



Community Bank
of San Joaquin

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June 2, 2006

Dear Shareholder:

Approximately ninety shareholders and their guests attended the Annual Meeting of Bank On It, Inc. on Thursday, May 18, 2006. Seventy percent (70%) of the shares outstanding voted either in person or by proxy. Your Board of Directors was re-elected and the accounting firm, Moss Adams LLP, was re-appointed as the Company's independent auditors for the year ending December 31, 2006.

The Company's financial accomplishments for the year 2005 were presented at the meeting. Highlights included a 42% increase in earnings from the prior year and a 30% increase in stock price since the beginning of 2006. Bank On It, Inc. stock price has increased by an average of 20% on an annualized basis since inception in 1999 and has exceeded the growth in the Dow Jones Industrial Index by 40% over the past two years.

Your Company also announced the Bank had signed a lease agreement in anticipation of opening another branch late this year. Since that announcement, we are pleased to report that the required public notice has been filed and our application for branching is being submitted to the regulatory agencies. We are excited about the opportunities of having a branch at 4426 East Waterloo Road in Stockton.

Enclosed is the *Quarterly Report for March 31, 2006*. Earnings for the quarter totaled \$308,000 compared to \$305,000 reported for the same timeframe in the previous year. Loans receivable totaled \$71.3 million compared to \$80.2 million a year earlier, representing a decline of 11%. The decline in loans outstanding is temporary and the result of increased commercial loan payoffs and a restructure of lending operations. Total deposits increased by 4% over the prior year, driven by an increase in demand deposits of 24%. The results for the first quarter were on target with our projections and represent the 17th consecutive quarter of 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

Encl.