

From the Desk of the President

While I'm not the biggest "techy" around, it seemed that during the dotcom boom the technology was there, but the practical application was missing- chewinggum.com?????. Well, in 2003, the congress approved a technology that allows checks to be cleared via an image, also known as a substitute check, instead of the actual paper check themselves. Instead of your

checks being flown all over the country, images can now be electronically transmitted to be cleared. This now allows SCVBank to offer Remote Deposit Capture to our qualifying business customers. Customers can scan their business checks at their convenience from their own place of business- they don't have to drive to the bank. We have hired Georgina Walter to be the

program manager for the product. She is a veteran banker, and truly believes in exceptional customer service. Give her a call (661-255-9250), or your local bank representative, for more information.



No Sub Primes at This Community Bank

The Independent Community Bankers of America (ICBA) recently said that in spite of turmoil in the credit markets, community banks are financially stable and healthy with money to lend to consumers and small businesses.

"Wall Street may be suffering but Main Street's community banks are in solid shape and open for business," said Camden Fine, ICBA president and CEO. "Community banks are the foundation of our nation's diversified financial system. A credit crunch like we're seeing now is exactly why the nation needs the community banking industry - to ensure that credit remains consistently and widely

available in good times and bad. Today, consumers and communities can continue to rely on community banks for their financial needs."

Most community bank's, especially in California, don't originate single family mortgages, let along sub prime mortgages. At SCVBank, our loan portfolio is comprised of commercial real estate and business loans, a few consumer loans, and a few home equity lines. All the loans are completely analyzed- "stated income" is not in our vocabulary. We are proud of the contributions we have made to the economic growth in the areas we serve while maintaining a very strong loan portfolio. Virtually all of our loans

remain in our portfolio- in other words, we aren't selling the credit risk off to some other party. We also don't need to sell our loans to continue to make other loans.

At SCVBank, our loan philosophy is relationship based. We're seeking long-term relationships with our customers. Our loans are structured to insure the funds are used to benefit the borrower in the long-term - we are not looking to just take the commission and run. Allow us to structure your business lending needs.



Check Your Credit Score

Roughly 70% of Americans fail to pay off their credit card balances in full each month. There has also been a significant rise in the number of consumers facing interest rates over 25%, possibly as a result of late payments or exceeding credit limits.* Do you know how these and other credit situations affect your credit rating?

Knowing your credit score and understanding its significance are important because the number can directly affect the interest rates you pay for mortgages, car loans, and credit cards.

The first step to maintaining solid credit is staying informed. You can keep track of your credit history by requesting a free copy of your credit report at

www.annualcreditreport.com
All consumers are entitled to one free credit report a year from each of the national credit-reporting agencies – Equifax, Experian, and TransUnion.

The exact formula used in calculating your credit score remains a mystery, but there are several important factors to be aware of. Payment history is probably the most important factor. A single late payment can have a negative effect on your credit. Consider setting up automatic payments that can be withdrawn directly from your bank account.

The amount of credit you use is also a consideration. High balances on credit cards, carried over month after month, can lower your credit

score. You should generally keep a debt load that is well below your credit limit.

Your credit score may be one of the most important numbers of your financial life. Stay informed and use your knowledge to help improve your financial situation.

*The Wall Street Journal, January 25, 2007



SCVBank™ Information

Santa Clara Valley Bank's stock is traded on the Over the Counter Bulletin Board with market symbol SCVE.OB.

Stock Information

Howe Barnes Hoefler & Arnett

Michael S. Hedrei

(800)774-8723

(415)538-5749

mhedrei@howebarnes.com

Wedbush Morgan Securities

Lisa Gallo

(866)491-7828

lisa.gallo@wedbush.com



Member FDIC

Santa Paula Branch

901 East Main Street
Santa Paula, CA 93060
(805)525-1999

Fillmore Branch

527 Sespe Avenue
Fillmore, CA 93015
(805)524-1999

Valencia Branch

24300 Town Center Drive Suite 100
Valencia, CA 91355
(661)255-9250

www.scvbank.com