

ITLA Capital Corporation Corporate Governance Guidelines

Preamble

The primary responsibility of the Board of Directors (the “Board”) of ITLA Capital Corporation (the “Corporation”) is to foster the long-term success of the Corporation consistent with the Board’s fiduciary responsibilities to the Corporation’s stockholders. The following Corporate Governance Guidelines (the “Guidelines”) have been established to outline procedures and set standards that will assist the Board in fulfilling its responsibilities.

Board Independence

1. **Percentage of Independent Directors and Independence Determination** - A majority of the directors of the Corporation must be “independent,” as that term is defined in the listing standards of the New York Stock Exchange (the “NYSE”). A director will be considered independent only if the Board has affirmatively determined that the director has no material relationship with the Corporation. In making this determination, the Board will consider all relevant facts and circumstances and apply the following standards:
 - a. A director will be deemed not to be independent by the Board if the Board finds that any relationship exists which, under Section 303A.02(b) of the NYSE Listed Company Manual, makes the director not independent.
 - b. The following relationships will be deemed not to be material unless the Board determines otherwise:
 1. Lending relationships, deposit relationships, other customer relationships (such as, for example, custodial, cash management and similar services), and other business relationships between the Corporation and its subsidiaries, on the one hand, and a director, an immediate family member (as defined in Section 303A.02 of the NYSE Listed Company Manual) of the director, or an entity with which the director or immediate family member is affiliated by reason of being a director, officer or similar position or an owner of a 10% or greater equity interest therein (a “Director-Related Entity”), on the other hand, that meet the following criteria:
 - i. such relationship is in the ordinary course of business of the Corporation and its subsidiaries, and is at arms-length and on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons;
 - ii. with respect to an extension of credit by a subsidiary of the Corporation: (A) such extension of credit has been made in

compliance with applicable laws and regulations, including Regulation O of the Board of Governors of the Federal Reserve System and Section 13(k) of the Securities Exchange Act of 1934; and (B) such credit has not been criticized or classified (under the Corporation's internal loan grading system), placed on non-accrual status, is not past due, has not been restructured or is not otherwise a potential problem credit;

- iii. in the event that the relationship did not exist or was terminated in the normal course of business, that action would not reasonably be expected to have a material and adverse effect on the consolidated financial condition, earnings or business of the Corporation, a Director-Related Entity or a director; and
- iv. in the case of a director who is an executive officer or an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or receives payments from, the Corporation for property or services in an amount which, in any single fiscal year during the last three years, does not exceed the greater of \$1 million, or 2% of such other company's consolidated gross revenues.

2. In the case of contributions by the Corporation or any of its subsidiaries or to a charitable organization of which a director (or a director's immediate family member) serves as an officer, director or trustee, the annual amount of such contributions were less than the greater of \$1 million or 2% of such charitable organization's gross revenues for its last fiscal year.

c. For business or other relationships not covered by the above categories, the Board, after considering all of the relevant circumstances, may make a determination as to whether the relationship is not material and whether the director may therefore be considered independent under the NYSE listing standards. The Corporation will explain in its next annual proxy statement the basis for any Board determination that the relationship is not material.

2. **The Chairman and Chief Executive Officer Position** - The Chief Executive Officer ("CEO") of the Corporation may simultaneously serve as Chairman of the Board..

3. **Executive Sessions of Non-Management and Independent Directors** - The non-management directors will regularly meet in executive session, and if that group includes directors who are not independent, then the independent directors will meet in executive session at least annually. Any non-management or independent director may submit a matter for consideration at an executive session. The Chairman of the Corporate Governance/ Nominating Committee will chair these sessions.

Board and Committee Qualifications and Functions

4. **Authority to Interpret** - The Board will construe and interpret the Corporation's certificate of incorporation, its bylaws and these Guidelines (which may be amended from time to time).
5. **Board Membership Criteria** - The Corporate Governance/Nominating Committee is responsible for reviewing and assessing on an annual basis the skills and characteristics needed on the Board. This review and assessment will be based on the following criteria: business experience, education, integrity and reputation, independence, conflicts of interest, diversity, age, number of other directorships and commitments (including charitable obligations), tenure on the Board, attendance at Board and committee meetings, stock ownership, specialized knowledge (such as an understanding of banking, accounting, marketing, finance, technology matters, law, regulation and public policy) and a commitment to the Corporation's communities and shared values, as well as overall experience in the context of the needs of the Board as a whole.
6. **Nomination of Director Candidates** - The Corporate Governance/Nominating Committee is responsible for recommending individuals to serve on the Board in accordance with that committee's charter. The recommendations of the Corporate Governance/Nominating Committee will be subject to approval by the Board in accordance with the bylaws.
7. **Term Limits** - There is no specified limit on the number of terms that a director may serve on the Board.
8. **Limit on Public Company Directorships.** A director may not serve on the boards of directors of more than five other public companies unless the Board has approved any such additional service before the director accepts the additional position. Members of the Audit Committee of the Board may not simultaneously serve on the audit committees of more than three public companies, including the Corporation.
9. **Directors Who Change Their Principal Occupation, Position or Responsibility** - A director must inform the Chairman of the Corporate Governance/Nominating Committee promptly of any material change in his or her principal occupation, position, or responsibility since the time he or she was last elected to the Board. A director must volunteer to resign from the Board at the time of notifying the Chairman of the Corporate Governance/Nominating Committee of any such change. The Corporate Governance/Nominating Committee will promptly review and assess the situation involving the change and recommend to the Board the continued appropriateness of the individual's membership on the Board.
10. **Selection of Agenda Items for Board Meetings** - The Chairman of the Board will establish an agenda of matters to be discussed during the year. Any Board member may submit a matter for consideration by the Board. The Board will have six regularly

scheduled meetings per year, or a greater or lesser number as determined by the Board, and will be on call for additional meetings as needed.

11. **Board Materials Distributed in Advance** - Information that is important to the understanding of the business to be conducted at a Board or committee meeting will be distributed as far in advance as is practicable before the scheduled Board or committee meeting. Directors are expected to review this information prior to the scheduled meeting.
12. **Board Committees** - The Board may, in accordance with the bylaws, form committees, disband a current committee, or form a subcommittee at any time. All members of the Audit, Compensation and Corporate Governance/Nominating Committees shall meet the NYSE independence criteria, as determined by the Board, and any other applicable laws, rules or regulations regarding independence. The composition of the Audit Committee will also satisfy any additional requirements of the NYSE listing standards and the Audit Committee's charter regarding financial literacy and expertise.
13. **Evaluation of the Chief Executive Officer** - The Compensation Committee shall evaluate the CEO's performance at least annually in accordance with the Compensation Committee's charter. The Chairman of the Compensation Committee will communicate the results of this evaluation to the CEO and to the Board.
14. **Assignment and Rotation of Committee Members** - The Corporate Governance/Nominating Committee is responsible for recommending to the Board the composition of each committee of the Board on an annual basis. The Corporate Governance/Nominating Committee will consider the recommendations of individual directors. Rotation of committee members is not required.
15. **Frequency and Length of Committee Meetings** - The frequency and length of committee meetings will be determined by the chairman of each committee after discussion with the committee members.
16. **Committee Agenda** - The agenda for committee meetings will be determined by the chairman of each committee after discussion with the committee members and in accordance with the committee's charter, if applicable.

Director Responsibilities

17. **Basic Responsibilities** - The Corporation's business and affairs are conducted under the direction of the Board. The Board appoints the CEO and other senior management personnel who are responsible for the day-to-day conduct of the Corporation's business. The Board's basic responsibilities are to provide strategic direction for the Corporation and oversee management in its efforts to meet the goals and objectives and adhere to the policies and procedures adopted by the Board and to foster the long-term success of the Corporation consistent with the Board's fiduciary responsibilities to the Corporation's stockholders.

18. **Attendance at Board, Committee and Annual Stockholder Meetings** – Directors are expected to attend Board meetings and meetings of committees and subcommittees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. In addition, absent extenuating circumstances, directors are expected to attend annual stockholder meetings.
19. **Size of the Board** - The size of the Board will be determined by the Board from time to time in accordance with the Corporation’s bylaws, with the advice of the Corporate Governance/Nominating Committee. The Board will be large enough to allow for the diversity of skills and experience needed to fulfill the duties and responsibilities of the Board and its committees as a whole. The size of the Board may be increased to capitalize on an opportunity, such as the availability of an outstanding candidate or to facilitate an acquisition, or decreased if determined by the Board to be more productive.
20. **Stockholder Communications with the Board** - Stockholders may communicate with the Board by writing to the Corporation, addressed to the Chairman of the Audit Committee.
21. **Stockholders’ Election of Directors** - The Board believes that a classified board of directors provides an important benefit to the Corporation and its stockholders, and should be maintained.
22. **Management Development** - The Board will receive an annual report from the Compensation Committee detailing the Corporation’s program for management development and succession.
23. **Board Interaction with Investors, the Media, Customers, etc.** - The general practice of the Corporation is to permit only designated officers and the Chairman of the Board to communicate with investors, the media, customers and other constituencies of the Corporation. At the request of the CEO, and in limited circumstances with the prior notification to the CEO, individual directors will be permitted by the Board to meet or otherwise communicate with various constituencies that are involved with the Corporation, including investors.
24. **Adherence to Code of Business Conduct and Ethics** - Each member of the Board must be familiar with and adhere to the Corporation’s Code of Business Conduct and Ethics.

Director Access to Management and Independent Advisors

25. **Board Access to Senior Management and Independent Advisors** - Members of the Board will have complete access (either at a meeting of the Board or otherwise, at the election of the Board) to the Corporation's officers, counsel and independent advisors. In exercising this right, Board members must use reasonable efforts to ensure that their actions will not be distracting or intrusive to the business operations of the Corporation. The CEO should be provided in advance with all written communications regarding material business matters proposed to be sent from the directors to the Corporation's officers and employees, unless the circumstances dictate otherwise. The Board, or its committees, may retain outside counsel and other advisors of their choice with respect to any issue relating to their activities.

Director Compensation

26. The Compensation Committee is responsible for recommending to the Board the appropriate level of compensation and the appropriate mix of cash compensation and equity compensation for Board and Board committee service by non-employee members of the Board.

Director Orientation and Continuing Education

27. **Director Orientation** - All new directors will receive an orientation to the business and operations of the Corporation. The orientation will include a review of the (a) current business plan, (b) Corporate Governance Guidelines, (c) certificate of incorporation and bylaws, (d) material policies that affect the director, including applicable committee charters, (e) minutes of at least the six preceding meetings of the Board, and (f) Code of Business Conduct and Ethics.
28. **Director Continuing Education** - The Board will regularly receive information and updates on business, legal and regulatory matters that impact the Corporation and the financial services industry generally, and may attend seminars at the Corporation's expense to further their education.

Annual Performance Evaluation of the Board

29. **Assessing the Board's Performance** - The Board will conduct an annual self-evaluation to determine if there are changes to the Board's structure and operations that will increase the effectiveness of the Board and Board committees and maximize the value of the Board to the Corporation. The self-evaluation process will examine the contribution of the Board as a whole. The evaluation process will be led by the Corporate Governance/Nominating Committee, which will report the results of the evaluation to the Board.

Adopted effective December 29, 2006.