

First California Financial Group, Inc.
Form DEF 14A
April 21, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant
Filed by a Party other than the Registrant
Check the appropriate box:

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| <input type="checkbox"/> | Preliminary Proxy Statement | <input type="checkbox"/> | Confidential, for Use of the Commission Only
(as permitted by Rule 14a-6(e)(2)) |
| <input checked="" type="checkbox"/> | Definitive Proxy Statement | | |
| <input type="checkbox"/> | Definitive Additional Materials | | |
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First California Financial Group, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

April 21, 2011

Dear Stockholder:

We cordially invite you to attend the 2011 Annual Meeting of Stockholders. The meeting will be held on Thursday, May 26, 2011, at 10:00 a.m. local time at 3027 Townsgate Road, Suite 300, Westlake Village, California 91361.

We have enclosed the Notice of the 2011 Annual Meeting of Stockholders, the Proxy Statement, the Proxy Card and a postage prepaid return envelope.

At the meeting, stockholders will be asked to vote on the following proposals:

1. Election of Directors. To elect eight directors to serve until the 2012 Annual Meeting of Stockholders and until their successors are duly elected and have qualified.
2. Amendment to 2007 Omnibus Equity Incentive Plan. To approve amendments to the First California 2007 Omnibus Equity Incentive Plan.
3. Ratification of Independent Registered Public Accounting Firm. To ratify the appointment of Moss Adams LLP as independent registered public accounting firm for the fiscal year ending December 31, 2011.
4. Shareholder Advisory (Non-Binding) Vote on Executive Compensation. To approve a non-binding advisory proposal on the Company's executive compensation.
5. Other Business. To transact such other business as may properly come before the meeting and at any adjournments or postponements thereof.

We will also report on our performance in 2010 and answer your questions regarding the Company.

We look forward to seeing you at the meeting.

Sincerely,

Robert E. Gipson
Chairman of the Board

C. G. Kum
President and Chief Executive Officer

FIRST CALIFORNIA FINANCIAL GROUP, INC.

NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS
to be held Thursday, May 26, 2011

The Annual Meeting of Stockholders of First California Financial Group, Inc. will be held on Thursday, May 26, 2011, at 10:00 a.m. local time at 3027 Townsgate Road, Suite 300, Westlake Village, California 91361.

At the Annual Meeting we will ask you to consider and act upon the following matters:

1. To elect eight (8) directors to serve for a term of one year and until their successors are elected and qualified. The persons nominated by the Board of Directors (Richard D. Aldridge, Donald E. Benson, John W. Birchfield, Joseph N. Cohen, Robert E. Gipson, Antoinette T. Hubenette, M.D., C. G. Kum and Thomas Tignino) are described in the accompanying Proxy Statement;
2. To approve amendments to the First California 2007 Omnibus Equity Incentive Plan;
3. To ratify the appointment of the accounting firm of Moss Adams LLP as independent registered public accounting firm for the fiscal year ending December 31, 2011;
4. To approve a non-binding advisory proposal on the Company's executive compensation; and
5. To transact any other business that may properly be presented at the meeting and at any adjournments or postponements thereof.

If you owned Common Stock of First California Financial Group, Inc. on April 15, 2011, the record date, you are entitled to attend and vote at the Annual Meeting.

By Order of the Board of Directors,

3027 Townsgate Road
Suite 300
Westlake Village, CA 91361
April 21, 2011

Joseph N. Cohen
Corporate Secretary

YOUR VOTE IS VERY IMPORTANT, AND WE ENCOURAGE YOU TO VOTE YOUR PROXY AS SOON AS POSSIBLE. WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE DATE, SIGN AND RETURN THE ACCOMPANYING PROXY WITHOUT DELAY IN THE ENCLOSED POSTAGE PREPAID ENVELOPE. YOU ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING, AND YOUR PROXY WILL NOT BE USED IF YOU ARE PRESENT AND PREFER TO VOTE IN PERSON.

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FIRST CALIFORNIA FINANCIAL GROUP, INC.
PROXY STATEMENT
2011 ANNUAL MEETING OF STOCKHOLDERS
to be held Thursday, May 26, 2011

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why did you send me this Proxy Statement and Proxy Card?

We sent you this Proxy Statement and the enclosed Proxy Card because you own shares of Common Stock of First California Financial Group, Inc., or First California or the Company. Your proxy is being solicited by the Board of Directors of First California. This Proxy Statement provides you with information that will help you cast your vote at the Annual Meeting. However, you do not need to attend the Annual Meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed Proxy Card.

When you sign the Proxy Card, you appoint each of John W. Birchfield, and Thomas Tignino, directors of First California, as your representatives at the Annual Meeting (that is, your proxies). Mr. Birchfield and Mr. Tignino will vote your shares at the Annual Meeting, as you have instructed them on your Proxy Card(s). If an issue comes up for vote at the Annual Meeting that is not on the Proxy Card, Mr. Birchfield or Mr. Tignino will vote your shares, under your proxy, in accordance with his judgment.

We first mailed this Proxy Statement, the attached Notice of Annual Meeting and the enclosed Proxy Card on or about April 25, 2011 to all stockholders entitled to vote. Stockholders who owned Common Stock on April 15, 2011 (the record date) are entitled to vote. On the record date, there were 28,214,721 shares of Common Stock outstanding.

We have enclosed our 2010 Annual Report on Form 10-K filed with the Securities and Exchange Commission, or the SEC. The 2010 Form 10-K is not to be considered part of the soliciting materials.

What am I voting on?

We ask you to vote on the following proposals:

1. The election of 8 directors to serve until the 2012 Annual Meeting
2. Approval of amendments to the Company's 2007 Omnibus Equity Incentive Plan.
3. Advisory vote to ratify the appointment of Moss Adams LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011.
4. Advisory vote on the Company's executive compensation.

At the time this Proxy Statement was printed, we knew of no other matters to be acted on by the stockholders at the Annual Meeting.

How do I vote?

You may vote by mail

Whether or not you plan to attend the Annual Meeting, we urge you to complete, sign and date the enclosed Proxy Card and return it promptly in the envelope provided. If you mark your voting instructions on the Proxy Card, your shares will be voted as you instruct. If you return a signed Proxy Card but do not provide voting instructions, your shares will be voted "FOR" the election of the nominees for directors identified in this Proxy Statement, "FOR" the amendments to the 2007 Omnibus Equity Incentive Plan, "FOR" the ratification of the appointment of Moss Adams LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011, and "FOR" the non-binding advisory proposal on the Company's executive compensation.

You may vote by telephone or on the Internet

Stockholders can simplify their voting by voting their shares via telephone or the Internet. The telephone and Internet procedures are designed to authenticate a stockholder's identity, allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

The telephone and Internet voting facilities will close at 11:59 p.m., Eastern Standard Time, on May 25, 2011.

You may vote in person at the Annual Meeting

You may attend the Annual Meeting and vote in person. If you hold your shares in “street name”, you must request a legal proxy from your bank or brokerage firm in order to vote at the meeting. Otherwise, we cannot count your votes.

May I revoke my proxy?

If you have returned your signed Proxy Card, you may revoke it at any time before it is exercised. You may revoke your Proxy Card in any one of three ways:

- You may send in another Proxy Card with a later date;

• You may notify First California’s Secretary in writing before the Annual Meeting that you have revoked your proxy;
or

- You may vote in person at the Annual Meeting.

How will shares I hold in street name be voted?

If you hold your shares in “street name” (that is, through a bank, broker or other nominee), you should receive a proxy from your bank or brokerage firm asking you how you want to vote your shares. If you do not, you may contact such bank or brokerage firm in whose name your shares are registered and obtain a proxy from them. Please refer to the information in the materials provided by your bank or brokerage firm for an explanation of how to change or revoke your vote and of the effect of not indicating a vote.

We encourage you to provide instructions to your bank or brokerage firm by voting your proxy. This ensures your shares will be voted at the Annual Meeting.

What does it mean if I receive more than one Proxy Card?

If you have more than one account at the transfer agent and/or with banks or brokerage firms, you will receive separate Proxy Cards for each account. Please sign and return all Proxy Cards to ensure that all your shares are voted.

How many votes may be cast at the Annual Meeting?

Based on the number of shares of Common Stock outstanding on the record date, up to 28,214,721 votes may be cast on any matter, subject to cumulative voting for directors.

How many shares do we need to hold the Annual Meeting (what are the quorum requirements)?

Holders of shares representing a majority of our outstanding shares of Common Stock on the record date of April 15, 2011 must be present in person or by proxy at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a quorum. Accordingly, a quorum for our Annual Meeting is stockholders representing 14,107,361 shares.

Shares are counted as present at the Annual Meeting if the stockholder either:

- is present at the meeting, or

- has properly submitted a Proxy Card.

How many votes do I have?

You have one vote for each share of our Common Stock you own. In the election of directors, you are permitted to “cumulate” your votes.

What is “cumulative voting”?

Cumulative voting is a manner of voting in the election of directors in which each stockholder is entitled to a total number of votes equal to the number of directors to be elected multiplied by the number of votes the stockholder would have on a single matter. The number of votes a stockholder has on a single matter is the number of shares of Common Stock held by the stockholder on the record date. For example, if you hold 1,000 shares of Common Stock you are entitled to 8,000 total votes in the election of directors (8—the number of directors—multiplied by one vote per share of Common Stock, or 8,000 votes). You may use all of your votes for one nominee, or may distribute your votes among two or more nominees as you see fit.

Mr. Birchfield and Mr. Tignino (your proxies) may, in their discretion, cumulate votes with respect to the election of directors for shares with respect to which they have proxies.

How many votes are required for each of the proposals?

Proposal 1: Election of directors

Directors must be elected by a plurality of the votes of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote.

Proposal 2: Approval of amendments to First California's 2007 omnibus equity incentive plan

Approval of this proposal requires the affirmative vote of the holders of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote

Proposal 3: Ratification of appointment of Moss Adams LLP

An affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote is required to ratify the appointment of Moss Adams LLP as our independent registered public accounting firm.

Proposal 4: Non-binding advisory proposal on the Company's executive compensation

Approval of this proposal requires the affirmative vote of the holders of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote.

What are the Board's recommendations on how to vote my shares?

The Board of Directors recommends a vote:

- FOR election as directors the 8 nominees named herein
- FOR the approval of the amendments to the 2007 Omnibus Equity Incentive Plan

FOR ratification of the selection of Moss Adams LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2011

- FOR the approval of the non-binding advisory proposal on the Company's executive compensation

How are abstentions and broker non-votes treated?

Abstentions and broker non-votes will be included in the number of shares present at the Annual Meeting for purposes of determining the presence of a quorum.

Proposal 1: Election of Directors

Assuming a quorum is present at the Annual Meeting, abstentions and broker non-votes have no effect on the election of directors.

Proposal 2: Amendments to First California's 2007 omnibus equity incentive plan

Assuming a quorum is present at the Annual Meeting, abstentions will have the same effect as votes against such proposal, and broker non-votes will not be counted as votes cast and will have no effect on the voting of this proposal.

Proposal 3: Ratification of appointment of Moss Adams LLP

Assuming a quorum is present at the Annual Meeting, abstentions will have the same effect as votes against such proposal, and broker non-votes will not be counted as votes cast and will have no effect on the voting of this proposal.

Proposal 4: Non-binding advisory vote on the Company's executive compensation

Assuming a quorum is present at the Annual Meeting, abstentions will have the same effect as votes against such proposal, and broker non-votes will not be counted as votes cast and will have no effect on the voting of this proposal.

Who will pay for the cost of this proxy solicitation?

We pay to distribute and solicit proxies and we reimburse brokers, nominees, fiduciaries and other custodians reasonable fees and expenses for forwarding proxy materials to stockholders. Our directors, officers and regular employees may solicit proxies in person, through mail, by telephone or through other means. We do not pay those individuals additional compensation for soliciting proxies.

PROPOSAL 1

ELECTION OF DIRECTORS

Our by-laws state that the Board of Directors shall consist of from seven to thirteen members.

Based on the recommendation of the Governance and Nominating Committee, the Board of Directors has nominated all eight of the current directors for re-election. If you re-elect them, they will hold office until the next Annual Meeting and until their successors are duly elected and qualified. Each nominee has indicated that he or she is willing to serve as a director. If any nominee is unable to serve or for good cause will not serve, Mr. Birchfield or Mr. Tignino (your proxies) may vote for another nominee proposed by the Board of Directors or the Board of Directors may reduce the number of directors to be elected. If any director resigns, dies or is otherwise unable to serve out his or her term, the Board of Directors may fill the vacancy until the next Annual Meeting and until such time as a successor is duly elected and qualified.

The following information is provided regarding the nominees as of March 31, 2011. All nominees are currently directors of First California and all were duly elected at the 2010 Annual Meeting of Stockholders. The term “Mergers” used throughout this Proxy Statement refers to the reincorporation merger of National Mercantile Bancorp with and into its wholly-owned subsidiary, First California, which was immediately followed by the merger of FCB Bancorp with and into First California, which was completed on March 12, 2007. The term “the Bank” used throughout this Proxy Statement refers to First California Bank.

Richard D. Aldridge
Age 63

Mr. Aldridge served as the Vice Chairman of the Board of FCB Bancorp from Director since 2007 October 2005 until the completion of the Mergers, and was a director from 1993 until the completion of the Mergers. He was employed for 19 years by Weyerhaeuser Company in Longview, Washington, where he was a business manager. For the past 19 years, Mr. Aldridge has been the President and CEO of B & R Supply, Inc., an industrial tool distributor. Since 1990, he has held investments in multiple community banks and real estate in Ventura County. Mr. Aldridge also served as interim Chairman of the Board of FCB Bancorp from 1998 to 1999. Mr. Aldridge is the brother-in-law of John W. Birchfield.

We believe Mr. Aldridge’s qualifications to serve on our Board include his extensive knowledge of the Company and his service on the board of directors of FCB prior to the completion of the Mergers, his experience investing in community banks and real estate in geographic areas where we engage in commercial property lending and the experience he has acquired through his leadership roles at B&R Supply, Inc.

Donald E. Benson
Age 80

Mr. Benson served as a director of National Mercantile from 1998 until the Director since 2006 completion of the Mergers. Mr. Benson is Executive Vice President and a director of Marquette Financial Companies, Minneapolis, Minnesota, a financial services holding company (formerly Marquette Bancshares, Inc.). He has served in that position and in predecessor organizations since 1968. Mr. Benson is also a former director of MAIR Holdings, Inc., a commuter airline, and a current director of Mass Mutual Corporate Investors, a mutual

fund, and Mass Mutual Participation Investors, a mutual fund.

We believe Mr. Benson's qualifications to serve on our Board include his extensive knowledge of the Company and his service on the board of directors of National Mercantile prior to the completion of the Mergers, his previous experience in the public accounting profession, his extensive experience in the financial services industry and his experience serving on boards and committees of other entities.

John W. Birchfield Mr. Birchfield served as the Chairman of the Board of FCB Bancorp from Director since 2007 October 2005 until the completion of the Mergers, and was a director from Age 59 1993 until the completion of the Mergers. Since 1995, Mr. Birchfield has served as the Chairman of the Board at B & R Supply Inc. He is also the managing partner of Ralston Properties LP, a privately held real estate management company. Mr. Birchfield is the brother-in-law of Richard D. Aldridge. Mr. Birchfield currently serves as the Chairman of the Board for First California Bank.

We believe Mr. Birchfield's qualifications to serve on our Board include his extensive knowledge of the Company and his service on the board of directors prior to the completion of the Mergers, his experience serving on boards and committees of other companies and his knowledge and experience in the real estate industry and knowledge of the markets we conduct business in.

Joseph N. Cohen Mr. Cohen served as a director of National Mercantile from 1998 until the
Director since 2006 completion of the Mergers. Mr. Cohen has been President of American
Age 65 Entertainment Investors, Inc., a media financing and consulting firm, since
February 1996 and a director of Exclusive Media Holdings Limited since
2010.

We believe Mr. Cohen's qualifications to serve on our Board include his extensive knowledge of the Company and his experience serving on the board of directors of National Mercantile prior to the Mergers, as well as his knowledge of financial markets and knowledge and experience in the financial services industry.

Robert E. Gipson Mr. Gipson served as a director of National Mercantile from 1996 until the
Director since 2006 completion of the Mergers, and was Chairman of National Mercantile from
Age 64 June 1997 until the completion of the Mergers, and was Chairman of
Mercantile National Bank from June 1997 to December 1998. Mr. Gipson is
President of Alpha Analytics Investment Group, LLC, a registered investment
advisor, and has served in that capacity since its organization in 1998.
Mr. Gipson is Of Counsel to the law firm of Gipson Hoffman & Pancione and
has been a lawyer with that firm since 1982. Mr. Gipson is also President of
Corporate Management Group, Inc., a financial management company, since
1988. Mr. Gipson currently serves as Chairman of the Board for First
California.

We believe Mr. Gipson's qualifications to serve on our Board include his extensive knowledge of the Company and his experience serving on the board of directors of National Mercantile prior to the Mergers as well as his extensive experience in the financial services industry. In addition, Mr. Gipson's background as a lawyer provides a unique perspective to the Board.

Antoinette T. Dr. Hubenette served as a director of National Mercantile from 1998 until the
Hubenette, M.D. completion of the Mergers. Dr. Hubenette was President and a director of
Director since 2006 Cedars-Sinai Medical Group, Beverly Hills, California (formerly Medical
Age 62 Group of Beverly Hills), a physicians' medical practice group, from 1994 to
2000. She has been a practicing physician since 1982. She continues in
part-time practice of general internal medicine. Dr. Hubenette has served as a
director of The Ensign Group, a long-term medical care company, since 2004.

We believe Dr. Hubenette's qualifications to serve on our Board include her extensive knowledge of the Company and her experience serving on the board of directors of National Mercantile prior to the Mergers, as well as her experience serving on the boards and committees of other companies and the experience she acquired through her leadership roles at Cedars-Sinai Medical Group, Beverly Hills.

C. G. Kum
Director since 2007

Age 56

Mr. Kum served as a director of FCB Bancorp from October 2005 until the completion of the Mergers, and has served as a director of First California Bank since 1999. Mr. Kum was appointed to his current position as President and Chief Executive Officer of the Company since the completion of the Mergers. He has served as President and Chief Executive Officer of First California Bank (formerly known as Camarillo Community Bank) since September 1, 1999. Under his leadership, the Bank has grown from two branches and \$100 million in total assets to 19 branches and \$1.9 billion in total assets.

He is a past president of the board of directors of Community Bankers of California. Mr. Kum currently serves on the government relations council for the American Bankers Association and is a board member of the California Bankers Association and Ventura County Council, Boy Scouts of America.

We believe Mr. Kum's qualifications to serve on our Board include his more than 30 years of experience in the banking industry. In addition, his day to day leadership, as President and Chief Executive Officer of the Bank, provide him with intimate knowledge of our operations and the markets we conduct business in.

Thomas Tignino Mr. Tignino served as a director of FCB Bancorp from January 2006 until the
Director since 2007 completion of the Mergers. Mr. Tignino is the founder and managing partner of
Age 63 Tignino & Lutz LLP, a multi-service accountancy firm established in 1980. His
firm specializes in audit, tax planning and compliance, estate planning and
investment review. Mr. Tignino also served as a director of Los Robles Bank
from 1988 to 2001. Mr. Tignino is a CPA, MBA and is a member of the
AICPA tax division. Mr. Tignino currently serves as Vice Chairman of the
Audit Committee of the Board.

We believe Mr. Tignino’s qualifications to serve on our Board include his
knowledge of the Company and his extensive experience with financial
accounting matters as a practicing Certified Public Accountant. In addition, Mr.
Tignino serves as the “audit committee financial expert” of the Audit Committee
of the Board, as that term is defined in SEC Regulation S-K.

The Board of Directors unanimously recommends a vote “FOR” the election of the Board of Directors’ nominees.

CORPORATE GOVERNANCE; BOARD COMMITTEES

Director Independence

First California has identified as independent directors the following individuals currently serving on its Board of Directors: directors Aldridge, Benson, Birchfield, Cohen, Gipson, Hubenette and Tignino. In making this determination, First California applied Rule 5605(a)(2) of the Nasdaq Marketplace Rules. First California's Board of Directors has an audit committee and compensation committee. It did not have a nominating committee until March 2009. Prior to such time, the entire Board effectively functioned as a nominating committee. First California has determined that the independent directors identified above also qualify as independent members of its audit, compensation and governance and nominating committees and fulfill the independence requirements in connection with the nomination of directors in accordance with Rule 5605 of the Nasdaq Marketplace Rules. Mr. Kum is also a member of the Board of Directors of First California but, as the President and Chief Executive Officer of First California, he is not "independent."

In making these determinations of independence, First California considered applicable Nasdaq Marketplace Rules and, with respect to members of its audit committee, SEC rules. In addition, with respect to Mr. Benson, First California considered employment relationships with affiliates of one of First California's largest stockholders.

Board Leadership Structure and Risk Oversight

The Board is comprised of eight directors, seven of whom are independent directors, and Mr. Kum, our President and Chief Executive Officer. One of our independent directors, Mr. Gipson, serves as our non-executive Chairman of the Board. The Company believes that its largely independent Board provides useful oversight and allows the Board to fulfill its duties effectively. The Company believes that it is beneficial to separate the roles of Chairman of the Board and Chief Executive Officer in recognition of the differences between the two roles. The Chief Executive Officer is responsible for the strategic direction of the Company and the day-to-day leadership and performance of the Company, while the Chairman of the Board, in consultation with the Chief Executive Officer, sets the agenda for the Board meetings and presides over meetings of the Board. In addition, the Company believes that the separation of the roles provides a more effective monitoring and objective evaluation of the Chief Executive Officer's performance. The separation of the roles also allows the Chairman of the Board to strengthen the Board's independent oversight of the Company's performance and governance standards.

The Board has delegated primary responsibility for overseeing risk management for the Company to the Audit Committee of the Board of Directors. On a quarterly basis, the Company's Chief Audit Executive/Chief Risk Officer provides a comprehensive risk report to the Audit Committee of the Board of Directors. While the Audit Committee has primary responsibility for overseeing risk management, our entire board of directors is actively involved in overseeing risk management for the Company. Additionally, at least quarterly, the full board receives a report from the chairman of the Audit Committee covering the topics discussed at the Audit Committee meetings. The full board also engages in periodic discussions with the Chief Audit Executive/Chief Risk Officer, Chief Executive Officer, Chief Operating Officer/Chief Financial Officer, Chief Credit Officer and other company officers as the Board may deem appropriate related to risk management. In addition, each committee of the Board has been assigned oversight responsibility for specific areas of risk and risk management. The committees consider risks within their areas of responsibility; for instance, the Compensation Committee considers risks that may result from changes in compensation programs.

The Chief Audit Executive/Chief Risk Officer is responsible for management of the internal audit, risk management and compliance programs of the Company. The Chief Audit Executive/Chief Risk Officer reports directly to the Audit Committee of the Board of Directors and indirectly reports to the Chief Executive Officer for administrative purposes.

The Company believes that the foregoing structure and practices, when combined with the Company's other governance policies and procedures, function extremely well in strengthening Board leadership, fostering cohesive decision-making at the Board level, improving problem solving and enhancing strategy formulation and implementation.

Board and Board Committees; Meetings

The Board of Directors met 13 times during fiscal year 2010. All directors, except Director Gipson, attended at least 75% of all meetings of the Board of Directors and Board Committees on which he or she served in 2010.

The following information is provided regarding certain standing Committees of the Board of Directors during 2010.

Audit Committee

The Audit Committee of the Board of Directors was formed on March 12, 2007 upon completion of the Mergers. The Audit Committee's current charter was approved by the Board of Directors on January 25, 2011. The Audit Committee charter is available on our website at www.fcalgroup.com. The Audit Committee consists of directors Birchfield (Chair), Benson, Cohen, Gipson and Tignino. The Board of Directors has determined that all of the members of the Audit Committee are "independent" in accordance with applicable Nasdaq Marketplace Rules and SEC rules. The Board of Directors has also determined that Thomas Tignino is an "audit committee financial expert" as that term is defined in SEC Regulation S-K.

First California's Audit Committee is responsible for providing assistance to the Board of Directors in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance function, as well as those of First California's subsidiaries.

The Audit Committee held eight meetings during 2010.

Compensation Committee

The Compensation Committee of the Board of Directors was formed on March 12, 2007 upon completion of the Mergers. The Compensation Committee's current charter was approved by the Board of Directors on March 24, 2010. The Compensation Committee charter is available on our website at www.fcalgroup.com. The members of the Compensation Committee are: directors Aldridge, Benson (Chair) and Hubenette, none of whom are executive officers of First California. The Board of Directors has determined that all members of the Compensation Committee are "independent" in accordance with applicable Nasdaq Marketplace Rules.

The Compensation Committee recommends to the Board of Directors all elements of compensation for the executive officers and exercises the Board of Directors' authority with respect to the implementation and administration of the executive compensation programs and policies of First California. The Compensation Committee also administers the restricted stock and stock option plans of First California. The Compensation Committee consults with C. G. Kum, First California's President and Chief Executive Officer, on compensation matters. The Compensation Committee engaged Pearl, Meyers & Partners to conduct a review of director compensation at peer companies. Pearl, Meyers & Partners was not paid any fee in connection with this review.

The Compensation Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Compensation Committee.

The Compensation Committee held four meetings during 2010.

Governance and Nominating Committee

The Governance and Nominating Committee of the Board of Directors, or the GNC, was formed in March 2009. Accordingly, the Board of Directors did not have a standing nominating committee prior to March 2009. The members of the GNC are: directors Cohen, Hubenette (Chair) and Tignino, none of whom are executive officers of First California. The Board of Directors has determined that all members of the GNC are "independent" in accordance with applicable Nasdaq Marketplace Rules.

Nominations Process

The GNC considers and develops governance standards for First California and establishes the requirements and qualifications for members of the Board. The GNC, in consultation with the Chief Executive Officer and the Chairman, also recommends candidates for nomination and election to the Board of Directors of First California and to the Board of Directors of First California Bank. The GNC operates under a charter which was approved by the Board of Directors on February 9, 2010. The GNC's charter is available on our website at www.fcalgroup.com.

In identifying and recommending nominees for positions on the Board of Directors, the GNC places primary emphasis on the criteria set forth under "Selection of Directors - Criteria" in our Corporate Governance Guidelines, namely: (1) personal qualities and characteristics, accomplishments and professional reputation; (2) current knowledge and contacts in the communities in which the Company does business and in the Company's industry or other industries relevant to the Company's business; (3) ability and willingness to commit adequate time to Board and committee

matters; (4) the fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company; (5) diversity of viewpoints, backgrounds and experience; and (6) the ability and skill set required and other relevant experience. The GNC periodically reviews the effectiveness of its policy for director nominations and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity.

The GNC does not set specific, minimum qualifications that nominees must meet in order for the GNC to recommend them to the Board of Directors, but rather believes that each nominee should be evaluated based on his or her individual merits, taking into account the needs of First California and the composition of the Board of Directors. Members of the GNC may seek input from other members of the Board in identifying possible candidates, and may, in its discretion, engage one or more search firms to assist in the recruitment of director candidates.

First California's by-laws state that nominations for the election of individuals to the Board of Directors may be made by the Board of Directors or by any holder of our voting stock. Nominations, other than those made by the Board of Directors, must be made in writing. If a stockholder wishes to make such nominations, notice must be received by the

Corporate Secretary of First California no less than 90 nor more than 120 days prior to the first anniversary date of the Annual Meeting for the preceding year. Any stockholders wishing to make a nomination to the Board of Directors must deliver a statement in writing setting forth the name of the person or persons to be nominated, the number and class of all shares of each class of our stock owned by each proposed nominee, as reported to the nominating stockholders by such nominee(s), the information regarding each such nominee required by paragraphs (a), (e) and (f) of Item 401 of Regulation S-K adopted by the SEC, each such nominee's signed consent to serve as a director of the Company if elected, and the nominating stockholders' name and address and the number and class of all shares of each class of First California's stock owned by the nominating stockholder. The Board may require any proposed nominee to furnish such other information as the Board may reasonably require in determining whether the proposed nominee(s) would be considered "independent" under the various rules and standards applicable to First California. If nominations to the Board of Directors are not made as outlined above, the Chairman of the meeting may disregard the nominations and instruct the inspectors of election to disregard all votes cast for such nominees.

The Governance and Nominating Committee engaged Amalfi Consulting, LLC to conduct a board governance assessment and director peer evaluation. This assessment was completed in early 2010 and the results provided to the Board of Directors in March 2010. No benchmarking or compensation analysis was included in this assessment.

The Governance and Nominating Committee held three meetings in 2010.

Director Attendance at Annual Meetings

The Board's policy regarding director attendance at annual meetings of stockholders is that directors are required to attend. All of the directors except Directors Benson and Cohen attended the annual meeting of stockholders in 2010. First California does not reimburse directors for expenses related to attendance at annual meetings of stockholders.

PROPOSAL 2

APPROVAL OF AMENDMENTS TO THE FIRST CALIFORNIA 2007 OMNIBUS EQUITY INCENTIVE PLAN

General

The stockholders are being asked to approve amendments to First California's 2007 Omnibus Equity Incentive Plan, as amended, the 2007 Plan, which amendments were adopted, subject to stockholder approval, by the Board of Directors on March 16, 2011. The primary purpose of the proposed amendments is to increase the number of shares of Common Stock reserved for issuance under the 2007 Plan by an additional 2,000,000 shares, which is expected to be used over multiple years.

Section 162(m) of the Internal Revenue Code, or Section 162(m), generally disallows a tax deduction to publicly-held companies for compensation paid to certain executive officers that exceeds \$1 million per officer in any year. Compensation that is deemed to be "qualified performance-based compensation" under Section 162(m) is generally excluded from this limit. For any awards under the 2007 Plan to qualify as "qualified performance-based compensation," Section 162(m) requires that the material terms of the 2007 Plan, including its performance measures, be approved by our stockholders once every five years. The performance measures are presented in Section 2.8 of the 2007 Plan, which appears (as proposed to be amended) in Annex A to this Proxy Statement. The 2007 Plan, as proposed to be amended, is being submitted for approval by stockholders so that certain awards granted may qualify as "qualified performance-based compensation" under Section 162(m).

If the Company's stockholders do not approve this 2007 Plan proposal, then the current share limits under, and other terms and conditions of, the 2007 Plan will continue in effect.

Summary Description of the 2007 Plan

The principal terms of the 2007 Plan are summarized below. The following summary is qualified in its entirety by the full text of the 2007 Plan, which appears (as proposed to be amended) as Annex A to this Proxy Statement.

Purpose

The purpose of the 2007 Plan is to provide an incentive for officers, other employees, prospective employees and directors of, and consultants to, the Company and its subsidiaries and affiliates to acquire a proprietary interest in the success of the Company, to enhance the long-term performance of the Company and to remain in the service of the Company and its subsidiaries and affiliates.

Administration

The 2007 Plan will be administered and interpreted by the Compensation Committee. The Compensation Committee will have the authority (i) to exercise all of the powers granted to it under the 2007 Plan, (ii) to construe, interpret and implement the 2007 Plan and any award agreements, (iii) to prescribe, amend and rescind rules and regulations relating to the 2007 Plan, (iv) to make all determinations necessary or advisable in administering the 2007 Plan, (v) to correct any defect, supply any omission and reconcile any inconsistency in the 2007 Plan, (vi) to amend the 2007 Plan to reflect changes in applicable law, (vii) to determine whether, to what extent and under what circumstances awards may be settled or exercised in cash, shares of Common Stock, other securities, other awards or other property, or canceled, forfeited or suspended and the method or methods by which awards may be settled, canceled, forfeited or suspended, and (viii) to determine whether, to what extent and under what circumstances cash, shares of Common Stock, other securities, other awards or other property and other amounts payable with respect to an award may be

deferred. All actions, interpretations and determinations made by the Compensation Committee shall be final and conclusive and binding.

Eligible Directors and Employees

The Compensation Committee may grant awards to directors, officers and other employees of the Company or a Related Entity (as defined in the 2007 Plan), including our subsidiaries. The Company anticipates that approximately 25 to 50 officers, directors and employees will be eligible to receive awards under the 2007 Plan.

Shares Subject to the 2007 Plan

As of December 31, 2010, the Company had 534,697 shares of Common Stock remaining for grant under the 2007 Plan. If this proposal to increase the number of shares available for grant under the 2007 Plan by 2,000,000 shares is approved by the Company's stockholders, then the total number of shares of Common Stock reserved for issuance over the term of the 2007 Plan will increase from 1,000,000 shares to 3,000,000 shares. If any award is forfeited or otherwise terminates or is canceled without the delivery of shares of Common Stock, shares of Common Stock are surrendered or withheld from any award to satisfy a grantee's income tax withholding obligations, or shares of Common Stock owned by a grantee are tendered to pay the exercise price of options granted under the 2007 Plan, then the shares covered by such forfeited, terminated or canceled award or which are equal to the number of shares surrendered, withheld or tendered will again become available for issuance pursuant to awards granted or to be granted under the 2007 Plan. In the event of any change in the number of issued shares of Common Stock (or issuance of shares other than Common Stock) as a result of any forward or reverse share split, or share dividend, recapitalization, reclassification, merger, consolidation, split-up, spin-off, reorganization, combination, exchange of shares of Common Stock, the issuance of warrants or other rights to purchase shares of Common Stock or other securities, or any other change in corporate structure or in the event of any extraordinary distribution, then the Compensation Committee will equitably adjust the number or kind of shares of Common Stock that may be issued under the 2007 Plan, and any or all of the terms of an outstanding award (including the number of shares of Common Stock covered by such outstanding award). In connection with any such adjustment, the Compensation Committee may provide for the cancellation of any outstanding awards in exchange for payment in cash or other property equal to the fair market value of the shares of Common Stock covered by such awards, reduced by the option or reference price, if any. The total number of shares of Common Stock as to which awards may be granted to any individual during any calendar year may not, subject to adjustment described above, exceed 500,000.

An award made under the 2007 Plan may be made in the form of an option, stock appreciation right, restricted stock, restricted stock unit, performance award and share unit or other stock-based award. Unless otherwise provided in an award agreement, no grantee of an award shall have any of the rights of a stockholder of the Company with respect to shares subject to such award until the issuance of a stock certificate to such person for such shares.

Types of Awards

Stock Options and Stock Appreciation Rights

Options granted under the 2007 Plan may be either incentive stock options, or ISOs, under the provisions of Section 422 of the Internal Revenue Code, or the Code, or options that are not subject to the provisions of Section 422 of the Code, or Nonqualified Options. The Compensation Committee at its discretion determines the number of option shares, the term of the option, the exercise price, vesting schedule and any other terms and conditions. The exercise price per share of Common Stock covered by an option will not be less than the fair market value of a share of Common Stock on the date of grant. The Compensation Committee will determine the periods during which the options will be exercisable. However, no ISO will be exercisable more than 10 years after the date of grant. The Compensation Committee may impose restrictions, as it deems advisable on the shares acquired pursuant to the exercise of an option, including but not limited to requiring the recipient to hold the shares acquired pursuant to the exercise for a specified period of time. Payment of the exercise price of any option may be made (i) in cash (by

certified check or as otherwise permitted by the Compensation Committee), (ii) to the extent specified in the individual award agreements, (A) by delivering shares of Common Stock that have been owned by the option holder for the requisite period necessary for the Company to avoid a charge to earnings, or (B) to the extent permitted by law, by such other method as the Compensation Committee may determine, including a cashless exercise procedure through a broker-dealer.

The 2007 Plan permits the award of stock appreciation rights, or SARs. Upon the exercise of a SAR, the holder will be entitled to receive an amount equal to (1) the excess of (a) the fair market value of a share of Common Stock on the exercise date of the SAR over (b) the exercise price of such right as set forth in the award agreement on the date of grant multiplied by (2) the number of shares of stock as to which the SAR is being exercised. Any payment with respect to a SAR will be made in Common Stock determined on the basis of the fair market value on the exercise date of the SAR or, alternatively, at the

discretion of the Compensation Committee, solely in cash, or in a combination of cash and Common Stock. The Compensation Committee in its sole discretion determines the number of SARs, the term of the SARs, the exercise price, vesting schedule and any other terms and conditions.

Unless the applicable award agreement provides otherwise, in the event that the employment or service of a grantee with the Company and all Related Entities terminates for any reason other than “cause”, “disability” (each, as defined in the award agreement) or death, vested options and stock appreciation rights will remain exercisable until the date that is three months after such termination. The three-month period will be extended to the expiration of the option or stock appreciation in the event of a grantee’s death during such three-month period. Unless the applicable award agreement provides otherwise, in the event that the employment or service of a grantee with the Company and all Related Entities terminates on account of disability or death, vested options and stock appreciation rights will remain exercisable until the expiration date of the option or stock appreciation right. Unless the applicable award agreement provides otherwise, in the event of termination of a grantee’s employment or service for cause, vested options and stock appreciation rights will remain exercisable until the date that is thirty (30) days after such termination.

The Compensation Committee may determine that any outstanding stock options and SARs granted under the 2007 Plan will be canceled and terminated and that the holder of such options (and SARs not granted in connection with an option) may receive for each share of Common Stock subject to such award a cash payment (or the delivery of shares of stock, other securities or a combination of cash, stock and securities equivalent to such cash payment) equal to the difference, if any, between the amount determined by the Compensation Committee to be the fair market value of the Common Stock and the exercise price per share multiplied by the number of shares of Common Stock subject to such award.

Restricted Stock and Restricted Stock Units

The 2007 Plan authorizes awards of restricted stock and restricted stock units. The Compensation Committee will determine the terms and conditions of restricted stock awards, including the restriction period. Shares of restricted stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided in the 2007 Plan or the applicable award agreement. Unless the applicable award agreement provides otherwise, additional shares of Common Stock or other property distributed to the grantee in respect of shares of restricted stock, as dividends or otherwise, will be subject to the same restrictions applicable to such restricted stock. At the time of grant of restricted stock units, the Compensation Committee will specify the maturity date applicable to each such grant. On the maturity date, the Company will transfer to the grantee one unrestricted, fully transferable share of Common Stock for each vested restricted stock unit scheduled to be paid out on such date and as to which all other conditions to the transfer have been fully satisfied. The Compensation Committee may instruct the Company to pay, in lieu of such shares, a cash amount equal to the number of such shares multiplied by the fair market value of a share on the date when shares would otherwise have been issued.

Performance Awards and Share Units

The Compensation Committee may grant performance awards in the form of actual shares of Common Stock or share units having a value equal to an identical number of shares of Common Stock, in such amounts, and subject to such terms and conditions as the Compensation Committee may determine. The performance conditions and the length of the performance period will be determined by the Compensation Committee. To the extent a performance award is intended to satisfy the requirements for deductibility under Section 162(m) of the Code, the Compensation Committee will establish written performance criteria for the Company on a consolidated basis, and/or for specified subsidiaries or affiliates or other business units of the Company, which will be comprised of specified levels of one or more of the following performance criteria as the

Compensation Committee may deem appropriate: net income; return on average assets (“ROA”); cash ROA; return on average equity (“ROE”); cash ROE; earnings per share (“EPS”); cash EPS; stock price; efficiency ratio; and asset quality. The Compensation Committee will determine whether performance awards granted in the form of share units will be paid in cash, shares of Common Stock or a combination of cash and shares.

Other Stock-Based Awards

The 2007 Plan authorizes the Compensation Committee to grant other awards of stock and other awards that are valued in whole or in part by reference to, or payable on or otherwise based on Common Stock, or other stock-based awards.

Transferability

In general, no award may be assignable or transferable by the holder other than by will or by the laws of descent and distribution. However, the Compensation Committee or the Board may determine at the time of grant or thereafter that an award, other than an ISO or restricted stock, is transferable to a family member or to trusts established in whole or part for the benefit of the holder of such award and/or one or more immediate family members under circumstances and conditions specified by the Compensation Committee or the Board.

Change in Control

Except as otherwise provided in an applicable award agreement, the following will occur unless otherwise expressly provided for in the award agreement in the event of a Change in Control (as defined in the 2007 Plan): (1) any and all outstanding stock options and SARs granted under the 2007 Plan will become vested and immediately exercisable, (2) any restrictions on restricted stock and restricted stock units will lapse, and restricted stock units will become vested and immediately payable, (3) the Compensation Committee will immediately vest and pay out all cash-based awards and other stock-based awards, and (4) the Compensation Committee will have the ability to determine that all outstanding awards are canceled upon a Change in Control, and that the value of such awards, as determined by the Compensation Committee in accordance with the terms of the 2007 Plan and the award agreement, be paid out in cash, shares of Common Stock or other property within a reasonable time subsequent to the Change in Control.

Amendment and Termination

The Board of Directors may from time to time suspend, discontinue, revise or amend the 2007 Plan in any respect whatsoever, except that no such amendment may materially impair any rights or materially increase any obligations of the grantee under any award without the consent of the grantee. Stockholder approval of any amendment will be obtained to the extent necessary to comply with Section 422 of the Code or any other applicable law, regulation or stock exchange listing requirements.

Tax Treatment

The following is a brief description of the federal income tax consequences, under existing law, with respect to awards that may be granted under the 2007 Plan.

Incentive Stock Options. An optionee will not realize any taxable income upon the grant or the exercise of an ISO. However, the amount by which the fair market value of the shares covered by the ISO (on the date of exercise) exceeds the option price paid will be an item of tax preference to which the alternative minimum tax may apply, depending on each optionee's individual circumstances. If the optionee does not dispose of our shares acquired by exercising an ISO within two years from the date of the grant of the ISO and within one year after the shares are transferred to the optionee, when the optionee later sells or otherwise disposes of the shares, any amount realized by the optionee in excess of the option price will be taxed as a long-term capital gain and any loss will be recognized as a long-term capital loss. The Company generally will not be entitled to an income tax deduction with respect to the grant or exercise of an ISO.

If any shares of our Common Stock acquired upon exercise of an ISO are resold or disposed of before the expiration of the prescribed holding periods, the optionee would realize ordinary income, instead of capital gain. The amount of the ordinary income realized would be equal to the lesser of (i) the excess of the fair market value of the stock on the exercise date over the option price; or (ii) in the case of a taxable sale or exchange, the amount of the gain realized. Any additional gain would be either long-term or short-term capital gain, depending on whether the applicable capital gain holding period has been satisfied. In the event of a premature disposition of shares of stock acquired by exercising an ISO, we would be entitled to a deduction equal to the amount of ordinary income realized by the optionee.

Nonqualified Options. An optionee will not realize any taxable income upon the grant of a Nonqualified Option. At the time the optionee exercises the Nonqualified Option, the amount by which the fair market value at the time of exercise of the shares covered by the Nonqualified Option exceeds the option price paid upon exercise will constitute ordinary income to the optionee in the year of such exercise. The Company will be entitled to a corresponding income tax deduction in the year of exercise equal to the ordinary income recognized by the optionee. If the optionee

thereafter sells such shares, the difference between any amount realized on the sale and the fair market value of the shares at the time of exercise will be taxed to the optionee as capital gain or loss, short-term or long-term depending on the length of time the stock was held by the optionee before sale.

Stock Appreciation Rights. A grantee realizes no taxable income and the Company is not entitled to a deduction when a SAR is granted. Upon exercising a SAR, the grantee will realize ordinary income in an amount equal to the fair market value of the shares received minus any amount paid for the shares, and the Company will be entitled to a corresponding deduction. The grantee's tax basis in the shares received upon exercise of a SAR will be equal to the fair market value of such shares on the exercise date, and the grantee's holding period for such shares will begin at that time. Upon sale of the shares received upon exercise of a SAR, the grantee will realize short-term or long-term capital gain or loss, depending upon whether the shares have been held for more than one year. The amount of such gain or loss will be equal to the difference between the amount realized in connection with the sale of the shares, and the grantee's tax basis in such shares.

Restricted Stock. A grantee of restricted stock generally will not recognize any taxable income until the shares of restricted stock become freely transferable or are no longer subject to a substantial risk of forfeiture. At that time, the excess of the fair market value of the restricted stock over the amount, if any, paid for the restricted stock is taxable to the grantee as ordinary income. If a grantee of restricted stock subsequently sells the shares, he or she generally will realize capital gain or loss in the year of such sale in an amount equal to the difference between the net proceeds from the sale and the price paid for the stock, if any, plus the amount previously included in income as ordinary income with respect to such restricted shares.

A grantee has the opportunity, within certain limits, to fix the amount and timing of the taxable income attributable to a grant of restricted stock. Section 83(b) of the Code permits a grantee of restricted stock, which is not yet required to be included in taxable income, to elect, within 30 days of the award of restricted stock, to include in income immediately the difference between the fair market value of the shares of restricted stock at the date of the award and the amount paid for the restricted stock, if any. The election permits the grantee of restricted stock to fix the amount of income that must be recognized by virtue of the restricted stock grant. The Company will be entitled to a deduction in the year the recipient is required (or elects) to recognize income by virtue of receipt of restricted stock, equal to the amount of taxable income recognized by the grantee.

Other Types of Awards. With respect to other awards under the 2007 Plan, generally when the grantee receives payment with respect to an award, the amount of cash and fair market value of any other property received will be ordinary income to the grantee, and the Company generally will be entitled to a tax deduction in the same amount.

We believe that compensation received by employees on the exercise of Nonqualified Options or the disposition of shares acquired upon the exercise of any ISOs will be considered performance-based compensation and thus not subject to the \$1 million limit of Section 162(m) of the Code and may be deductible by the Company.

In the event that the exercisability or vesting of any option is accelerated due to a Change in Control, payments relating to the options (or a portion thereof), either alone or together with other payments, may constitute parachute payments under Section 280G of the Code, which excess amounts may be subject to excise taxes and may be nondeductible to the Company.

Section 162(m) of the Code precludes a public corporation from taking a deduction for annual compensation in excess of \$1 million paid to its chief executive officer or any of its four other highest-paid officers (other than the chief financial officer). However, compensation that qualifies under Section 162(m) of the Code as “performance-based” is specifically exempt from the deduction limit. Based on Section 162(m) of the Code and the regulations thereunder, the Company’s ability to deduct compensation income generated in connection with the exercise of stock options granted under the 2007 Plan should not be limited by Section 162(m) of the Code. The 2007 Plan has been designed to provide flexibility with respect to whether restricted stock awards or other awards will qualify as performance-based compensation under Section 162(m) of the Code and therefore, be exempt from the deduction limit.

Section 409A of the Code, enacted as part of the American Jobs Creation Act of 2004, imposes certain new requirements applicable to “nonqualified deferred compensation plans.” If a nonqualified deferred compensation plan subject to Section 409A fails to meet, or is not operated in accordance with, these new requirements, then all compensation deferred under the plan may become immediately taxable. Restricted stock units and certain other awards which may be granted under the plan may constitute deferred compensation subject to the Section 409A requirements. It is the Company’s intention that any award agreement governing awards subject to Section 409A will comply with these new rules.

On April 15, 2011, the closing price of the Company’s common stock on the Nasdaq Global Select Market was \$3.82 per share.

New Plan Benefits

The number of awards (if any) that an individual may receive under the 2007 Plan is in the discretion of the Compensation Committee and therefore cannot be determined in advance.

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Outstanding Awards

As of March 31, 2011, the following outstanding awards have been granted under the 2007 Plan to each of the named executive officers, each nominee for election as a director, all current executive officers as a group, all current directors who are not executive officers as a group and all other employees, respectively:

Name and Principal Position	Number of Shares Underlying Restricted Stock Awards/Unit	Number of Shares Underlying Awards/Unit
C. G. Kum President and Chief Executive Officer	13,805	59,490
Romolo Santarosa Senior Executive Vice President and Chief Operating Officer/Chief Financial Officer	5,485	24,695
Donald Macaulay Executive Vice President and Manager of the Business Banking Division	-	5,000
Richard D. Aldridge Director	8,779	-
Donald E. Benson Director	8,779	-
John W. Birchfield Director	8,779	-
Joseph N. Cohen Director	8,779	-
Robert E. Gipson. Director	8,779	-
Antoinette T. Hubenette, M.D. Director	8,779	-
Thomas Tignino Director	8,779	-
All executive officers as a group	26,655	128,915
All directors who are not executive officers as a group	64,660	-
All other employees	68,042	166,816

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth as of December 31, 2010 information regarding outstanding options and the number of shares available for future option grants under all of our equity compensation plans. All equity plans of FCB Bancorp, in addition to those of National Mercantile Bancorp and all outstanding option awards were assumed by First California in connection with the Mergers.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by shareholders (1)	737,410	\$7.99	534,697
Equity compensation plans not approved by shareholders	N/A	N/A	N/A
Total	737,410	\$7.99	534,697

(1)Includes the First California 2007 Omnibus Equity Incentive Plan, FCFG FCB 2005 Stock Option Plan, FCFG 2005 NMB Stock Incentive Plan, FCFG Amended 1996 NMB Stock Incentive Plan.

Vote Required and Board of Directors Recommendation

Approval of the amendments to the 2007 Plan requires the affirmative vote of the holders of a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting. Abstentions will have the same effect as a negative vote on this proposal. Broker non-votes are not considered entitled to vote on the subject matter and therefore reduce the number of votes needed for approval of the amendments to the 2007 Plan.

The Board of Directors unanimously recommends a vote “FOR” approval of the amendments to the First California 2007 Omnibus Equity Incentive Plan.

PROPOSAL 3

RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Company engaged the independent registered public accounting firm of Moss Adams LLP as our principal independent auditor to audit our financial statements for the fiscal years ended December 31, 2009 and 2010, and the Board of Directors, upon recommendation of its Audit Committee, has ratified the appointment of Moss Adams LLP to serve as its independent auditor for the fiscal year ending December 31, 2011. Representatives of Moss Adams LLP will be present at the Annual Meeting to answer questions and will have the opportunity to make a statement if they desire to do so.

We are asking our stockholders to ratify the appointment of Moss Adams LLP as our independent registered public accounting firm. Although ratification is not required by our by-laws or otherwise, the Board is submitting the appointment of Moss Adams LLP to our stockholders for ratification because we value our stockholders' views on the Company's independent auditor and as a matter of good corporate practice. In the event that our stockholders fail to ratify the appointment, it will be considered as a direction to the Board of Directors and the Audit Committee to consider the selection of a different firm. Even if the appointment is ratified, the Audit Committee, in its discretion, may select a different independent auditor, subject to ratification by the Board, at any time during the year if it determines that such a change would be in the best interests of the Company and its stockholders.

The Board of Directors unanimously recommends a vote "FOR" the ratification of the selection of Moss Adams LLP as its independent registered public accounting firm for the fiscal year ending December 31, 2011.

REPORT OF THE AUDIT COMMITTEE

The following Report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent First California Financial Group, Inc. specifically incorporates this Report by reference therein.

The Audit Committee oversees our financial reporting process on behalf of the Board of Directors. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management the audited financial statements included in our Annual Report on Form 10-K filed with the SEC.

Management is responsible for the Company's financial reporting process including its system of internal controls, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. The Company's independent registered public accountants are responsible for auditing those financial statements.

The Audit Committee's responsibility is to monitor and review these processes and procedures. The Audit Committee has relied on the information provided and on the representations made by management regarding the effectiveness of internal control over financial reporting, that the financial statements have been prepared with integrity and objectivity and that such financial statements have been prepared in conformity with generally accepted accounting principles. The Audit Committee also relies on the opinions of the independent public accountants on the consolidated financial statements and the effectiveness of internal controls over financial reporting. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, its consultations and discussions with management and the independent public accountants do not assure that the Company's financial statements are presented in accordance with generally accepted accounting principles, that the audit of the Company's financial statements has been carried out in accordance with generally accepted auditing standards or that our Company's independent accountants are in fact "independent."

The Audit Committee met and discussed with the independent public accountants the matters required to be discussed by Statements on Accounting Standards (SAS) No. 61, as currently in effect. In addition, the Audit Committee has discussed with the independent public accountants their independence from the Company and has received the written letter from the independent public accountants as required by Public Company Accounting Oversight Board (PCAOB) Rule 3526 (Communication with Audit Committees Concerning Independence) and the SEC.

The Audit Committee also met and discussed with the independent public accountants issues related to the overall scope and objectives of the audit, the Company's internal controls and critical accounting policies, and the specific results of the audit. Management was present at all or some part of each of these meetings. Lastly, the Audit Committee met with management and discussed the engagement of Moss Adams LLP as the Company's independent public accountants.

Pursuant to the reviews and discussions described above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the fiscal year 2010 filed with the SEC.

March 29, 2011

AUDIT COMMITTEE

John W. Birchfield, Chairman
Donald E. Benson
Joseph N. Cohen
Robert E. Gipson
Thomas Tignino

INFORMATION ABOUT FIRST CALIFORNIA COMMON AND PREFERRED STOCK OWNERSHIP

Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table provides information as of March 31, 2011 regarding our Common Stock and our Series A Convertible Perpetual Preferred Stock, or Series A Preferred Stock, owned by: (i) each person we know to beneficially own more than 5% of the outstanding Common Stock or outstanding Series A Preferred Stock; (ii) each of our directors; (iii) each of our executive officers named in the Summary Compensation Table included in this Proxy Statement; and (iv) all of our executive officers and directors as a group. Except as may be indicated in the footnotes to the table and subject to applicable community property laws, to our knowledge each person identified in the table has sole voting and investment power with respect to the shares shown as beneficially owned. The Series A Preferred Stock is included in the table below; however, the Series A Preferred Stock is not entitled to vote at the Annual Meeting.

The Company also has issued and outstanding 25,000 shares of Fixed Rate Cumulative Perpetual Preferred Stock, Series B, or Series B Preferred Stock. All of the Series B Preferred Stock was issued to the United States Department of the Treasury, or the Treasury, on December 19, 2008 in connection with the Company's participation in the Treasury's Troubled Asset Relief Program - Capital Purchase Program, or TARP-CPP. The Treasury is the beneficial owner of 100% of the issued and outstanding shares of Series B Preferred Stock, and therefore, no further disclosure with respect to the Series B Preferred Stock is contained in the table below. The Series B Preferred Stock is not entitled to vote at the Annual Meeting.

Except as indicated, the address of each person listed below is c/o First California Financial Group, Inc., 3027 Townsgate Road, Suite 300, Westlake Village, California 91361.

Name of Beneficial Owners	Amount of Beneficial Ownership of Common Stock (1)	Approximate Percentage of Outstanding Shares	Amount of Beneficial Ownership of Series A Preferred Stock (2)	Approximate Percentage of Outstanding Series A Preferred Stock (2)
Directors and Executive Officers:				
Richard D. Aldridge(3)(4)	1,431,450	5.07 %	0	*
Donald E. Benson(5)	89,217	*	0	*
John W. Birchfield(4)(6)	1,481,786	5.25 %	0	*
Joseph N. Cohen(7)	15,341	*	0	*
Robert E. Gipson(7)	60,499	*	0	*
Antoinette T. Hubenette(7)	17,716	*	0	*
	26,836	*	0	*

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Thomas Tignino(8)

C. G. Kum(9).	235,635	*	0	*
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Romolo Santarosa(10)	60,099	*	0	*
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Bradley R. Brown	-	*	0	*
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Donald W. Macaulay(11)	12,000	*	0	*
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Edmond Sahakian(12)	15,378	*	0	*
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William Schack(13)	9,557	*	0	*
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All directors and executive officers as a group (13 persons)(14)	2,948,822	10.45	% 0	*
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Greater than 5% stockholders not listed above:

James O. Pohl(15)	1,066,107	3.78	% 334	33.4	%
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Name of Beneficial Owners	Amount of Beneficial Ownership of Common Stock (1)	Approximate Percentage of Outstanding Shares		Amount of Beneficial Ownership of Series A Preferred Stock (2)	Approximate Percentage of Outstanding Series A Preferred Stock (2)	
Robert C. Pohlada(15)	1,066,107	3.78	%	333	33.3	%
William M. Pohlada(15)	1,066,107	3.78	%	333	33.3	%
Donald E. Benson(5)	89,217	*		0	*	
Total Pohlada Family	3,198,321	11.34	%	1,000	100	%

*

Represents less than 1%.

(1) Shares of Common Stock subject to options currently exercisable, or exercisable within 60 days of March 31, 2011 and shares of restricted Common Stock are deemed outstanding for computing the ownership percentage of the person holding such options or warrants, but are not deemed outstanding for computing the ow