

Bill Bookout

From: Bill Bookout [pismobeachsurfshop@charter.net]
Sent: Monday, March 28, 2011 1:32 PM
To: 'GeorgeS.Leis@pacificcapitalbank.com'
Cc: 'CarlB.Webb@pacificcapitalbank.com'; 'Carol.Zepke@pcbancorp.com'; 'GeorgeS.Leis@pacificcapitalbank.com'; 'GeraldJ.Ford@pcbancorp.com'; 'christine.sontag@sbbt.com'; 'lol@rsmediate.com'; 'Lcannon@dfi.ca.gov'; 'legal@fdic.gov'; 'sandiego@sba.gov'; 'Ashker, Terrill K.'; 'Sharon Iannone'; 'Debbie.Whiteley@pcbancorp.com'; 'mpick@mckiernanlaw.com'; 'ombudsman@sba.gov'; 'ombudsman@fdic.gov'; 'Diana Lee'
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 28, 2011

John Walsh, Office of the Comptroller of the Currency Case # 01394465

George S. Leis
Santa Barbara Bank & Trust
1021 Anacapa St
Santa Barbara, CA 93101

Dear Mr. George S. Leis

Re: Mediation Communication with Santa Barbara Bank and Trust, through Reicker, Pfau, Pyle & McRoy--Diana Lee since March 21, 2011 attached below!

Mr. Leis, per the email from Diana Lee, below March 28, 2011! **Please immediately provide an Amortization Schedule for the 2007 Loan modification prepared by Sandra Sheffield and George C. Lazar in 2007 with in 24 hours!** It is unfortunate that Santa Barbara Bank & Trust does not want to mediate the Breach of Contract and Bank Fraud committed by Pacific Capital Bancorp!

The websites that Diana Lee of Reicker, Pfau, Pyle & McRoy LLP is demanding to be shut down in order to go to mediation, are an important part in mediation as they show Pacific Capital Banks actions from 2007 to present! These websites show the history of my request for Pacific Capital Bank to properly amortize the 2007 Pacific Capital Bank, loan modification breach of contract! These websites show George C. Lazars and Sandra Sheffield's actions since before signing the 2007 loan modification to present!

- www.pacificcapitalbankquestions.com
- <http://www.occquestions.com/>
- www.fdicquestions.com
- <http://www.sbaquestions.net/>

Mr. George S. Leis, please immediately end the Notice of Default filed January 14, 2011 as this is bank fraud as seen in the email below to Christine M. Sontag Senior Vice President and Associate General Council Santa Barbara Bank & Trust! Please note that the Office of the Comptroller of the Currency has full knowledge of the websites in question above and attached! www.pacificcapitalbancorp.co --- www.santabarbarabankandtrust.co Again, I am asking for an amortization schedule accounting of my 2007 loan modification!

I am asking Santa Barbara Bank and Trust to immediately take this matter to mediation per our original agreement!

Sincerely

Bill Bookout

CC John Walsh, Office of the Comptroller of the Currency Case # 01394465
CC FDIC
CC SBA
CC California State Attorney General

From: Diana Lee [mailto:dlee@rppmh.com]
Sent: Monday, March 28, 2011 11:02 AM
To: Bill Bookout; christine.sontag@sbbt.com
Cc: lol@rsmediate.com

3/28/2011

Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

Dear Mr. Bookout,

I am shocked at the blatant misstatement you attribute to me. Moreover, there will be no mediation because you rejected the bank's offer.

Diana Lee.

From: Bill Bookout [mailto:pismobeachsurfshop@charter.net]

Sent: Monday, March 28, 2011 10:22 AM

To: christine.sontag@sbbt.com

Cc: Diana Lee; lol@rsmediate.com; 'Bill Bookout'

Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 28, 2011

Christine M. Sontag
Senior Vice President and Associate General Council
Santa Barbara Bank & Trust
1021 Anacapa St
Santa Barbara, CA 93101

Dear Mrs. Christine M. Sontag,

Diana Lee of Reicker, Pfau, Pyle & McRoy LLP has acknowledged that Pacific Capital Bancorp has improperly amortized this SBA loan in our conversations! This will be a big issue in our April 7, 2011 Mediation with Lol Sorensen! I am requesting again, before our mediation for a full accounting of how this SBA loan was amortized; in an amortization schedule prepared by Santa Barbara Bank and Trust, Pacific Capital Bank or Pacific Capital Bancorp.

George C. Lazar stated in a letter August 1, 2007 ***“The proper Bank officials will look into the computerized records and determine if there are any problems.”*** It is unfortunate that this SBA loan was never properly looked into and amortized in 2007. Mr. Lazar, then charging Attorney fees after being paid for the Loan Modification of \$2,471.45 is very unacceptable and a breach of contract from the 2007 loan modification!

Mrs. Christine M. Sontag, this is an amortization schedule prepared off of the internet showing the PCB 2007 loan modification payment to be \$3,938.80. Pacific Capital Bank in their January 25, 2011 NOD calculation; continue to show a monthly payment of \$4,121.06 even in 2010 against SBA Form 147 Note prepared by PCB and signed October 6, 2003.

Loan Summary

Payment Summary

| | |
|----------------|-------------|
| Principal: | \$452024.05 |
| Interest Rate: | 6% |
| Loan Term: | 171 months |

| | |
|-------------------------|---------------------|
| Number of Payments: | 171 |
| Monthly Payment: | \$3,938.80 |
| Total Principal Paid: | \$452,024.05 |
| Total Interest Paid: | \$221,510.19 |
| Total Paid: | \$673,534.24 |

Mrs. Mrs. Sontag, a few issues to be addressed in Mediation:

- 1) Pacific Capital Bank in their January 25, 2011 NOD has overcharged the 2010 loan payment amount owed by \$268.76 per month or \$3,225.12 in PCB favor; this will need to be addressed in mediation with Mr. Sorensen!
- 2) Pacific Capital Bank March 4, 2011 changing the amount of the January 25, 2011 NOD letter will need to be addressed in mediation!
- 3) Pacific Capital Bank has over charged my 2007, 2008 and 2009 6% fixed rate, amortized loan by 29 payments of \$182.26 = \$5,285.54 will need to be addressed in mediation!
- 4) Pacific Capital Bank in 2007 has charged attorney fees of \$2,471.45 against the 2007 loan modification! I ask that Pacific Capital Bank provides Mr. Lazars (bill of particulars) as previously requested before mediation on April 7, 2011!
- 5) Pacific Capital Bank had stated July 23, 2008 per their 2007 Attorney fees, after breaking a loan modification, charging

\$2,471.45 "As to the fee bills, we know of no basis upon which you can request copies. In addition, the fee bills contain confidential material. If you would like a summary of the work done prepared, that can be done. However, the Bank will require a deposit against the estimated costs before I proceed." There should be no charge for this information and should be provided by Santa Barbara Bank and Trust at not cost!

- 6) Pacific Capital Bank has improperly charged late fees of \$206.05 per month over the 5% allowed in my 2003 SBA Form 147 Note! This should be addressed in mediation!
- 7) Pacific Capital Bank in the 2003 Promissory Note has failed to properly Amortize, my SBA loan since 2007! (SBA Form 147 Note) States: "**Lender must adjust the payment at least annually as needed to amortize principal over the remaining term of the note.**" This amortization should be addressed in mediation!

Attached below are the Attorneys for the State of California, County of San Luis Obispo, Oceano Community Service District and Union Pacific Rail Road with a rejected offer from OCSD on December 9, 2010 in regards to the Inverse Condemnation of the Oceano Nursery property and Pacific Capital Banks requirement in the Deed of Trust to fight inverse condemnation. This should be an issue in the upcoming mediation on April 7, 2011 as the County of San Luis Obispo, State of California, OCSD and Union Pacific Railroad all have liens on these property's, with the First Bank of San Luis Obispo requirement to fight inverse condemnation!

Thomas Cregger tac@randolphlaw.net mpott@porterscott.com ; tcassidy@porterscott.com ; derek_van_hoftern@dot.ca.gov
Adam M. Daner adam@danerlaw.com Greg Connell gconnell@bbrlawfirm.com Should the County of San Luis Obispo, State of California, OCSD and Union Pacific Rail Road be contacted for our Mediation?

Again, I look forward to our mediation on April 7, 2011!

Sincerely

Bill Bookout

From: Adam M. Daner [mailto:adam@danerlaw.com]
Sent: Thursday, December 09, 2010 1:41 PM
To: Greg Connell; Thomas Cregger; mpott@porterscott.com; tcassidy@porterscott.com; derek_van_hoftern@dot.ca.gov
Cc: John W. Belsher; Bill Bookout
Subject: RE: Resolution Offer - Bookout v. State of California et al.

On behalf of the OCSD, the communicated offer is rejected.

Thanks,

Adam Daner

Adam M. Daner, Esq.
Daner Law Firm, APLC
5855 Capistrano Avenue, Suite G
Atascadero, CA 93422
Telephone: (805) 464-5003
Facsimile: (805) 464-5004
Email: Adam@danerlaw.com

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From: Greg Connell [mailto:gconnell@bbrlawfirm.com]
Sent: Thursday, December 02, 2010 10:35 AM
To: Adam M. Daner; 'Thomas Cregger'; mpott@porterscott.com; tcassidy@porterscott.com; derek_van_hoftern@dot.ca.gov
Cc: 'John W. Belsher'; 'Bill Bookout'

3/28/2011

Subject: Resolution Offer - Bookout v. State of California et al.

Counsel,

As you know our petition to the CA Supreme Court was recently rejected. I know our client is very disappointed with the Court of Appeals ruling and the Supreme Court's rejection of our petition on his flooding issues. He is currently considering filing another petition to the US Supreme Court. Our client has asked us to present all the defendants in this case with a possible final resolution of this litigation and the flooding issues on Hwy 1, 13th Street, and Paso Robles Street in Oceano. Our client would waive any further appeals or petitions in this matter, cease alerting and informing the media about this case, and cease posting factual information on the internet regarding this matter in exchange for dismissal of the judgments each defendant has against him and a collective buyout of his property on 13th Street in Oceano (approximate value \$400,000, or whatever the bank will agree to short sale the property for), to be used by the defendants for any future remediation efforts at this location, such as a drainage basin or drainage easement.

Feel free to contact me or John Belsher to discuss this final resolution. If we don't hear from you by December 23, 2010, we will assume you have no interest in this type of resolution.

Regards,
Gregory A. Connell, Esq.
BELSHER, BECKER & ROBERTS
412 Marsh Street
San Luis Obispo, California 93401
Telephone: (805) 542-9900
Facsimile: (805) 542-9949
gconnell@bbrlawfirm.com

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From: Bill Bookout [mailto:pismobeachsurfshop@charter.net]
Sent: Saturday, March 26, 2011 2:09 PM
To: 'christine.sontag@sbbt.com'
Cc: 'Diana Lee'; 'lol@rsmediate.com'
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 25, 2011

Christine M. Sontag
Senior Vice President and Associate General Council
Santa Barbara Bank & Trust
1021 Anacapa St
Santa Barbara, CA 93101

Dear Mrs. Sontag,

Re: Santa Barbara Bank & Trust Refusal to provide and Amortization Schedule for SBA Loan # PLP 664-196-4009 and our upcoming mediation on April 7, 2011!

I have received your response back and that you will be out of the office until Tuesday April 5, 2011. I assume our mediation is still scheduled for April 7, 2011!

Again, attached, above is a 2005 First Bank of San Luis Obispo loan amortization schedule! This is the type of amortization schedule I am requesting from Santa Barbara Bank & Trust and Pacific Capital Bancorp immediately, while you are on vacation. Attached above is the October 6, 2003 SBA Form 147 Note showing that "*Lender must adjust the payment at least annually as needed to amortize principal over the remaining term of the note.*" This has not been done by Pacific Capital Bank since before Sandra Sheffield signed the July 2, 2007 loan modification! Attached is the Deed of Trust in which Sandra Sheffield and George C. Lazar new about the Deed of Trust requirement to fight inverse condemnation as seen in each website in question! Mr. Lazar had been in contact with my attorney in regards to this matter at the time of Sandra Sheffield breaking the May 15, 2007 signed contract!

Sandra Sheffield in her 2007 May 17, 2007 actions was aware of the SBA Loan Deed of Trust requiring a legal defense for the

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inverse condemnation of the Oceano Nursery property as stated in the Deed of Trust! Please review videos on websites in question and Deed of Trust requirement below!

CONDEMNATION. The following provisions relating to eminent domain and inverse condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any eminent domain or inverse condemnation proceeding is commenced affecting the Property, Trustor shall promptly notify Lender in writing, and Trustor shall promptly take such steps as may be necessary to pursue or defend the action and obtain the award. Trustor may be the nominal party in any such proceeding, but Lender shall be entitled, at its election, to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Trustor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If any award is made or settlement entered into in any condemnation proceedings affecting all or any part of the Property or by any proceeding or purchase in lieu of condemnation, Lender may at its election, and to the extent permitted by law, require that all or any portion of the award or settlement be applied to the indebtedness and to the repayment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation proceedings.

Sandra Sheffield in the 2007 Forbearance and workout agreement signed by her showed she had had full knowledge of the Inverse Condemnation Lawsuit taking place as stated in this July 2, 2007 signed contract! Pacific Capital Bank required me to fight inverse condemnation!

5. Acknowledgement of and Grant of Security Interest in Litigation. Borrower acknowledges and agrees that the Litigation, to the extent that it seeks damages based upon inverse condemnation, involves a potential recovery which is subject to the Bank's security interest in the property described in the Litigation. Borrower acknowledges and agrees that Bank has a security interest in any inverse condemnation damages actually payable to Borrower and that Bank may record a UCC financing statement evidencing this security interest in the Litigation and the inverse condemnation proceeds, and that Bank may advise the parties to the Litigation of its interest.

The websites that Santa Barbara Bank & Trust are concerned about are just a few of the websites dealing with this matter and the inverse condemnation of my Oceano Nursery property with the First Bank of San Luis Obispo requirement to fight inverse condemnation as seen in these websites! Please pay attention to First Bank of San Luis Obispo flooding statements in this 2005 First Bank of San Luis Obispo document!

Comments: This loan was originally funded in October 2003 for \$450,000 with a rate of WCP + 2.00% to pay off two real estate loans, pay-off a working capital loan (RE secured), pay off two business credit cards, and to provide working capital to support business growth and miscellaneous operating expenses. This Change in Terms is approved based on the paid as agreed relationship with the borrower and the benefits and assistance it will provide due to the damage incurred from the 12/03 earthquake and four floods of the nursery caused by the rains of 2004 and early 2005, which have affected profitability. Under our SBA PLP authority, the SBA Service center does not need notification, however, the secondary market has been notified (see letter in file).

Loan documents attached in the 2005 change in terms shows my flooding problems that should have been taken into account by Pacific Capital Bank, when Sandra Sheffield broke the May 15, 2007 signed workout agreement on May 17, 2007 causing Oceano Nursery to have to go out of business! These websites show Mrs. Sheffield's actions! These websites show my requests for an amortization schedule and George C. Lazars actions after turning this over to the OCC!

- www.pacificcapitalbankquestions.com
- <http://www.occquestions.com/>
- www.fdicquestions.com
- <http://www.sbaquestions.net/>

Mrs. Christine M. Sontag all future communications will now be directed to you and Santa Barbara Bank & Trust. Please see that Santa Barbara Bank & Trust provides a loan amortization schedule immediately, per the 2007 loan modification! Please confirm that the April 7, 2011 mediation is still going to happen or we can go through any Senior Bank official who has authority to make decisions for Santa Barbara Bank & Trust/Pacific Capital Bancorp.

Sincerely

Bill Bookout
Oceano Nursery
Plumerias Garden and Gifts
Pismo Beach Dive Shop
Big Kahuna Surf Shop

3/28/2011

From: Christine Sontag [mailto:CHRISTINE.SONTAG@sbbt.com]
Sent: Saturday, March 26, 2011 7:45 AM
To: Bill Bookout
Subject: Out of Office: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

I am out of the office until Tuesday, April 5, 2011, and will respond to your message when I return to the office.

Thank you,
Christine Sontag
Senior Vice President and Associate General Counsel

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From: Bill Bookout [mailto:pismo beachesurfshop@charter.net]
Sent: Saturday, March 26, 2011 7:43 AM
To: 'christine.sontag@sbbt.com'
Cc: 'Diana Lee'; 'lol@rsmediate.com'
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 25, 2011

Christine M. Sontag
Santa Barbara Bank & Trust
1021 Anacapa St
Santa Barbara, CA 93101

Dear Mrs. Sontag,

Re: Santa Barbara Bank & Trust Refusal to provide and Amortization Schedule for SBA Loan # PLP 664-196-4009

Attached, above is a 2005 First Bank of San Luis Obispo loan amortization schedule! This is the type of amortization schedule I am requesting from Santa Barbara Bank & Trust and Pacific Capital Bancorp immediately. Attached above is the October 6, 2003 SBA Form 147 Note showing that *"Lender must adjust the payment at least annually as needed to amortize principal over the remaining term of the note."* This has not been done by Pacific Capital Bank since before Sandra Sheffield signed the July 2, 2007 loan modification!

The websites that Santa Barbara Bank & Trust are concerned about are just a few of the websites dealing with this matter and the inverse condemnation of my Oceano Nursery property with the First Bank of San Luis Obispo requirement to fight inverse condemnation as seen in these websites! Loan documents attached in the 2005 change in terms shows my flooding problems that should have been taken into account by Pacific Capital Bank, when Sandra Sheffield broke a May 15, 2007 signed workout agreement on May 17, 2007 causing Oceano Nursery to have to go out of business!

- www.pacificcapitalbankquestions.com
- <http://www.occquestions.com/>
- www.fdicquestions.com
- <http://www.sbaquestions.net/>

Mrs. Christine M. Sontag all future communications will now be directed to you and Santa Barbara Bank & Trust. Please see that Santa Barbara Bank & Trust provides a loan amortization schedule immediately, per the 2007 loan modification! Please confirm that the April 7, 2011 mediation is still going to happen or we can go through any Senior Bank official who has authority to make decisions for Santa Barbara Bank & Trust/Pacific Capital Bancorp.

Sincerely

Bill Bookout
Oceano Nursery
Plumerias Garden and Gifts
Pismo Beach Dive Shop
Big Kahuna Surf Shop
Pismo Beach Surf Shop

From: Diana Lee [mailto:dlee@rppmh.com]
Sent: Friday, March 25, 2011 3:55 PM
To: Bill Bookout
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

Dear Mr. Bookout,

Your email below is inaccurate. In our conversation this afternoon, you called my attention to the typographical error in my March 22, 2011 email which contained a 2012 year rather than 2011. You and I acknowledged that the conversations upon which that email was based, as well as the other emails we have exchanged specified that your web sites and You Tube sites needed to go dark on March 23, 2011, not March 23, 2012.

As I stated in our conversation, the bank is willing to go to mediation with you on April 7, the date you requested, and has arranged for Lol Sorensen, the mediator you selected, to serve as the mediator. The bank has also agreed that you need not pay any mediation fees upfront, and that the topic of how the mediation fees are paid will be addressed at the mediation. The bank also agreed to toll the running of time under your Notice of Default, all conditioned on you agreeing to cease all communications, except with me, regarding this dispute, including causing your webs sites and your You Tube site to go dark until the mediation. You told me that you would not agree to cause your web sites to temporarily go dark pending the mediation.

Accordingly, you have declined the bank's generous offer and there is nothing further I can do for you. This file will be returned to Mr. Lazar, and you should direct all further communications to him.

Sincerely,

Diana Lee.
Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Tel: 805-966-2440
Fax: 805-966-3320
E-mail: dlee@rppmh.com
Website: www.reickerpfau.com

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From: Bill Bookout [mailto:pismobeachsurfshop@charter.net]
Sent: Friday, March 25, 2011 3:22 PM
To: christine.sontag@sbbt.com
Cc: lol@rsmediate.com; Diana Lee; 'LeSieur, Debbie'
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 25, 2011

3/28/2011

Christine M. Sontag
Santa Barbara Bank & Trust
1021 Anacapa St
Santa Barbara, CA 93101

Dear Mrs. Sontag,

Per our agreement below, I am again requesting an amortization schedule from Pacific Capital Bancorp and Santa Barbara Bank and Trust for the 2007 loan modification signed by Sandra Sheffield on July 2, 2007! I am looking forward to mediation on the 7th of April 2011.

I appreciate Pacific Capital Bancorp stopping the Notice of Default as stated March 22, 2011: . *“Even though you have not yet caused your web sites to go dark, I will agree that the time period for the bank's notice of default was tolled effective March 21, 2011, provided your web sites and You Tube site(s) go dark by no later than noon on March 23, 2012.”*

Mrs. Sontag, All posting to the websites have ended with our agreement! All contact with the FDIC, SBA, News Media and the OCC has ceased with our Agreement. All YOYTUBE postings with our agreement March 22, 2011 has ended until we can go through mediation.

Sincerely

Bill Bookout
1-105-773-2089

From: Bill Bookout [mailto:pismobeachsurfshop@charter.net]
Sent: Thursday, March 24, 2011 3:07 PM
To: 'Diana Lee'
Cc: 'lol@rsmediate.com'
Subject: RE: Santa Barbara Bank & Trust, Pacific Capital Bancorp---Bank Fraud and Breach of Contract since 2007!

March 24, 2011

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Dear Mrs. Diana Lee,

Thank you, for our phone conversation this morning at 11:07am and my request for an amortization schedule within 24 hours from you and Pacific Capital Bank going back to the Pacific Capital Bank signed loan modification contract on July 2, 2007 by Sandra Sheffield. I have confirmed that Christine M. Sontag, is legal Council for Santa Barbara Bank & Trust and I look forward to working with her and you in upcoming mediation.

Attached, is another amortization schedule found on the internet with Pacific Crest Savings Bank, showing the PCB July 2007 loan payment amortization of my SBA loan to be inaccurate to date! Please note that SBA Form 147 Note was ignored by PCB along with additional principal payments showing this monthly payment to actually be lower!

Financial Details

| | | | | |
|------------------------------|-------------------|------------------------|--------------|-------------|
| Home price | \$452,024.05 | | | |
| Down payment | 0.000 % | Payment Summary | | |
| Total amount financed | \$452,024.05 | Event | Amount | Term Period |
| Payment amount | \$3,938.80 | Loan | \$452,024.05 | 1 |
| Total payments | \$673,533.95 | Payment | \$3,938.80 | 170 Monthly |
| Interest rate | 6.000 % | Payment | \$3,937.95 | 1 |
| Interest compounding | Monthly | | | |
| Total finance charge | \$221,509.90 | | | |

Please ask Mrs. Christine M. Sontag to provide the requested amortization schedule of Santa Barbara Bank & Trust, Pacific Capital Bank and Pacific Capital Bancorp within 24 hours and stop the Notice of Default filed January 14, 2011 per their

3/28/2011

amortization mistakes made by Pacific Capital Bancorp!

Again, I look forward to our upcoming mediation!

Sincerely

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Big Kahuna Surf Shop
Pismo Beach Surf Shop

CC Lol Sorensen

From: Bill Bookout [mailto:Pismobeachdiveshop@charter.net]
Sent: Thursday, March 24, 2011 10:08 AM
To: 'Diana Lee'
Cc: 'lol@rsmediate.com'
Subject: RE: SBA Bank Fraud---Office of the Comptroller of the Currency Case # 01394465 -Amortization Schedule

March 24, 2011

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Dear Mrs. Diana Lee,

The Mediation dates of April 7th and 8th 2011 work well for me as long as Pacific Capital Bank has ended the Notice of Default filed January 14, 2011!

Will Pacific Capital Bank be providing an Amortization Schedule today by 11:15 am for the 2007 loan modification prepared by Sandra Sheffield and George C. Lazar as requested March 23, 2011 of you and Pacific Capital Bank? ***"I would like to once again request and pray of you and Pacific Capital Bancorp to provide this amortization schedule for the 2007 loan modification as requested within 24 hours!"*** This amortization issue and refusal by George C. Lazar to provide an amortization schedule and an accounting of my First Bank of San Luis Obispo/Pacific Capital Bank SBA loan is the main issue of on these websites!

Mrs. Diana Lee, this is an amortization schedule prepared off of the internet showing the PCB 2007 loan modification payment to be \$3,938.80. Pacific Capital Bank in their January 25, 2011 NOD calculation; continue to show a monthly payment of \$4,121.06 even in 2010 against SBA Form 147 Note prepared by PCB and signed October 6, 2003. **I am again requesting a Pacific Capital Bancorp amortization schedule from you today March 24, 2011 to show how Pacific Capital Bank has amortized this SBA loan with a payment from 2007 of \$4,121.06 per month!**

Loan Summary

Payment Summary

| | |
|----------------|-------------|
| Principal: | \$452024.05 |
| Interest Rate: | 6% |
| Loan Term: | 171 months |

| | |
|-------------------------|---------------------|
| Number of Payments: | 171 |
| Monthly Payment: | \$3,938.80 |
| Total Principal Paid: | \$452,024.05 |
| Total Interest Paid: | \$221,510.19 |
| Total Paid: | \$673,534.24 |

Again please ask you client to see if she can provide an amortization schedule from Pacific Capital Bank from July 2, 2007 when Sandra Sheffield signed the Forbearance and Workout Agreement! An amortization Schedule for this agreement can be obtained by the Pacific Capital Bancorp Loan Service Department at 1-805-564-6277 attention-----Kelly McCloud!

Sincerely

3/28/2011

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Big Kahuna Surf Shop
Pismo Beach Surf Shop

CC Lol Sorensen's

From: Diana Lee [mailto:dlee@rppmh.com]
Sent: Wednesday, March 23, 2011 5:51 PM
To: Bill Bookout
Subject: RE: SBA Bank Fraud---Office of the Comptroller of the Currency Case # 01394465 -Amortization Schedule

Dear Mr. Bookout,

I contacted Mr. Sorensen's office, and obtained the following dates on which he is available: April 7, 8, 18 or 19. I must check with my client to see what days she is available. Are any of these days convenient for you?

I just checked your web sites and they are still up. I'm not sure if you do not intend to cause your sites to go dark as I specified, or if you have delayed because you believe I need to read the material on your sites. In hope that it is the later, I will have my assistant print out everything on your sites first thing in the morning, and then I expect you to cause them to go dark by 10:00 a.m. Otherwise, we do not have an agreement, and there will not be a tolling of the time accruing under your Notice of Default. The complete cessation of all postings was an important part of the bank's agreement to freeze the accrual of time under your Notice of Default, and if your web sites and You Tube postings are going continue, then there is no agreement to freeze the accrual of time under the Notice of Default.

Diana Lee.

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Tel: 805-966-2440
Fax: 805-966-3320
E-mail: dlee@rppmh.com
Website: www.reickerpfau.com

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From: Bill Bookout [mailto:Pismo Beach Dive Shop@charter.net]
Sent: Wednesday, March 23, 2011 1:23 PM
To: Diana Lee
Cc: lol@rsmediate.com
Subject: RE: SBA Bank Fraud---Office of the Comptroller of the Currency Case # 01394465 -Amortization Schedule

March 23, 2011

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Dear Mrs. Diana Lee,

I have copied Mr. Sorensen with our communication to date! I will let you personally contact Mr. Sorensen's office, as it will make this more time efficient. There is a lot that Pacific Capital Bancorp, upper level bank officials will need to know about Sandra

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Sheffield and George C. Lazar actions since 2007. These websites explain, their actions affecting myself and Pacific Capital Bancorp. The websites show all communication with the California State Senators, State Assemblyman, Congresswoman Lois Capps, SBA, FDIC, and the Office of the Comptroller of the Currency Case # 01394465 and their responses that will be helpful in mediation!

I have stopped all Communications and Postings to all websites per our agreement March 21, 2011 with Pacific Capital Bank stopping the Notice of Default filed January 14, 2011. *"I confirmed that the bank is willing to go to mediation with you, and that the bank is willing to enter into a mutual freeze, i.e., no more time will accrue toward your Notice of Default provided you stop all communications and postings about this dispute while we explore a possible resolution in mediation."*

Sincerely

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Big Kahuna Surf Shop
Pismo Beach Surf Shop

CC Lol Sorensen's

From: Diana Lee [mailto:dlee@rppmh.com]
Sent: Wednesday, March 23, 2011 12:43 PM
To: Bill Bookout
Subject: RE: SBA Bank Fraud-----Office of the Comptroller of the Currency Case # 01394465 -Amortization Schedule

Dear Mr. Bookout,

Thank you for the list of topics. I can see that there is a lot that I need to get up to speed on, as will the mediator and the upper level bank person who will be stepping in to address this matter. I will start to collect documents and schedules. Do you want me to coordinate with Lol Sorensen's office or do you want to do that?

Am I correct that your sites will go dark at noon today?

Diana.

From: Bill Bookout [mailto:pismobeachdiveshop@charter.net]
Sent: Wednesday, March 23, 2011 11:11 AM
To: Diana Lee
Subject: RE: SBA Bank Fraud-----Office of the Comptroller of the Currency Case # 01394465 -Amortization Schedule

March 23, 2011

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Dear Mrs. Diana Lee,

Mr. Lol Sorensen should make a good mediator in our problems dating back to 2007 forbearance and workout agreement. I would hope that we can set up a meaningful mediation with Mr. Sorensen this next week. Pacific Capital Bank (George C. Lazar and Sandra Sheffield refusing to provide an amortization schedule for the 2007 loan modification will be a big issue in this mediation.) **I would like to once again request and pray of you and Pacific Capital Bancorp to provide this amortization schedule for the 2007 loan modification as requested within 24 hours!** This will resolve a big issue with Pacific Capital Bank dating back to 2007 and the January 14, 2011 Notice of Default! **This amortization schedule will not be posted per our agreement March 21, 2011 nor any other documents!** At this point our issues need to be handled in Mediation as I believe you will agree!

Mrs. Diana Lee, a few issues to be addressed in Mediation:

1) Pacific Capital Bank in their January 25, 2011 NOD has overcharged the 2010 loan payment amount owed by \$268.76

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per month or \$3,225.12 in PCB favor; this will need to be addressed in mediation with Mr. Sorensen!

- 2) Pacific Capital Bank March 4, 2011 changing the amount of the January 25, 2011 NOD letter will need to be addressed in mediation!
- 3) Pacific Capital Bank has over charged my 2007, 2008 and 2009 6% fixed rate, amortized loan by 29 payments of \$182.26 = \$5,285.54
- 4) Pacific Capital Bank in 2007 has charged attorney fees of \$2,471.45 against the 2007 loan modification! I ask that Pacific Capital Bank provides Mr. Lazars (bill of particulars) as previously requested!
- 5) Pacific Capital Bank had stated July 23, 2008 per their 2007 Attorney fees, after breaking a loan modification, charging \$2,471.45 *"As to the fee bills, we know of no basis upon which you can request copies. In addition, the fee bills contain confidential material. If you would like a summary of the work done prepared, that can be done. However, the Bank will require a deposit against the estimated costs before I proceed."* There should be no charge for this information and should be provided in mediation!
- 6) Pacific Capital Bank has improperly charged late fees of \$206.05 per month over the 5% allowed in my 2003 SBA Form 147 Note! This should be addressed in mediation!
- 7) Pacific Capital Bank in the 2003 Promissory Note has failed to properly Amortize, my SBA loan since 2007! (SBA Form 147 Note) States: ***"Lender must adjust the payment at least annually as needed to amortize principal over the remaining term of the note."*** This amortization should be addressed in mediation!

I have stopped all Communications and Postings to all websites per our agreement March 21, 2011 with Pacific Capital Bank stopping the Notice of Default filed January 14, 2011. *"I confirmed that the bank is willing to go to mediation with you, and that the bank is willing to enter into a mutual freeze, i.e., no more time will accrue toward your Notice of Default provided you stop all communications and postings about this dispute while we explore a possible resolution in mediation."*

Mrs. Diana Lee, with our phone conversation on March 21, 2011 per Mr. Gerald J. Ford, Carl B. Webb and Senior PCB officials knowledge of this problem. I pray and hope that we can immediately go into a meaningful mediation that resolves all of our issues per the 2007 loan modification prepared by George C. Lazar and Sandra Sheffield. We both have businesses to run and serve our communities!

Sincerely

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Big Kahuna Surf Shop
Pismo Beach Surf Shop

From: Diana Lee [mailto:dlee@rppmh.com]
Sent: Tuesday, March 22, 2011 3:59 PM
To: Bill Bookout
Subject: RE: Bookout v. Pacific Capital Bank

Dear Mr. Bookout,

As I told you, I am technologically challenged, but I finally obtained the terminology to describe how to "freeze" your web sites while we explore a possible resolution through mediation. For each of the following web sites, please either (1) replace the html page with a new blank page (or a page with neutral content such as "this site is temporarily under construction"), or (2) cause godaddy.com to temporarily redirect the i.p. address to an error page or default text page:

- www.pacificcapitalbankquestions.com
- <http://www.occquestions.com/>
- www.fdicquestions.com
- <http://www.sbaquestions.net/>

With regard to your You Tube posting(s), please likewise temporarily disable it or restrict it to private viewing. Of course, if we are not able to reach a resolution, or if either side withdraws from the mediation process, then the mutually agreed upon freeze upon the bank's notice of default as well as upon your communications will terminate. Even though you have not yet caused your web sites to go dark, I will agree that the time period for the bank's notice of default was tolled effective March 21, 2011, provided your web sites and You Tube site(s) go dark by no later than noon on March 23, 2012. The time period for the bank's notice of default will recommence to accrue upon either: (1) your violation of this freeze agreement, or (2) two days after written notice to you by email and U.S. mail.

Please confirm your agreement with this freeze arrangement by return email. I look forward to working with you toward a resolution of this matter.

Diana Lee.

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
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Website: www.reickerpfau.com

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From: Bill Bookout [<mailto:Pismobeachdiveshop@charter.net>]
Sent: Tuesday, March 22, 2011 10:58 AM
To: Diana Lee
Subject: RE: Bookout v. Pacific Capital Bank

March 22, 2011

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Dear Mrs. Lee,

Thank you for your response. I agree with this mutual freeze effective March 21, 2011 as communicated in your email. I appreciate the bank stopping the time clock on the Notice of Default and agree to stop all future internet communications and postings about this dispute while we explore a possible resolution in mediation.

Thank you for the bios on the mediators; I will need a day to look them over.

Sincerely

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Big Kahuna Surf Shop
Pismo Beach Surf Shop

From: Diana Lee [<mailto:dlee@rppmh.com>]
Sent: Monday, March 21, 2011 5:58 PM
To: Bill Bookout
Subject: RE: Bookout v. Pacific Capital Bank

Dear Mr. Bookout,

Thank you for your letter. I confirmed that the bank is willing to go to mediation with you, and that the bank is willing to enter into a mutual freeze, i.e., no more time will accrue toward your Notice of Default provided you stop all communications and postings about this dispute while we explore a possible resolution in mediation. I was not able to find out if there is a way for you of cause your web sites and You Tube posting to be suspended or go dark during this freeze period. I hope to have an answer to that question tomorrow.

3/28/2011

In the meantime, here are the bios on the individuals I mentioned as possible mediators. Let me know what you think of them or if you have any other names you would like me to consider.

Diana Lee.

Diana Jessup Lee, Esq.
Reicker, Pfau, Pyle & McRoy LLP
1421 State Street, Suite B
Santa Barbara, CA 93101

Tel: 805-966-2440
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Website: www.reickerpfau.com

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From: Bill Bookout [<mailto:Pismobeachdiveshop@charter.net>]
Sent: Monday, March 21, 2011 3:27 PM
To: Diana Lee
Subject: RE: SBA Bank Fraud-----Office of the Comptroller of the Currency Case # 01394465

March 21, 2011

Reicker, Pfau, Pyle & MCroy
Diana Lee
1421 State Street, Suite B
Santa Barbara, Ca 93101

Dear Mrs. Lee,

Thank you for contacting me today in regards to my complaint with Pacific Capital Bank. It is my hope that we can work this problem out and that we can get back to working with our communities. Please review this PDF file attached above as it contains a brief history of the problem created in 2007 by Sandra Sheffield and George C. Lazar.

You have mentioned mediation and this would be good for both of us at this point. You have mentioned freezing the foreclosure process as we work this problem out in exchange for not posting more information to the internet. This would be good for both of us and I can make this agreement with you and Pacific Capital Bank.

Sincerely

Bill Bookout
Oceano Nursery
Pismo Beach Dive Shop
Plumerias Garden and Gifts
Pismo Beach Surf Shop