REAL. LOCAL. COMMUNITY BANKING.

Golden Valley BANK

Winter 2013 Founders Newsletter

4TH QUARTER AT A GLANCE

Year End December 31, 2012

Total Assets
$ 128,264,479

Total Deposits
$110,155,380

Gross Loans
$83,685,886

YTD Earnings
$1,075,188

See more online under the ***Investor Relations*** tab on our webpage!

Kelly's Certified!

GVB Senior Vice President Kelly Winch scored a big success in the month of December! She is now a Certified Regulatory Compliance Manager. This is a designation few bankers receive. She put in hours of studying, ten weeks of review and read over 1,000 pages to prepare for the exam.
GVB is proud to have Kelly on the team. She provides compliance and security to Employees, Directors, Founders and Customers.

Congratulations Kelly!!
Thanks for all you do!

Message From the President

Mark Francis

Our Best Year Yet!

2012 was Golden Valley Bank's best year yet! We earned over $1 million in net income; assets, deposits and loans finished at record year end levels; we re-purchased almost 46,000 shares and ended the year with our first cash dividend. A good year indeed!

Our pre-tax income was up 47% over 2011 (you might remember we weren't paying full taxes in 2011, that's why pre-tax is a better comparison of results year over year). Even though our taxes went up over 136% we still posted an almost 19% increase in net income to $1,075,188. We had another great year on the mortgage side of the business with 247 loans closed for over $54 million. We also had $29 million booked in other new loans. Assets were pushed to over $128 million by a great deposit surge in the 4th quarter. Deposits ended the year at over $110 million. Total loans were up close to $11 million for the year ending at just under $84 million.

Our stock repurchase program allowed us to retire about 2.3% of our outstanding shares, meaning each of us now owns a slightly bigger percentage of the company. In addition, it allowed shareholders who needed to sell their shares the ability to do so, not always that easy at other small banks around the country. And finally, our $.10 cash dividend put a nice finish on a memorable year.

While we are optimistic about 2013, our economy is still not out of the woods just yet. Is the growth we have seen in parts of the economy sustainable? Just where are interest rates going anyway? Will employment start to make some significant gains? We will all follow this closely.

One thing we do know is that our success is based on the combined effort of our outstanding staff, Founders and customers. The service level our staff provides our customers allows our Founders to confidently refer others to our Bank. This is what community banking is all about!

Have a happy and prosperous new year!

Mark Francis
President & CEO

Mark, President & CEO and Jim, CCO, got memorable gifts from the GVB crew this year for Boss's Day! Bobble Heads made to look just like them. They even hold business cards!!

MEMBER FDIC

News from GVB!

Stock Repurchase Plan

The 2012 Stock Repurchase Plan is continuing through the first quarter of 2013. To date we have repurchased 45,883 shares, or about 2.3% of our outstanding stock. Shareholders interested in selling their shares are encouraged to contact Tracie directly for more details at tcvitkovich@goldenvalleybank.com or 894-4923

Holiday Highlights

In the midst of the Holidays, GVB participated in Banks Make a Difference Day! On December 7th Employees were ringing the Salvation Army bell in front of the Bank to help raise money. Many donated and stopped in for some Holiday treats as a thank you! The Angel Tree was also a big success this year! Many kids got great gifts from employees and customers who participated. Special thanks to Howard Isom for taking 17 names off the tree!

E-Alerts….Are You Signed Up?

Business E-Alerts now at GVB… Sign up Today!

Our ***business*** customers can now have ***E-alerts*** on their accounts, too! Through our website, alerts can be set to notify you when your account reaches a certain balance, a deposit was made, when a check clears and MORE! Alerts can be sent straight to your email or wireless device. More information is available at GoldenValleyBank.com.

At GVB, you always have the opportunity to stay on top of your accounts!

We have released ***Consumer Mobile Banking*** and customers are flocking to the convenience of having access to their accounts at their finger tips whenever and wherever they are. Beyond the Mobile Banking App for smart phones, we also offer **mobile browsing and text banking**. ***Text banking*** has become the most popular because of it's convenience and efficiency. If you haven't heard about these great options yet, get more information at GoldenValleyBank.com or come see us at the Bank.

GVB Founder-Michael Benson

GVB's Employee of the Year 2012 Marci Ryther

Marci with her EOY Plaque

Marci Ryther was selected by her peers as GVB's **Employee of the Year**, the first time this award has been presented. Marci has been with GVB for over five years. She works diligently with customers helping with home purchases and refinancing their existing loans with a lower rate, all the while providing Absolutely Outstanding Customer Service to every customer every day. This year she completed 247 loans for over $54,000,000. GVB Employees voted each quarter for their EOY and overall Marci had the most votes, quite an honor from her co-workers! A few comments about Marci listed on the ballots are below. It is easy to see that we have a great employee working hard to satisfy customers.

"Marci can pump out the loans! She works so hard and customers love her! She is great at her job."

"Marci processes all the mortgage activity for the Bank with a smile and a positive attitude. She keeps customers coming back!"

"Hardworker — Very knowledgeable! Always positive with customers"

Way to go Marci! First ever GVB Employee of the Year!!

Featured Business…

Tittle & Company, LLP provides a wide range of services to individuals and businesses in a variety of industries. They strive to meet each client's specific needs in planning for the future and achieving their goals in an ever-changing financial and regulatory environment. Tittle & Company, LLP's expertise ranges from basic tax management and accounting services to more in-depth services such as audits, financial statements, and financial planning. Their dedication to hard work has earned the respect of the business and financial community in and around Chico.

Tim Tittle is a proud member of our community and a Founder of Golden Valley Bank. He believes that GVB goes above and beyond for their customers and he enjoys being a part of such a personable Bank.

Tim Tittle in front of Tittle & Co., LLP

You can learn more about Tittle & Company, LLP at

www.tittleandco.com
or call (530) 898-8647

TITTLE & COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS CONSULTANTS

SAVE THE DATE

ANNUAL SHAREHOLDERS MEETING

Wednesday
May 22, 2013
5:30PM

Sierra Nevada
Big Room

See you there!

Golden Valley Bank's First Cash Dividend!

The Board of Directors of Golden Valley Bank declared a special cash dividend of $0.10 per common share for stockholders of record as of December 8, 2012. The dividend checks went out December 18th, 2012.

"2012 has been an excellent year for Golden Valley Bank and our shareholders," commented President and CEO Mark Francis. "Our stock repurchase plan has increased each shareholder's percentage of ownership of the Bank and this special dividend puts cash in their pockets from the profits of the company."

GVB's Newest Team Member!

Golden Valley Bank welcomes Jenny Dolan, our newest team member. She is an Accounting Services Specialist, responsible for Accounts Payable, vendor management and various other accounting duties. Jenny worked for Rabobank (formerly Butte Community Bank) for ten years in Operations.

Jenny is excited to work for Golden Valley because she looks forward to being a part of a family at work. She enjoys the culture, the care and knowing that she is supported by her coworkers and Board of Directors. Jenny is excited about being a part of a community bank again and sees a long future with GVB.

Golden Valley is very excited to have Jenny on the team. She brings years of experience, a wealth of knowledge and a smile each and every day. Make sure to introduce yourself next time you see her in the Bank!! Welcome Jenny!

Jenny Dolan,
Accounting Services

We've Got The Answers

894-1000

Send us an email!
mfrancis@goldenvalleybank.com
GoldenValleyBank.com

24-hour Telephone Banking
1-800-808-2070

Fax
894-4938

Mark Francis
President & CEO
894-4920
514-4411

James Doss
Chief Credit Officer
894-4921

Diane Harger
Senior Vice President
Relationship Banking Manager
894-4932

Marci Ryther
Mortgage
894-4927

Redding Loan Production Office
Jay Reagan
244-2936

Real. Local. Community Banking.

LEARN MORE ABOUT GVB AT GOLDENVALLEYBANK.COM

Get Your Own Golden Valley Bank Shirt, Jacket, Hat and MORE!

Golden Valley Bank is proud to announce the opening of our Company Store allowing our Founders and customers to purchase individual apparel in whatever color, size and style you choose. The store offers a variety of high quality ***polo shirts***, ***jackets*** and ***stylish tops*** for men and women alike. We even have GVB ***hats*** and ***golf balls***!! Check out the store to see what we have to offer and show your support of Golden Valley Bank in our community. It's a great conversation starter and an easy way to show you are a BIG part of GVB, too! You can place an order online, when we receive your order in a few weeks we will call. Then you pick it up at the Bank and pay. It's a easy as that!! If you have any questions call Natasha at 894-4934 or email at nlydon@goldenvalleybank.com. Get your order started today!!

1. Go online
2. Place an Order
3. We will call
4. You Pick up and Pay then!

Golden Valley BANK

Welcome to The Golden Valley Bank Store!

Polo's | Sweatshirts | Ladies | Wovens

GET 20% OFF

all your purchases as a Founder!!
The discount will be taken when you come into the Bank to pick up your order and pay!

Request "Founder" in the Special Instructions box to be embroidered on your apparel. Stand out as a proud Founder!

GO TO: www.companycasuals.com/GoldenValleyBank