



PROMÉRICA BANK announces decision to not participate in TARP

For Release December 12, 2008

Los Angeles, CA.-- PROMÉRICA BANK (OTCBB: PMRA) reported today that its Board of Directors and Executive Management have decided not to apply for funds available through the U.S. Department of the Treasury's Capital Purchase Program, part of the federal government's Troubled Assets Relief Program (TARP).

Scott Montgomery, Interim CEO stated, "After a careful examination of TARP's Capital Purchase Program by our Board of Directors and Executive Management, we determined that it is not in the best interest of our shareholders to participate. PROMÉRICA BANK is extremely well-capitalized with a Total Risk-based capital ratio almost four times higher than required to meet the requirements of a "Well Capitalized" bank. The TARP Capital Purchase Program would result in the U.S. Treasury purchasing up to \$1.7 million of the Bank's preferred stock that would require the Bank to pay a dividend of 5% for the first five years and 9% after five years. In addition, the U.S. Treasury would receive an additional 15% of the purchase price (up to \$255,000) in immediately exercisable Preferred Stock Warrants for \$.01 per share. The Warrant Preferred Stock would pay a dividend of 9% and have a liquidation value of \$1,000 per share. The cost of the TARP capital, including the Preferred Stock Warrants, includes a non-deductible weighted average dividend of approximately 5.5% for the first five years (an effective pretax dividend of about 9.4%) increasing to 9% thereafter (an effective pretax dividend of about 15.3%). These dividend figures assume the immediate exercise of the Preferred Stock Warrants. Therefore, we have concluded that there would be no financial or strategic advantage for us by receiving a TARP capital infusion."

As of September 30, 2008, PROMÉRICA BANK's Tier 1 Leverage ratio was 31% and its Total Risk-based capital ratio was 39% as compared to the regulatory standards for "Well Capitalized" banks of 5% for the Tier 1 Leverage ratio and 10% for the Total Risk-based capital ratio.

About PROMÉRICA BANK

PROMÉRICA BANK (OTCBB: PMRA), a full service commercial bank, was formed to serve the local business community, non-profit sector, and professional services firms with a focus on women owned businesses and the Latino community. As the first Latino-formed business bank to debut in downtown Los Angeles in the past 35 years, PROMÉRICA BANK is dedicated to building family wealth by empowering entrepreneurs with the requisite financial services and capital infusion for the success of their small to mid-size businesses. For more information about PROMÉRICA BANK or any of their services, please contact us at 213.613.5000. PROMÉRICA BANK, a member of the FDIC, is located at 888 South Figueroa Street, Suite 100, Los Angeles, CA 90017, or visit our website at www.promericabank.com.

NOTE:

This news release contains forward-looking statements about the Bank for which the Bank claims the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements are based on management's knowledge and belief as of today and include information concerning the Bank's possible or assumed future financial condition, and its results of operations, business and earnings outlook. These forward-looking statements are subject to risks and uncertainties. A number of factors, some of which are beyond the Bank's

ability to control or predict, could cause future results to differ materially from those contemplated by such forward-looking statements. These factors include (1) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or regulatory agencies, (2) changes in interest rates, (3) significant changes in banking laws or regulations, (4) increased competition in the Bank's markets, (5) other-than-expected credit losses due to real estate cycles or other economic events, (6) earthquake or other natural disasters affecting the condition of real estate collateral or the business environment. In addition, management cannot predict at this time the extent of the recent economic downturn, and a slowing or worsening could adversely affect our performance in a number of ways, including decreased demand for our products and services and increased credit losses. Likewise, changes in deposit interest rates, among other things, could slow the rate of growth or put pressure on current deposit levels. Forward-looking statements speak only as of the date they are made, and the Bank does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the statements are made.

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