady, while still proud and strong, was frayed at the edges and showing her age.

When longtime F&M architect Leslie Gentile, a Long Beach native and graduate of the University of Southern California, was asked by Daniel Walker to do some upgrades, she had no idea what would follow.

"Daniel wanted to remove the old acoustic tiles above the banking floor," she recalled. (The tiles had been installed in the 1940s before as a noise abatement measure.) "When we began taking them down we discovered these beautiful old ceiling medallions that had been covered for years."

The project suddenly took on a different hue. "It just grew from there," she said, "and Daniel decided to restore the entire interior."

For an architect who considers herself a modernist, such a project was tilling new soil. "I'd done some restoration work," she said, "but nothing like this." Gentile realized at once that a special class of contractor would be required.



RENOVATION...



Enter Robert "Bob" Kaplan, owner of Kaplan Construction in nearby Signal Hill. A local man, Bob holds a degree in construction management from California State University Long Beach and is not only an innovative builder but is also deeply sensitive to the importance of history.

"It's such a beautiful old building," he remarked, "and it really needed some love. I realized that Ken, Daniel and Henry had virtually grown up there and I considered restoring their building an awesome challenge. Life would be pretty boring if we didn't challenge ourselves, and I've never walked away from a job because of ignorance. So I just dug in and started figuring it out."

Kaplan's first challenge was to build a workspace. "I called in a scaffolding company that built an enclosed work space over the entire banking floor," he said. "That in itself was an engineering marvel. We had to do our work without interfering with the business of the bank. It was like rebuilding an engine while it was still running!"

All of the woodwork-the terra-cotta molding and friezes, the ceiling medallions, the huge vintage skylight, not to mention the intricate gold-leaf work-was all tarnished and very dirty. To preserve and restore it to its former luster required a level of artistic expertise that's not commonplace in the 21st century.

PRESERVATION AND INNOVATION

A credit to the bank and Pine Avenue

"We had the original architectural drawings from Curlett and Beelman," said Kaplan. "They were all done by hand and were very intricate. They gave us solid guidance as to the detail, so I knew what had to be done, but needed to assemble the right people to do it."

The answer was Dave Butkus, owner of The Ultimate Finish, a professional restoration and finishing company. An expert in the art of antiquity restoration, Butkus drew upon two decades of experience in the local artist community. He assembled a team of craftsmen, artisans and local art students, all of whom he personally trained in his shop in Bellflower, California. When they were ready, Butkus organized them into two crews of six persons and put them to work.



Bob Kaplan

With Bob Kaplan at the helm and Dave Butkus as overseer, workers started from the top and carefully removed 664 pieces of antique glass from the skylight. Then a crew of six men vacuumed for a week to remove decades of dust and dirt from the overhead catwalks. The delicate pieces of amber Kokomo glass were each slightly different in size, making the job the equivalent of working a giant jigsaw puzzle. When the pieces were clean, the skylight was carefully reassembled in the restored and shimmering frame. Broken pieces were replaced with exact duplicates.



The gold-leaf terra-cotta friezes, each a separate work of its own, were particularly challenging. The process called for workers to clean more than eight decades of caked-on tobacco smoke, grit, dust and smudges.

Once clean, artists used a gilder's tip (an ancient tool about the size of a small spatula) to gently press a palm-sized sheet of gold leaf over the plaster. Then, they gently kneaded the delicate gold into the recesses of each design. The process had to be repeated more than 55,000 times in order to complete the job. When everything was dry, the surface was burnished with cheesecloth to add luster and meld the seams together.





Artisans referenced photographs of the original building design as well as the original drawings to ensure historical accuracy. To add depth and delineate detail, accents of turquoise and coral enamel were added with a tiny portrait brush. As a final touch, a thin coat of lacquer was applied to minimize the potential of future tarnishing.

The hanging chandeliers were all original, but dark with tarnish, and were taken down and sent out for polishing. The glass globes, many of which were cracked or broken, were another matter.

"We could have simply purchased similar globes off the shelf," said Leslie Gentile. "But Daniel Walker would have none of that. He wanted everything to be as authentic as possible."

"I happened to be in New York at the Waldorf Astoria Hotel," she continued, "and noticed the lovely light fixtures. I learned that a company called Flickenger Glass Works across the river in Brooklyn had made them."

Employing a technique that dates to Roman times, Flickenger Glass Works is one of the finest manufacturers of slumped glass in the world. Drawing on an inventory of more than 4,000 glass molds, many of which date to the early 19th century, the company can rightly claim that there is almost nothing they cannot produce when it comes to the art of slumped glass.

"When Leslie contacted me and told me she had a bunch of 80-year-old light fixtures that needed globes," said owner and master glassmith Charles Flickenger, "I told her she'd found the right place. It was right up our alley."

"Leslie sent us a sample of the old glass fixtures, some in pieces, and we got to work," said Flickenger. "We reproduced them and

then experimented with the amber patina to make them exactly like the originals. I flew out to California for the installation to be sure they were perfect-and they were."

The ceiling medallions were an additional challenge.

"When the old acoustic tiles came down, the medallions were severely damaged," said Bob Kaplan. "In some cases, we had only pieces, and on one we had nothing to go on at all. From the pieces, we were mathematically able to calculate the size of each medallion and then have each of them recreated by a team of artists.

"Once they were installed in the ceiling, they were gilded in place. However, one of the largest ones was completely gone, and we had to guess what it looked like. When we went to install it, I did a last-minute check in the crawlspace above the ceiling and discovered a large piece of the original medallion! It was much different than the one we'd made.

"When I told Daniel of our discovery, he just laughed and asked me how the mistaken medallion would look in my living room and then told us to make a new one to match the original. To his great credit, he was totally intent on making it right!"

Overall, the job required extraordinary leadership, artistic creativity and the collaboration of extremely talented people. Their efforts awakened the echoes of a luxurious past and restored the grand old building as a palatial paragon of strength and beauty. Nearly flawless, the renovation kept alive C.J. Walker's original promise to build "a credit to the bank and Pine Avenue."



TRADITIONS

“Therefore, brethren, stand fast, and hold the traditions which ye have been taught, whether by word, or our epistle.” II Thessalonians 2:15

In 2002 F&M held fast to its traditions by transitioning leadership roles. Kenneth Walker would step back and become president of the main office. His son Henry would assume the position of President of the bank. And oldest son Daniel would take over as the bank's Chairman of the Board and President of the Trust company. Long time senior executive John Hinrichs would carry on as cashier and Chief Financial Officer.

Five years later was another milestone for F&M. Not only did it mark the bank's centennial, but it was also the year in which Kenneth Walker celebrated his eightieth birthday.

To commemorate the event, on the morning of April seventeenth, the entire staff at F&M's main branch at Third Street and Pine Avenue in Long Beach gathered to celebrate.

Along the railings of the gilded mezzanine and on the marble floor below, they stood as one to applaud Ken and his beloved wife Nancy and to sing “Happy Birthday.”



“I am often asked how has this family been successful, and it is the fact that they hold the family to a higher standard than most of us and they have to earn everything they get. Obviously, it's been working through five generations. Now that Dan has a few grandkids, we're already keeping an eye on that sixth generation.”

Kevin Tiber
Senior Vice President

As their voices rang off the amber glass skylight, the couple graciously served refreshments to their “family.”

“I feel truly blessed to be part of such a special community,” said Ken, “and say thank you, from the bottom of my heart, for all your support.”

Looking on with pride and appreciation were Ken's two sons, Daniel and Henry and long time CFO John Hinrichs. It would now fall to these three seasoned executives to lead their bank into its second century.

Beyond the vintage brass doors a pellucid mist gave way to a beautiful seaside morning and the future: unknown events beyond the horizon waiting to happen. Events that even the most savvy could not discern.



Ken with his assistant, Marisela Ledesma, saying "thank you" to the F&M family



Ken and wife, Nancy



Ken and Nancy with well-wishers

A Tradition of Thanks

"... it's simply our way of saying Merry Christmas and thank you for your service." Daniel K. Walker

In 1902, (five years before he founded F&M), Long Beach Mayor C.J. Walker led a group of civic fathers in creating a 75-man volunteer fire department to serve his burgeoning community. From that day to this, F&M and the Walker family have been enthusiastic and sincere supporters of the Long Beach Fire Department.

In 1938, C.J.'s son, Gus Walker, wanted to give a gift of thanks to the department to mark the Christmas season. Since a monetary honorarium was not permitted, Gus had bushels of Washington apples—at the time the largest and finest apples in the world—shipped to Long Beach, where he presented them to Fire Chief Allen DuRee.

The year 2016 marked the 78th consecutive year of gifting apples to Long Beach's first responders. In a wonderful confluence of history, Gus Walker's grandson, Chairman of the Board and President of F&M Trust Company Daniel Walker, presented them to Chief Mike DuRee, great-grandson of the initial recipient.

From one grandson to a great-grandson, the tradition of appreciative gifting lives on ... and for F&M, tradition is what it's all about.



As part of a long family tradition, Daniel Walker (right) presents apples to Long Beach Fire Chief Mike DuRee, great-grandson of Allen DuRee



Following the same tradition begun in 1938 with then Chief Joseph Henry McClelland, current Long Beach Police Chief Robert Luna receives a gift of apples from Daniel Walker





Daniel K. Walker



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TAKING THE REINS

If ever there was a gentleman who celebrated the apotheosis of the ordinary person, it is Daniel K. 'Dan' Walker.

As a great-grandson of a pioneer, who rode a horse across the country to seek his fortune, the grandson of a man who started his career cleaning windows and washing sidewalks, and the son of a man who started out operating an elevator, Daniel learned early the value of hard work and the virtue of service above self.

When F&M's reins were passed to him in 2002, he was ready. And when the Great Recession crippled not only the banking industry, but also the global economy, he did not flinch or falter. Instead, he relied on a century of tradition and a lifetime of experience to calmly navigate F&M through the rocks and shoals of a disaster to safety and unprecedented growth.



F&M's historic main office was built in 1923

Daniel Walker was born the fourth child of Kenneth and Nancy Walker in 1954. He was educated in local public schools. When he was a lad of only 14 years, he began his career at F&M when the company's elevator operator went on vacation for Christmas and his father, Kenneth, elected him to fill in for the job while the regular employee was gone. "It was one of those old-fashioned elevators you've seen in the movies, where the operator has a handle and has to time stopping the elevator with precision exactly on the right floor," Daniel recalled with a smile.

While his tenure as an elevator helmsman lasted for a single Christmas vacation, the experience was an added inspiration for him to work in the family business.

In a career that has spanned more than 40 years, Daniel has worked in nearly every position throughout the entire bank.



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“If ever there was a gentleman who celebrated the apotheosis of the ordinary person, it is Daniel K. ‘Dan’ Walker.” D.R. Pricer

In 1975, he took an entry-level position on the teller line assisting depositors face-to-face and handling money. As he slowly moved through the various departments and positions, he was actively mentored by his father, Ken (the bank’s third president) and his grandfather, Gus, who served as the bank’s second president for more than four decades.

Through their wisdom, Daniel learned the intrinsic responsibility that a banker has toward his community.

“Your customers—and that service you owe them—should be your first priority every day,” he says.

As much as anyone, Daniel has a deep appreciation for history and for F&M’s rich heritage. In a society that tends to tear down the old and bring in the new, he prefers to honor the old and blend it with the new.

It was Daniel who that implemented the upgrading and standardizing of the banks branch offices. And he also oversaw the loving restoration of the vintage main office that his great-grandfather

C.J. Walker, built in 1923 at the city’s nexus at Third Street and Pine Avenue in Long Beach. There are few places in America where a person can do business in the quaint charm of the 1920s, while enjoying the streamlined efficiency of the 21st century.

Away from the bank, Daniel is a father, grandfather and a passionate polo player. He holds a 5-goal handicap, placing him at professional level. He learned polo from his father and grandfather, who were also ardent players, and delights in passing on the Sport of Kings to the next generation.

As F&M continues into the second decade of the 21st century, the future, as always, is unclear. What is clear, however, is the transcendent concern for the community that C.J. Walker has passed to his great-grandsons.

“Our priorities will not change,” says Daniel. “We will protect our customers’ and depositors’ money, we will take care of our F&M family and we will strive to pay consistent dividends to our shareholders. We will remain safe, strong, conservative and friendly.”



F&M’s 24th branch in Corona del Mar continues a tradition of expansion without changing values



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Daniel, Kenneth and Henry Walker were honored with the Ernst & Young 2009 Entrepreneur of the Year Lifetime Achievement Award

ATRIO OF EXCELLENCE

In 2009, the multinational professional firm of Ernst & Young recognized F&M's storied history and its remarkable performance during the Great Recession by selecting the bank to receive the prestigious Ernst & Young Entrepreneur of the Year Lifetime Achievement Award.

The award was presented at a black-tie gala at the Hyatt Regency in Irvine, California, attended by Kenneth, Daniel and Henry Walker.

"We are grateful and humbled to be recognized with this prestigious award," said Daniel Walker. "The entrepreneurial spirit of my great-grandfather, C.J. Walker, continues to inspire us year after year."

"I have seen a lot of changes at F&M in the past 60 years," added Daniel's father, Kenneth, "but one thing that never changed is our family's loyalty to each other and the bank. We owe special thanks to our family and extended family of F&M employees who make it a special experience to be a part of our bank every day."



More than a century ago, C.J. and Carrie Walker dropped a pebble in the pond of Long Beach history.

For W. Henry Walker, becoming a banker started humbly and peripatetically. "I was the gingerbread boy," he laughed. "My job was to drive around in an old 1973 station wagon, and deliver wassail and gingerbread to all the branches at Christmastime."

Another holiday chore, he recalled, was to 'un-decorate' the 20-foot Christmas tree in the lobby. "We always came in to help put it up and decorate it," he says, "but after the holiday, we had to take all the ornaments off and save them. Then I'd haul it outside and chop it up. It wasn't glamorous!"

Born the youngest of six children to Kenneth and Nancy Walker, Henry, from the very beginning, showed an interest in the family business.

"We all had a great home and school life," he recalled, "but for me, banking was a part of our daily lives. Dad would come home and change his clothes, and we'd talk about banking at the dinner table. I'd ask him if he made any loans that day. We'd talk about financial statements and finances."

W. Henry Walker

A DEEP SENSE OF HERITAGE

As Henry came of age and graduated from college, he considered what he wanted to do. "There was never any pressure to enter the business," he said. "I knew it was available to me if I chose that path. It was a clean, honorable living, and I knew that both my father and grandfather were happy in their profession."

"I created a personal philosophy," he continued. "I realized that one would enjoy what one did well. If I could learn to do banking well, I knew that I would enjoy it."

Henry's decision and philosophy led to a patient (he started on the teller line) ascension to the presidency and the responsibility of assuming the family mantle.

While his father, Kenneth still serves his customers from his vintage rolltop desk on the banking floor, Henry occupies his grandfather Gus' office. The sense of tradition is not lost.

"Sitting at my grandfather's desk is not only an honor, but it also affords me a deep sense of heritage," he says. "In fact, we still refer to the office as 'Gus' office' and that is as it should be. It is important to keep his name. When I consider my father and grandfather, and their commitment to their work, it is both humbling and inspiring."

For Henry, the family's legacy resonates deeply. "It's hard to comprehend what the family has meant to the city of Long Beach and the other communities where we have branches," he says. "Even now, I'm still working on understanding that profound responsibility."



W. Henry Walker on stage at Segerstrom Hall proudly supporting the Pacific Symphony during Christmas

Fortunately, Henry is not alone. Like his father and grandfather, he enjoys the mentorship of those who came before him. "My brother, Daniel, and I can count on each other just like my father, Ken, could count on his father, Gus," he states. "Daniel and I have the same type of relationship that they had. I'm blessed with a very good brother. He is honorable and faithful, and very inclusive. He's a great leader."

More than a century ago, C.J. and Carrie Walker dropped a pebble in the pond of Long Beach history when they opened their little storefront bank on Pine Avenue.

Today, the concentric ripples from that pebble are manifested in men like W. Henry Walker, who took the tenets of his ancestors to heart and carried them forward.

"If my great-grandfather, C.J., could look at where we are today, he would see that we've followed his model of not being the biggest, but being the strongest. I believe he and his wife, Carrie, would be pleased."

THE GREAT RECESSION

The factors that caused the Great Recession were varied and complex. But by mid-2008 the financial house of cards built in large part by the subprime mortgage industry—a fallacious policy that had spread like a virulent virus throughout the financial sector—had come crashing down.

The results were catastrophic. A tsunami of bank foreclosures and bankruptcies drove the national (and global) economy to the brink of disaster.

Millions of Americans watched helplessly as their jobs were lost, their homes foreclosed and their life savings evaporated like so much chaff before the wind.

Some of the oldest and most prestigious financial institutions in America went under or were absorbed by larger entities. Terms like “T.A.R.P.,” “Government bailout,” “too big to fail,” “Government stimulus” and “predatory lending” entered the public lexicon as markers of a dark time of panic and uncertainty.

Yet despite the crisis—to the chagrin of its competitors, and the relief of its customers and employees—F&M flourished, and in fact expanded during this time, growing its deposits by more than 70%. All who witnessed it asked how such a thing was possible.



“F&M Bank never took T.A.R.P. funds.”

Daniel K. Walker

“Farmers & Merchants Bank didn’t participate in sub-prime lending.”

W. Henry Walker



STEADY AS SHE GOES

"We knew who we were, and were proud of who we were."

Daniel K. Walker

For millions of Americans, the Great Recession represented a terrifying black lacuna with no light and no hope.

"I asked myself two questions," said Henry Walker. "How deep is it and how long will it last?"

The answer to the first question was: "very deep," and to the second: "no one knows."

"We knew who we were," said Daniel Walker firmly. "And we were proud of who we were. We never shied away from talking to anyone, anywhere about our bank and our philosophy."

Imbued with the principles inherited from their forefathers, the brothers reached out to their employees, their customers and the public at large.



F&M Executive Committee: Daniel K. Walker, W. Henry Walker, John W.H. Hinrichs, Phillip J. Bond and Melissa Lanfre

"It was like riding a roller coaster in a fog bank," he went on, "not being able to see and never knowing which way things would turn."

In a climate in which the banking industry had become a subject of public scorn, the Walkers, with remarkable composure, stood fast.

Employee meetings were convened to assure every F&M team member that the bank was solvent and their jobs were secure.

"When the economy crashed," said one longtime team member, "we were all on pins and needles. No one knew what would happen. But Daniel and Henry and our leaders really calmed things down."

"They told us that we were not a part of the troubles, that we were safe, that our jobs were safe, and that there would be no anticipated layoffs.

"They told us that now was the time to stand tall, that we were the quiet heroes who would keep our customers' money safe. It made us feel proud and put us at ease, and we just kept on doing our jobs."

A series of straightforward and powerful television advertisements were aired. In scenes reminiscent of their great-grandfather C.J., who stood among the depositors' gold and calmed panicked Long Beach townspeople a century before, the brothers stood before the door of the grand vault of the main branch and quietly delivered a message of solvency and assurance.

"Sub-prime loans?" said Henry. "We've never done them. Never will. It's just not us. It's not safe."

"How long could my business or family survive without immediate access to my cash?" he asked. "For 100 years we've kept our customers' accounts safe. There's no need to worry."

The bank also televised testimonials from long-standing customers that ranged

from a medical clinic, to a privately held petroleum company, to a dealer of iconic Steinway pianos.

"F&M is what banking used to be in the old days," they said. "We know our money's safe. It's personal banking. You're not a number; you're an individual."

The results were dramatic. In one five-day period alone, more than 600 new customers deposited more than \$150 million.

As a creditor, F&M was understandably concerned about loan loss but approached the issue respectfully.

"We focus on personal relationships," said Henry. "That means that as problems may come up, we communicate and we stick together.

"All of our loans were properly collateralized. "But still, some of our customers were in trouble. We reached out to them and strove to work with them. Although there were some that we simply could not help, we were able to work with the vast majority.

"We never had an unprofitable year. We stuck to our core values: honesty, integrity, the home, the church and service above self. And it paid off."



GROWTH AND GOING

Client Care Center

The Great Recession led to massive layoffs and industrywide cutbacks in other banks. But for Farmers & Merchants, what was chaos for others offered a greater opportunity to serve:

In 2009, a new 60,000-square-foot F&M Bank Customer Care Center (C3) was opened in Seal Beach, California.

The new facility brought together more than 150 team members from various locations under one roof. This not only increased efficiency but also provided customers with a sense of confidence, stability and synergy.

The C3 was state-of-the-art. Services ranged from a support center for corporate management to individual departments for credit merchant card services and cash management.

There was also a customer service telephone center, an employee training facility and a complete warehousing and distribution operation. There was even an emergency generator that would provide up to 20 days of nonstop power to ensure a seamless continuance of services in the event of a power outage.

But in a broader sense, C3 was much more. Collaborating with Interior Office Solutions of Irvine, California, the new facility not only combined the latest in technological innovations but also was eco-friendly.

Modular walls, TecCrete® raised floors for “under floor” airflow, individual swirl diffusers that managed room temperatures by specific areas, furniture manufactured from managed forests, a recycling program, and the use of soy ink all combined to make C3 a LEED (Leadership in Energy and Environmental Design) certified facility.



The transition to CFL and LED lightbulbs not only saves electrical usage but also saves money

N

“Our company culture has always been to lead by example,” said Daniel Walker of the new center. “Farmers & Merchants is a bank first, but social and environmental accountability are an important aspect of serving our clients, our employees and our community.”



Recycling paper along with using soy-based inks in printing helps reduce our carbon footprint

Use Reduce Recycle

BRANCHING OUT

As the economy slowly stabilized, F&M, unlike others that were downsizing, saw increasing opportunities for growth both in Los Angeles and Orange Counties.

DOWNEY

With a history that dates to the days of Alta California's Spanish missions, the community of Downey possesses the warmth of a small town and the vibrancy of a city with an unlimited future.

Two of America's most iconic restaurants, McDonald's (the oldest of which is still in business at the corner of Florence Avenue and Lakewood Boulevard) as well as the site of the first Taco Bell eatery, are both located in Downey. And in the years when America sent a man to the moon, NASA's Apollo Space Program called Downey home.

With a population of energetic entrepreneurs and quiet family neighborhoods, the bustling city 12 miles south of Los Angeles was a natural fit for F&M's 22nd branch office.

When the newly built and wholly owned office opened its doors in late 2013, merchants and citizens alike were delighted that California's strongest had come to stay.





CORONA DEL MAR

It would be difficult to find a stretch of Southern California's Gold Coast lovelier than the pristine cliffside enclave of Corona Del Mar.

Once a bucolic vacation hamlet accessible only by horseback and water (and then only at high tide), the rustic burg with a "killer break" for early surfers was little known until after WWII.

Now chic and affluent, its central district bustles with an eclectic mélange of high-end shops, art galleries and excellent restaurants. It was here that Farmers & Merchants built its most unique and beautiful branch at the intersection of MacArthur Boulevard and Pacific Coast Highway.

From the sidewalk, customers approach a stunning edifice that replicates the bank's main office in Long Beach. Imposing brass doors, soaring neo-Italian fluted columns, a splendid facade adorned with a four-foot-high clock with Roman numerals—all crowned with a beautiful American flag—heralds F&M's deep traditions of patriotism and stability.

In the rear of the building is a convenient subterranean parking lot from which customers ascend to the marble lobby via a private elevator.

Inside, patrons are served while seated beneath a magnificent amber glass skylight surrounded by walls adorned with original artwork depicting local beach life.

In every way, the Corona del Mar office is a deep bow to F&M's venerable past and a confident nod to its future as a dazzling and permanent jewel in Orange County's "Crown of the Ocean."



BRANCHING OUT

REDONDO BEACH

With its bustling marina, an exciting pleasure pier, a strand dotted with fine eateries and trendy shopping, the seaside city of Redondo Beach is home to F&M's 24th branch office.

Scheduled to open in 2018, the new building features a broad street front with green tinted glass accented with walls of beige. On one side is a convenient drive-thru window. On the other, the passage from the rear parking lot is enclosed by a large screen, on the outside of which is a beautiful stippled likeness of a Doric cornice from the historic Main office in Long Beach.

All in all, the new office in Redondo Beach is a testament to F&M's permanent commitment to its new neighbors, and a tasteful bow to the past.



Artist rendering of the new Redondo Beach branch

*"We really enjoy our customers coming to visit us ...
personal relationships are our strength and we love to meet
and get to know our customers."*

Michael McCarthy, Senior Vice President, Residential Lending Manager

HOME LOAN CENTER

The Shops at Rossmore, a stylish retail center at the northern edge of Seal Beach, is the site of F&M's new Home Loan Center.

In a newly renovated building purchased by F&M, the stand-alone facility affords customers a convenient and centralized location for all of their home loan needs.

"We welcome our customers any way they come to us," says Senior Vice President, Residential Lending Manager, Michael McCarthy.

"We have licensed loan officers stationed at all of our branches, or folks can apply online or over the phone. But what we really enjoy is our customers coming to visit us in person. Personal relationships are our strength, and we love to meet and get to know our customers."

The center's interior (more than 5,000 square feet) offers ample space for operational efficiency as well as a setting that is warm and welcoming. Along the walls hang a superb collection of enlarged vintage photographs and paintings, including a striking image of the first Goodyear blimp *Pilgrim* hovering above the main office tower in Long Beach in 1925.

When the Home Loan Center celebrated its grand opening by hosting a barbeque for its staff and the community, the words of F&M President Henry Walker said it all:

"We're excited as this new centrally located stand-alone F&M Bank Home Loan Center allows us to better serve communities in both LA and Orange County."



FIFTY YEARS OF

"I learned from Gus Walker to never, ever, put our customers'

A descendant of German immigrants, John W.H. Hinrichs was born the sixth of nine children to John and Lorena Hinrichs in 1938 on a dairy farm near the tiny town of Zumbrota, on the north side of the Zumbro River in southeast Minnesota.

The Hinrichs family was hard-working, with no pretense and modest means. Everyone did their share and young John learned early the necessity of hard work.

"We milked and fed about sixty cows twice a day," he said. "It was quite a process. During the summer, the cows grazed and were herded into the barn for milking. In the winter, they were confined to the barn and fed from a manger. We had automated milking machines, but when there were severe storms (not uncommon in Minnesota), we milked by hand."

When John was a teenager, tragedy struck when his father was diagnosed with cancer. Although he received the best of care at the nearby Mayo Clinic, he eventually lost his battle with the dreaded disease and died when John was 16 years old.

The little farm was the family's only means of support. With his two older brothers off serving in the Korean War, making a go of it became John's responsibility.

"I rose at 4:30 a.m., fed and milked the cows, poured the milk into ten-gallon cans and loaded them (many weighing up to eighty pounds) onto our truck," he recalled.

"I drove them to the creamery and dumped them, then drove to school. After school, I'd head home and do it all again. Then I'd have supper, then homework, then off to bed and start over the next morning."

It was a tough row to hoe for a high school boy, but John carried on. In the spring of 1956, he graduated from Zumbrota High School, a strong, determined lad with a heart full of dreams but empty pockets.



John (far left)
with his father
and brother on
the family farm

John with one of the family cows

FAITHFUL SERVICE

money at risk. And I never have.” John W.H. Hinrichs

“I didn’t have any money,” he said ruefully. “So at 17 years old, I joined the Marine Corps.”

Like all who have “claimed the title,” John’s journey through boot camp at Marine Corps Recruit Depot, San Diego was a life-altering experience. Rigorous physical training, unrelenting discipline, endless close-order drill, flawless execution of the manual of arms and qualifying with the M1 Garand rifle on the firing range as an “expert” (the highest possible classification) transformed the tough Minnesota farm boy into an even tougher United States Marine.



Upon graduating from boot camp, John served two years in the scorching environs of Marine Base Twentynine Palms in the Mojave Desert.

“It was a great experience,” he said proudly. “I served in administration with officers from lieutenants to generals, and learned a great deal about working with all kinds of people.”

After two years, Hinrichs was honorably discharged as a corporal and returned home. Seeking to better himself, he enrolled at the Minnesota School of Business (MSB) where he studied accounting. To pay his tuition and expenses, he took a job at Piper Jaffray, an investment and financial services firm based in Minneapolis. John worked under the firm’s chief accountant, gaining valuable experience while finishing his two-year course at MSB.

In the process, the young veteran developed other interests.

“I’d developed an interest in radio,” he said. “I enrolled at the Brown Institute in Minneapolis. They had a great school of broadcast engineering.” Along the way, he took a detour that would change his life.



John (far right) with his brother piling wood in the winter

“A buddy and I took some time off and drove out to California in his 1949 Ford,” he chuckled. “He had family in Long Beach, so that’s where we landed. I wanted to stay a while, so I walked up Pine Avenue looking for a job. I’d learned in school that banks were the heart of a community, so I was hitting all the banks. I stopped at Farmers & Merchants and before I knew it, I was in Gus Walker’s office. He sized me up with those blue eyes of his and gave me a job as a teller at the Long Beach Boulevard branch.”

John worked for six months before returning home to finish his education and pursue his career. With a first-class degree in engineering and blessed with a rich radio voice, he landed a job at a local radio station.



John graduated from Zumbrota High School 1956



Private John Hinrichs, USMC

"My main job was gathering the news," he recalled. "I gathered local, national and international news, wrote my own copy and then delivered it live on the air. In the evenings, I'd pick up some extra cash doing play-by-play for a local baseball team." Thinking he had found his niche, John settled into his new profession.

But his life unfolded in a different direction when a mutual friend introduced him to an intelligent and personable young lady named Donna.

Like John, Donna was from a small town, hailing from Knoxville, Iowa. The young couple soon fell in love and decided to marry.

"When we became engaged, we decided that a career in radio was ill-suited for married life," he said. "We decided to come to Long Beach. On the way out, I called Gus Walker. I didn't think he'd remember me, but he did. He put me to work when we arrived."



John started in the loan department and then moved to the Garden Grove branch, where he came under the tutelage of branch manager Wes Horton. "Wes was a great manager and a great community guy," said John. "He was very demanding, but I really learned from him. After two years, the controller retired and Gus thought I might be qualified to fill the spot."

As he rose in his position at the bank, John doggedly pursued his education. First attending classes at Long Beach City College, then California State

University at Long Beach, and finally earning a bachelor of science in business from Pepperdine University. In time Mr. Hinrichs rose to a position of the highest responsibility: that of controlling the bank's expenses while keeping the sacred trust of protecting the clients' money through wise and conservative investments.

"I had great mentors," he said. "One was Ken McLaren, and of course there was Gus Walker. Gus was truly a hands-on teacher. He'd call me into his office twice a month, and we'd review every invoice. I still do that today. I look at every invoice from every branch."

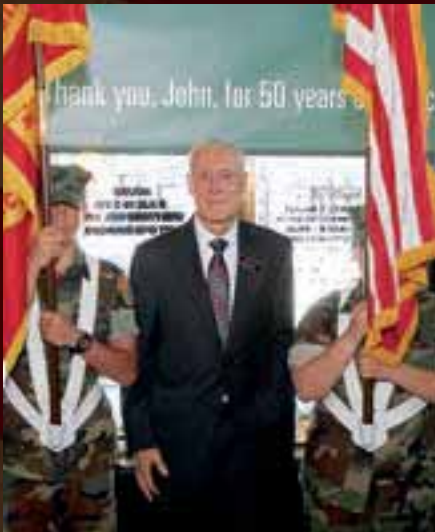
John's eye for irregularities is legendary.

"He's amazing," laughed one assistant vice president. "I was using one of the company cars one time and inadvertently filled it with premium gas. I turned in the receipt and forgot all about it. Sure enough, John noticed it, and I got a phone call."

John's consistent adherence to conservative banking principles has served F&M and its customers well, especially in the turmoil of the Great Recession.

His efforts have not gone unnoticed. In 2009, the California Society of CPAs and the *Orange County Business Journal* formally acknowledged his career achievements by presenting him with the Lifetime Achievement Award for CFOs. John was deeply honored to receive such an award and was immensely proud that he was able to contribute his efforts in such a meaningful way to F&M and the community at large for the last fifty-plus years.

"I think Gus and C.J. Walker would have been aghast at the severity of this last recession," he reflected. "And to be honest, I cringed a little myself.



"But Gus trained me, invoice by invoice, to manage expenses. He also taught me how to prudently invest our customers' money and to never, ever, put that money at risk. And I never have."

"I've always tried to motivate people and demand excellence from myself and others. I've never tolerated a lack of integrity. For me, it's the only way."

On the morning of March 30, 2014, before the doors opened for business, scores of F&M team members and friends waited quietly on the gilded mezzanine overlooking the lobby of F&M's home office in Long Beach.

Moments later, Daniel Walker, F&M's CEO, and John Hinrichs emerged from the lobby elevator below, and the crowd broke into cheers and applause.

Smiling warmly, Daniel gently nudged the surprised John down a carpeted aisle that led across the lobby to a table set with a beautifully decorated cake. There he joined Henry Walker and his father, Ken, beneath a large banner that read "Thank you, John, for 50 years of service."

From the north end of the lobby emerged a four-man color guard of United States Marines bearing the national flag and the scarlet and gold battle colors of the Marine Corps.

To the rousing sound of the Marines' Hymn, the young leathernecks marched to the west side of the lobby then executed a precision wheel left and marched abreast across the lobby to the waiting men.

It was absolutely silent. Overhead, the morning sun filtered through the amber skylight and cast a sepia glow on the scene.

Now came the national anthem. The battle colors were dipped in tribute, and the Marines snapped to port arms.

When the anthem was finished, Daniel Walker stepped forward and addressed the crowd. With deep sincerity, he thanked John for his many years of faithful service.

Then he announced that the Farmers & Merchants Bank Foundation, a newly created entity inspired by founder C.J. Walker and his wife, Carrie, both devoted philanthropists, would, as its first gift, endow the John Hinrichs Finance and Accounting Scholarship at the California State University of Long Beach. The scholarship would be awarded to a deserving and promising student of finance who was in need and intent on bettering himself or herself through education.

Awed by the moment and overcome with memories (and perhaps a bit embarrassed by the attention), John quietly addressed the crowd. Speaking from his heart, he gave thanks to his friends and colleagues for their support and loyalty for so many years.

He talked of the importance of F&M's history and its value to its customers and the community it served. He recognized the deep privilege and humility that is inherent in service above self. His words inspired all who were there to strive to live up to his and the bank's august heritage.

It was a most touching moment indeed: this modest farmer's son, who had served his faith, his family and his profession, and who, through his diligence and dignity, had become a cornerstone of a legendary community bank that is, and always will be, "as strong as the strongest."

GIVING BACK

"God loves a cheerful giver." II Corinthians 9:7

As the story goes, an early F&M customer who owned a cannery in San Pedro shipped a railcar of canned tuna to market at Christmas, only to have the train derail and destroy the load.

Wrought with dismay, the gentleman went to Gus Walker with the calamitous news. He informed him that the shipment was not insured and that the loss would force him into default.

A normal creditor would have foreclosed on the man's business and rendered him and his family destitute at Christmastime.

But Gus Walker was not a normal creditor. Instead, he offered to buy any undamaged tuna, told his valued customer to pay him when he could and saved his business.

That year for Christmas, every F&M employee received a gift of canned tuna. And every Christmas thereafter, the now solvent cannery owner sent a gift of tuna to all his friends at F&M.

While the name of the cannery and its owner are lost to history, the tradition is not. Each year, F&M's family and friends receive a gift of delicious troll-caught albacore for the holidays.

"The Christmas tuna tradition is a great example of our corporate soul," says Senior Vice President Kevin Tiber. "We were founded on—and are rooted in—a Judo-Christian ethic. In that sense, we will always give to those who need our help."

But these days, it's not as easy as in years past. With a portfolio of more than 1,000 nonprofit clients, F&M's benefaction has taken on a more sophisticated and regulated posture.

The Community Reinvestment Act (CRA), for example, requires financial institutions' compliance in meeting the credit needs of low- and moderate-income clients and neighborhoods, as well as volunteering in those communities.

"We are delighted to report that we comply with CRA in all respects," says Cheryl Ryman, Vice President, Community Reinvestment Act Officer. "But we are especially proud of our exemplary record of community service. All of us, from the president to the tellers, volunteer our time and efforts far in excess of CRA requirements."

For Nolan Nicholson, Assistant Vice President, and a fifth-generation Walker, doing so meant spending a day wielding a power saw on a Habitat for Humanity project in Santa Ana, California. "I was very lucky to be invited to such an event," he said. "I spent the day working on interior framing. I met a great bunch of people from all walks of life. I truly enjoyed the manual labor. My back was a little sore, but it was worth it!"



In 2015, Dan and Henry Walker realized that the time had come for F&M to establish a charitable foundation of its own to more efficiently serve their nonprofit clients.

To that end, the Farmers & Merchants Bank Foundation was created with First Vice President of Farmers & Merchants Bank, Christine Walker-Bowman as its President. Mrs. Walker-Bowman is a fifth-generation banker.

"We recognize," she says, "that the world has changed. In order to move into the future and be in line with current practices, we needed a foundation. Our bank has grown, and the customers we support have grown as well."

"Many of our nonprofit clients are involved in eleemosynary work of their own. Schools, religious organizations, shelters for underserved citizens and the like."

"The customers and communities we serve are viewed as family. When we give back to them, they in turn help others to build a stronger community."

For F&M, giving back is much more than just writing a check. It is a personal and long-term commitment. In 2004, F&M sponsored the inaugural Orange Catholic Foundation Conference on Business and Ethics.

The conference was held at Marywood Center (former home of the Roman Catholic Diocese of Orange) with about 150 attendees. The fare was simple and served on paper plates. It was a very humble beginning.

But F&M believed in it's client and was proud to sponsor the event. In 2016, the 14th annual conference saw more than 1,000 business leaders gathered at the Anaheim Hilton Hotel and Convention Center.



Christine Walker-Bowman,
Foundation President



The keynote speaker was Bishop Robert Barron. A highlight was Daniel K. Walker presenting Father Robert Spitzer, S.J., with the Farmers & Merchants Bank Lifetime Achievement Award.

"After all these years, our relationship with the Orange Catholic Foundation transcends business," says Kevin Tiber. "It is personal. They are our friends, and we are very proud to serve them."

It is that personal handshake-by-handshake culture that best defines the Farmers & Merchants Bank Foundation.

"Although we are a banking family, banking does not define us," says Christine Walker-Bowman. "Our family is passionate about making a difference in the world."

"The F&M Foundation is the conduit that connects the business side of our family with our personal approach to our customers."

It is these cornerstones—business, respect and kindness—melded together that maintain a century-old tradition started by C.J. Walker, who left \$20 with the grocer next door to help any neighbor in need.

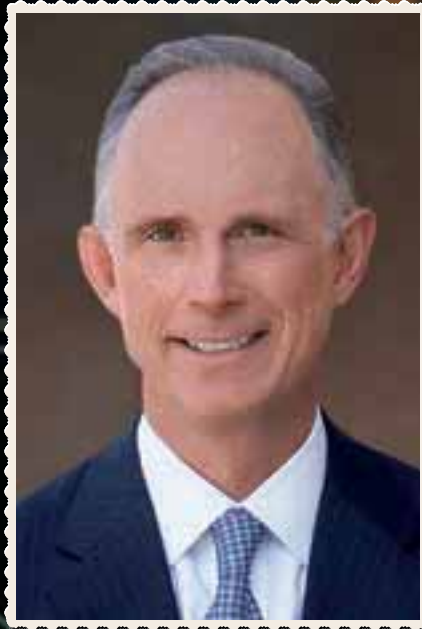
Today, he would be proud to see his great-great-granddaughter lead a charitable foundation that is a tangible aide-mémoire of his compassion. And in doing so, it reflects the teachings of a gentle carpenter who long ago beseeched his novitiates to "Go and do thou likewise."

In 1907, \$20 would have the buying power of over \$500 today

SOLID CREDIT

"We all try and give our customers and each other a little more, and no one can feel bad about that." Phillip J. Bond

Phillip J. Bond



Phillip J. Bond
Executive Vice President
Chief Credit Officer

Phillip J. Bond came to Farmers & Merchants in the spring of 2012. The son of a banker and schoolteacher, he was born on the shores of Lake Erie in the small town of Westfield, New York, and came of age in New Jersey and Texas. He earned an undergraduate degree in business administration (with a concentration in finance) from the University of Texas at Austin.

His first job out of college was as a banking regulator for the Federal Deposit Insurance Corporation (FDIC), a position that eventually brought him to California in 1992.



For the next 20 years, Phil held key positions in the banking industry with organizations that included Commercial Banking Center of Long Beach, City National Bank, and as Chief Credit Officer and founding member of Beach Business Bank. Along the way, he earned an MBA from the Anderson School of Management at UCLA, and met and married his wife, Valerie. During this same time, Phil often heard stories about the traditions at Farmers & Merchants Bank.

"Having worked with banks in Long Beach, you'd always hear things around town about F&M," he said. "It was like looking over the fence trying to see if what you heard was really true."

Phil got a chance to find out when Beach Business Bank was sold and F&M hired him as Executive Vice President, Chief Credit Officer.

"I know this sounds scripted," he says, "but it's different here. When you walk into this quaint and quirky old building, you're just struck by the tradition."

FARMERS & MERCHANTS BANK

COMMERCIAL—SAVINGS
COR. THIRD AND PINE, LONG BEACH, CAL.
STATEMENT AT CLOSE OF BUSINESS, FEBRUARY 4, 1913.

RESOURCES

Loans, Municipal Bonds and
other Securities.....\$ 875,424.70

Negotiating a bank loan is not known for its personal touch, yet Phil was struck by F&M's approach, not only to its customers but its employees and the community as well.

"When I got here, I immediately noticed how our customers were treated," he says. "In situations that might call for a foreclose or selling the loan to another bank, the priority here was to work with the customer and seek a solution. We've known these folks a long time. They have flown our colors, and we will fly theirs in return. When everything is based on honesty, it's easy."

Phil found the same is true in the workplace in colleague-to-colleague relationships. "It's all based on respect," he said. "There is no rule by memo, no impersonal hierarchy. It's a totally flat organization, where everyone is available. That puts everybody close to the action, and it's very energizing and empowering."

This closeness extends beyond the main office to the branches, each of which operates like a vintage community bank. In the tradition

set by C.J. Walker, who sat on the banking floor to work with his customers face-to-face, each branch works the same way with its own dedicated loan officer and underwriter.

"It's a testament to our traditions and our personal touch," says Phil. "No one has to wait for an answer. As a community bank, we are located in our customers' communities. While a loan workup is governed by certain criteria, we still operate with kindness. We just do it right."

"There is no arrogance of money in the Walker family or in our bank," he concluded. "We all try and give our customers and each other a little more, and no one can feel bad about that."

LIABILITIES

Capital Stock Paid in Cash.....\$110,000

Surplus and Undivided Profits.....20,54

.....1,247,875

\$1,378,417

Interest Paid on
Checking Accounts

Saturdays 9:30 a. m. to 12:30 p. m.

C. E. HUNTINGTON, CAS

R. MONTGOMERY, ASS'T, CASHIER

B. W. HAHN

RESOURCES OVER ONE MILLION DOLLARS

SECTION A - LOAN DATA

1. BORROWER'S PERSONAL AND FINANCIAL INFORMATION

2. AMOUNT OF LOAN

3. NUMBER OF YEARS AT PRESENT EMPLOYMENT

4. LIQUIDITY

5. NEAREST RELATIVE

OPERATIONAL STRENGTH

Melissa Lanfre



Melissa Lanfre
Executive Vice President
Chief Operating Officer

Melissa Lanfre grew up in the city of Lubbock, Texas, which epitomizes the straightforward culture of a small Texas town.

After completing her freshman year at Texas Tech University, she came to California with her family and finished her education at California State University, Northridge, with a B.S. and M.S. in accounting.

In a career that has spanned more than three decades, Melissa served as a chief financial officer in a variety of community banks, including one which was located in Long Beach, and most recently as chief administrative officer at Banc of California, before joining F&M.

"During my career, I had worked in the Long Beach area during the 1990s," she said, "and had always heard the legendary stories about F&M. One was particularly intriguing—that of the president sitting on the banking floor."

To validate the legends, Melissa took a field trip to F&M's main office in downtown Long Beach.

"I actually walked over to F&M in downtown Long Beach one day to see if the story was true," she laughed. "And it was! There on the banking floor was the president, Kenneth Walker, at his desk on the banking floor, talking with customers. The branch was not only beautiful, but it held such a rich legacy of banking history."

"West Texas has a very traditional culture that emphasizes family, church, community and giving of oneself. And F&M embodies that culture – who could not help but feel like they belong with the bank?"

Melissa is executive vice president, chief operating officer, a role that puts her behind the scenes, managing the bank's technology and product and branch support groups.



“Farmers & Merchants is good, honest, ethical people doing good, honest, ethical banking.” Melissa Lanfre



“To run a bank like F&M effectively and efficiently and provide an outstanding customer experience,” she said, “takes a team of people who work diligently behind the scenes.” Banking technology is changing rapidly, and managing F&M’s technology is one of Melissa’s key responsibilities.

“There always is a tendency to adopt the latest technology, but I realized that the first and most important ingredient of success is to focus on the true needs of our clients while respecting and working with the traditions and culture of F&M,” she said. “And to work within that framework when making decisions regarding changes and improvements.”

“We are always searching for the best solutions to meet the needs of our clients. To that end, we choose the specific technology that meets our clients’ needs and is compatible with our philosophy.” Melissa finds the environment at F&M produces great banking services for its clients while preserving the bank’s unique heritage.

“From a management perspective, we are very collaborative,” she says. “The bank has a very flat hierarchy, which gives both employees and clients direct access to management and to decision-makers. There is a lot of consensus-building and sharing. We are all in the same place, and that is very empowering.”

“At the same time, we are focused on being respectful and thankful and applying our foundational values. I believe it is a truly unique organization that could not be replicated. Farmers & Merchants is good, honest, ethical people doing good, honest, ethical banking.”



BOARD OF DIRECTORS

“May you have a strong foundation when the winds of changes shift.”

Bob Dylan



Daniel K. Walker
Chairman of the Board

When C.J. and Carrie Walker opened F&M in a dusty storefront on Pine Avenue in 1907, their handwritten ledger showed five investors and \$25,000 in capital stock. Ninety-five years later, that figure had grown to a noteworthy \$2.3 billion. And just 15 years after that (a period that included the Great Recession), F&M’s assets had tripled to a remarkable \$6.7 billion!

This extraordinary performance would not have been possible without the steadfast leadership of a dedicated Board of Directors. “We are very fortunate,” states Daniel Walker, “to have a group of directors who are not only devoted to our principles but have also served us for so long.”

Indeed, the tenure of the directors is extraordinary. Descendants of California State Senator B.W. Hahn, one of five original investors, for example, served on the board for more than 90 years. Today, the average duration is over 17 years with the least senior member having served for seven years. This unwavering commitment is a cornerstone of F&M’s consistent success.



Richard W. Darling

For Richard W. Darling, F&M has been a part of his life for decades.

“It is such a privilege to be affiliated with F&M,” he says. “It’s a true community bank and has always been so. Many years ago, Carrie Walker awarded a scholarship to my father-in-law so he could attend the University of Southern California. He was the son of a dirt farmer from Oklahoma who lived in Tulare, California, and here he was given the chance to get an education at a school like USC. It was remarkable.”

When the Recession threatened the economy, Richard noted the board’s reaction. “There was no dynamic of things falling apart,” he recalled. “We’ve had 15 recessions since World War II, so while it was tough, it’s something you expect and try to plan for. We stayed strong and worked with our customers to keep them going in those tough times.

“We grew during the recession because of good planning and doing things in a conservative way. An old man once told me ‘trees don’t grow to the sky,’ and they don’t. As an entity, the board was never greedy. The underlying principle was not to be the biggest (because trees don’t grow to the sky) but always be the strongest and by extension the safest.”



F&M Board of Directors, left to right: William G. Hayter; Richard W. Darling; Timothy Wilson; Lawrence McLaughlin; Daniel K. Walker, Chairman of the Board; Timothy Jackert and Walter Florie

BOARD OF DIRECTORS

"If you want safety, strength, creativity, excellent service in a family environment, F&M is for you." Timothy Jackert



Walter Florie

Walter Florie brought a long career in banking and executive leadership to the board in 2007.

"When the recession hit, the mixture of experience in the room held sway," he said. "There were no dreadful terms. There was no panic.

"The thing that stood out the most to me is that Henry and Daniel Walker were so open to suggestions and feedback. We had to do a lot of planning and stay with the basics. We're content to hit doubles and singles, not home runs.

"We knew we were strong, but we needed to strengthen our foundation. Credit the Walkers for realizing that they couldn't do it all. They went out and brought some top-notch talent into our senior ranks."



William Hayter

William Hayter has been a director with both F&M Trust Company (20 years) and the bank for a total of 29 years. Bill is a former United States Marine and a decorated combat veteran. For him, it is all about honor.

"Ken, Daniel and Henry Walker are men of honor," he stated. "I serve at their pleasure. I trust them."

In the toughest of times, Bill pointed out that even though the bank took some lumps, it still continued to profit. As for taking help from the federal government:

"We said no to T.A.R.P. We didn't need it so we didn't take it. We are strong and can take care of ourselves.

"We have a history of growth during times of uncertainty. People flock to us in those times because they trust us to keep their money safe."



Timothy Jackert

For Timothy Jackert, a director for nine years, it is the strength and leadership that distinguish F&M from others.

"My initial reaction when the Recession hit," he recalled, "was 'thank God we are strong and have been strong.'"

"There was no panic at all. Daniel Walker set the tone at once. He was calm and strong, and I knew that we would stay the course."

Tim draws an analogy of why he would recommend F&M to the uninitiated.

"If you want safety, strength, creativity, excellent service in a family environment, F&M is for you. There is a family atmosphere because it IS a family."



Lawrence McLaughlin

Lawrence McLaughlin has served F&M for 27 years. He is a great-grandson of C.J. and Carrie Walker, and F&M has been a lodestar in his life.

While most people do not appreciate the harmony that a local bank brings to the citizens of a community, Larry knows no other way.

"When we were kids and would go to our grandparents' home," he recalled, "Gus (F&M's second president, Gus Walker) would always talk about the importance of a bank within a community. I've been trained all my life to think of our bank in those terms."

"That makes things singular," he went on. "It's not like owning a share of stock in GM. It is part of our family legacy and thus a big difference. We rely on our heritage and our conservatism."

"With us, you are always a friend and customer, and we'll work with you any way we can."



Timothy Wilson

Timothy Wilson has served as a Director for 12 years. Tim is clear on the components that comprise F&M's resilience.

"It is our conservative policies that guide us in what we do," he says. "The Recession was in some ways a call to order for us. We knew we were strong but still recognized that we needed to hire additional executive talent to meet the future needs of our customers."

On the unique challenges of that future: "To be sure, the current generation of millennials is a unique challenge. Even so, the old adage is still true. 'As much as things change, they stay the same.' In that light, everyone still wants a personal relationship. And that's what we still—and always—will offer."

5TH GENERATION

“Hold fast to your legends. They echo with the lore of your elders, and in them is greatness.” Old Seanchaí proverb

Christine M. Walker-Bowman

Christine M. Walker-Bowman is a fifth-generation banker. Her father, Daniel Walker, is F&M’s CEO and president of the F&M Trust Company.

Mrs. Walker-Bowman’s initial experience in the family business began the day after she graduated from high school when she took a job as a teller in the Fullerton branch office. “It was eye-opening,”

she recalls. “It made me aware of the amount of services we provided to our customers. I was able to interact with them and learned of their deep appreciation for our services and how that allowed them to fulfill their dreams.”

Christine was also introduced to veteran employees that “affirmed the message that our family was different in the way that they thought of and treated their employees.”

After graduating from Westmont College in three years, Christine worked for several companies, including banking institutions. She returned to F&M in 2004.

“Our family has always encouraged each member to pursue their passions in life,” she explains. “There are no implicit or explicit expectations to work for F&M Bank. Committing to do so is a position of honor and responsibility. We do not take our role and the incumbent responsibility of maintaining and sustaining

our forefathers’ legacy lightly. In that sense, we hold ourselves to a higher standard and do not expect anything less. So, when my father asked me to make a commitment to the bank, I understood what came with it. It was those sentiments that drove me to say, ‘Yes!’”



Daniel K. Walker, CEO, F&M Bank with his daughter Christine M. Walker-Bowman, President, F&M Bank Foundation

Family members in the early stages of their careers typically do not report directly to a Walker. Rather, they are assigned an independent mentor to assist them as they grow and develop. This strategy has proved to be a very successful component to the Walker playbook.

Christine's first position was the compliance officer of F&M Trust Company, a family-controlled affiliate of the bank. In time, she was given additional responsibility that led her to work for both companies.

It was hands-on learning from the masters.

"One experience I'll always treasure is the many lunches that I shared with my grandfather Ken Walker, my father Daniel Walker and my uncle Henry Walker," she says. "We discussed the bank's operations, loans and services. This quality time allowed me to absorb my family's work ethic, business values and goals for the bank."

As F&M continued to prosper, a greater need arose for family members to reach out to the various organizations and communities in which they served. Christine started working in a public relations role, speaking to these organizations. A notable experience was a speech she delivered to the Long Beach Historical Society. "That was enlightening," she says. "It gave me deeper perspective and allowed me to become more fluent in our family's history. I began to truly understand the pivotal role my forefathers had played (and continue to play) in shaping and developing not only Long Beach, but Southern California at large."

Mrs. Walker-Bowman was trained by her parents to focus on moral values, a credo that is short on money but long on character.

Her hard work and honesty have been rewarded. After 10 years with the bank, she has achieved the position of First Vice President of F&M Bank and President of the F&M Foundation.

"As the future unfolds," she says, "I look forward to serving our customers and helping our bank grow."

Nolan Nicholson

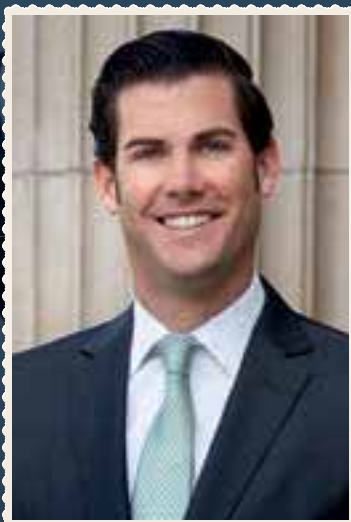
Assistant Vice President and SBA Portfolio Banker Nolan Nicholson is a great-great-grandson of F&M's founders C.J. and Carrie Walker.

For Nolan, the story of F&M was always subordinate to family.

"As a young person I did not understand the bank or our family's role in it," he says. "But I did sense that my grandfather (Kenneth Walker) and my uncles (Daniel and Henry Walker) were important people. Their historical importance was not emphasized at home so it was something I had to create in my own mind."

"My grandfather was not about business at all," he continues. "He just wanted to wrestle and play with us as grandchildren. And our grandmother was the same. They both just wanted to be with us. No one, including my uncles, ever talked shop. They were Grandma and Grandpa and Uncle Daniel and Uncle Henry. Nothing more."

As Nolan came of age, his passion turned to baseball. After an outstanding high school career, he attended the University of Redlands.



Nolan Nicholson
Assistant Vice President



Christine Walker-Bowman
F&M Bank Foundation President



Nolan, a three-time all-conference pitcher



Kimberly and Nolan, travelling companions



Kimberly with her grandparents Nancy and Ken Walker

As a pitcher, he was named all-conference three times and was twice selected to the All-West Regional team. He also won two Academic All-District awards all the while earning a Bachelor of Science degree in Business Administration.

When his collegiate career was over, Nolan took his talents to the professional ranks, where he pitched for four seasons.

When his days on the diamond were finished, he was a young man with the world at his feet.

"I was blessed with many options," he recalls, "but I had no idea what I wanted to do."

The answer was revealed in a backpacking trip to Europe with his sister Kimberly. The time away gave Nolan a chance to clear his mind and to meditate and pray for guidance. By the time he came home, he had made his decision.

"I realized that I had a wonderful opportunity," he says. "I consulted with mentors that I trusted and I also talked with my uncles. They were very honest with me and told me how tough it would be. They told me I had one shot to make it. I accepted their challenge and applied for a job as a teller. I've never looked back."

More than three years later, after working in a variety

of capacities in several different branches, Nolan has broadened his expertise as well as his appreciation for his heritage.

"I grew up with my grandparents as just that, grandparents," he says. "But if I could meet my great-grandfather Gus and his wife, Cassie—both of whom my mother recalls as very soft-spoken and kind—I would let them know that their strength and perseverance and faith has carried on throughout the generations."

And if he could meet C.J. & Carrie Walker?

"I'd like to ask them if they ever expected the community of Long Beach and the bank to grow and expand as much as it has in the past 110 years.

"And I'd also like for them to know that our family still tries to emulate the fantastic example they set for us all those years ago."

Kimberly Nicholson

Financial Analyst Kimberly Nicholson is a graduate of Loyola Marymount University, where she earned a Bachelors of Arts degree in Business Administration with an emphasis in Finance and Management. Like her brother, pursuing a career in banking was not automatic.

"As a child I developed a concept but did not understand the magnitude of our family," she says. "At home we did not discuss business. My grandparents never brought that into our lives. My grandpa always played the role of a grandfather who we played games with ... we did not know him as Ken Walker, the President of F&M Bank. But I must say that now I thoroughly enjoy hearing the stories of him in that regard."

Ms. Nicholson also was deeply influenced by her grandmother, Nancy Walker, especially on the golf course.

"Oh yes," she laughs. "A truly treasured memory is playing golf with my grandmother. We'd play nine holes and then get a Caesar salad and talk and be together. We are a competitive family, but I learned from her the value of doing things with no pressure; just for the simple joy of the experience."

As a college student, Kimberly worked for a summer as a teller. "It was a great experience," she recalls. "Not carrying the Walker name was an advantage because no one knew who I was. But when they did find out, it didn't matter. They saw that I was determined to earn my way."

Even so, tenure on the teller line was not enough to whet Kimberly's appetite to pursue a career in banking.

"I went to college in Los Angeles," she says, "but I'm very close to my family and preferred to live nearby in Orange County. As it turned out my cousin Christine approached me with an opportunity to work closely with her, and over time I became more knowledgeable of the various aspects of her responsibilities associated with the bank."

"My brain works well with numbers," she continued, "and Christine found a role for me that played to my strengths. I love the challenge of working in corporate real estate and developing relationships."

As her time in banking has progressed, Kimberly has gained a deeper appreciation for F&M's history as well as a sense

of connection to the hard work that was necessary to not only build, but to keep a century-old organization moving forward.

"Perhaps one of the greatest and most important things I've learned is what a brilliant businessman my grandfather is," she states. "He is so honest. If he could, he'd still do business on a handshake."



Kimberly Nicholson
Financial Analyst

"If I could meet my great-grandparents and my great-great-grandparents," she went on, "I would want to hear all about their life experiences. What was it like to travel to the West Coast on horseback and settle in Long Beach? What were the adventures that you experienced on that trek? What are your fondest childhood memories, and what did you love most about your significant others?"

"It is those things that reveal their character and the foundational elements of the family legacy.

"I have a deep desire," she concludes, "to do well and to pass the legacy of our business and our family on to the sixth generation."

For both Nolan and Kimberly Nicholson, the path that they have chosen is much more than just a career. It is a trans-generational manifestation of the American spirit that a Christian couple brought with them to the golden shores of California more than a century ago.



Their recognition and dedication to that spirit lives within them. For all who came before, and for they themselves, the legends still echo with greatness.



Founders

Dunn, W.H.
Hahn, Benjamin W.
Townsend, Stephen
Walker, Charles J.
Williams, Thomas W.

Directors

Boice, Winchell F.
Clock, Henry H.
Craig II, Geo L.
Darling, Richard W.
Dunn, W. H.
Hahn, Benjamin W.
Hahn Jr., Edwin F.
Hahn Jr., Stanley L.
Hamman, Clare D.
Hancock, John W.
Hayter, William G.
Hubbell, Adrian O.
Ivey, J.B.
Ivey, Robert E.

Jacques, Norman D.
Ketcherside, Hugh V.
MacDavid, D. M.
McLaughlin, Lawrence J.
Miller, Earl B.
Molvar, Roger H.
Neel, Melvin
O'Bryan, Frank E.
Sylvester, Paul V.
Sylvester, V.W.
Townsend, Stephen
Walker, Charles J.
Walker, Charles Z.
Walker, Daniel K.
Walker, Donald P.
Walker, Gus A.
Wells, A.C.
Wells, William B.
Williams, D.B.
Williams, Thomas W.
Wilson, Timothy M

Officers

Abbott, Carol A.
Abrams, David M.
Acevedo, Ruben
Achiles-Phillips, Margaret V.
Aguilar, George
Akins, Miller R.
Albrecht, Sandra J.
Algama, Don N.
Alkalla, Amal
Allen, Charles
Allen, Debra M.
Allen, John M.
Almeida, Roy C.
Alvarez, Paul
Amerian, Richard J.
Ames, Karen K.
Amiaga, Irma M.
Anderson, Jason L.
Anderson, Kristin E.
Anderson, Liezelyn B.
Anthony, Sadiqa R.

Archer, Connie L.
Archer, E. H.
Arehart, Timothy E.
Arnold, H. A.
Arpon, Cecilia T.
Arreola, Juan R.
Arriaga, Irma M.
Ary, Natasha L.
Ashcraft, William
Avants, M. Gordon
Avery, R.B.
Avery, W.E.
Ayson, Arsenio T.
Baer, Nimet H.
Bahena, Rigoberto
Baines, P.F.
Baker, Ada D.
Baker, Gary R.
Baker, Lisa E.
Baraniak, Kristin
Barnes, Roxanne L.
Barney, Nancy L.
Barraza, Lizzett



Barsoumian, Lilibeth L.	Blandin, Nimfa E.	Brown, Margaret	Casillas, John F.
Bartholomew, D.W.	Blanton, Amanda C.	Buchanan, Deborah N.	Caspar, Dale
Bartleet, Leah	Blevens, Michael B.	Bueche, Michael W.	Castaldo, Mike
Bartlett, Lyle W.	Block, Walter P.	Buell, Christian P.	Castillo, Teresita D.
Bausch, Tonya M.	Blodgett, Gary L.	Buonopane, Stephanie A.	Catalano, Camille M.
Bautista, Lourdes C.	Boal, Richard H.	Burden, John	Catipon, Nenita
Bearley, Donna E.	Boatman, Sean W.	Burke, M.	Cecere, Vincent
Bedford, Rebecca N.	Bolante, Jennifer J.	Burke, Mildred	Cegelski, Loretta A.
Beeman, Thomas W.	Bond, Phillip J.	Burks, Corrie L.	Cervantes, Emmanuel N.
Behar, Nimet H.	Boone, Meral K.	Caceres, Christine	Cervantes, Evelyn F.
Beloussow, Bonnie J.	Boots, Carol	Caesar-Myvette, Eslin	Cervantez, Raymond D.
Bennett, Barbara A.	Bosetti, Kevin M.	Camacho, Estela M.	Chacon, Silvia
Bennett, Jason A.	Boswell, Ken	Camerota, Robert A.	Chae, Dina
Benson, Carol J.	Bowles, Julian	Campbell, Clarinda A.	Chambliss, Denise M.
Bergman, Lois J.	Boyd-Young, Amber M.	Campell, John D.	Chapin, Perri
Bidaure, Beth	Bramlett, La Crecia	Canda, Jeffrey	Chastain, Heather
Bielicki, Brian C.	Brearley, Donna	Caragliano, Lisa V.	Cheung, Richard
Biggs, Lucien M.	Brewer, Chrystal A.	Cardenas, Karen I.	Chiem, Nancy T.
Bikov, Alex	Brockway, Stacy	Cardenas, Philip R.	Cho, Ada
Birl-Wilson, LaTanya	Brooks, Sharon	Caroulis, Steven M.	Cho, Se Won
Bisdaure, Beth	Brown, Cynthia R.	Carpenter, Joanne S.	Choi, Susie
Bivens, Michele R.	Brown, Daniele T.	Carrillo, Nubia	Chokshi, Anand P.
Blanchard, Laura	Brown, Dianne	Carter, Deborah L.	Clark, Cynthia L.



Clark, Potter D.	Craft, Jerry P.	Derks, Marie	Eligio, Helen L.
Clearman, A.M.	Craig, Anthony P.	Dickinson, R.E.	Enge, Nancy M.
Clearman, Mike	Crittenden, Evie M.	Dickinson, R.W.	Erbe, Gary B.
Cobbley, Charles L.	Crook, Mary	Dillman, F. Merrick	Erickson, Kathleen A.
Coberly, Darlene	Cross, Sherrie S.	Doctor-Yuniskis, Shani G.	Erickson, Kirk B.
Colden, Charles J.	Crosson, Richard J.	Dominguez, Kristoffer	Erickson, Wallace B.
Coleman, Frank R.	Curry, Jana D.	Dongo, Liliana R.	Ernsberger, Luanne
Collins, Marjorie D.	Daclan, Melody B.	Douglas, Matthew N.	Escarcega, Beatrice
Colvin, Darryl R.	Dan, Tam	Dove, Randall J.	Evans, Marcia S.
Conniff, Richard L.	Dancy, John P.	Dowds, Scott R.	Falbright, Michael R.
Contreras, Jorge L.	Davatolhagh, Kourosh	Downing, Lori M.	Farnham, Sally
Contreras, Robert L.	Renta Davids, Martin	Doyle, Theresa M.	Farnsworth, Karen
Contreras, Roberto I.	Davidson, Alan K.	Drocco, Lee E.	Fateri, Sherry N.
Cook, Richard N.	Davies, Lee	Dumitrescu, Laura	Fermin, Suzette S.
Copsey, Gay	Davis, Kimberly A.	Dunagan, Dianne D.	Fernandes, Karen J.
Corcuera, Lourdes C.	Dawson, Traci L.	Dunn, W.H.	Ferrara, Jay
Cordova, Dawn M.	Day, Janet E.	Duran, Deborah J.K.	Fink, Cynthia L.
Cordova, Luciano E.	Dayyat, Leeann	Dyer, Lynette M.	Finnegan, Karin A.
Corey, V.J.	De La Cruz, Luis A.	Eagle, Laurie	Fiorentino, Valentina M.H.
Corpuz, Conchita C.	De La Vega, Victor	Edwardson, Vickie L.	Fish, Robert L.
Cortez, Zulma Y.	Delgadillo, Daniel	Eggink, Wayne E.	Flanagan, Daniella E.
Costello, Joanne	Denny, Richard A.	Eguchi, Marc K.	Flores, Alejandro
Covington, Jay T.	Dering, Martin H.	Eichenauer, Ryan M.	Forester, Wanda



Fortner, Michael J.	Gentile, Leslie F.	Hackett, Debra	Hemmelgarn, Richard A.
Fox, Julie A.	Getz, Laura C.	Hagan, Charles W.	Hemphill, Jamal
Frank, Dennis R.	Gibbs, Denise R.	Hagan, Jeffrey C.	Hendrickson, Roy
Frazier, Patricia J.	Gilbert, Lorenza	Hagan, Tammara S.	Henry, Cathy
French, Patricia A.	Gladych, Celeste M.	Hagen, Marcilena D.	Herrington, Marie D.
Frenzel, A.W.	Goemaat, Joel D.	Hahn, B. W.	Herro, Edward W.
Froelich, Cynthia L.	Gonzales, Fidencio G.	Hahn, E.F.	Hess, Ruby J.
Espinoza Fuentes, Yolanda	Gonzales, Kathryn R.	Hahn, Jeffrey A.	Hess, Michael R.
Fulbright, Michael R.	Gonzalez, Orlando	Hambleton, Judy A.	Hidalgo, Paul R.
Funaro, Veronica	Gonzalez, Thomas	Hamilton, Jeff	Hillman, Nancy Lee
Furgerson, J.L.	Gordon, David S.	Hamman, C.D.	Hindley, Victoria
Galindo, Karin A.	Graham, Denise A.	Han, Min C.	Hines, Reva F.
Galvan, Stella M.	Graham, Robert	Hannaford, Mark W.	Hinrichs, John W.
Gammage, Ashley C.	Granger, Jacquelyn V.	Harbaugh, E.H.	Hoang, Taylor L.
Gandhi, Minal	Green, Erin	Haro-Mendez, Modesta	Hogan, Monica K.
Garay, Sonya M.	Greville, Matt A.	Harpstrite, Jerry C.	Hohman, Christine N.
Garcia, Angela J.	Griffen, Carl W.	Harris, Melinda M.	Holeton, Dorothy
Garcia, Charles J.	Griffin, Peggy A.	Harrison, Yolanda D.	Hollands, Lisa M.
Garcia, Deanna	Grimaud, Stephanie E.	Hartsock, Marty	Holloway, Bret W.
Garcia, Diane	Gripp, R. J.	Haskill, Jennifer	Holmes, Nancy J.
Garneff, Ketty	Gross, Jerry C.	Haskill, Kenneth M.	Hoover, Scott D.
Gattie, Marc E.	Gupta, Veena K.	Heartwell, J.C.	Hori, Bryan D.
Gause, O. J.	Gutierrez, Bryan A.	Heggie, Meredith	Horton, W.R.



Howarth, Pauline M.	Juico, Cecilia B.	Kramer, Rudolph K.	Ledesma, Marisela
Huffman, Mary	Kaiklian, Lorenza L.	Kresl, James	Lee, John E.
Hughes, Autumn J.	Karim, Shahid M.	Kroese, Justin L.	Lee, Lamonte D.
Hukari, Charles F.	Kasselman, Alvin	Kugel, Mark W.	Lee, Remedios B.
Hung, Mary Anne	Katte, Martin	Kurina, Henry K.	Lee, R. Gary
Hunter, Wayne A.	Keating, Nancy A.	Lae, MaVic	LeFleur, Richard A.
Huntington, C.E.	Keller, Leticia M.	Lake, Emily K.	Leng, Yi Chien
Huntress, Cloy D.	Kelley, Caryn	Laloulu, Penelope T.	Leonard, J.H.
Hutts, Carol	Kempton, L.C.	Lanfre, H. Melissa	Levengood, Julia W.
Huynh, Nguyet A.	Kene, Vijay	Lang, Susan Weaver	Lewis, Beverly J.
Iverson, Charles C.	Kennedy, Kevin R.	Langdon, Merilee A.	Lieu, Summer R.
Ivey, I.B.	Ketchersid, James H.	Lange, Christena E.	Lim, Barbara
Jackson Jr., Theodore R.	Ketcherside, H.V.	Lange, Richard A.	Lim, Kenny J.
Jacobo, Adriana	Khaiambashi, Shadan	Lanouette, Paul E.	Limbo, Hazel D.
Jancsik, Zsolt J.	Killian, Jeri L.	Lao, MacVic	Lingle, Christina L.
Jennings, R. E.	Kimmel, Matthew L.	Lao, Maria V.	Lintvedt, Vernon K.
Jensen, Connie E.	King, Cynthia M.	Larson, Kevin S.	Lomeli, Corazon
Johannes, P. E.	Kinney, James E.	Lau, Lawrence T.	Lommasson, Paul
Johnson, Elvyn	Kirk, Larry A.	Le, Cynthia T.	Morales Long, Judith R.
Joho, Nathan R.	Klass, Kathleen A.	Le, Tuan A.	Lopez, John G.
Jones, Silvia E.	Klier, Yvette M.	Leahy, David M.	Lopez, Richard
Jones-Glover, Melissa	Knauf, John	Leavelle, Robert J.	Lopilato, Anthony J.
Jorgensen, Sandra J.	Knuppenburg, Scott	Leavelle, S.J.	Lorenzini, Scott A.



Loucks, Joan A.	Martinez, Elaine O.	Meraz, Melody A.	Morford, Loren M.
Loughridge, Diana	Martinez, Humberto	Metra, Luh	Mortorana, Mary T.
Louvar, Robert J.	Martinez, Robert A.	Meyers, Peter J.	Mueller, Geneva
Lu, Howard	Martinez, Rodney P.	Michaelson, Adam C.	Murphy, Shannon B.
Lumsdon, John T.	Martino, Tamee	Middleton, Kevin	Myers, Marsha
Lunt, Kasson B.	Martorana, Mary T.	Millburn, Aleta A.	Myers, Philip M.
Mabrie, Jovonnie R.	Massey, Linda J.	Miller, Andrew D.	Nadler, Geoffrey S.
MacAmos, Eugene	Mathison, Houda	Miller, E.O.	Nagel, Kenneth J.
MacDavid, D.M.	Maull, Paul	Miller, Gale Y.	Najarro, Aura L.
MacMillan, Daniel L.	McBride, Sylvester	Miller, Nancy A.	Nakamura, Brian K.
Maestas, Robert	McCarthy, Michael J.	Miller, Pat	Nance, Lewis B.
Magness, Valerie A.	McCrum, Scott	Miller, Sean A.	Napalan, Joel S.
Magos, Joven N.	McDonald, Robert A.	Miller, Veronica	Nava, Jesus
Magos, Lucy	McFedries, George	Millsap, James R.	Nayebdadash, Ali
Mallon, Sheryl	McFedries, Paul A.	Mirza, Adoor	Neel, Melvin
Malonda, Gerald D.	McGahuey, Kellie M.	Mizerak, Sandra	Nelson, Blaine J.
Maloney, Brando J.	McGrury, Mona	Moesta, Thuy D.	Nelson, Cindy K.
Manker, Melvin R.	McLaren, K.W.	Mollaie, Joseph	Nelson, Scott R.
Manos, Debra M.	McQuilkin, H.	Monroe, Sharon D.	Ngo, Quyen
Marquez, Sandra Y.	McWalters, James	Montgomery, A.R.	Nguyen, Thylan
Marriott, Mark J.	Mead, James	Montorana, James E.	Nicholas, Judith
Marsh, Amy M.	Megill, Michael C.	Moore, Bernadette	Nichols, Richard
Martin, Daniel B.	Melvin, Teresita P.	Morales, Maria	Nicholson, Anne W.



Nicholson, Nolan B.	Parulan, Lolita T.	Reed, Diana	Roethlisberger, Jared J.
Nihad, Nimet H.	Patten, Fred W.	Reed, Kathy A.	Rojas, Lydia
Niumata, Nicole	Patterson II, E. William	Reeling, Joel C.	Romano, Jonathan M.
Normandin, James F.	Pereboom, Wayne E.	Reems, Terry M.	Rose, Carol
O'Bryan, Kimberle M.	Perez, Anna M.	Reeser, Denise M.	Rosenbaum, Roger L.
Ocampo, Angelica	Perry, E.I.	Repsold, George	Rowsell, Trinka
Odivina, Hendydina F.	Peters, H. W.	Reyes, Elodia	Russell, John C.
Oganezova, Marina	Phelan, Derby Anna	Reyes, Jessica M.	Ryan, Daniel K.
Ogilbee, Gregory P.	Piccolo, Joanne	Reyes, Marcos M.	Ryman, Cheryl A.
Ohashi, Catherine M.	Pickens, Cindy K.	Rezayat, Fred	Saati, Ninette K.
Oliveira, L. Elaine	Pilliod, David K.	Rhynes, Kimberley R.	Sachs, Gregory T.
Olson, Mary A.	Pitt, Karen	Rick, Kristin L.	Saenam, Miene M.
Ortiz, Vanessa A.	Pond, Robert J.	Ridall, Terri A.	Sakamoto, Dave M.
Osborne, Jory	Porras, Rhonda T.	Ritter, Michael C.	Salman, Karyn R.
Osman, E.D.	Preston, James M.	Rivera, Melissa A.	Salmons, Kathleen A.
Osorio, Michael L.	Pribble, Larry D.	Robbins, D.L.	Sanchez, Juan A.
Ospina, Jairo	Proud, Scot	Robertson Jr., Rollen L.	Santos, Rosemarie
Overturf, Thomas V.	Quinones, Gregg T.	Robinson, Richard S.	Sauchelli, Thomas G.
Oyaas, R. J.	Quon, Sylvia S.W.	Robison, James A.	Sawyer, Laverne
Painter, Craig B.	Rager, Michelle C.	Roddy, Kyle D.	Saylor, Stacy
Pak, D. Joseph	Ramirez, Lorenzo	Rodriguez, Connie C.	Sblendorio, Philip L.
Panis, Marisa M.	Rather, Suzie A.	Rodriguez, Karen	Schaubeck, Michelle R.
Parker, Andrea A.	Ray, Ruth	Rodriguez, Victoria L.	Schoelffler, Robert J.



Scholl, Tracy	Smith, Susan G.	Sutton, Patricia L.	Urcia, Rain R.
Schrader, Stephen	Smith-Thomas, Shari L.	Sutton, Roger W.	Vadalma, Ray
Schuler, Diana R.	Soliven, Kristine D.	Ta, Caroline	Van Baalen-Conner, Vickie L.
Scopelleti, Dee A.	Soriano, Fernando A.	Tabako, Kimberly D.	VanAtta, Kirk O.
Searles, Kim A.	Soriano, Maria Lourdes	Tabar, Frank K.	Vandermost, Mary
Seckington, Gerry A.	Soukiassian, Sossy	Taylor, Darlene G.	Van Es, Darrell R.
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A Final Word

*“Train up a child in the way he should go;
even when he is old he will not depart from it.”*

Proverbs 22:6

The Walker family’s traditions and legacy are simpatico. They began more than a century ago when C.J. and Carrie Walker started their bank and became a catalyst for their descedants.

Their core values of honesty, integrity, the home, the church and service above self have been, and will continue to be, both the bedrock and pillars of our family and our business.

We are sincerely grateful that our patriarchs passed these canons on to us through the Christian way in which they lived. We realize how exceedingly blessed we are to have their example as a lodestar in our lives.

We, the Walker family, and Farmers & Merchants Bank, understand that business is about people. We wish to thank every individual, employee and customer who has been a part of this journey. As we celebrate 110 years of service, please know that it has been an honor to serve you.

Sincerely,
The Walkers

**5 Generations • 110 Years
Strong • Conservative • Friendly**