



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

December 23, 2013

Mr. Ryan Zacharia
Chief Operating Officer
Jacobs Asset Management, LLC
11 East 26th Street, Suite 1900
New York, New York 10010

Dear Mr. Zacharia:

This letter responds to your request of November 25, 2013, on behalf of JAM Partners, LP; JAM Consolidation Fund, LP; JAM Managers, LLC; Investure Global Equity (JAM), LLC; Investure Global Equity Fund, LP – All Asset Series; Investure Global Equity (GP), LLC; Investure, LLC; and Jacobs Asset Management, LLC (collectively, “JAM”), all of New York, New York, for relief from passivity commitments that JAM made to the Board in connection with JAM’s purchase of 1,567 shares of Plumas Bancorp Preferred Stock Series A (the class collectively, “Plumas CPP shares”) that were issued by Plumas Bancorp (“Plumas”), Quincy, California, to the Department of the Treasury (“Treasury”) as part of the Troubled Asset Relief Program’s Capital Purchase Program (“CPP”). JAM’s purchase amounted to 40 percent of the outstanding Plumas CPP shares and 11.3 percent of Plumas’s total equity. The requested relief would completely relieve JAM from commitments that the Board relied on in determining that JAM would not be able to exercise a controlling influence over Plumas for purposes of the Bank Holding Company Act.¹

In 2009, as part of its effort to support the banking system and promote new lending, Treasury invested \$11.9 million in Plumas by purchasing the Plumas CPP shares. In 2013, as part of its efforts to wind down and recover its investments under the CPP, Treasury sold the CPP shares of a number of banking

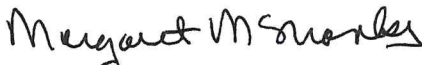
¹ 12 U.S.C. § 1842. See 12 CFR 225.15.

organizations through an auction process. On April 29, 2013, JAM acquired its Plumas CPP shares from Treasury through this process, and in that connection, provided the commitments to the Board.

After selling some of its Plumas CPP shares back to Plumas on June 25, 2013, JAM consummated a transaction to sell the rest of its Plumas CPP shares back to Plumas on October 23, 2013. Since JAM no longer has any ownership of voting securities of Plumas, JAM is presumed not to control Plumas. In addition, JAM does not have the right to appoint a director to the board of directors of Plumas or have representation on the board. Further, there are no existing or contemplated business relationships between the two firms. JAM has also provided written representation that it will not exercise or attempt to exercise a controlling influence over the management or policies of Plumas.

Based on all the facts of record, the Director of the Division of Banking Supervision and Regulation, acting pursuant to authority delegated by the Board under section 265.7(a)(2) of the Board's Rules Regarding Delegation of Authority (12 CFR 265.7(a)(2)), and after consulting with the General Counsel, has approved JAM's request for relief from the passivity commitments provided in connection with the investment in Plumas. This action is based on the representations and commitments set forth in all of your communications and in correspondence related to your request, including the representations discussed above. Any change in the facts presented could result in a different conclusion and should be reported to Board staff immediately. This determination should not be construed as granting relief from any other conditions or commitments to which JAM may be subject.

Very truly yours,


Margaret McCloskey Shanks
Deputy Secretary of the Board

cc: Gerald Tsai, Director
Federal Reserve Bank of San Francisco