



**Community Bank**  
*of San Joaquin*

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November 29, 2006

Dear Shareholder:

The *Quarterly Report for September 30, 2006* is enclosed. Bank On It, Inc., parent company of Community Bank of San Joaquin, reported earnings of \$987,000 or \$ 0.78 per share for the first nine months of 2006, compared to \$870,000 or \$ 0.72 per share for the same time frame in 2005, representing an increase of 13%. Reduced construction lending due to the changing real estate market as well as increased deposit customer investments in off balance sheet products have led to the decline in loans and deposits as shown in the report.

We anticipate the opening of our new branch at 4426 East Waterloo Road in Stockton before the end of the year. While this will be a small facility (1200 square feet), we will be able to offer all the services we have at our Main branch location, including an ATM and night depository. We will have loan officers available and look forward to serving our customers in the East Stockton and Linden areas.

Our Trust and Investment Services Department, headed by James Jimenez, is in process of introducing a new state-of-the-art investment program that will provide individual access to top performing money managers. This is a very exciting step forward for our Trust Department. We look forward to providing you, our shareholders, and our trust customers more detailed information about our capabilities in the near future.

If you have any questions or comments, please contact either one of us. As always, we would like to thank you for your support.

Sincerely,

Rudy G. Croce  
Chairman

Jane R. Butterfield  
President and CEO

Encl.