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Comptroller of the Currency  
Administrator of National Banks

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Western District Office  
50 Fremont Street, Suite 3900  
San Francisco CA 94105  
(415) 545-5900; Fax (415) 545-5925

**Conditional Approval #419  
November 2000**

October 6, 2000

Steve Halverson, President & CEO  
Canyon Community Bank, N.A.  
7981 North Oracle Road  
Tucson, Arizona 85704

**Re: New Bank Charter - Canyon Community Bank, National Association**  
Tucson, Arizona, Charter Number 24049  
CAIS Control Number 2000-WE-01-003

Dear Mr. Halverson:

The Comptroller of the Currency (OCC) has found that you have met all requirements it imposed and completed all steps necessary to commence the business of banking. You are authorized to open Canyon Community Bank, National Association on October 10, 2000. We will forward you a Charter Certificate under separate cover.

This authorization is subject to the condition that the bank shall provide the OCC's Phoenix Field Office at least thirty (30) days prior notice of any significant deviation or change from the proposed operating plan during the bank's first three years of operation. This condition is enforceable under 12 USC §1818. The bank must also provide a copy of such notice to the FDIC's San Francisco Regional Office.

You are reminded that several of the standard requirements contained in the preliminary approval letter dated April 27, 2000, will continue to apply once the bank opens and by opening, you agree to subject your association to these conditions of operation. Some of the requirements bear reiteration here:

1. Regardless of the association's FDIC insurance status, the association is subject to the Change in Bank Control Act (12 USC §1817(j)) by virtue of its national bank charter.

**Canyon Community Bank, N.A. (In Organization)**  
Control Number: 2000-WE-01-003

2. The board of directors is responsible for regular review and update of policies and procedures and for assuring ongoing compliance with them. This includes maintaining an internal control system that ensures compliance with the currency reporting and record keeping requirements of the Bank Secrecy Act (BSA). The board must train its personnel in BSA procedures and designate one person or a group to monitor day-to-day compliance.

We urge you and the Board of Directors to become familiar with the filing obligations of the Securities Exchange Act of 1934 ("34 Act") and 12 CFR Part 11. The bank may be required to file reports with the OCC under the 34 Act and Part 11 if: (1) the bank at the end of any fiscal year has 500 or more shareholders of record; or (2) the Bank made a public offering of securities pursuant to 12 CFR §16 during the Bank's organizational process. We encourage you to contact the OCC's Securities & Corporate Practices Division at (202) 874-5210 if you have any questions about the bank's securities disclosures obligations.

Should you have any questions, please contact Assistant Deputy Comptroller Rick Schobert in the Phoenix Field Office at (480) 893-1339, who will be responsible for the ongoing supervision of your bank.

Very truly yours,

**-signed-**

MAEVE O'MEARA  
Acting Licensing Manager