



ADVISORY BOARD POLICY

PREAMBLE

The board of directors of Valley Bank (Proposed) has approved the formation of an advisory board. It is the opinion of the Bank's Directors that an advisory board can benefit both Valley Bank (Proposed) and our community. It will be the responsibility of the Directors to identify candidates for consideration as advisory board members.

QUALIFICATIONS

There are several factors taken into consideration when considering an individual for appointment to the advisory board. Such person should be concerned participants in the affairs of our community and be recognized as a community leader of excellent reputation and financial stability. Advisory board members should demonstrate their interest in the Bank by becoming stockholders of Valley Bank (Proposed). A member of the advisory board is a valued resource in the Bank's development.

APPOINTMENT

Members of the advisory board shall be appointed by official action of the Valley Bank (Proposed) Board of Directors. Such appointment indicates the board's confidence in the members integrity, business ability, community standing, and the recognition that the advisory board can and will support the growth, development, and integrity of the Bank. Appointment to the advisory board is for a one-year period; members can serve consecutive terms.

RESPONSIBILITIES

1. Advisory board members are responsible for assisting in increasing the Bank's visibility and share of the market in the communities it serves. Because they are involved members of the community, they should be sensitive to community needs, and advise when Valley Bank (Proposed) can address those needs.
2. Advisory board members will be expected to assist staff in public relations.
3. Advisory board members are encouraged to arrange and attend at least one luncheon or business call quarterly with a prospective customer and Bank staff member.
4. Advisory board members should bring to the attention of the Bank's leadership suggestions for new services that may improve the Bank's competitiveness and ability to serve the community.
5. Advisory board members will bring personal expertise, and through their expertise can assist the Bank's leadership with answers to questions pertaining to their area of individual experience.
6. Advisory board members will be surveyed by Bank leadership regarding the effectiveness of the Bank's development effort, competence of personnel, and overall service to the community.

MEETINGS

Advisory board meetings will be held on a quarterly basis. Advisory board members will be informed of the Bank's progress and material reviewed will include:

- * Highlights on current services being offered.
- * New services in development or implemented.
- * Valley Bank (Proposed)'s current financial report.
- * Business developed since previous meeting as a result of advisory board recommendations.
- * Discussion of potential new business and involvement of advisory board members.
- * General discussion of activities affecting the Bank's market area.

CONFIDENTIALITY

Advisory board members will be constantly aware of the highly confidential nature of information reviewed with them in meetings and respect that confidence.

WHY WOULD I WANT TO BE AN ADVISORY BOARD MEMBER?

Some of the reasons individuals give for advisory board participation include:

- * Building a personal relationship with the Bank
- * Security of one's own invested funds in an institution over which one has input
- * Prestige
- * Civic pride in providing locally available capital
- * Profit
- * Potential to open doors for opportunity
- * Diversified investment with extremely high success rate
- * Awareness of what is happening in the local business community
- * Camaraderie with other prominent members of the community
- * Education in how banking really works
- * Enhanced personal relationships with other banks