



Community Bank
of San Joaquin

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May 30, 2008

Dear Shareholder:

Approximately ninety shareholders and their guests attended the Annual Meeting of Bank On It, Inc. on Thursday, May 22, 2008 at the Haggin Museum in Stockton. Your Board of Directors was re-elected.

Management presented an overview of the current banking environment, a financial review of your Company, and a summary of the strength and stability of Community Bank of San Joaquin. Highlights of the presentation included 2007 loan growth of \$13.3 million, or 15.5 percent, and a year-end regulatory capital ratio of 13.25 percent, which is significantly above the 5 percent required to be considered well capitalized.

Net income for 2007 totaled \$950,000, down approximately 29 percent from the prior year. The decline was almost entirely attributable to increased provisions for possible loan losses in the wake of the current economic downturn. While the Bank has not done any subprime lending, the impact of declining residential real estate values has increased the possibility of losses in our residential construction and land loans. However, despite current market conditions, the Company's stock continues to perform well.

Enclosed is the *Quarterly Report for March 31, 2008*. For the quarter ended March 31, 2008, the Company reported a net loss of \$71,000, or \$0.05 per share, compared to a profit of \$325,000, or \$0.23 per share reported for the same quarter in 2007 (adjusted for a 5 percent stock dividend issued in December 2007). Total assets increased by \$10.7 million, or 8.1 percent from the same period in the prior year.

Although the current economic environment will make 2008 a challenging year, we are confident that the Company's high level of net worth and ample loan loss reserves will allow Bank On It to continue to grow and soon return to profitability.

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