



Comptroller of the Currency
Administrator of National Banks

Western District Office
1225 17th Street, Suite 300
Denver, Colorado 80202
720-475-7650; Fax: 720-475-7691

Conditional Approval #743
June 2006

May 3, 2006

Mr. Keith T. Holmes
King, Holmes, Paterno & Berliner, LLP
1900 Avenue of the Stars, 25th Floor
Los Angeles, California 90067-4506

Re: Proposed Reorganization of Canyon National Bank, Palm Springs, California
under 12 U.S.C. § 215a-2
OCC Control Number: 2006-WE-12-0062

Dear Mr. Holmes:

The Comptroller of the Currency (OCC) conditionally approved the application to reorganize Canyon National Bank, Palm Springs, California to become a subsidiary of a bank holding company. This approval is granted based on a thorough review of all information available, including commitments and representation made in the application and those of your representatives.

Additionally, the OCC's approval is subject to the following:

This approval is conditioned on continued compliance by the Agua Caliente Band of Cahuilla Indians (Tribe) with its Commitment Letter with the OCC signed on February 6, 1998, which addresses Federal banking agency jurisdiction over and the applicability of Federal banking laws to the Tribe and activities and transactions between the Tribe and the Bank, and which includes an irrevocable waiver of sovereign immunity by the Tribe and its affiliates.

Please be advised that the above condition shall be deemed to be "a condition imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 USC 1818(b)(1).

Canyon National Bank
Palm Springs, California
OCC Control No.: 2006-WE-12-0062

The Licensing district office must be advised in writing in advance of the desired effective date of the reorganization transaction so it may issue the necessary certification letter. The OCC will issue a letter certifying consummation of the transaction when we receive:

- An executed Plan of Reorganization Agreement.
- A secretary's certification that shareholder approval was obtained, indicating the percentage of shares voted in favor of the transaction.
- A certification that the Board of Governors of the Federal Reserve System approved the transaction.

If the transaction is not consummated within one year from this approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

This approval, and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

We have enclosed a letter requesting your feedback on how we handled your application. We would appreciate your response to improve our service.

If you have any questions, please contact Licensing Analyst Sherry R. Gorospe at (720) 475-7650 or by email at sherry.gorospe@occ.treas.gov.

Sincerely,

signed

James A. Bundy
Acting Director for District Licensing

Enclosure: Survey