



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

December 7, 2018

Mr. John Eggemeyer  
Castle Creek Capital  
P.O. Box 1329  
6051 El Tordo  
Rancho Santa Fe, California 92067

Dear Mr. Eggemeyer:

This letter responds to your request on behalf of Castle Creek Capital, Rancho Santa Fe, California, and certain of its subsidiaries and affiliates (collectively, “Castle Creek”),<sup>1</sup> for complete relief from commitments (the “May 2015 and June 2016 Commitments”) provided to the Board in connection with Castle Creek’s acquisitions of Series A and Series B preferred shares (“Trinity CPP shares”) issued by Trinity Capital Corporation (“Trinity”), Los Alamos, New Mexico, a bank holding company, to the Department of the Treasury as part of the Troubled Asset Relief Program’s Capital Purchase Program.

Castle Creek acquired Trinity CPP shares, equaling a total of 7.7 percent of Trinity’s total equity, in August 2012 and June 2016. The May 2015 and June 2016 Commitments were provided to ensure that Castle Creek would not be able to exercise a controlling influence over Trinity for purposes of the Bank Holding Company Act as a result of these acquisitions. In January 2017, Trinity redeemed all of the Trinity CPP shares held by Castle Creek, and Castle Creek no longer owns any Trinity CPP shares.<sup>2</sup>

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<sup>1</sup> Castle Creek AZ TARP Special Situations Fund, LP; Castle Creek AZ TARP Special Situations Fund, LLC; TARP Advisors LLC; Castle Creek Class B TARP Investors, LP; Castle Creek Class B TARP Investors, LLC; Castle Creek SSF-D Investors, LP; and Castle Creek Special Situations Advisors, LLC.

<sup>2</sup> A Castle Creek affiliate acquired certain voting and nonvoting shares of Trinity in December 2016 and, in connection with that transaction, provided the Board with commitments intended to ensure that it would not be able to exercise a controlling influence over Trinity by virtue of that acquisition (the “December 2016 Commitments”).

Castle Creek represents that it does not have existing or contemplated business relationships or employee interlocks with Trinity or any of its affiliates, formal or informal agreements with Trinity relating to the management or policies of Trinity or any of its affiliates, or relationships with other shareholders of Trinity through which it might exert influence over Trinity. Castle Creek also represents that it will not exercise or attempt to exercise a controlling influence over Trinity if granted relief from the May 2015 and June 2016 Commitments and will continue to comply with the terms of the December 2016 Commitments.

Based on all the facts of record, the Director of the Division of 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 Castle Creek's request for relief from the May 2015 and June 2016 Commitments. 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 Castle Creek may be subject, including the December 2016 Commitments.

Very truly yours,



Margaret McCloskey Shanks  
Deputy Secretary of the Board

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Castle Creek currently owns approximately 25.7 percent of Trinity's total equity and has one representative on Trinity's board of directors. Castle Creek does not seek relief from the 2016 Commitments, which remain in full force and effect.