

Bank On It, Inc.

22 West Yokuts Avenue | Tel: (209) 956-7000
Stockton, CA 95207-5715 | Fax: (209) 956-7720

November 30, 2010

Dear Shareholder:

Enclosed is the *Quarterly Report for September 30, 2010*. For the nine months ending September 30, 2010, the Company reported a net loss of \$2,243,000 or \$1.44 per share compared to a loss of \$1,246,000 or \$.80 per share for the same period in 2009. In 2010, loan loss provisions totaled \$2,485,000 compared to provisions of \$695,000 reported for the same period in 2009. The Bank continues to be negatively impacted by declining real estate values as well as overall weakness in the economy. We are aggressively monitoring our loan portfolio to ensure any additional weaknesses are addressed early.

In spite of the disappointing financial results in 2010, we are increasing our efforts in the development of new business. In the third quarter, we hired a well known banker in our community, Gary Stewart, to assist in this effort. Gary is focusing primarily on small business loans and deposits. We expect to allocate additional resources to this area in the future.

As part of our outreach and services to the business community, we have instituted a series of informative workshops, held the *second Tuesday* of each month at the Bank. The next workshop, on December 14 at 9:30 a.m., will feature two presentations: Property Tax Reassessment and How to Benefit from the San Joaquin County Enterprise Zone. While these workshops are free, space is limited. If you would like to attend, please RSVP by calling (209) 956-7000 to reserve your place.

Thank you again for your confidence and support of Community Bank of San Joaquin, and its parent, Bank On It, Inc. If you have any questions or would like further information, please call us at 209-956-7000.

Sincerely,

Rudy G. Croce
Chairman

Jane R. Butterfield
President and CEO

Enclosure