

WESTAMERICA BANCORPORATION

Form 10-Q

May 05, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 001-09383

WESTAMERICA BANCORPORATION

(Exact Name of Registrant as Specified in Its Charter)

CALIFORNIA

(State or Other Jurisdiction of  
Incorporation or Organization)

94-2156203

(I.R.S. Employer  
Identification No.)

1108 FIFTH AVENUE, SAN RAFAEL, CALIFORNIA 94901

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code (707) 863-6000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

(Do not check if a smaller reporting company)

Edgar Filing: WESTAMERICA BANCORPORATION - Form 10-Q

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

Title of Class	Shares outstanding as of April 27, 2015
Common Stock, No Par Value	25,550,676

---

## TABLE OF CONTENTS

	Page
<u>Forward Looking Statements</u>	<u>3</u>
PART I - FINANCIAL INFORMATION	
<u>Item 1 Financial Statements</u>	<u>4</u>
<u>Notes to Unaudited Consolidated Financial Statements</u>	<u>9</u>
<u>Financial Summary</u>	<u>29</u>
<u>Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>30</u>
<u>Item 3 Quantitative and Qualitative Disclosures about Market Risk</u>	<u>51</u>
<u>Item 4 Controls and Procedures</u>	<u>51</u>
PART II - OTHER INFORMATION	
<u>Item 1 Legal Proceedings</u>	<u>51</u>
<u>Item 1A Risk Factors</u>	<u>51</u>
<u>Item 2 Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>52</u>
<u>Item 3 Defaults upon Senior Securities</u>	<u>52</u>
<u>Item 4 Mine Safety Disclosures</u>	<u>52</u>
<u>Item 5 Other Information</u>	<u>53</u>
<u>Item 6 Exhibits</u>	<u>53</u>
<u>Signatures</u>	<u>54</u>
<u>Exhibit Index</u>	<u>55</u>
<u>Exhibit 31.1 - Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a)</u>	<u>56</u>
<u>Exhibit 31.2 - Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a)</u>	<u>57</u>
<u>Exhibit 32.1 - Certification of Chief Executive Officer Required by 18 U.S.C. Section 1350</u>	<u>58</u>
<u>Exhibit 32.2 - Certification of Chief Financial Officer Required by 18 U.S.C. Section 1350</u>	<u>59</u>

## FORWARD-LOOKING STATEMENTS

This report on Form 10-Q contains forward-looking statements about Westamerica Bancorporation for which it claims the protection of the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statements of plans, objectives and expectations of the Company or its management or board of directors, including those relating to products or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes", "anticipates", "expects", "intends", "targeted", "projected", "continue", "remain", "will", "should", "may" and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

These forward-looking statements are based on Management's current knowledge and belief and include information concerning the Company's possible or assumed future financial condition and results of operations. A number of factors, some of which are beyond the Company's ability to predict or control, could cause future results to differ materially from those contemplated. These factors include but are not limited to (1) the length and severity of difficulties in the global, national and California economies and the effects of government efforts to address those difficulties; (2) liquidity levels in capital markets; (3) fluctuations in asset prices including, but not limited to stocks, bonds, real estate, and commodities; (4) the effect of acquisitions and integration of acquired businesses; (5) economic uncertainty created by terrorist threats and attacks on the United States, the actions taken in response, and the uncertain effect of these events on the national and regional economies; (6) changes in the interest rate environment; (7) changes in the regulatory environment; (8) competitive pressure in the banking industry; (9) operational risks including a failure or breach in data processing systems or those of third party vendors and other service providers, including as a result of cyber attacks or fraud; (10) volatility of interest rate sensitive loans, deposits and investments; (11) asset/liability management risks and liquidity risks; (12) the effect of natural disasters, including earthquakes, fire, flood, drought, and other disasters, on the uninsured value of loan collateral, the financial condition of debtors and issuers of investment securities, the economic conditions affecting the Company's market place, and commodities and asset values, and (13) changes in the securities markets. The reader is directed to the Company's annual report on Form 10-K for the year ended December 31, 2014, for further discussion of factors which could affect the Company's business and cause actual results to differ materially from those expressed in any forward-looking statement made in this report. The Company undertakes no obligation to update any forward-looking statements in this report.

## PART I - FINANCIAL INFORMATION

## Item 1 Financial Statements

WESTAMERICA BANCORPORATION  
CONSOLIDATED BALANCE SHEETS  
(unaudited)

	At March 31, 2015	At December 31, 2014
(In thousands)		
<b>Assets:</b>		
Cash and due from banks	\$247,450	\$ 380,836
Investment securities available for sale	1,777,320	1,600,781
Investment securities held to maturity, with fair values of: \$1,030,865 at March 31, 2015 and \$1,048,562 at December 31, 2014	1,015,231	1,038,658
Loans	1,683,884	1,700,290
Allowance for loan losses	(31,187 )	(31,485 )
Loans, net of allowance for loan losses	1,652,697	1,668,805
Other real estate owned	9,233	6,374
Premises and equipment, net	38,313	37,852
Identifiable intangibles, net	13,286	14,287
Goodwill	121,673	121,673
Other assets	160,574	166,458
<b>Total Assets</b>	<b>\$5,035,777</b>	<b>\$ 5,035,724</b>
<b>Liabilities:</b>		
<b>Deposits:</b>		
Noninterest bearing deposits	\$1,902,904	\$ 1,910,781
Interest bearing deposits	2,477,172	2,438,410
Total deposits	4,380,076	4,349,191
Short-term borrowed funds	82,960	89,784
Federal Home Loan Bank advances	-	20,015
Other liabilities	45,361	50,131
<b>Total Liabilities</b>	<b>4,508,397</b>	<b>4,509,121</b>
<b>Shareholders' Equity:</b>		
Common stock (no par value), authorized - 150,000 shares		
Issued and outstanding - 25,563 at March 31, 2015 and 25,745 at December 31, 2014	374,958	378,132
Deferred compensation	2,711	2,711
Accumulated other comprehensive income	9,600	5,292
Retained earnings	140,111	140,468
<b>Total Shareholders' Equity</b>	<b>527,380</b>	<b>526,603</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$5,035,777</b>	<b>\$ 5,035,724</b>

See accompanying notes to unaudited consolidated financial statements.

WESTAMERICA BANCORPORATION  
CONSOLIDATED STATEMENTS OF INCOME  
(unaudited)

For the  
Three Months  
Ended  
March 31,  
2015    2014  
(In thousands,  
except per share  
data)

Interest and Fee Income:		
Loans	\$20,230	\$22,901
Investment securities available for sale	7,469	5,630
Investment securities held to maturity	6,218	7,033
Total Interest and Fee Income	33,917	35,564
Interest Expense:		
Deposits	642	754
Short-term borrowed funds	16	20
Federal Home Loan Bank advances	1	99
Term repurchase agreement	-	25
Total Interest Expense	659	898
Net Interest Income	33,258	34,666
Provision for Loan Losses	-	1,000

Net Interest Income After Provision For Loan Losses	33,258	33,666
Noninterest Income:		
Service charges on deposit accounts	5,707	6,010
Merchant processing services	1,703	1,924
Debit card fees	1,456	1,405
Trust fees	706	654
Other service fees	665	661

ITEM 1(A). NAME OF ISSUER

Marin Software Incorporated

ITEM 1(B). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES

123 Mission Street

27<sup>th</sup> Floor

San Francisco, California 94105

ITEM 2(A). NAME OF PERSONS FILING

This Statement is filed by BCP VI, BFF VI, BFF VI-B, BCMC VI, Balkanski, Cohler, Dunlevie

BCMC VI, the general partner of BCP VI, BFF VI and BFF VI-B, may be deemed to have sole

ITEM 2(B). ADDRESS OF PRINCIPAL BUSINESS OFFICE

The address for each reporting person is:

Benchmark

2965 Woodside Road

Woodside, California 94062

ITEM 2(C). CITIZENSHIP

BCP VI, BFF VI and BFF VI-B are Delaware limited partnerships. BCMC VI is a Delaware limited partnership.

ITEM 2(D) and (E). TITLE OF CLASS OF SECURITIES AND CUSIP NUMBER

Common Stock

CUSIP # 56804T106

ITEM 3. Not Applicable.

ITEM 4. OWNERSHIP

Provide the following information regarding the aggregate number and percentage of the class of securities owned by each reporting person.



CUSIP NO. 56804T106 13 G Page 16 of 19

The following information with respect to the ownership of the Common Stock of the issuer by

(a) Amount beneficially owned:

See Row 9 of cover page for each Reporting Person.

(b) Percent of Class:

See Row 11 of cover page for each Reporting Person.

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:

See Row 5 of cover page for each Reporting Person.

See Row 6 of cover page for each Reporting Person.

See Row 7 of cover page for each Reporting Person.

(iv) Shared power to dispose or to direct the disposition of:

See Row 8 of cover page for each Reporting Person.

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS

Not applicable.

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PE

Under certain circumstances set forth in the limited partnership agreements of BCP VI, BFF VI

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQ

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

ITEM 10. CERTIFICATION

Not applicable.

CUSIP NO. 56804T106 13 G Page 17 of 19

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information

Date: February 8, 2019

BENCHMARK CAPITAL PARTNERS VI, L.P., a  
Delaware Limited Partnership

BENCHMARK FOUNDERS' FUND VI, L.P., a  
Delaware Limited Partnership

BENCHMARK FOUNDERS' FUND VI-B, L.P., a  
Delaware Limited Partnership

BENCHMARK CAPITAL MANAGEMENT CO. VI,  
L.L.C., a Delaware Limited Liability Company

By: /s/ Steven M. Spurlock  
Steven M. Spurlock  
Managing Member

ALEXANDRE BALKANSKI  
MATTHEW R. COHLER  
BRUCE W. DUNLEVIE  
PETER FENTON  
J. WILLIAM GURLEY  
KEVIN R. HARVEY  
ROBERT C. KAGLE  
MITCHELL H. LASKY  
STEVEN M. SPURLOCK

By: /s/ Steven M. Spurlock  
Steven M. Spurlock  
Attorney-in-Fact\*

\*Signed pursuant to a Power of Attorney already on file with the appropriate agencies.

CUSIP NO. 56804T106 13 G Page 18 of 19

EXHIBIT INDEX

<b>Exhibit</b>	<b>Found on Sequentially Numbered Page</b>
Exhibit A: Agreement of Joint Filing	19

CUSIP NO. 56804T106 13 G Page 19 of 19

exhibit A

Agreement of Joint Filing

The Reporting Persons agree that a single Schedule 13G (or any amendment thereto) relating to