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**PRESS RELEASE**

**April 5, 2007**

**Folsom Lake Bank opens after raising \$15.9 million in Capital Offering**

Folsom, Ca – Folsom Lake Bank opened for business on Tuesday, April 2, 2007 at 905 Sutter Street in historic downtown Folsom. The bank closed its capital offering March 21, 2007 after raising \$15.9 million in capital. David J. West, Chairman of the Board said, “With over 400 shareholders, we are delighted and gratified by the strong support and confidence shown by the local community.”

The bank is led by Robert Flautt, President & CEO. Mr. Flautt has a 33-year career in banking, including 19 years in senior management positions and the immediate past ten years in senior credit positions with commercial banks located in the Sacramento area. Mr. Flautt spent the majority of his banking career with First Interstate Bank (FIB), joining the bank in 1976 and remaining there for 19 years until the bank was acquired by Wells Fargo. He was Senior Vice President and District Manager of the Sacramento District, after holding similar positions in the East Bay District and the North Coast Districts of FIB. Flautt also was a Senior Vice President at Roseville 1<sup>st</sup> National Bank in Roseville, Senior Vice President and Consumer Banking Manager at River City Bank, in charge of all of River City Bank’s branches, and Senior Vice President and Business Banking Center Manager at Bank of Sacramento. Mr. Flautt earned a Bachelor of Arts degree in Political Science from the University of California, Santa Barbara and is also a graduate of the Pacific Coast Banking School at the University of Washington.

West, in addition to being the Chair, was also the leader of the original organizing group. A 37 year banking veteran, West is also a 16 year resident of the Folsom region and has been active in Folsom civic and community affairs. West was an Executive Vice President at Glendale Federal Bank for many years prior to moving to Folsom in 1991 where he opened the First Interstate Bank Folsom branch. West was the founding Chair of the Folsom Economic Development Corporation as well as a former president of the Folsom Chamber of Commerce. Mr. West earned a Bachelor of Arts degree in History from California Western University. He graduated from the Northwest University Mortgage Banking School and the Indiana University Graduate School of Savings and Loan.

Both West and Flautt are active Rotarians and have been Rotary Club Presidents.

The organizing group for the bank was formed in May of last year. An application for a state banking charter and FDIC insurance was submitted on August 31 and the bank received conditional approval to organize on November 2<sup>nd</sup>. The bank began raising its capital with three Shareholder meetings in January - at the Folsom Community Center, the Granite Bay Country Club and the Serrano Country Club in El Dorado Hills. Over 600 people attended the three presentations and several follow-up small group mini-presentations. The almost \$16 million in capital is spread across 406 shareholders primarily from the Folsom, El Dorado Hills, Granite Bay and the surrounding communities. Robert Flautt, President and CEO said, “Our goal was to develop a shareholder base from the communities surrounding Folsom Lake that would become both customers as well as strong referral sources. We think that local support and ownership is key to the success and growth of the bank.”

The bank is supported by an exceptional team of seasoned bankers. In addition to Flautt, the bank has Jack Olson as EVP and CFO; Blaine Lauhon as SVP and Chief Credit Officer, Gene Zundel as SVP of Real Estate Lending, Shannon McLoughlin as VP and Corporate Secretary, Barbara Mayberry as VP of Note Operations, Doreen Stevens as VP of Commercial Lending, Jessica Devereaux as VP of Operations, Dan Taylor as VP and Controller, Sharon Marshall as AVP and Personal Banking Officer, Janice Muncer as Loan Analyst and Carrie Awram as Customer Service Representative.

The 12 person board is comprised of well known local residents with strong connections to the surrounding communities. In addition to West and Flautt, the board includes Jerry Bernau, Claudia Cummings, David Doherty, Jeff Dutra, Dr. Lynn Judd, John Messner, Bob Miller, Carrie Reginato, Don Reid and Paul Reiken. Eight directors have deep roots in the Folsom area, including 3 directors who have been president of Folsom Chamber of Commerce, 4 directors who have been president of the Rotary Club of Folsom, and two directors who have served as Chair of the Folsom Economic Development Corporation.

The bank added 13 additional founding organizers who, together with the board, came up with the \$1.1 million in seed money for the bank. They include Jim Bayless, Dr. Rich Cantor, Pete Carollo, Sammy Cemo, Neva Cimaroli, Cliff Colyer, Raymond Edwards, John Greene, George Grinzewitsch, Chris Hodges, John Kemp, Jim Pelley and Kyriakos Tsakopoulos. In addition to helping provide the seed money for the bank, the organizers referred additional people to become shareholders. According to West, “We owe the organizers a huge debt of gratitude - they have been instrumental in helping to get so many residents of the communities that we will serve to become investors in the bank.”

The bank took just 72 days to raise almost \$16 million in capital. Because the approval process was also very quick, just 62 days, the bank overall has taken less than a year to go from beginning the organizing group to opening its doors. According to Flautt, “Folsom Lake Bank is a classic example of how a local community bank gets started, with business and civic leaders coming together in strong fashion to put together a local bank that will be responsive to the communities in which they live and work.”

Folsom Lake Bank is a full service commercial bank offering a complete range of services to consumers and businesses. The bank focuses on small business clients, professionals and individuals in the communities surrounding Folsom Lake. The bank occupies 5,376 square

feet of new ground floor space at the corner of Sutter and Decatur in historic downtown Folsom. The Sutter Court building is the first of several new buildings planned for Folsom's railroad block, and is the first mixed use building in Folsom. The building has first floor retail, including the Bank, commercial office space and residential lofts on the second floor. The building has a historic Folsom motif in brick, granite and iron.

A grand opening is scheduled for the second week in May.

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