

CELEBRATING OUR
SECOND YEAR IN A
ROW AS ONE OF THE
TOP 200 HEALTHIEST
BANKS IN AMERICA



2015



Top 5 Reasons to Invest in Suncrest Stock

- ✓ Premier Management Team With Equity
 - ✓ Profitability with Improving Operating Leverage
 - ✓ Attractive Market for Community Banking
 - ✓ Positioned for Continued Business Expansion
 - ✓ Fewer and Fewer Community Banks
-

Table of Contents

02	Board of Directors
04	Dear Shareholders and Customers
06	Committed to Community
08	Growth Strategy
	08 <i>Introduction</i>
	10 <i>Growth in Foundation Markets</i>
	12 <i>Open in New Locations</i>
	14 <i>Open Businesses Not Branches</i>
	16 <i>Specialize in Critical Sectors</i>
	18 <i>Seek Out Acquisitions</i>
20	2015 Marketing & Advertising Campaigns
22	Financial Statements
23	Independent Auditor's Report
25	Statements of Financial Condition
26	Statements of Income
27	Statements of Comprehensive Income
28	Statement of Changes in Shareholders' Equity
30	Statements of Cash Flows
30	Notes to Financial Statements

Board of Directors



William A. Benneyan, Chairman

Bill was born and educated in Fresno, CA, and is a graduate of California State University, Fresno. He has lived in the Visalia, Lindsay and Fresno areas his entire life. Bill is a Certified Public Accountant and owned a CPA practice in Lindsay and Visalia. Bill is also a custom home builder and is currently the President of Benart S&L Custom Homes. Bill is the former Vice-Chairman of Mineral King National Bank, a highly successful community bank in Visalia that sold to Vallicorp in 1994 and served on the Vallicorp Board of Directors until its sale to Westamerica Bank. Bill then served on the Central Valley Advisory Board for Westamerica Bank.



David C. Crinklaw

Dave is a resident of Exeter, with business interests throughout the Central Valley. Dave sold his home construction business in 2000 and now specializes in commercial construction. He also farms grapes in Fresno and Tulare counties and manages a farm services company serving the Central Valley.



Darrell Tunnell

Darrell was born in Porterville and raised in Terra Bella. He moved to Visalia in 1979, where he began working in the aircraft repair and maintenance field. In 1984 Darrell received his airframe and power plant certificate from the Federal Aviation Administration. Darrell has owned Aircraft Mechanical Services, Inc., which is the Visalia Airport fixed base operator (FBO) since 1988. Darrell is active in many sports and is an active contributor to school and civic organizations. He is also a proud supporter of the American Cancer Society and Wounded Warrior Project.



Ciaran McMullan, President & CEO

Ciaran is a native of the agricultural north west of Northern Ireland. He held senior roles in banking in Europe and Australia before moving to the U.S., where he served as Chairman of the Great Western Bancorporation, CEO of National Australia Bank Americas based in the Midwest, and as a Managing Director with Capello Capital Corporation in California. His expertise is in agribusiness and small business banking, and in developing and building banking businesses. He is a graduate of Stirling University and Sheffield Hallam University in the UK, and attended Harvard Business School's Executive Education Program in Agribusiness.



Gary E. Esajian

Gary has lived in the Lemoore area most of his life. He farms in Kings, Fresno and Tulare counties and manages real estate development interests here and in San Luis Obispo County. Gary serves on the Board of the Westlands Water District and the San Joaquin Valley Cotton Board, and is active in local farm bureaus and chambers of commerce.



Florencio "Frank" Paredes

A native of Tulare County, Frank graduated from College of the Sequoias and farms in the Exeter area. He owns a packing-house and the Hungry Hollow Borrow Pit in Porterville and is active in local and San Francisco-based farmers' markets. Frank has been active on many boards of directors for organizations throughout Tulare County.



Marc R. Schuil, Vice Chairman

Marc is a co-founder of Schuil & Associates and has partnered with his two brothers, Mike Schuil and Rick Schuil for over 30 years. Marc earned a Bachelor of Science degree from Fresno State University and an MBA in Finance and Marketing from the University of Southern California. In addition to holding his broker's license in the state of California, he is currently an active licensed broker in the states of California, Texas, Oklahoma, Arizona, Iowa, South Dakota, Oregon, Kansas, Colorado, and New Mexico. Marc's strong investment and analytical skills have assisted him in evaluating profit potentials of various agricultural opportunities. Marc has been involved in a variety of civic organizations.



Michael E. Thurlow

Mike is a native of the Reedley/Kingsburg area, and is a graduate of Reedley High, Reedley College and California Polytechnic University, San Luis Obispo. Mike is an owner/manager of a produce company that stores, packs and ships fruit raised in the South Valley. Mike is active in the community personally and through his business.



Daniel C. Jacuzzi

A lifelong resident of the Yuba-Sutter area, Dan is a real estate broker and owner of Century 21 Select Real Estate, Select School of Real Estate, Stanford Mortgage, Select Property Management and Coldwell Banker Select of Nevada. His companies employ nearly 1,000 people throughout Northern California, Lake Tahoe and Northern Nevada. Dan was named Realtor Broker of the Year in 1995 and 1999, and his brokerage firm has been recognized by Realtor Magazine as one of the "Top 100 Largest Real Estate Firms" in the nation. He is an active member of the Association of Realtors in Sacramento, El Dorado, Placer, Butte, Yuba and Sutter counties.



Eric M. Shannon

Eric's family has been farming in the area for more than 100 years and Eric continues that tradition. A graduate of UC Davis, Eric farms and is active in real estate development projects in the Visalia area. He served as president of his Rotary Club and is active in many other organizations.



Dale B. Margosian

Born in Dinuba, Dale is a longtime resident of Porterville and a graduate of California State University, Fresno. He has managed a thriving CPA practice in Porterville for over 28 years and participates in many civic organizations.



Matthew B. Pomeroy

Born and raised in Yuba City, Matt has been a self-employed contractor with Pomeroy Construction for 20 years, building custom homes in the Yuba County foothills. Matt and his brother, Jarrod, took over their family farming operation in 2011, growing peaches, prunes and walnuts. Matt was a founding board member of Sutter Community Bank. He built his own home in the foothills and enjoys spending time with his wife and two sons.

Dear Shareholders and Customers,

2015 was a great year for Suncrest Bank.

We achieved outstanding fiscal results while continuing to effectively execute on our stated “5 in 5” strategic growth plan. At December 31, 2015, our assets totaled \$296.9 million which is an increase of \$108.3 million, or 57% over the prior year’s ending balance. Our loan portfolio grew by \$83.1 million to \$208.3 million, a 67% increase over 2014, and our total deposits grew by \$90.3 million and ended the year at \$256.7 million, a 54% increase over the prior year. Our pretax earnings continue to improve in line with our strategic growth trajectory, and were \$1,637,715 for 2015, an increase of 120% over the prior year. This is an excellent result particularly given that we had one-time expenses of approximately \$600,000 associated with our acquisition of Sutter Community Bank in December, and we opened our third full service branch in the city of Kingsburg, CA in June. In this year’s annual report we have provided more detail behind the key elements of our strategic plan, and have laid out below why we believe Suncrest Bank continues to be an excellent investment for both new and existing shareholders.

Premier Leadership Team with Equity

We have a highly effective leadership team with a unique combination of international experience and hands-on, community bank management capability, who have invested their own capital into the bank. Our Chief Executive Officer and Chief Credit Officer have worked in international banking in Europe, South America and Australia as well as many years in the community banking and agribusiness lending sectors in the US. Management and Board together own almost 18% of the total shares outstanding, which in turn helps create a tight alignment between the bank’s strategic growth objectives and our focus on improving shareholder value.

Profitability with Improving Operating Leverage

The bank has delivered 17 straight quarters of profitability, has a simple, common equity capital structure with no debt, and a clean and high yielding loan portfolio. We have improved our Efficiency Ratio every year since the formation of the bank and will continue to carefully manage non-interest expenses as we grow. Since the appointment of new management and establishment of our five year plan in the fall of 2013, we have been investing in growing our balance sheet, and have been one of the fastest growing banks in the country over the last two years. Despite that rapid growth we have still managed to increase our ROAA over the period, and every year since booking our Deferred Tax Asset in December 2013. We will continue to deliver improved operating leverage as we grow.

Attractive Market for Community Banking

We are in a very attractive market for community banking with significantly less big bank competition than the major metro areas. Despite positive economic growth throughout the Central Valley, many national banks including Citibank, JP Morgan Chase and Bank of America are actively closing branches, immediately benefiting local banks like Suncrest. In addition, we have developed a highly valuable niche expertise in agribusiness banking, and are one of only six California based banks¹ that are focused on the agricultural sector, despite the state contributing over 12% of the nation’s agricultural GDP.

¹ Banks with farm loan concentrations of > 20%


Positioned for Continued Business Expansion

Since completing our capital raise of \$13.5 million in April 2015, we have been putting those funds to good use, increasing our lending staff from two to nine, opening a third branch, making our first whole-of-bank acquisition, and significantly expanding the geographic markets we can target. The bank is significantly better positioned for profitable growth today than it was prior to completing our capital raise.

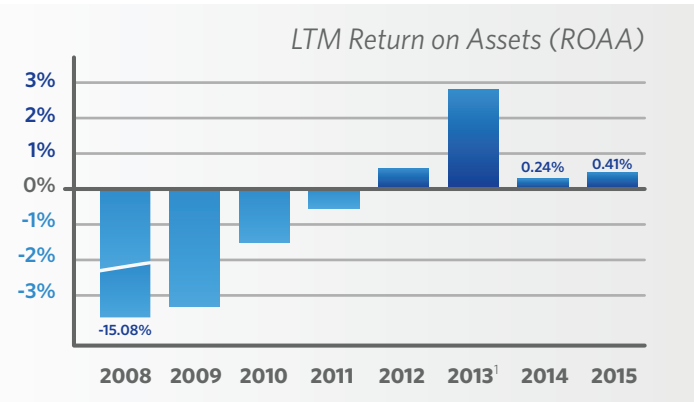
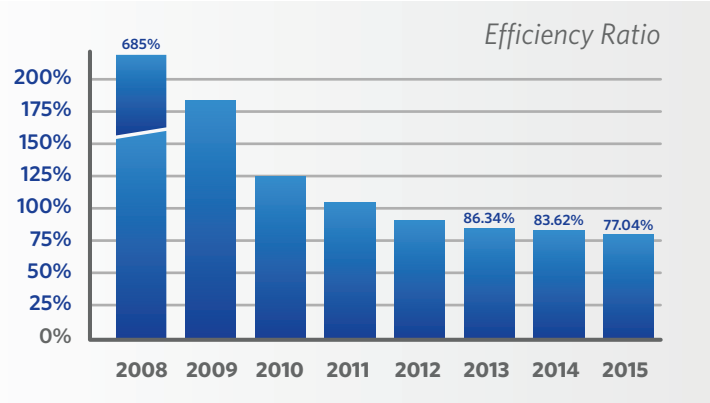
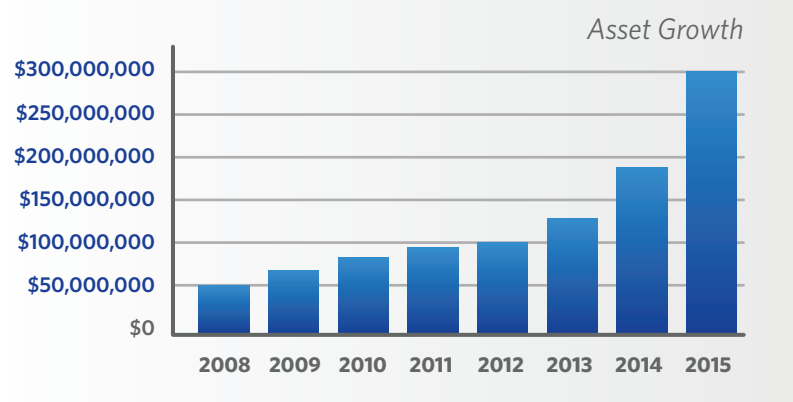
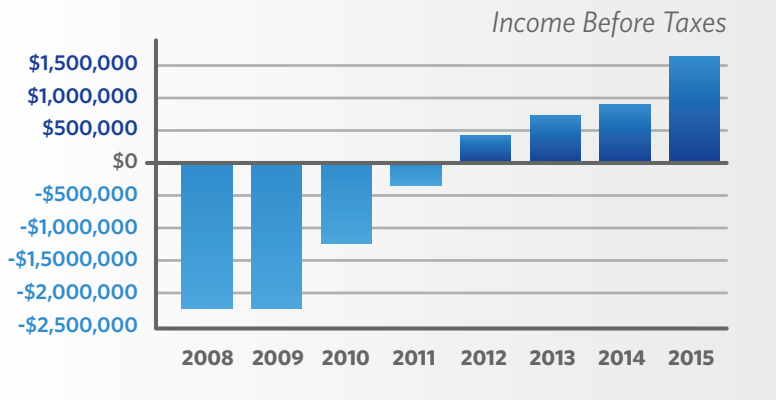
Fewer and Fewer Community Banks

The number of independent community banks in California, and the wider US, continues to decline. Since Suncrest Bank was formed in 2008, the number of community banks² in the US has decreased from 7225 to 5480³, and in the State of California it has declined from 240 to 137³. In addition, the number of new “de-novo” banks being formed has dropped dramatically. Prior to the Global Financial Crisis, there was an average of 75 to 100 new banks formed every year. Since 2011, there have only been five new banks chartered in total, across the entire country. Basic supply and demand economics dictate that the fewer community banks there are the more valuable they will become.

In closing, we thank the Board of Directors for their continued guidance and commitment, and our shareholders and customers for their investment and support.


William A. Benneyan
 Chairman


Ciaran McMullan
 President & CEO



² Banks with less than \$1 billion in total assets
³ Source: Bankshape and Dominic Coey

¹ 2013 includes the impact of the DTA

Committed to Community

Porterville High School Academy Of Business

Advisory Board Chairman

Casa Of Tulare County Fundraiser In Visalia

Donated School Supplies To Schools In East Porterville

Back To School Drive

Donated School Supplies To Schools In East Porterville

Bake Sale For Alex

Customer's Daughter Diagnosed With Cancer

Banking Class For Special Needs Kids Lindurst High School

Bethlehem Center

Fundraisers

Bible Study Fellowship International

Group Leader

Boys And Girls Club

Donation

Boys And Girls Club Of Porterville

Porterville Chamber Of Commerce

Business Partner For A Day

Casa Of Tulare County

Central Valley Score

South Valley Financial Consultant

Chamber Of Commerce

Porterville Iris Festival

Chili Cook-Off

Church Of Visalia

County Center Rotary Ride To End Polio, Visalia

Volunteer

Delta Kappa Lota: Live Oak, Ca

Fundraising For Scholarships

Divisidero Middle School

Band Boosters

Yuba City Downtown Business Association

Downtown Visalia Taste Of Downtown

Downtown Visalian's

Executive Board

Entrepreneurs Of Association Committee

Exeter Chamber Fall Festival

Family Crisis Center

Donation Of Prize Money From Lindsay Q'ue'n For Kids Decorating Contest

Family Crisis Center

Christmas Fundraiser

Future Farmers Of America

Advisor

Porterville High School Pathways Academy Of Business

Project Judge

Heritage Foundation

Transport A Vehicle

Hispanic Chamber Of Commerce

Board Member

Judy Sarber Blood Drive

Kcaps: Kingsburg Community Assistance Program Services

Kingsburg Care Center

Kingsburg Chamber Of Commerce

Kingsburg Girls Softball League

Kingsburg Harvest Moon Festival

Las Madrinas Visalia Fundraiser

Lindsay Rib Cook-Off

Lions Club

Member, Spaghetti Feed And Installation Dinner

Los Malandrenes Foundation

Board Member

Monache High School Dress For Success

National Association Government Guaranteed Lending Small Bank West Committee

Board Member

Networking For Women

Member And Past President

National Junior Basketball

Board Of Directors

Porterville Adult Day Services

Fundraiser Auction

Porterville Adult Day Services

Board, Finance Committee, Masquerade Ball Fundraiser Set-Up / Decorate, Fundraiser Ticket Sales

Porterville High School

Baseball Dinner, Final Project Judging, Freshman Orientation, Pab Car Sales / Finance Exercise

Porterville Breakfast Lions

Porterville Chamber Of Commerce

Porterville Fair

Board, Livestock Auction

Porterville Mariachi Academy Foundation

Dinners, Parades, Programs & Events

Porterville Unified School District

Pathways 8 Oversight Committee

Que'n For Kids Lindsay Rib Cook-Off

Reaching Higher

Board Member

Retrouvaille

Risk Management Association

Board Secretary, Chairman Of Events And Planning

Rolling For Ring Necks

Vet Support

Ronald Mcdonald House Charities Of The Central Valley

Rotary Casino Night

Small Business Association Fresno District Office

Speaker At Community Outreach Trainings

Shannon Ranch Elementary School

Sierra View District Hospital

Donation, Gala

Soroptimist International Of Visalia

Member/Past President, Spring Fling Fundraiser, Ruby Awards Committee

Total Contributions:
Approximately
\$50,000



St Annes School

Spring Dinner

Strathmore High School

Football Boosters

Dinners, Concessions & Fundraisers

Suncrest Vip Event

Teach Children To Save

Various Schools

Toys For Tots

Tulare County Farm Bureau

Scholarship Dinner

Tulare Kings Hispanic Chamber

Member

United Way Of Tulare County

Board Member

United Way Yuba City Event Committee

Elegant Soiree Wine Event, Spectacular Run 5K, Bishop Pumpkin Wine Event

University Presbyterian Church

Board Property Finance Committee Member

Valley Small Business Development Corporation

Loan Committee Member

Vandalia 4-H

Visalia AYSO

Coach/Referee

Visalia Cal Ripken Little League Baseball

Visalia Chamber Of Commerce

Board Member, Steering Committee, Golf Committee, Facilitator, Man/Woman Of The Year Committee

Visalia Community Church Of Christ

Praise And Worship Team

Visalia Country Club

Board Member

Visalia Economic Development Corp

Board Member

Visalia Emergency Aid

Decorated For Christmas Tree Auction Race Against Hunger

Visalia Rescue Mission

Motor Cycle Run

Visalia Sunset Rotary

Charter Member/President Elect, Adventure Ark Fundraiser

Western Bank

Decorating Contest

Wine And Cheese Walk

Young Entrepreneurs Academy

Instructor

Yuba Sutter Fair



3,217
TOTAL HOURS
OF SERVICE



Volunteered For **99**
ORGANIZATIONS

GROWTH STRATEGY:

Introduction

Following the appointment of new management in the second quarter of 2013, both Board and Management began working together, over the course of three strategic planning workshops, to develop the bank's new five year plan. In the fall of 2013, we finalized the new plan and set a target of growing to \$500 million in assets within five years, coining the term "5 in 5" as representative of that ambitious goal.

In determining this goal, we took into account a number of critical factors including; (1) the fact that larger (>\$500M) asset banks tend to trade at higher multiples than smaller (<\$500M) banks, (2) what was realistic in terms of market share growth in the bank's only two locations at that time (e.g. Porterville and Visalia) within that five year time frame, and (3) what additional growth might be possible should the bank be able to broaden its geographic footprint and range of industry sectors it serves.

This new strategic plan, comprised of the five overarching and interconnected programs summarized in the chart opposite, has been delivering real results. We have increased net loans by over 150% of what they were at the end of the first quarter of 2013, and at a compound annual growth rate of 40%. We have increased total deposits by nearly 200%, at a CAGR of 49%. We have increased total revenue from \$4.5M to just over \$9.4M, a compound annual growth rate of nearly 31%, and we have almost tripled our earnings net of provisions to \$1.43M, a CAGR of nearly 38%. In addition, in 2015, Suncrest Bank was the 6th fastest growing bank in California based on percentage change in total assets, and in the top 1% of fastest growing banks in the country, coming 64th out of nearly 7000 banks nationally.

Our 5 in 5 Growth Strategy

Growth in Foundation Markets

KEY OBJECTIVE

Grow market share to 8% to 10% in foundation locations



Open in New Locations

KEY OBJECTIVE

Open in 2 to 3 new, strategically attractive locations



Open Businesses Not Branches

KEY OBJECTIVE

Become a positive economic influence in each community we serve



Specialize in Critical Sectors

KEY OBJECTIVE

Build expertise in sectors critical to the Central Valley economy.



Seek Out Acquisitions

KEY OBJECTIVE

Achieve scale and improve operating efficiencies through M&A.

**6th fastest growing bank
IN CA OUT OF 194**

Rank	Name	Percent
1	Rancho Santa Fe Thrift & Loan Association	136.05
2	CIT Bank, National Association	100.71
3	First Foundation Bank	91.45
4	Plaza Bank	88.53
5	Pacific Commerce Bank	62.22
6	Suncrest Bank	57.38

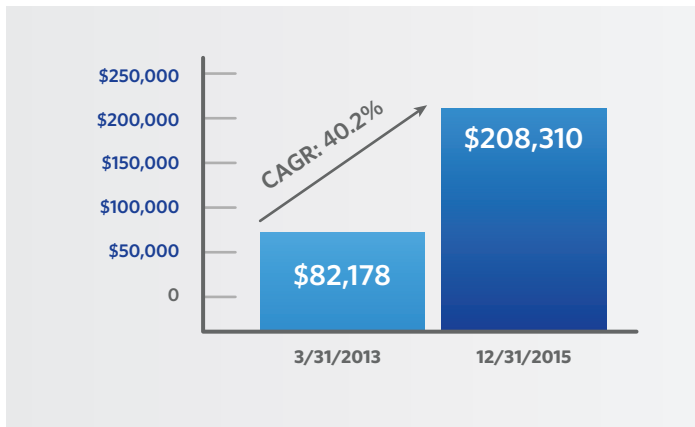
Source: BankShape and Dominic Coey

**64th fastest growing bank
IN THE US OUT OF APPROX. 7000**

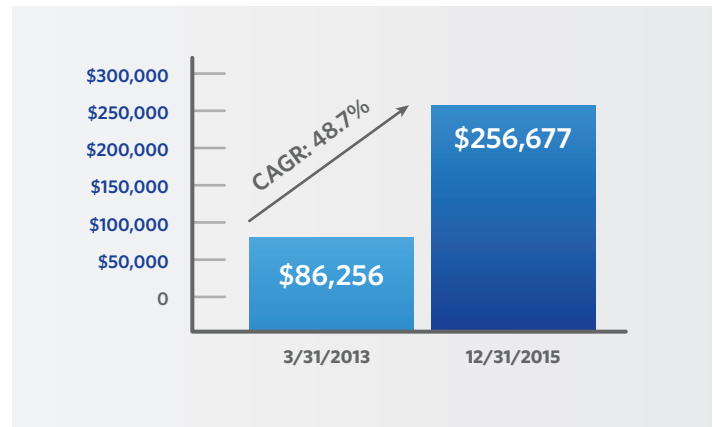
Rank	Name	State	Percent
62	Live Oak Banking Company	NC	59.07
63	United Fidelity Bank, F.S.B.	IN	57.85
64	Suncrest Bank	CA	57.38
65	United Community Bank	WI	57.34
66	Business First Bank	LA	56.97
67	Pilgrim Bank	TX	56.28

Source: BankShape and Dominic Coey

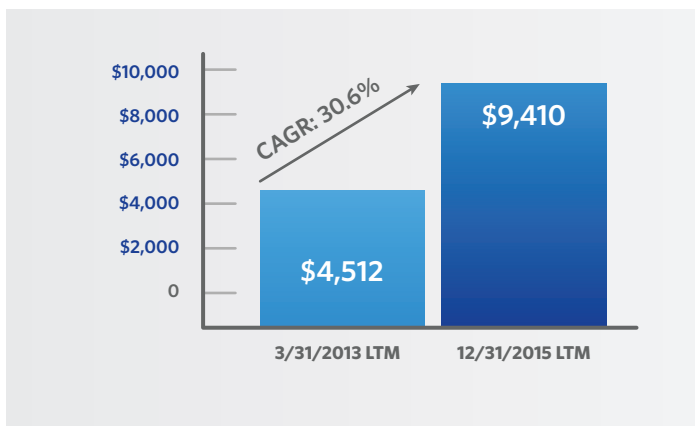
Net Loans



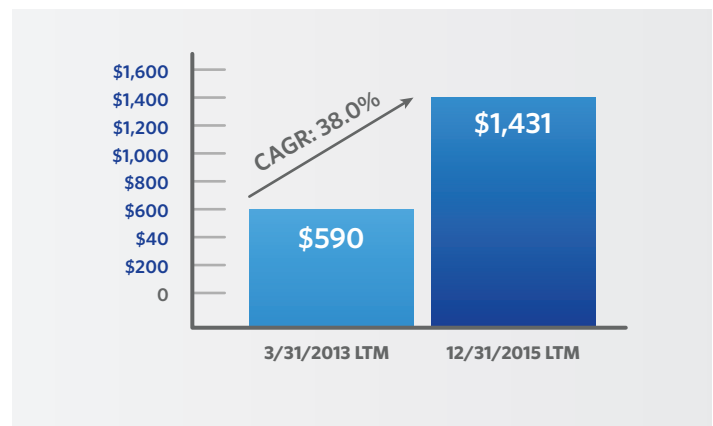
Total Deposits



Total Revenue



Pre-Provision Net Income



Source: SNL Financial, Company Management.

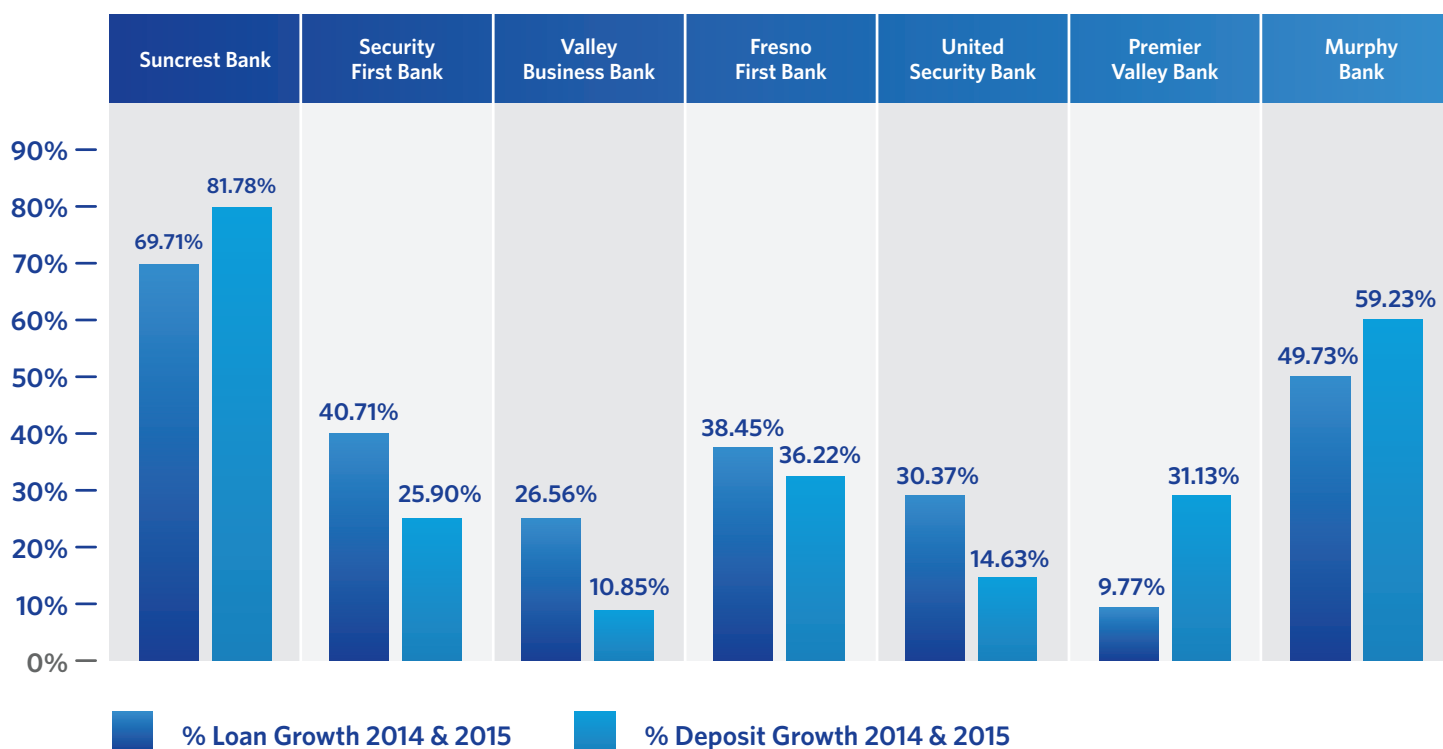
GROWTH STRATEGY:

Growth in Foundation Markets

The cornerstone of our growth plan is to consolidate and grow our presence in our two foundation markets of Visalia and Porterville, aiming to achieve a deposit market share of 8 to 10% in each. Through a combination of targeted marketing, identifying and recruiting the best local staff, improving our products and digital offerings, and living our values of community support and involvement, we have continued to improve our market share every year. Since June 2013 our percentage share of the local deposit market has increased by over 75% in Visalia, from 2.67% to 4.63%, and we have improved our ranking from 12th to 9th largest local bank. In Porterville, our market share has increased by over 88% from 3.85% to 7.25%, and our ranking among all other banks has improved from 7th to 5th. This focus on building our business in our core markets has allowed us to outpace all of our locally headquartered¹ community bank competitors. Over the two year period from 12/31/13 to 12/31/15, Suncrest grew its total deposits by 81.78%² and its gross loans by 69.71%². This analysis *excludes* the impact of the deposits and loans added through our acquisition of Sutter Community Bank.

In addition, we are also developing a new flagship branch for the Visalia market, in a more prominent downtown location right on Main Street, where we have acquired the former Citibank Building. This is an important next step in continuing to penetrate the local deposit market. We expect to open the new facility in late 2016.

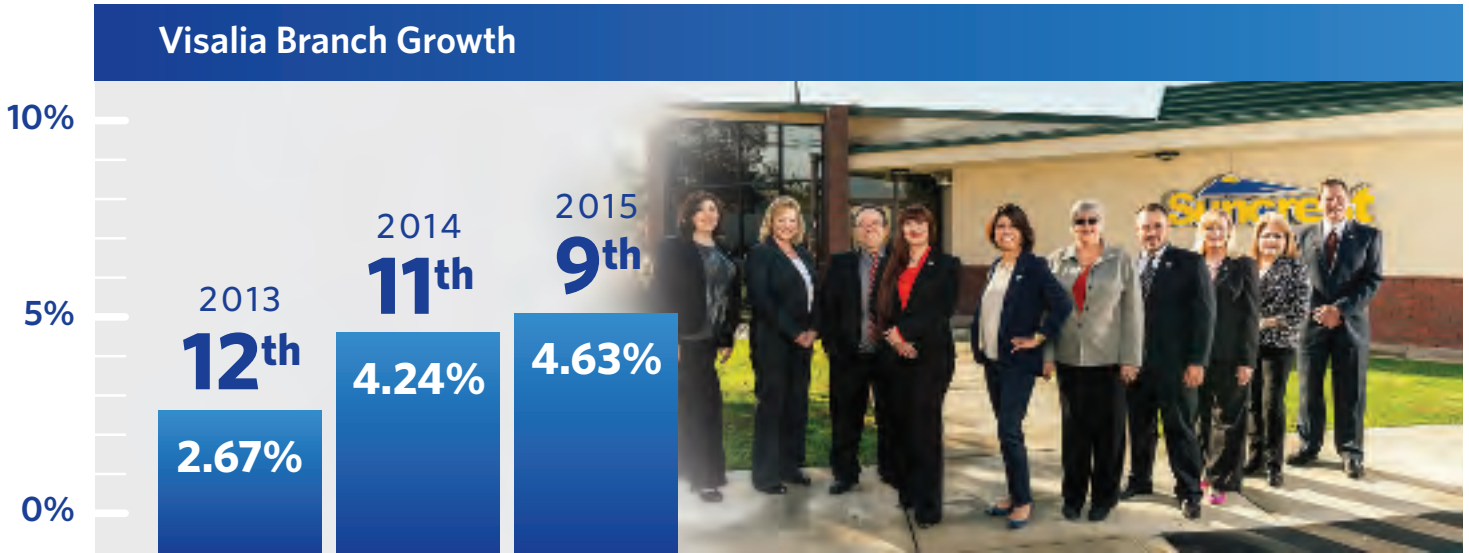
Strong Core Balance Sheet - Growth Relative to Peers



¹ Community banks with < \$1 billion in assets headquartered in Fresno or Tulare County

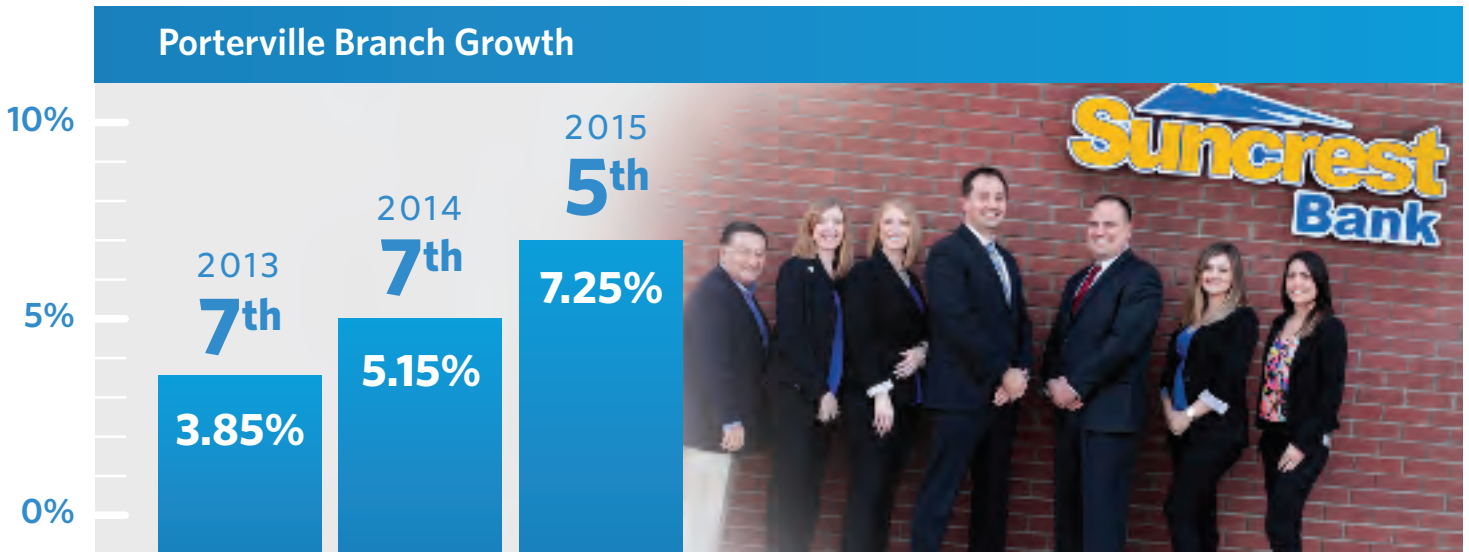
² Excludes the impact of the deposits and loans added through our acquisition of Sutter Community Bank

Visalia Deposit Market Share Increased by over 73%



Based on FDIC deposit market share data and bank ranking by city

Porterville Deposit Market Share Increased by over 88%



Based on FDIC deposit market share data and bank ranking by city

GROWTH STRATEGY:

Open in New Locations

Potential new locations must have certain characteristics that make them attractive to us; they should represent a realistic opportunity for Suncrest to win new deposit or loan business, the local economies should be underpinned by industries we understand, they should represent an opportunity for us to further diversify our loan portfolio, and they should display positive trends in key socio-demographic indicators in particular, population growth, median income, employment and retail sales. In June of 2015, we moved quickly to take advantage of the opportunity to open our third full service branch in the City of Kingsburg, following the closures of both Citibank and JP. Morgan Chase in that community. Known as Central California's Swedish Village, the city's population has grown by 27% since 2000 while median household income has grown over 31%. Kingsburg is an ideal fit with Suncrest's growth strategy, and we look forward to many successful years serving that community.

In March of 2016 we took our first steps into the Fresno market, establishing what's commonly referred to as a "Loan Production Office" or LPO in that City. While not being a full service branch, an LPO allows us to originate and approve new loans, originate new deposit accounts, and more conveniently serve our existing Fresno based borrowers. Our new facility is also much more accessible for a number of our lending and credit staff who live in Fresno, and no longer have to make the ninety minute daily round trip journey to Visalia.

2 NEW LOCATIONS

Suncrest expanded its geographic footprint with two significant strategic moves into Fresno County

KINGSBURG

- Deposit market of over \$130 million
- Only two other competitors
- Suncrest the only community bank
- Reached \$8.2 million in deposits by 12/31/15



FRESNO

- Deposit market of over \$9.8 billion
- Two community banks sold to out of area banking groups in 2015¹
- Suncrest plans to open a full service branch in the future

¹ Premier Valley Bank was acquired by Heartland Financial from Iowa and Security First Bank announced its intention to sell to an LA based group.

GROWTH STRATEGY:

Open Businesses, Not Branches

At Suncrest Bank, we know we only succeed when the communities we serve succeed. How we do business, reflects this belief. Open “businesses not branches” describes our approach to how we manage and operate our branches, how we contribute to the social and economic life of the communities we serve, and the ideas behind the introduction of our local Market President role. Each Suncrest location is led by a local Market President, together with a dedicated team of individuals, all with deep roots in their communities and a real understanding of the unique aspects of where they live and work. Our Market President role has responsibility for all branch operations, local staff, local marketing, managing branch profitability, growing both sides of the balance sheet, and – critically – they are specifically remunerated on gathering deposits locally and lending locally, to support the growth of small business and ensure the economic health and prosperity of their local communities. In short, our approach is designed to keep more money re-circulating in the local economies of each of the communities we serve. This is often referred to as the local multiplier effect.

Local Multiplier Effect

Economic studies have shown how shopping at local, independent businesses is not just a nice thing to do, but is truly one of the best ways to strengthen and sustainably grow our local economies. The data shows that through buying locally we can create more jobs and retain more of the wealth created at home, where it belongs. A 2012 study undertaken by Civic Economics found that the local retailers return an average of 52 percent of their revenue to the local economy, compared with just 16 percent for the chain retailers. Similarly, locally owned restaurants re-circulate an average of 79 percent of their revenues, compared to 30 percent for national chain eateries. Banking with a local bank - that runs its branches like local businesses in the way we do - achieves exactly the same result. We invest deposits through loans to increase local business capacity, which in turn allows local businesses and their employees to increase deposits and savings through their success. This virtuous cycle is a key driver in creating jobs and an enduring well-being for all members of our local Valley communities.

Each member of our staff wears the “Bank Local” pin shown below, and carries credit card sized versions of the “Top 6 Reasons” shown opposite, as a reminder of the importance of this element of our strategy.



The Top 6 Reasons To Shop, Dine & Do Business Local

1. More Money Re-Circulates In Our Local Communities
2. Non Profits Receive Greater Support
3. Most New Jobs Are Provided By Local Businesses
4. Unique Businesses Are Part Of Our Distinctive Character
5. Local Business Owners Invest In Our Community
6. Customer Service Is Often Better



The Top 6 Reasons To Bank Local

1. We Give You The Same Services At A Lower Cost
2. We Put Your Money To Work Growing Your Local Economy
3. Decisions Are Made Locally, By People Who Live Locally
4. We Share Your Commitment To Your Community
5. We Won't Gamble Your Money Away On Wall Street
6. You Can Be Proud Of Where You Bank



GROWTH STRATEGY:

Specialize in Critical Sectors

We think it is critical to have a well-diversified portfolio but also to specialize in profitable niches, fundamental to the Central Valley economy, where we can develop expertise and where barriers to entry can be high in terms of knowledge and talent. Competing on price alone is not a viable strategy therefore, in order to remain competitive, we are not only maintaining and building our reputation for exemplary customer service but have also developed deep expertise in two particular business sectors. These sectors are Farming and Agribusiness, and Government Guaranteed Lending, in particular the Small Business Administration and USDA Loan Programs.

Nobody knows more about local business and **SBA loans** than Suncrest Bank.

A Small Business Administration loan is a great way to expand your business, purchase real estate, acquire equipment, or make renovations to your facilities. As a leading SBA lender with years of experience, Suncrest Bank can guide you through the process and help your business rise to the next level.

- Loans up to **\$5 million** to qualified borrowers
- Loans to Purchase Fixed Assets and Debt Refinance
- Inventory and Working Capital
- Business Acquisition and Real Estate Loans
- Flexible terms with fixed rates and longer maturities
- Preferred Lender Status
- SBA Express Loan program streamlines the process
- Suncrest Bank is one of the fastest growing banks in California
- Regularly rated 5 Stars for safety by Bauer Financial



Craig Howells
VP SBA Lending
559-802-1066



www.suncrestbank.com

GOVERNMENT GUARANTEED LENDING

Our Government Guaranteed Lending group has the ability to offer a range of products that are important to the Valleys small businesses and farmers including Farmer Mac, FSA, SBA, USDA and the Cal. Cap program. We have Preferred Lender status with the Small Business Administration and specialize in both the 504 and 7a products.

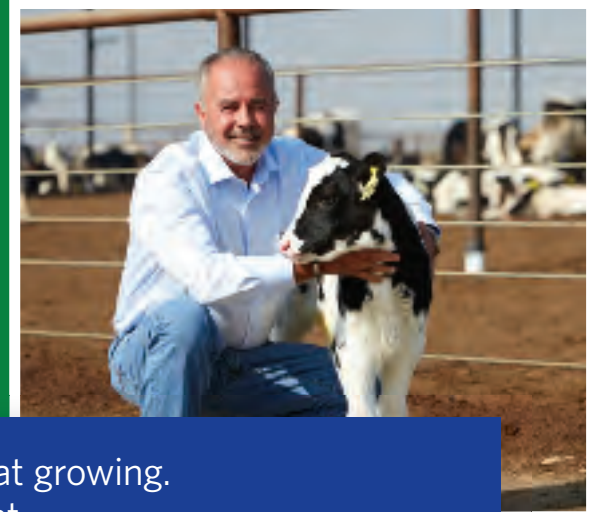
Jan and Charlie Chrisman,
SBA Loan Customers



AGRIBUSINESS

The Central Valley is one of the world's most productive agricultural regions with more than 230 crops being grown here. The State of California contributes over 12% of the nation's agricultural GDP, with over 65% of the total California farmgate being produced in the Central Valley. Agriculture is critical to our local economy and as such we believe it is equally critical to understand that industry, and to support the people and businesses who work in it. In 2014 we launched a new brand and separate division called Suncrest Agribusiness dedicated to serving farmers, ranchers and agribusinesses throughout the Valley, and today we have an extremely well diversified agricultural portfolio, comprised of crop production lines and agricultural real estate, in both the North and South Valley, and across multiple crop types including nuts, citrus, grapes, tree fruit and rice.

**Victor Mendes,
Ag Banking Customer
& Shareholder**

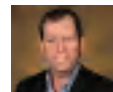


You're good at growing.
We're good at
growing businesses.

We're the local ag loan experts.

At Suncrest Bank, we don't send loan applications to a distant committee for final approval. Our knowledgeable, experienced loan advisors make the decisions right here in the Central Valley so you get a fast answer.

- Loans up to **\$8 million** to qualified borrowers
- **Quick, local decision making**
- **Suncrest Bank is one of the fastest growing banks in California**
- Agricultural Real Estate Loans, Production Finance, Development Loans, Equipment Financing and Leasing
- Fixed rate products with maturities from 5 years to 25 years
- Regularly rated 5 Stars for safety by Bauer Financial



Mike Flynn
Agribusiness Manager
559-802-1002



www.suncrestbank.com 

GROWTH STRATEGY:

Seek Out Acquisitions

In December of 2015 we completed the acquisition of Sutter Community Bank in Yuba City. We believe that it is both prudent and sensible for the Bank to consider acquisition and merger opportunities that are consistent with our strategy, improve our core funding position, have a positive impact on our earnings, strengthen our balance sheet, and do not lead to increased risks and financial problems. Moreover, the growth and expansion of the Bank in general, whether it be through mergers and acquisitions, de-novo branching or normal organic growth, will be focused on locations and industry sectors that our Board and Management understand very well, and have solid experience in. On this basis, we believe that we are very well equipped to grow

in locations where the major cities, communities, industries and agri-sectors have very similar characteristics to our current locations.

Ideal Geographic Fit

Yuba City is an agricultural community with very similar socio-demographics to the communities we have already been successful in. The Yuba-Sutter area has a different mix of crop types than in our southern footprint giving us the opportunity to further diversify our ag lending portfolio, and the impacts of the drought are much less severe than in the South Valley helping to de-concentrate our exposure to that particular climatic risk.

Core Balance Sheet Growth

Millions	Suncrest 12/31/14	Suncrest Legacy Bank 12/31/15 ¹	Organic Growth Rate	Suncrest/Sutter 12/31/15	Merger Growth Rate
Total Assets	188.6	230.5	22%	296.9	57%
Deposits	166.4	199.1	20%	256.7	54%
Loans	124.5	160.4	29%	208.3	67%
Leverage Ratio	11.06	12.97	17.3%	12.18	10.1%

Combined Bank

Improved Shareholder Value

TBVPS	8.26	7.98 ³	(3.4%) ⁴	7.88	(1.25%) ⁵
EPS	0.18	0.20 ²	11.1%	0.25	20% ⁶

Merger Dilution/ Accretion Effects

1 Estimated Suncrest standalone 12/31 position
2 Estimated EPS excluding merger expenses and bargain purchase gain
3 TBVPS at 11/30/15
4 TBVPS reduction during 2015 due to \$13.5 M of new capital raised at \$7 per share
5 TBVPS dilution from 11/30/15
6 EPS accretion from estimated Legacy Bank EPS at 12/31/15

Excellent Capability and Cultural Fit

The bank had deep existing expertise in farming and agribusiness, a strong capital position and low cost, core deposits. They too were focused on building capability in the same critical industry sectors of Ag and SBA Lending and had a well-diversified and high yielding loan portfolio, with a relatively small non-performing component. Most importantly, the staff and leadership of Sutter Community Bank were genuinely committed to the same core principles of good community banking.

Extremely Positive Deal Economics

The deal was an all-stock transaction allowing us to maintain our capital levels post deal, which was critically important given how strong our organic growth has and will continue to be. The price was determined based on a book-for-book exchange ratio which we felt was fair to both sides. In terms of shareholder value, the deal was extremely positive, being immediately accretive to EPS (even with deal costs included), and less than 1.3% tangible book value dilution.

Systems conversion was completed over the weekend of Jan 8th and two former Sutter Directors have joined our Main Board. In addition, a new Local Yuba-Sutter Board has been formed comprised of the remaining Sutter Community Bank Directors, and we have also appointed a New Market President to lead our business in the Yuba-Sutter Community.



We're the Bank Where Local Matters.

Becoming part of the local community really matters at Suncrest Bank. That's why you'll find the same friendly faces you know and trust to greet you at our doors. For all your personal banking, business banking and commercial lending needs stop by and see us in downtown Yuba City.



Hello, Yuba City.

**We're the bank
where local matters.**

SuncrestBank.com
Member FDIC

www.suncrestbank.com Member FDIC



AM (L-R)	
Patricia Rogers Customer Service Representative	Glenna Mathews Customer Service Manager
Aman Bains Market President	Cindy Stroup Lending Support Specialist
Lisa Laswell Sr. Relationship Manager	<i>Not pictured</i>
Mary Anderson Operations Manager	Sandy Beaver Customer Service Representative
Parm Panma Financial Analyst	Samantha Trotter Customer Service Representative

2015 Marketing & Advertising Campaigns



We're the Bank Where Local Matters.

Being part of the local community really matters at Suncrest Bank. That's why you'll find the same friendly faces you know and trust to greet you at our doors. For all your personal banking, business banking and commercial lending needs stop by and see us in downtown Visalia.

MEET YOUR VISALIA TEAM (L-R)

- | | |
|--|---|
| Brooke Reed
Customer Service Manager | Cesar Gutierrez
Commercial Banking Manager |
| Cathy Huff
Relationship Manager | Vicki Evans
Customer Service Representative |
| Craig Howells
Manager SBA & USDA Lending | Kathleen Bernardo
Customer Service Representative |
| Tracy Cizek
Lending Support | Mike Flynn
Manager Agribusiness Lending |
| Lupe Garcia
Branch Manager | Leah Herron (Not present)
Customer Service Representative |
| Barbra Hood
Sr. Relationship Manager | |

VISALIA BRANCH
400 West Center Ave
(559) 802-1000
www.suncrestbank.com



Growth is good.
Healthy growth is even better.

At Suncrest Bank, we're proud of our growth. We're even prouder of the way we've grown—staying strong through good times and bad. In fact, for the second year in a row, Suncrest Bank has been named one of the 200 Healthiest Banks in America by *DepositAccounts.com*. Suncrest Bank is one of only 49 banks in the United States to have received this distinction for two consecutive years. *Suncrest Bank where Growing is Great and Growing Strong is even better!*



VISALIA BRANCH
400 West Center Ave
(559) 802-1000

PORTERVILLE BRANCH
65 West Olive Ave
(559) 306-1300

KINGSBURG BRANCH
1580 Draper Street
(559) 802-1070

www.suncrestbank.com
Member FDIC



Deposits in a snap.

Safe. Secure. Convenient. Introducing **Mobile Deposits** from Suncrest Bank, the easy way to deposit checks from anywhere, anytime using your mobile device. Just snap a picture of the front and back of your endorsed check. *It's that simple.*



The App is free! Sign up for Suncrest Mobile Banking today. Download the App from the Apple App Store® or Google Play Store®



KINGSBURG BRANCH
1580 Draper Street
(559) 802-1070

PORTERVILLE BRANCH
65 West Olive Ave
(559) 306-1300

VISALIA BRANCH
400 West Center Ave
(559) 802-1000

YUBA CITY BRANCH
700 Primes St.
(530) 674-8900



www.suncrestbank.com Member FDIC

We're the bank
where local matters.



Table of Financial Statements

19	Independent Auditor's Report On The Financial Statements
20	Financial Statements
20	<i>Statements of Financial Condition</i>
22	<i>Statements of Income</i>
23	<i>Statements of Comprehensive Income</i>
24	<i>Statement of Changes in Shareholders' Equity</i>
25	<i>Statements of Cash Flows</i>
26	<i>Notes to Financial Statements</i>



INDEPENDENT AUDITOR'S REPORT

Board of Directors and Shareholders of
Suncrest Bank

Report on Financial Statements

We have audited the accompanying financial statements of Suncrest Bank, which are comprised of the statements of financial condition as of December 31, 2015 and 2014, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Suncrest Bank as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Laguna Hills, California
February 24, 2016

FINANCIAL STATEMENTS:

Statements of Financial Condition

*December 31, 2015 & 2014**Assets*

	2015	2014
Cash and Due from Banks	5,370,556	\$4,648,094
Federal Funds Sold	8,691,000	15,821,000
Interest-Bearing Deposits in Other Banks	10,000,000	-
Total Cash and Cash Equivalents	24,061,556	20,469,094
Investment Securities Available for Sale	54,342,949	40,516,442
Loans:		
Real Estate - Other	163,553,994	93,374,513
Construction and Land Development	4,945,745	3,858,822
Commercial and Industrial	39,530,750	26,469,066
Consumer	807,079	1,534,781
Total Loans	208,837,568	125,237,182
Deferred Loan Fees, Net of Costs	(458,940)	(359,393)
Allowance for Loan Losses	(2,245,566)	(1,723,391)
Net Loans	206,133,062	123,154,398
Federal Home Loan Bank and Other Bank Stock, at Cost	1,465,968	637,510
Premises and Equipment	2,770,478	583,396
Other Real Estate Owned	649,092	-
Bank Owned Life Insurance	2,080,857	-
Net Deferred Tax Assets	3,507,000	2,217,000
Core Deposit Intangible	428,000	-
Accrued Interest and Other Assets	1,444,149	1,059,812
	\$296,883,111	\$188,637,652

*The accompanying notes are an integral part of these financial statements.

Liability & Shareholders' Equity

	2015	2014
Deposits:		
Noninterest-bearing Demand	\$84,064,420	\$55,502,263
Savings, NOW and Money Market Accounts	114,593,224	69,994,695
Time Deposits Under \$250,000	31,588,069	19,355,396
Time Deposits \$250,000 and Over	26,431,525	21,564,510
Total Deposits	256,677,238	166,416,864
Accrued Interest and Other Liabilities	874,392	342,596
Total Liabilities	257,551,630	166,759,460
Commitments and Contingencies - Notes E and K		
Shareholders' Equity:		
Preferred Stock - No par value, 10,000,000 Shares <i>Authorized, None Outstanding</i>	-	-
Common Stock - No par value, 25,000,000 Shares Authorized <i>Shares Issued and Outstanding, 4,999,895 in 2015 and 2,649,634 in 2014</i>	40,653,892	24,126,478
Additional Paid-in Capital	1,703,561	1,614,538
Accumulated Deficit	(2,942,986)	(3,851,640)
Accumulated Other Comprehensive Income Loss - Net		
Unrealized Loss on Securities Available for Sale, <i>Net of Taxes of \$57,668 in 2015 and \$7,772 in 2014</i>	(82,986)	(11,184)
Total Shareholders' Equity	39,331,481	21,878,192
	\$296,883,111	\$188,637,652

*The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS:

Statements of Income

For the Years Ended December 31, 2015 & 2014

	2015	2014
Interest Income		
Interest and Fees on Loans	\$8,196,445	\$5,988,234
Interest on Investment Securities	725,238	415,522
Interest on Federal Funds Sold and Other	118,602	76,308
Total Interest Income	9,040,285	6,480,064
Interest Expense		
Interest on Savings Deposits, NOW and Money Market Accounts	161,343	176,515
Interest on Time Deposits	226,177	272,420
Interest on Other Borrowings	5	6
Total Interest Expense	387,525	448,941
Net Interest Income	8,652,760	6,031,123
Provision for Loan Losses	522,275	314,400
Net Interest Income After Provision For Loan Losses	8,130,485	5,716,723
Noninterest Income		
Service Charges, Fees, and Other Income	201,997	133,908
Bargain Purchase Gain on Acquisition of Sutter Community Bank	314,499	-
Gain on Sale of Securities	-	11,485
Gain on Sale of Loans	240,378	237,084
	756,874	382,477
Noninterest Expense		
Salaries and Employee Benefits	4,182,051	3,018,770
Occupancy Expenses	704,671	641,153
Equipment Expenses	180,299	175,592
Other Expenses	2,182,623	1,518,064
	7,249,644	5,353,579
Income Before Taxes	1,637,715	745,621
Income Taxes	729,061	350,054
Net Income	\$908,654	\$395,567
Net Income Per Share - Basic	\$0.25	\$0.18
Net Income Per Share - Diluted	\$0.25	\$0.18

*The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS:

Statements of Comprehensive Income

For the Years Ended December 31, 2015 & 2014

	2015	2014
Net Income	\$908,654	\$395,567
Other Comprehensive Income (Loss)		
Unrealized Gains and Losses on Securities Available for Sale		
<i>Change in Net Unrealized Gain (Loss)</i>	(121,698)	107,307
<i>Reclassification of Gain Recognized in Net Income, Net</i>	-	(11,485)
	(121,698)	95,822
Income Taxes (Benefit):		
<i>Change in Net Unrealized Gain (Loss)</i>	(49,896)	43,996
<i>Reclassification of Gain Recognized in Net Income, Net</i>	-	(4,709)
	(49,896)	39,287
Total Other Comprehensive Income (Loss)	(71,802)	56,535
Total Comprehensive Income	\$836,852	\$452,102

*The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS:

Statements of Changes in Shareholders' Equity

For the Years Ended December 31, 2015 & 2014

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
	Number of Shares	Amount				
Balance January 1, 2014	1,915,902	\$19,146,645	\$1,519,254	\$(4,247,207)	\$(67,719)	\$16,350,973
Net Income				395,567		395,567
Stock-based Compensation			141,382			141,382
Issuance of Stock to Employees in Exchange for Services Rendered	6,980	46,098	(46,098)			-
Issuance of Common Stock, net of Expenses of \$153,529	726,752	4,933,735				4,933,735
Other Comprehensive Income, Net of Taxes					56,535	56,535
Balance at December 31, 2014	2,649,634	24,126,478	1,614,538	(3,851,640)	(11,184)	21,878,192
Net Income				908,654		908,654
Stock-based Compensation			185,413			185,413
Issuance of Stock to Employees in Exchange for Services Rendered	13,770	96,390	(96,390)			-
Issuance of Common Stock, net of Expenses of \$324,959	1,192,075	8,019,566				8,019,566
Issuance of Stock in the Acquisition of Sutter Community Bank	1,144,416	8,411,458				8,411,458
Other Comprehensive Loss, Net of Taxes					(71,802)	(71,802)
Balance at December 31, 2015	4,999,895	\$40,653,892	\$1,703,561	\$(2,942,986)	\$(82,986)	\$39,331,481

*The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS:

Statements of Cash Flows

For the Years Ended December 31, 2015 & 2014

	2015	2014
Operating Activities		
Net Income	\$908,654	\$395,567
Adjustments to Reconcile Net Income to Net Cash From Operating Activities		
Depreciation and Amortization	242,997	218,299
Stock-based Compensation	185,413	141,382
Provision for Loan Losses	522,275	314,400
Deferred Tax Expense	332,000	345,000
Gain on Sale of Securities	-	(11,485)
Gain on Sale of Loans	(240,378)	(237,084)
Loans Originated for Sale	(2,310,293)	(2,327,174)
Proceeds from Sale of Loans	2,587,287	2,578,580
Bargain Purchase Gain	(314,499)	-
Other Items	354,114	(433,553)
Net Cash From Operating Activities	2,267,570	983,932
Investing Activities		
Purchase of Available-for-Sale Securities	(39,770,988)	(38,733,211)
Maturities of Available-for-Sale Securities	27,548,880	10,934,781
Proceeds from Sale of Available-for-Sale Securities	-	1,993,315
Net Increase in Loans	(37,381,921)	(30,764,740)
Purchase of Federal Home Loan Bank Stock	(427,700)	(43,800)
Cash Acquired in Acquisition	14,489,998	-
Purchase of Premises and Equipment	(2,353,093)	(103,091)
Net Cash From Investing Activities	(37,894,824)	(56,716,746)
Financing Activities		
Net Increase in Demand Deposits and Savings Accounts	31,374,390	43,550,419
Net Change in Time Deposits	(174,240)	13,336,697
Proceeds from Issuance of Common Stock, Net	8,019,566	4,933,735
Net Cash From Financing Activities	39,219,716	61,820,851
Net Increase in Cash and Cash Equivalents	3,592,462	6,088,037
Cash and Cash Equivalents at Beginning of Year	20,469,094	14,381,057
Cash and Cash Equivalents at End of Year	\$24,061,556	\$20,469,094
Supplemental Disclosures of Cash Flow Information		
Interest Paid	\$371,072	\$450,025
Taxes Paid	\$455,000	-

*The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS:

Notes to Financial Statements

December 31, 2015 & 2014

Note A - Summary of Significant Accounting Policies

Nature of Operations

The Bank has been incorporated in the State of California and organized as a single operating segment that operates four full-service branches in Visalia, Porterville, Kingsburg and Yuba City, California. The Bank's primary source of revenue is providing loans to customers, who are predominately small and middle-market businesses and individuals located primarily in the Central Valleys of California.

Subsequent Events

The Bank has evaluated subsequent events for recognition and disclosure through February 24, 2016, which is the date the financial statements were available to be issued.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash, due from banks and federal funds sold. Generally, federal funds are sold for periods of less than ninety days.

Cash and Due from Banks

Banking regulations require that banks maintain a percentage of their deposits as reserves in cash or on deposit with the Federal Reserve Bank. The Bank was in compliance with its reserve requirements as of December 31, 2015.

The Bank maintains amounts due from banks, which may exceed federally insured limits. The Bank has not experienced any losses in such accounts.

Investment Securities

Bonds, notes, and debentures for which the Bank has the positive intent and ability to hold to maturity are reported at cost, adjusted for premiums and discounts that are recognized in interest income using the interest method over the period of maturity.

Investments not classified as trading securities nor as held-to-maturity securities are classified as available-for-sale securities and recorded at fair value. Unrealized gains or losses on available-for-sale securities are excluded from net income and reported as an amount net of taxes as a separate component of other comprehensive income included in shareholders' equity. Premiums and discounts on held-to-maturity and available-for-sale securities are amortized or accreted into income using the interest method. Realized gains or losses of held-to-maturity or available-for-sale securities are recorded using the specific identification method.

Management evaluates securities for other-than-temporary impairment ("OTTI") on at least a quarterly basis, and more frequently when economic or market conditions warrant such an evaluation. For securities in an unrealized loss position, management considers the extent and duration of the unrealized loss, and the financial condition and near-term prospects of the issuer. Management also assesses whether it intends to sell, or it is more likely than not that it will be required to sell, a security in an unrealized loss position before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the entire difference between amortized cost and fair value is recognized as impairment through earnings. For debt securities that do not meet the aforementioned criteria, the amount of impairment is split into two components as follows; OTTI related to credit loss, which must be recognized in the income statement and; OTTI related to other factors, which is recognized in other comprehensive income. The credit loss is defined as the difference between the present value of the cash flows expected to be collected and the amortized cost basis. For equity securities, the entire amount of impairment is recognized through earnings.

Loans Held for Sale

Government Guaranteed loans originated and intended for sale in the secondary market are carried at the lower of cost or estimated market value in the aggregate.

Note A - Summary of Significant Accounting Policies - Continued

Net unrealized losses are recognized through a valuation allowance by charges to income. Gains or losses realized on the sales of loans are recognized at the time of sale and are determined by the difference between the net sales proceeds and the carrying value of the loans sold, adjusted for any servicing asset or liability. Gains and losses on sales of loans are included in noninterest income.

Loans

Loans receivable that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at their outstanding unpaid principal balances reduced by any charge-offs or specific valuation accounts and net of deferred fees or costs on originated loans, or unamortized premiums or discounts on purchased loans. Loan origination fees and certain direct origination costs are capitalized and recognized as an adjustment of the yield of the related loan.

Loans on which the accrual of interest has been discontinued are designated as nonaccrual loans. The accrual of interest on loans is discontinued when principal or interest is past due 90 days based on the contractual terms of the loan or when, in the opinion of management, there is reasonable doubt as to collectability. When loans are placed on nonaccrual status, all interest previously accrued but not collected is reversed against current period interest income. Income on nonaccrual loans is subsequently recognized only to the extent that cash is received and the loan's principal balance is deemed collectible. Interest accruals are resumed on such loans only when they are brought current with respect to interest and principal and when, in the judgment of management, the loans are estimated to be fully collectible as to all principal and interest.

Allowance for Loan Losses

The allowance for loan losses is a valuation allowance for probable incurred credit losses. Loan losses are charged against the allowance when management believes the uncollectability of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Management estimates the allowance balance required using past loan loss experience, the nature and volume of the portfolio, information about specific borrower situations and estimated collateral values, economic conditions, and other factors. Allocations of the allowance may be made for specific loans, but the entire allowance is available for any loan that, in management's judgment, should be charged off. Amounts are charged-off when available information confirms that specific loans or

portions thereof, are uncollectible. This methodology for determining charge-offs is consistently applied to each segment.

The Bank determines a separate allowance for each portfolio segment. The allowance consists of specific and general reserves. Specific reserves relate to loans that are individually classified as impaired. A loan is impaired when, based on current information and events, it is probable that the Bank will be unable to collect all amounts due according to the contractual terms of the loan agreement. Factors considered in determining impairment include payment status, collateral value and the probability of collecting all amounts when due. Measurement of impairment is based on the expected future cash flows of an impaired loan, which are to be discounted at the loan's effective interest rate, or measured by reference to an observable market value, if one exists, or the fair value of the collateral for a collateral-dependent loan. The Bank selects the measurement method on a loan-by-loan basis except that collateral-dependent loans for which foreclosure is probable are measured at the fair value of the collateral.

The Bank recognizes interest income on impaired loans based on its existing methods of recognizing interest income on nonaccrual loans. Loans, for which the terms have been modified resulting in a concession, and for which the borrower is experiencing financial difficulties, are considered troubled debt restructurings and classified as impaired with measurement of impairment as described above.

If a loan is impaired, a portion of the allowance is allocated so that the loan is reported, net, at the present value of estimated future cash flows using the loan's existing rate or at the fair value of collateral if repayment is expected solely from the collateral.

General reserves cover non-impaired loans and are based on peer bank historical loss rates for each portfolio segment, adjusted for the effects of qualitative or environmental factors that are likely to cause estimated credit losses as of the evaluation date to differ from the portfolio segment's historical loss experience. Qualitative factors include consideration of the following: changes in lending policies and procedures; changes in economic conditions; changes in the nature and volume of the portfolio; changes in the experience, ability and depth of lending management and other relevant staff; changes in the volume and severity of past due, nonaccrual and other adversely graded loans; changes in the loan review system; changes in the value of the underlying collateral for collateral-dependent loans; concentrations of credit and the effect of other external factors such as competition and legal and regulatory requirements.

Note A - Summary of Significant Accounting Policies - Continued

Portfolio segments identified by the Bank include real estate – other, construction and land development, commercial and industrial, and consumer loans. Relevant risk characteristics for these portfolio segments generally include debt service coverage, loan-to-value ratios and financial performance on non-consumer loans and credit scores, debt-to income, collateral type and loan-to-value ratios for consumer loans.

Certain Acquired Loans

As part of business acquisition, the Bank acquired certain loans that have shown evidence of credit deterioration since origination. These acquired loans are recorded at the allocated fair value, such that there is no carryover of the seller's allowance for loan losses. Such acquired loans are accounted for individually. The Bank estimates the amount and timing of expected cash flows for each purchased loan, and the expected cash flows in excess of the allocated fair value is recorded as interest income over the remaining life of the loan (accretable yield). The excess of the loan's contractual principal and interest over expected cash flows is not recorded (non-accretable difference). Over the life of the loan, expected cash flows continue to be estimated. If the present value of expected cash flows is less than the carrying amount, a loss is recorded through the allowance for loan losses. If the present value of expected cash flows is greater than the carrying amount, it is recognized as part of future interest income.

Federal Home Loan Bank ("FHLB") Stock

The Bank is a member of the FHLB system. Members are required to own a certain amount of stock based on the level of borrowings and other factors, and may invest in additional amounts. FHLB stock is carried at cost, classified as a restricted security, and periodically evaluated for impairment based on the ultimate recovery of par value. Both cash and stock dividends are reported as income.

Other Real Estate Owned

Real estate acquired by foreclosure or deed in lieu of foreclosure is recorded at fair value at the date of foreclosure, establishing a new cost basis by a charge to the allowance for loan losses, if necessary. Other real estate owned is carried at the lower of cost or fair value, less estimated costs to sell. Fair value is based on current appraisals less estimated selling costs. Any subsequent write-downs are charged against operating expenses. Operating expenses of such properties, net of related income, and gains and losses on their disposition are included in other operating expenses. As of December 31, 2015 other real estate owned consisted of vacant land. The Bank did not have any foreclosures in process as of December 31, 2015.

Premises and Equipment

Land is carried at cost. Premises and equipment are carried at cost less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives, which ranges from three to ten years for furniture and equipment and forty years for premises. Leasehold improvements are amortized using the straight-line method over the estimated useful lives of the improvements or the remaining lease term, whichever is shorter. Expenditures for betterments or major repairs are capitalized and those for ordinary repairs and maintenance are charged to operations as incurred.

Other Intangible Assets

Other intangible assets consist of core deposit intangible assets arising from a whole bank acquisition. They are initially measured at fair value and then amortized over their estimated useful lives of approximately seven years. Amortization expense in 2015 was \$0. Future amortization expense for the next five years is approximately \$54,000 per year.

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales, when control over the assets has been relinquished. Control over transferred assets is deemed to be surrendered when the assets have been isolated from the Bank, the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and the Bank does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Stock-Based Compensation

The Bank recognizes the cost of employee services received in exchange for awards of stock options, or other equity instruments, based on the grant-date fair value of those awards. This cost is recognized over the period which an employee is required to provide services in exchange for the award, generally the vesting period. See Note L for additional information on the Bank's stock option plan.

Advertising Costs

The Bank expenses the costs of advertising in the period incurred.

Income Taxes

Deferred income taxes are computed using the asset and liability method, which recognizes a liability or asset representing the tax effects, based on current tax law, of future deductible or taxable amounts attributable to events that have been recognized in the financial statements. A valuation allowance is established to reduce the deferred tax asset to the level at which it is "more likely than not" that the tax asset or benefits will be realized. Realization of tax benefits of deductible temporary differences and operating

Note A - Summary of Significant Accounting Policies - Continued

loss carryforwards depends on having sufficient taxable income of an appropriate character within the carry forward periods.

The Bank has adopted guidance issued by the Financial Accounting Standards Board ("FASB") that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Interest and penalties related to uncertain tax positions are recorded as part of income tax expense.

Earnings Per Share ("EPS")

Basic EPS excludes dilution and is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity.

Comprehensive Income

Changes in unrealized gains and losses on available-for-sale securities is the only component of accumulated other comprehensive income for the Bank.

Financial Instruments

In the ordinary course of business, the Bank has entered into off-balance sheet financial instruments consisting of commitments to extend credit, commercial letters of credit, and standby letters of credit as described in Note K. Such financial instruments are recorded in the financial statements when they are funded or related fees are incurred or received.

Fair Value Measurement

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Current accounting guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The guidance describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a Bank's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

See Note N for more information and disclosures relating to the Bank's fair value measurements.

Reclassifications

Certain reclassifications have been made in the 2014 financial statements to conform to the presentation used in 2015. These reclassifications had no impact of the Bank's previously reported financial statements.

Adopted Accounting Guidance

In January 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-04, Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure, a consensus of the FASB Emerging Issues Task Force. This Update provides clarification as to when an in-substance repossession or foreclosure has occurred, i.e., the creditor is considered to have received physical possession of residential real estate property collateralizing a consumer mortgage loan and, therefore, the loan receivable should be derecognized and the real estate property should be recognized. Under ASU No. 2014-04, a creditor has received physical possession of residential real estate property collateralizing a consumer mortgage loan upon either (1) the creditor obtaining legal title to the property upon completion of a foreclosure or (2) the borrower conveying all interest in the property to the creditor to satisfy the loan through completion of a deed in lieu of foreclosure or a similar legal agreement. The Update also will require disclosure in annual and interim financial statements of both (1) the amount of foreclosed residential real estate property held by the creditor and (2) the recorded investment in consumer mortgage loans collateralized by residential real estate property that are in the process of foreclosure according to local requirements of the applicable jurisdiction. The amendments in this Update are effective for interim and annual periods beginning after December 15, 2014. Adoption of this Update did not have a material impact on the Bank's financial statements.

Recent Accounting Guidance Not Yet Effective

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606). This Update requires an entity to recognize revenue as performance obligations are met, in order to reflect the transfer of promised goods or services

Note A - Summary of Significant Accounting Policies - Continued

to customers in an amount that reflects the consideration the entity is entitled to receive for those goods or services. The following steps are applied in the updated guidance: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the entity satisfies a performance obligation. These amendments are effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that period. The Bank is currently evaluating the effects of ASU 2014-09 on its financial statements and disclosures, if any.

On January 5, 2016, the FASB issued Accounting Standards Update 2016-01, Financial Instruments—Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. Changes made to the current measurement model primarily affect the accounting for equity securities with readily determinable fair values, where changes in fair value will impact earnings instead of other comprehensive income. The accounting for other financial instruments, such as loans, investments in debt securities, and financial liabilities is largely unchanged. The Update also changes the presentation and disclosure requirements for financial instruments including a requirement that public business entities use exit price when measuring the fair value of financial instruments measured at amortized cost for disclosure purposes. This Update is generally effective for public business entities in fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Bank is currently evaluating the effects of ASU 2016-01 on its financial statements and disclosures, if any.

Note B - Acquisition

The Bank accounted for the following acquisition under the acquisition method of accounting. The acquired assets, assumed liabilities and identifiable intangible assets were recorded at their respective acquisition date fair values. The Bank determined the fair value of the securities, loans, core deposit intangible and deposits with the assistance of third party valuations. The fair value of other real estate owned (“OREO”) was based on appraisals.

The estimated fair value in this acquisition is subject to refinement as additional information relative to the closing date fair values become available through the measurement

period, which can extend for up to one year after the closing date of the transaction. While additional significant changes to the closing date fair values are not expected, any information relative to the changes in these fair values will be evaluated to determine if such changes are due to events and circumstances that existed as of the acquisition date.

On December 11, 2015, the Bank acquired all the assets and assumed all the liabilities of Sutter Community Bank (“SCB”) in exchange for Bank stock. The Bank issued 1,144,416 shares of Bank common stock with a fair value of \$7.35 per share total transaction value of approximately \$8,411,000. SCB operated one branch in Yuba City, California. The Bank acquired SCB as the location and culture fit within the Bank’s strategic plans for expansion.

A bargain purchase gain totaling \$314,499 resulted from the acquisition and is included as a component of noninterest income in the statements of income.

For loans acquired from SCB, the contractual amounts due, expected cash flows to be collected and fair value as of December 11, 2015 were as follows (dollar amounts in thousands):

	Purchased Credit- Impaired	All Other Acquired Loans
Contractual Amounts Due	\$ 2,554	\$ 60,193
Cash Flows not Expected to be Collected	364	-
Expected Cash Flows	2,190	60,193
Interest Component of Expected Cash Flows	237	15,945
Fair Value of Acquired Loans	\$ 1,953	\$ 44,248

In accordance with generally accepted accounting principles there was no carryover of the allowance for loan losses that had been previously recorded by SCB.

The following table represents the assets acquired and liabilities assumed of SCB as of December 11, 2015 and the fair value adjustments and the amounts recorded by the Bank in 2015 under the acquisition method of accounting (dollar amounts in thousands):

	SCB Book Value	Fair Value Adjustments	Fair Value
ASSETS ACQUIRED			
Cash and Cash Equivalents	\$ 14,490	\$ -	\$ 14,490
Investment Securities	1,906	(81)	1,825
Loans, Gross	47,538	(1,337)	46,201
Allowance for Loan Losses	(1,493)	1,493	-
Other Bank Stock	398	-	398
Premises and Equipment	86	-	86
Bank Owned Life Insurance	2,076	-	2,076
Other Real Estate Owned	1,171	(522)	649
Deferred Tax Assets	1,495	77	1,572
Core Deposit Intangible	-	428	428
Accrued Interest and Other Assets	558	(219)	339
Total Assets Acquired	\$ 68,225	\$(161)	\$ 68,064
LIABILITIES ASSUMED			
Deposits	\$ 58,977	\$ 84	\$ 59,061
Other Liabilities	287	(10)	277
Total Liabilities Assumed	59,264	74	59,338
Excess of Assets Acquired Over Liabilities Assumed	8,961	(235)	8,726
	\$ 68,225	\$(161)	
Stock Consideration			8,411
Recorded Gain on Acquisition			315

Note C - Investment Securities

Debt and equity securities have been classified in the statements of financial condition according to management's intent. The amortized cost of securities and their approximate fair values at December 31 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2015				
Available-for-Sale Securities:				
U.S. Government and Agency Securities	\$ 27,505,350	\$ 15,261	\$ (76,102)	\$ 27,444,509
Mortgaged-Backed Securities	26,978,253	116,815	(196,628)	26,898,440
	<u>\$ 54,483,603</u>	<u>\$ 132,076</u>	<u>\$ (272,730)</u>	<u>\$ 54,342,949</u>
December 31, 2014				
Available-for-Sale Securities:				
U.S. Government and Agency Securities	\$ 28,742,398	\$ 28,941	\$ (84,452)	\$ 28,686,887
Mortgaged-Backed Securities	11,793,000	41,983	(5,428)	11,829,555
	<u>\$ 40,535,398</u>	<u>\$ 70,924</u>	<u>\$ (89,880)</u>	<u>\$ 40,516,442</u>

The amortized cost and estimated fair value of all investment securities as of December 31, 2015 by expected maturities are shown below. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

No securities were sold in 2015. Gross realized gains in 2014 on sales of available-for-sale securities were \$11,485.

	Available-for-Sale Securities	
	Amortized Cost	Fair Value
Due within One Year	\$ 15,868,339	\$ 15,858,293
Due from One Year to Five Years	12,574,643	12,530,696
Due from Five to Ten Years	4,636,520	4,695,174
Due after Ten Years	21,404,101	21,258,786
	<u>\$ 54,483,603</u>	<u>\$ 54,342,949</u>

The gross unrealized loss and related estimated fair value of investment securities that have been in a continuous loss position for less than twelve months and over twelve months at December 31, 2015 and 2014, are as follows:

	Less than Twelve Months		Over Twelve Months		Total	
	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
December 31, 2015:						
U.S. Government and Agency Securities	\$ (64,634)	\$ 13,176,698	\$ (11,468)	\$ 1,488,330	\$ (76,102)	\$ 14,665,028
Mortgaged-Backed Securities	(196,628)	20,970,132	-	-	(196,628)	20,970,132
	<u>\$ (261,262)</u>	<u>\$ 34,146,830</u>	<u>\$ (11,468)</u>	<u>\$ 1,488,330</u>	<u>\$ (272,730)</u>	<u>\$ 35,635,160</u>
December 31, 2014:						
U.S. Government and Agency Securities	\$ (40,533)	\$ 10,208,813	\$ (43,919)	\$ 4,955,780	\$ (84,452)	\$ 15,164,593
Mortgaged-Backed Securities	(5,428)	2,131,386	-	-	(5,428)	2,131,386
	<u>\$ (45,961)</u>	<u>\$ 12,340,199</u>	<u>\$ (43,919)</u>	<u>\$ 4,955,780</u>	<u>\$ (89,880)</u>	<u>\$ 17,295,979</u>

As of December 31, 2015, the Bank has three U.S. government agency securities that have been in an unrealized loss position over 12 months. Unrealized losses on these investment securities have not been recognized into income as management does not intend to sell, and it is not "more likely than not" that management would be required to sell the securities prior to their anticipated recovery, and the decline in fair value is largely due to change in interest rates. The fair value is expected to recover as the bonds approach maturity.

Securities with a fair value of approximately \$7.3 million were pledged to the Federal Home Loan Bank as discussed in Note G. Securities with a fair value of \$17.5 million were pledged to secure public monies and for other purposes as required by law.

Note D - Loans

The Bank's loan portfolio consists primarily of loans to borrowers within the Central Valleys of California. Although the Bank seeks to avoid concentrations of loans to a single industry or based upon a single class of collateral, real estate and real estate associated businesses are among the principal industries in the Bank's market area and, as a result, the Bank's loan and collateral portfolios are, to some degree, concentrated in those industries.

A summary of the changes in the allowance for loan losses as of December 31 follows:

	2015	2014
Balance at Beginning of Year	\$ 1,723,391	\$ 1,417,381
Additions to the Allowance Charged to Expense	522,275	314,400
Recoveries on Loans Charged-Off	-	-
	<u>2,245,666</u>	<u>1,731,781</u>
Less Loans Charged-Off	(100)	(8,390)
	<u>\$ 2,245,566</u>	<u>\$ 1,723,391</u>

Note D - Loans - Continued

The following table presents the activity in the allowance for loan losses for the year 2015 and 2014 and the recorded investment in loans and impairment method as of December 31, 2015 and 2014 by portfolio segment:

	Real Estate - Other	Construction and Land Development	Commercial and Industrial	Consumer	Total
December 31, 2015					
Allowance for Loan Losses:					
Beginning of Year	\$ 1,167,486	\$ 48,676	\$ 474,196	\$ 33,033	\$ 1,723,391
Provisions	353,698	(1,539)	138,809	31,307	522,275
Charge-offs	-	-	(100)	-	(100)
Recoveries	-	-	-	-	-
End of Year Reserves:	\$ 1,521,184	\$ 47,137	\$ 612,905	\$ 64,340	\$ 2,245,566
Specific	\$ -	\$ -	\$ -	\$ -	\$ -
General	1,521,184	47,137	612,905	64,340	2,245,566
Purchased Credit Impaired Loans	-	-	-	-	-
	\$ 1,521,184	\$ 47,137	\$ 612,905	\$ 64,340	\$ 2,245,566
Loans Evaluated for Impairment:					
Individually	\$ 3,313,570	\$ 241,563	\$ 83,534	\$ 4,541	\$ 3,643,208
Collectively	158,612,919	4,704,182	39,350,625	802,538	203,470,264
Purchased Credit Impaired Loans	1,627,505	-	96,591	-	1,724,096
	\$ 163,553,994	\$ 4,945,745	\$ 39,530,750	\$ 807,079	\$ 208,837,568
December 31, 2014					
Allowance for Loan Losses:					
Beginning of Year	\$ 1,094,629	\$ 34,659	\$ 275,196	\$ 12,897	\$ 1,417,381
Provisions	72,857	14,017	207,390	20,136	314,400
Charge-offs	-	-	(8,390)	-	(8,390)
Recoveries	-	-	-	-	-
End of Year Reserves:	\$ 1,167,486	\$ 48,676	\$ 474,196	\$ 33,033	\$ 1,723,391
Specific	\$ -	\$ -	\$ 35,100	\$ -	\$ 35,100
General	1,167,486	48,676	439,096	33,033	1,688,291
	\$ 1,167,486	\$ 48,676	\$ 474,196	\$ 33,033	\$ 1,723,391
Loans Evaluated for Impairment:					
Individually	\$ -	\$ 313,322	\$ 35,100	\$ -	\$ 348,422
Collectively	93,374,513	3,545,500	26,433,966	1,534,781	124,888,760
	\$ 93,374,513	\$ 3,858,822	\$ 26,469,066	\$ 1,534,781	\$ 125,237,182

The Bank categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as current financial information, historical payment experience, collateral adequacy, credit documentation, and current economic trends, among other factors. The Bank analyzes loans individually by classifying the loans as to credit risk. This analysis typically includes larger, non-homogeneous loans such as commercial real estate and commercial and industrial loans. This analysis is performed on an ongoing basis as new information is obtained. The Bank uses the following definitions for risk ratings:

Pass - Loans classified as pass include loans not meeting the risk ratings defined below.

Special Mention - Loans classified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or of the institution's credit position at some future date.

Substandard - Loans classified as substandard are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the institution will sustain some loss if the deficiencies are not corrected.

Impaired - A loan is considered impaired, when, based on current information and events, it is probable that the Bank will be unable to collect all amounts due according to the contractual terms of the loan agreement. Additionally, all loans classified as troubled debt restructurings are considered impaired.

The risk category of loans by class of loans was as follows as of December 31, 2015:

	Pass	Special Mention	Substandard	Impaired	Total
December 31, 2015					
Real Estate Other:					
Commercial	\$ 63,087,928	\$ 432,121	\$ 2,002,513	\$ 3,313,570	\$ 68,836,132
Farmland	57,045,546	-	-	-	57,045,546
1-4 Family Residential	26,575,768	-	619,303	-	27,195,071
Multifamily Residential	10,477,245	-	-	-	10,477,245
Construction and Land Development	4,661,388	-	42,794	241,563	4,945,745
Commercial and Industrial	39,324,577	10,456	112,183	83,534	39,530,750
Consumer	802,538	-	-	4,541	807,079
	\$ 201,974,990	\$ 442,577	\$ 2,776,793	\$ 3,643,208	\$ 208,837,568

The risk category of loans by class of loans was as follows as of December 31, 2014:

	Pass	Special Mention	Substandard	Impaired	Total
December 31, 2014					
Real Estate Other:					
Commercial	\$ 44,602,318	\$ 156,158	\$ 2,005,088	\$ -	\$ 46,763,564
Farmland	26,836,159	-	-	-	26,836,159
1-4 Family Residential	14,549,706	-	-	-	14,549,706
Multifamily Residential	5,225,084	-	-	-	5,225,084
Construction and Land Development	3,545,500	-	-	313,322	3,858,822
Commercial and Industrial	26,423,240	-	10,726	35,100	26,469,066
Consumer	1,534,781	-	-	-	1,534,781
	\$ 122,716,788	\$ 156,158	\$ 2,015,814	\$ 348,422	\$ 125,237,182

Past due and nonaccrual loans presented by loan class were as follows as of December 31, 2015 and 2014:

	Still Accruing			Nonaccrual
	30-59 Days Past Due	60-89 Days Past Due	Over 90 Days Past Due	
December 31, 2015				
Real Estate Other:				
Commercial	\$ -	\$ -	\$ -	\$ 2,566,890
Farmland	-	-	-	-
1-4 Family Residential	-	-	-	33,201
Multifamily Residential	-	-	-	-
Construction and Land Development	-	-	-	241,563
Commercial and Industrial	39,125	-	-	185,896
Consumer	-	-	-	4,541
	\$ 39,125	\$ -	\$ -	\$ 3,032,091
December 31, 2014				
Real Estate Other:				
Commercial	\$ -	\$ -	\$ -	\$ -
Farmland	-	-	-	-
1-4 Family Residential	-	180,000	-	-
Multifamily Residential	-	-	-	-
Construction and Land Development	-	-	-	313,322
Commercial and Industrial	23,947	-	-	35,100
Consumer	-	-	-	-
	\$ 23,947	\$ 180,000	\$ -	\$ 348,422

Note D - Loans - Continued

Information relating to individually impaired loans presented by class of loans was as follows as of December 31, 2015 and 2014:

	Impaired Loans					Average Recorded Investment	Interest Income Recognized
	Unpaid Principal Balance	Recorded Investment	Without Specific Allowance	With Specific Allowance	Related Allowance		
December 31, 2015							
Real Estate Other:							
Commercial	\$ 3,910,827	\$ 3,313,570	\$ 3,313,570	\$ -	\$ -	\$ 2,059,000	\$ 138,708
Farmland	-	-	-	-	-	-	-
1-4 Family Residential	-	-	-	-	-	-	-
Multifamily Residential	-	-	-	-	-	-	-
Construction and Land Development	331,898	241,563	241,563	-	-	20,000	-
Commercial and Industrial	141,960	83,534	83,534	-	-	7,000	-
Consumer	6,470	4,541	4,541	-	-	500	-
	<u>\$ 4,391,155</u>	<u>\$ 3,643,208</u>	<u>\$ 3,643,208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,086,500</u>	<u>\$ 138,708</u>
December 31, 2014							
Real Estate Other:							
Commercial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Farmland	-	-	-	-	-	-	-
1-4 Family Residential	-	-	-	-	-	-	-
Multifamily Residential	-	-	-	-	-	-	-
Construction and Land Development	486,434	313,322	313,322	-	-	359,000	-
Commercial and Industrial	43,490	35,100	-	35,100	35,100	30,000	-
Consumer	-	-	-	-	-	-	-
	<u>\$ 529,924</u>	<u>\$ 348,422</u>	<u>\$ 313,322</u>	<u>\$ 35,100</u>	<u>\$ 35,100</u>	<u>\$ 389,000</u>	<u>\$ -</u>

The outstanding balance and carrying amount of purchased credit impaired loans as of December 31, 2015 were as follows:

	2015
Outstanding Balance	\$ 2,511,906
Carrying Amount	\$ 1,724,096

The change in accretible discount on purchased credit impaired loans during the period was as follows:

	2015
Balance at January 1	\$ -
New Loans Purchased	236,707
Accretion of Income	-
Reversals (Sales and Foreclosures)	-
Restructuring as TDR	-
Transfer to Nonaccretible Discount	(215,070)
Balance at December 31	<u>\$ 21,637</u>

Income is not recognized on certain purchased loans if the Bank cannot reasonably estimate cash flows expected to be collected. The carrying amount of such loans was \$1,297,746 at December 31, 2015.

Note E - Premises and Equipment

A summary of premises and equipment as of December 31 follows:

	2015	2014
Land	\$ 600,000	\$ -
Building	1,317,517	-
Leasehold Improvements	1,362,552	1,195,113
Furniture, Fixtures, and Equipment	1,262,844	917,743
	4,542,913	2,112,856
Less Accumulated Depreciation and Amortization	(1,772,435)	(1,529,460)
	<u>\$ 2,770,478</u>	<u>\$ 583,396</u>

The Bank has operating leases for branches that will expire at various dates through June 2035. The leases include provisions for periodic rent increases as well as payment by the lessee of certain operating expenses. The leases also include provisions for options to extend the lease. The rental expense relating to the leases and other short term rentals was approximately \$344,000 and \$316,000 for the years ended December 31, 2015 and 2014, respectively.

At December 31, 2015, the future lease rental payable under noncancellable operating lease commitments for the branches was as follows:

2016	\$ 392,000
2017	190,000
2018	172,000
2019	173,000
2020	174,000
Thereafter	2,002,000
	<u>\$ 3,103,000</u>

The minimum rental payments shown above are given for the existing lease obligations and are not a forecast of future rental expense.

Note F - Deposits

At December 31, 2015, the scheduled maturities of time deposits are as follows:

2016	\$ 51,131,035
2017	1,616,204
2018	1,241,526
2019	3,509,731
2020	521,098
	<u>\$ 58,019,594</u>

Note G - Other Borrowings

The Bank may borrow up to \$9.4 million overnight on an unsecured basis from its correspondent banks. As of December 31, 2015, the Bank has no amounts outstanding under these arrangements.

In addition, the Bank is also a member of the Federal Home Loan Bank ("FHLB") and has arranged a secured borrowing line with that institution, secured by the assets of the Bank. Under this line, the Bank may borrow up to approximately \$22.0 million subject to providing adequate collateral and continued compliance with the Advances and Security Agreement and other eligibility requirements established by the FHLB. The Bank has pledged \$7.3 million of investment securities as collateral for this line. As of December 31, 2015 the Bank had no amounts outstanding under this arrangement.

Note H - Other Expenses

Other expenses as of December 31 are comprised of the following:

	2015	2014
Professional Fees	\$ 817,560	\$ 524,181
Data Processing	533,983	279,750
Office Expenses	213,832	177,370
Marketing and Business Promotion	170,806	174,338
Insurance	47,533	43,416
Regulatory Assessments	150,418	126,283
Other Expenses	248,491	192,726
	<u>\$ 2,182,623</u>	<u>\$ 1,518,064</u>

Note I - Income Taxes

The provision (benefit) for income taxes for the years ended December 31, consists of the following:

	2015	2014
Current:		
Federal	\$ 296,019	\$ -
State	101,042	5,054
	<u>397,061</u>	<u>5,054</u>
Deferred	332,000	345,000
	<u>\$ 729,061</u>	<u>\$ 350,054</u>

The Bank is subject to federal income tax and franchise tax of the state of California. Income tax returns for the years ending after December 31, 2011 are open to audit by the federal authorities and income tax returns for the years ending after December 31, 2010 are open to audit by state authorities. The Bank does not expect the total amount of unrecognized tax benefits to significantly increase or decrease within the next twelve months.

As of December 31, 2015, the Bank has net operating loss carryforwards of approximately \$1,771,000 for California franchise tax purposes. The use of the net operating loss carryforwards is limited by Section 382 of the Internal Revenue Service Code to \$219,000 per year. California net operating loss carryforwards, to the extent not used will begin to expire in 2028.

A comparison of the federal statutory income tax rates to the Bank's effective income tax rates follows:

	2015		2014	
	Amount	Rate	Amount	Rate
Statutory Federal Tax	\$ 557,000	34.0%	\$ 254,000	34.1%
State Tax, Net of Federal Benefit	117,000	7.1%	59,000	7.9%
Stock-based Compensation	30,000	1.8%	18,000	2.4%
Merger Expenses	70,000	4.3%	-	-
Bargain Purchase Gain	(107,000)	(6.5%)	-	-
Other Items, Net	62,061	3.8%	19,054	2.6%
	<u>\$ 729,061</u>	<u>44.5%</u>	<u>\$ 350,054</u>	<u>47.0%</u>

Deferred taxes are a result of differences between income tax accounting and generally accepted accounting principles with respect to income and expense recognition. The following is a summary of the components of the net deferred tax asset accounts recognized in the accompanying statement of financial condition at December 31:

	2015	2014
Deferred Tax Assets:		
Pre-Opening Expenses	\$ 432,000	\$ 367,000
Allowance for Loan Losses Due to Tax Limitations	756,000	694,000
Depreciation Differences	252,000	192,000
Other Real Estate Owned Differences	713,000	-
Operating Loss Carryforwards	149,000	481,000
Unrealized Loss on Available-for-Sale Securities	58,000	8,000
Stock-Based Compensation	352,000	352,000
Purchase Accounting Adjustments	469,000	-
Other Assets and Liabilities	510,000	233,000
	<u>3,691,000</u>	<u>2,327,000</u>
Deferred Tax Liabilities:		
Other Assets and Liabilities	(184,000)	(110,000)
	<u>(184,000)</u>	<u>(110,000)</u>
Net Deferred Tax Assets	<u>\$ 3,507,000</u>	<u>\$ 2,217,000</u>

Note J - Related Party Transactions

In the ordinary course of business, the Bank has granted loans to certain directors and the companies with which they are associated. The total outstanding principal and commitment of these loans at December 31, 2015 and 2014 was approximately \$5,383,000 and \$4,707,000, respectively.

Also, in the ordinary course of business, certain executive officers, directors and companies with which they are associated have deposits with the Bank. The balances of these deposits at December 31, 2015 and 2014 amounted to approximately \$26,512,000 and \$25,547,000, respectively.

Note K - Commitments

In the ordinary course of business, the Bank enters into financial commitments to meet the financing needs of its customers. Those instruments involve to varying degrees, elements of credit and interest rate risk not recognized in the Bank's financial statements.

The Bank's exposure to loan loss in the event of nonperformance on commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The Bank uses the same credit policies in making commitments as it does for loans reflected in the financial statements.

As of December 31, 2015 and 2014, the Bank had the following outstanding financial commitments whose contractual amount represents credit risk:

	<u>2015</u>	<u>2014</u>
Commitments to Extend Credit	<u>\$ 33,130,000</u>	<u>\$ 17,072,000</u>

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Since many of the commitments are expected to expire without being drawn upon, the total amounts do not necessarily represent future cash requirements. The Bank evaluates each client's credit worthiness on a case-by-case basis. The amount of collateral obtained if deemed necessary by the Bank is based on management's credit evaluation of the customer. The majority of the Bank's commitments to extend credit and standby letters of credit are secured by real estate or cash, respectively.

The Bank is involved in various litigation, which has arisen in the ordinary course of its business. In the opinion of management, the disposition of such pending litigation will not have material effect on the Bank's financial statements.

Note L - Stock-Based Compensation Plans

The Bank's 2007 Stock Option Plan was approved by its shareholders in July 2008. Under the terms of the 2007 Stock Option Plan, officers and key employees may be granted both nonqualified and incentive stock options and directors and organizers, who are not also an officer or employee, may only be granted nonqualified stock options. This plan was replaced by the 2013 Omnibus Stock Incentive Plan.

The Bank's 2013 Omnibus Stock Incentive Plan ("2013 Plan") was approved by its shareholders in May 2013. Under the terms of the 2013 Plan, officers and key employees may be granted both nonqualified and incentive stock options and directors and other consultants, who are not also an officer or employee, may only be granted nonqualified stock options. The 2013 Plan also permits the grant of stock appreciation rights ("SARs"), restricted shares, deferred shares, performance shares and performance unit awards. The 2013 Plan provides for the total number of awards of common stock that may be issued over the term of the plan not to exceed 573,533 shares, of which a maximum of 400,000 shares may be granted as incentive stock options. The aggregated number of awards that may be granted to an individual participant may not exceed 100,000 shares per year. Stock options and performance share and unit awards are granted at a price not less than 100% of the fair market value of the stock on the date of grant. The 2013 plan provides for accelerated vesting if there is a change of control as defined in the 2013 Plan. Equity awards generally vest over three to five years. Stock options expire no later than ten years from the date of grant.

The Bank recognized stock-based compensation cost of \$185,413 and \$141,382 for the periods ended December 31, 2015 and 2014. The Bank also recognized income tax benefits related to stock-based compensation of \$40,263 in 2015 and \$35,876 in 2014.

The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model with the weighted-average assumptions presented below:

	<u>2015</u>	<u>2014</u>
Expected Volatility	43.28%	42.50%
Expected Term	6.04 Years	6.06 Years
Expected Dividends	None	None
Risk Free Rate	1.23%	1.21%
Grant Date Fair Value	\$ 3.00	\$ 2.85

Since the Bank has a limited amount of historical stock activity the expected volatility is based on the historical volatility of similar banks that have a longer trading history. The expected term represents the estimated average period of time that the options remain outstanding. Since the Bank does not have sufficient historical data on the exercise of stock options, the expected terms is based on the "simplified" method that measures the expected term as the average of the vesting period and the contractual term. The risk free rate of return reflects the grant date interest rate offered for a comparable U.S. Treasury bonds over the expected term of the options.

Note L - Stock-Based Compensation Plans - Continued

A summary of the status of the Bank's stock options as of December 31, 2015 and changes during the year ended thereon is presented below:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at Beginning of Year	371,980	\$ 9.51		
Cancelled	(90,000)	\$ 10.00		
Granted	134,000	\$ 7.05		
Exercised	-	\$ -		
Forfeited	(6,250)	\$ 10.00		
Outstanding at End of Year	<u>409,730</u>	<u>\$ 8.59</u>	<u>5.51 Years</u>	<u>\$ 69,000</u>
Options Exercisable	<u>250,380</u>	<u>\$ 9.57</u>	<u>3.10 Years</u>	<u>\$ 19,000</u>

As of December 31, 2015, there was approximately \$292,000 of total unrecognized compensation cost related to the outstanding stock options that will be recognized over a weighted-average period of 2.1 years.

During 2015 the Bank cancelled 90,000 options with a weighted-average exercise price of \$10.00 held by directors and granted 90,000 options that expire in ten years and vest over three years. This is treated as a modification and the incremental increase in the fair value was \$1.83 per option. Additional compensation expense of \$13,725 was recognized in 2015 as a result of the modification.

A summary of the status of the Bank's deferred share awards as of December 31, 2015 and changes during the year ended thereon is presented below:

	Shares	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2015	30,155	\$ 7.00
New Deferred Share Awards	2,408	\$ 7.00
Shares Vested and Issued	(13,770)	\$ 6.60
Shares Forfeited	(385)	\$ 7.00
Nonvested at December 31, 2015	<u>18,408</u>	<u>\$ 7.00</u>

As of December 31, 2015 there was approximately \$54,000 of unrecognized compensation cost related to the restricted stock grants that will be recognized over a weighted-average period of 1 year. The fair value of shares issued in 2015 and 2014 was approximately \$111,000 and \$51,000, respectively.

Note M - Earnings Per Share ("EPS")

The following is a reconciliation of net income and shares outstanding to the income and number of shares used to compute EPS:

	2015		2014	
	Income	Shares	Income	Shares
Net Income as Reported	\$ 908,654		\$ 395,567	
Shares Outstanding at Year-End		4,999,895		2,649,634
Impact of Weighting Shares Issued During the Year		(1,304,389)		(446,025)
Used in Basic EPS	908,654	3,695,506	395,567	2,203,609
Dilutive Effect of Outstanding Deferred Shares		12,252		4,082
Used in Dilutive EPS	<u>\$ 908,654</u>	<u>3,707,758</u>	<u>\$ 395,567</u>	<u>2,207,691</u>

As of December 31, 2015 and 2014 there were 385,730 and 371,930, respectively, stock options that could potentially dilute earnings per share in the future that were not included in the computation of diluted earnings per shares because to do so would have been antidilutive.

Note N - Fair Value Measurement

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value:

Securities

The fair values of securities available for sale are determined by matrix pricing, which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted prices for specific securities but rather by relying on the securities' relationship to other benchmark quoted securities (Level 2).

Collateral-Dependent Impaired Loans:

The Bank does not record loans at fair value on a recurring basis. However, from time to time, fair value adjustments are recorded on these loans to reflect partial write-downs, through charge-offs or specific reserve allowances, that are based on the current appraised or market-quoted value of the underlying collateral. The fair value estimates for collateral-dependent impaired loans are generally based on recent real estate appraisals or broker opinions, obtained from independent third parties, which are frequently adjusted by management to reflect current conditions and estimated selling costs (Level 3).

Other Real Estate Owned:

Nonrecurring adjustments to certain commercial and residential real estate properties classified as other real estate owned ("OREO") are measured at the lower of carrying amount or fair value, less costs to sell. Fair values are generally based on third party appraisals or broker opinions, which are frequently adjusted by management to reflect current conditions and estimated selling costs, resulting in a Level 3 classification. In cases where the carrying amount exceeds the fair value, less costs to sell, an impairment loss is recognized.

Note N - Fair Value Measurement - Continued

Appraisals for other real estate owned are performed by certified general appraisers whose qualifications and licenses have been reviewed and verified by the Bank. Once received, a member of the loan department reviews the assumptions and approaches utilized in the appraisal as well as the overall resulting fair value. The Bank also determines what additional adjustments, if any, should be made to the appraisal values on any remaining other real estate owned to arrive at fair value. No significant adjustments to appraised values have been made as a result of this process as of December 31, 2015.

The following table provides the hierarchy and fair value for each major category of assets and liabilities measured at fair value at December 31, 2015:

	Fair Value Measurements Using:			Total	Total Losses
	Level 1	Level 2	Level 3		
December 31, 2015					
Assets measured at fair value on a recurring basis					
Securities Available for Sale	\$ -	\$ 54,342,949	\$ -	\$ 54,342,949	\$ -
Value on a Non-recurring Basis					
Other Real Estate Owned, Net	\$ -	\$ -	\$ 649,092	\$ 649,092	\$ -
December 31, 2014					
Assets measured at fair value on a recurring basis					
Securities Available for Sale	\$ -	\$ 40,516,442	\$ -	\$ 40,516,442	\$ -

Quantitative information about the Bank's nonrecurring Level 3 fair value measurements as of December 31, 2015 is as follows:

	Fair Value Amount	Valuation Technique	Unobservable	Range
			Input	
Other Real Estate Owned	\$ 649,092	Third Party Appraisals	Liquidation and Selling Costs	8% to 50%

Note O - Fair Value of Financial Instruments

The fair value of a financial instrument is the amount at which the asset or obligation could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale at one time the entire holdings of a particular financial instrument. Because no market value exists for a significant portion of the financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature, involve uncertainties and matters of judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates are based on financial instruments both on and off the balance sheet without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. Additionally, tax consequences related to the realization of the unrealized gains and losses can have a potential effect on fair value estimates and have not been considered in many of the estimates.

The following methods and assumptions were used to estimate the fair value of significant financial instruments not previously presented:

Cash and Cash Equivalents

The carrying amounts reported in the balance sheet for cash and cash equivalents approximate the fair values of those assets due to the short-term nature of the assets.

Loans

For variable rate loans that re-price frequently and with no significant change in credit risk, fair values are based on carrying amounts. The fair values for all other loans are estimated using discounted cash flow analyses, using interest rates currently being offered for loans with similar terms to borrowers with similar credit quality.

Federal Home Loan Bank Stock and Other Bank Stock

The fair value of Federal Home Loan Bank Stock and other Bank stock is not readily determinable due to the lack of its transferability.

Noninterest-Bearing and Interest Bearing Demand Deposits

The fair values for noninterest-bearing deposits and interest-bearing demand deposits are equal to the amount payable on demand at the reporting date, which is the carrying amount.

Interest-Bearing Time Deposits

The fair values for fixed rate certificates of deposits are estimated using a cash flow analysis, discounted at interest rates being offered at each reporting date by the Bank for certificates with similar remaining maturities.

Off-Balance Sheet Financial Instruments

The fair value of commitments to extend credit and standby letters of credit is estimated using the fees currently charged to enter into similar agreements. The fair value of these financial instruments is not material.

Note O - Fair Value of Financial Instruments - Continued

The fair value hierarchy level and estimated fair value of significant financial instruments at December 31, 2015 and 2014 are summarized as follows (dollar amount in thousands):

	Fair Value Hierarchy	2015		2014	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets:					
Cash and Cash Equivalents	Level 1	\$ 24,062	\$ 20,062	\$ 20,469	\$ 20,469
Investment Securities	Level 2	54,343	54,343	40,516	40,516
Loans, net	Level 2	206,133	205,266	123,154	123,019
FHLB and Other Bank Stock		1,466	N/A	638	N/A
Financial Liabilities:					
Noninterest-Bearing and Interest-Bearing					
Demand Deposits	Level 1	198,658	198,658	125,497	125,497
Interest-Bearing Time Deposits	Level 2	58,019	57,918	40,920	40,901

Note P - Employee Benefit Plan

The Bank adopted a 401(k) Plan for its employees in 2008. Under the plan, eligible employees may defer a portion of their salaries. The plan also provides for a non-elective discretionary contribution by the Bank. The Bank made no contributions for 2015 or 2014.

Note Q - Regulatory Matters

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory - and possibly additional discretionary - actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of their assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

In July, 2013, the federal bank regulatory agencies approved the final rules implementing the Basel Committee on Banking Supervision's capital guidelines for U.S. banks. The new rules became effective on January 1, 2015, with certain of the requirements phased-in over a multi-year schedule, and fully phased in by January 1, 2019. The rules include a new common equity Tier 1 ("CET1") capital to risk-weighted assets ratio with minimums for capital adequacy and prompt corrective action purposes of 4.5% and 6.5%, respectively. The net unrealized gain or loss on available for sale securities is not included in computing regulatory capital. Capital amounts and ratios for December 31, 2014 are calculated using Basel I rules.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table below) of total, Tier 1 and CET1 capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). Management believes, as of December 31, 2015 and 2014, that the Bank meets all capital adequacy requirements.

As of December 31, 2015, the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action (there are no conditions or events since that notification that management believes have changed the Bank's category). To be categorized as well capitalized, the Bank must maintain minimum ratios as set forth in the table below.

The following table also sets forth the Bank's actual capital amounts and ratios (dollar amounts in thousands):

	Amount of Capital Required					
	Actual		For Capital Adequacy Purposes		To Be Well-Capitalized Under Prompt Corrective Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2015:						
Total Capital (to Risk-Weighted Assets)	\$38,237	15.7%	\$19,464	8.0%	\$24,330	10.0%
Tier 1 Capital (to Risk-Weighted Assets)	\$35,983	14.8%	\$14,598	6.0%	\$19,464	8.0%
CET1 Capital (to Risk-Weighted Assets)	\$35,983	14.8%	\$10,949	4.5%	\$15,815	6.5%
Tier 1 Capital (to Average Assets)	\$35,983	12.2%	\$11,816	4.0%	\$14,770	5.0%
As of December 31, 2014:						
Total Capital (to Risk-Weighted Assets)	\$21,860	14.7%	\$11,914	8.0%	\$14,893	10.0%
Tier 1 Capital (to Risk-Weighted Assets)	\$20,129	13.5%	\$5,957	4.0%	\$8,936	6.0%
Tier 1 Capital (to Average Assets)	\$20,129	11.1%	\$7,281	4.0%	\$9,101	5.0%

The California Financial Code provides that a bank may not make a cash distribution to its shareholders in excess of the lesser of the bank's undivided profits or the bank's net income for its last three fiscal years less the amount of any distribution made to the bank's shareholders during the same period.







**We're the bank
*where local matters.***

KINGSBURG BRANCH
1580 Draper Street
(559) 802-1070

VISALIA BRANCH
400 West Center Ave
(559) 802-1000

PORTERVILLE BRANCH
65 West Olive Ave
(559) 306-1300

YUBA CITY BRANCH
700 Plumas St.
(530) 674-8900

FRESNO OFFICE
2014 S Tulare Street
Suite 406
(559) 286-9621

www.suncrestbank.com