

ITLA CAPITAL CORP
Form 4
October 20, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
WALLACE SCOTT A

(Last) (First) (Middle)

C/O ITLA CAPITAL CORPORATION, 888 PROSPECT STREET, STE 110

(Street)

LA JOLLA, CA 92037

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ITLA CAPITAL CORP [ITLA]

3. Date of Earliest Transaction
(Month/Day/Year)
09/20/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Treasurer

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	09/20/2006	09/25/2006	A	28 ⁽¹⁾ A \$ 53.13	5,267	I	By SERP
Common Stock	10/13/2006	10/18/2006	A	13 ⁽¹⁾ A \$ 55.34	5,280	I	By SERP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)
Stock Option (Right to Buy)	\$ 14					(2) 02/02/2009	Common Stock 5,000	
Stock Option (Right to Buy)	\$ 18					(3) 02/02/2008	Common Stock 4,000	
Stock Option (Right to Buy)	\$ 11					(4) 01/31/2010	Common Stock 2,000	
Stock Option (Right to Buy)	\$ 16.21					(5) 05/09/2011	Common Stock 3,000	
Stock Option (Right to Buy)	\$ 31.05					(6) 07/15/2012	Common Stock 5,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WALLACE SCOTT A C/O ITLA CAPITAL CORPORATION 888 PROSPECT STREET, STE 110 LA JOLLA, CA 92037			Treasurer	

Signatures

/s/ Scott A.
Wallace

10/20/2006

__Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents acquisition of shares under Issuer's Supplemental Executive Retirement Plan, reflecting the reinvestment of cash dividends pursuant to the plan.
 - (2) One-third of option vested on February 2, 2000, one-third vested on February 2, 2001 and one-third vested on February 2, 2002.
 - (3) One-third of option vested on February 2, 1999, one-third vested on February 2, 2000 and one-third vested on February 2, 2001.
 - (4) One-third of option vested on January 31, 2001, one-third vested on January 31, 2002 and one-third vested on January 31, 2003.
 - (5) One-third of option vested on May 9, 2002, one-third vested on May 9, 2003 and one-third vested on May 9, 2004.
 - (6) One-third of option vested on July 15, 2003, one-third vested on July 15, 2004 and one-third vested on July 15, 2005.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.