

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2009

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: **Bank of Napa, N.A.**

(Exact name of registrant as specified in its charter)

California

TIN #: 20-2314309

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

2007 Redwood Road, Ste 101

(Address of principal executive offices)

94558

(Zip Code)

707 257-7777

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ___ No ___

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer _____ Accelerated filer _____

Non-accelerated filer _____ Smaller reporting company **X**

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ___ No ___

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

BANK OF NAPA, N.A.

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BANK OF NAPA, N.A.

CONDENSED STATEMENTS OF CONDITION

December 31, 2008 and March 31, 2009

	March 31, 2009	December 31, 2008
ASSETS	(unaudited)	
Cash and due from banks	\$ 8,243,007	\$ 3,678,377
Federal funds sold	-	-
TOTAL CASH AND CASH EQUIVALENTS	8,243,007	3,678,377
Investment securities, available-for-sale	6,780,840	9,140,327
Loans, net of deferred costs	51,782,111	46,664,164
Allowance for loan losses	(628,000)	(528,000)
Loans, net	51,154,111	46,136,164
Premises and equipment, net	807,542	843,345
Correspondent bank stock, at cost	858,202	857,190
Interest receivable and other assets	372,728	336,270
TOTAL ASSETS	\$ 68,216,430	\$ 60,991,673
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Non-interest bearing demand	\$ 10,424,421	\$ 9,145,233
Interest bearing demand	4,748,501	4,180,555
Money market	17,515,873	16,212,990
Savings	1,308,576	1,157,375
Time, less than \$100,000	6,342,110	4,492,615
Time, \$100,000 or more	10,859,032	8,532,458
TOTAL DEPOSITS	51,198,513	43,721,226
Interest payable and other liabilities	316,522	257,599
TOTAL LIABILITIES	51,515,035	43,978,825
Commitments and contingencies	-	-
Stockholders' Equity:		
Common stock - 30,000,000 shares authorized, \$5.00 par value, 2,288,884 issued and outstanding in 2009; 2,288,884 issued and outstanding in 2008.	11,442,233	11,442,233
Additional Paid in Capital	11,850,634	11,803,598
Accumulated deficit	(6,681,248)	(6,484,614)
Accumulated other comprehensive income	89,776	251,631
TOTAL STOCKHOLDERS' EQUITY	16,701,395	17,012,848
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 68,216,430	\$ 60,991,673

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

BANK OF NAPA, N.A.

CONDENSED STATEMENTS OF OPERATIONS
For Three Months Ended March 31, 2007, 2008 and 2009
(unaudited)

	2009	2008	2007
INTEREST INCOME			
Interest and fees on loans	\$ 712,339	\$ 239,212	\$ 50,134
Interest on investment securities	77,571	186,739	-
Interest on federal funds sold	197	98,881	307,589
Other interest income	8,728	10,479	857
TOTAL INTEREST INCOME	798,835	535,311	358,580
INTEREST EXPENSE			
Interest on deposits	165,887	150,149	64,152
Interest on other borrowings	7	-	-
TOTAL INTEREST EXPENSE	165,894	150,149	64,152
NET INTEREST INCOME	632,941	385,162	294,428
Provision for loan losses	100,000	94,000	20,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	532,941	291,162	274,428
NON-INTEREST INCOME			
Gain on sale of securities	111,250	15,623	-
Service charges and other non-interest income	33,196	18,976	5,515
TOTAL NON-INTEREST INCOME	144,446	34,599	5,515
NON-INTEREST EXPENSE			
Salaries and benefits	486,129	422,916	373,930
Occupancy expense	115,595	113,652	104,818
Professional services	67,545	55,675	59,266
Data processing expense	73,553	59,569	48,674
Marketing	17,877	9,152	25,353
Other expenses	112,522	88,219	73,152
TOTAL NON-INTEREST EXPENSE	873,221	749,183	685,193
LOSS BEFORE INCOME TAXES	(195,834)	(423,422)	(405,250)
Income taxes	800	800	800
NET LOSS	\$ (196,634)	\$ (424,222)	\$ (406,050)
NET LOSS PER BASIC SHARE	\$ (0.09)	\$ (0.19)	\$ (0.18)

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

BANK OF NAPA, N.A.

**CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY and
COMPREHENSIVE LOSS**

**December 31, 2006 to December 31, 2008, (audited)
and the Three Month Period Ending March 31, 2009, (unaudited)**

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total	
	Comprehensive Loss	Shares					Amount
Balance at December 31, 2006		2,288,634	\$11,440,670	\$ 11,458,390	\$ (3,040,761)	\$ -	\$ 19,858,299
Stock-Based Compensation		-		142,362			142,362
Exercise of stock warrants		250	1,563	1,562			3,125
Comprehensive income:							
Net Loss	(2,026,577)				(2,026,577)		(2,026,577)
Other comprehensive income:							
Unrealized holding gain/(loss) on securities available- for-sale arising during the year	41,508					41,508	41,508
Total Comprehensive Loss	<u>\$(1,985,069)</u>						
Balance at December 31, 2007		2,288,884	\$11,442,233	\$ 11,602,314	\$ (5,067,338)	\$ 41,508	\$ 18,018,717
Stock-Based Compensation		-		201,284			201,284
Comprehensive income:							
Net Loss	(1,417,276)				(1,417,276)		(1,417,276)
Other comprehensive income:							
Unrealized holding gain/(loss) on securities available- for-sale arising during the year	280,130					280,130	280,130
Less: reclassification adjustment for gain included in net loss	(70,007)					(70,007)	(70,007)
Total Comprehensive Loss	<u>\$(1,207,153)</u>						
Balance at December 31, 2008		2,288,884	\$11,442,233	\$ 11,803,598	\$ (6,484,614)	\$ 251,631	\$ 17,012,848
Stock-Based Compensation		-		47,037			47,037
Comprehensive income:							
Net Loss	(196,634)				(196,634)		(196,634)
Other comprehensive income:							
Unrealized holding (loss)/gain on securities available- for-sale arising during the year	(50,605)					(50,605)	(50,605)
Less: reclassification adjustment for gain included in net loss	(111,250)					(111,250)	(111,250)
Total Comprehensive Loss	<u>\$ (358,489)</u>						
Balance at March 31, 2009		2,288,884	\$11,442,233	\$ 11,850,634	\$ (6,681,248)	\$ 89,776	\$ 16,701,395

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

BANK OF NAPA, N.A.
CONDENSED STATEMENTS OF CASH FLOWS
For the Three Month Period Ending March 31,
(unaudited)

	<u>2009</u>	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES			
Net loss	\$ (196,634)	\$ (424,222)	\$ (406,050)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation and amortization	43,481	43,739	37,718
Amortization and accretion on securities	18,532	32,586	-
Gain on sale of securities available-for-sale	(111,250)	(15,623)	-
Provision for loan losses	100,000	94,000	20,000
Stock based compensation expense	47,037	52,848	36,022
Net change in interest receivable and other assets	(36,458)	(128,219)	(76,666)
Net change in interest payable and other liabilities	58,923	(45,209)	39,873
NET CASH USED BY OPERATING ACTIVITIES	<u>(76,369)</u>	<u>(390,100)</u>	<u>(349,103)</u>
INVESTING ACTIVITIES			
Purchases of securities available-for-sale	(2,447,856)	(12,601,762)	-
Proceeds of matured, sold and called securities available-for-sale	4,738,205	3,679,240	-
Net change in loans	(5,117,947)	(7,056,098)	(3,620,534)
Purchase of premises and equipment	(7,678)	(8,386)	(7,324)
Purchase of correspondent bank stock	(1,012)	(933)	(63,257)
NET CASH USED BY INVESTING ACTIVITIES	<u>(2,836,288)</u>	<u>(15,987,939)</u>	<u>(3,691,115)</u>
FINANCING ACTIVITIES			
Net changes in deposits	7,477,287	5,996,271	4,875,549
Proceeds from exercise of warrants	-	-	1,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>7,477,287</u>	<u>5,996,271</u>	<u>4,876,549</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>4,564,630</u>	<u>(10,381,768)</u>	<u>836,331</u>
Cash and cash equivalents at beginning of year	3,678,377	18,514,926	23,733,842
Cash and cash equivalents at end of the period	<u>\$ 8,243,007</u>	<u>\$ 8,133,158</u>	<u>\$ 24,570,173</u>
Supplemental disclosures of cash flow information:			
Interest paid	<u>\$ 451,836</u>	<u>44,029</u>	<u>\$ 51,000</u>
Income taxes paid	<u>\$ 800</u>	<u>800</u>	<u>\$ 800</u>
Supplemental disclosure of noncash activities:			
Net change in unrealized gains and losses on available-for-sale securities	<u>\$ (161,855)</u>	<u>\$ 107,376</u>	<u>\$ -</u>

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

BANK OF NAPA, N.A.
Notes to Financial Statements - (Unaudited)

NOTE 1 - Organization and Summary of Significant Accounting and Reporting Policies

The accounting and reporting policies of Bank of Napa, N.A. (the Bank) conform to generally accepted accounting principles and general practices within the banking industry. A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

On May 21, 2005 an Application for Authority to Organize the Bank of Napa, National Association (the "Bank") was filed with the Office of the Comptroller of the Currency ("OCC"). The OCC approved the application on November 7, 2005, and the Bank's Articles of Association and Organization Certificate were adopted by the Bank's organizing group on December 1, 2005, and filed with the OCC thereby establishing the Bank's corporate existence.

The Bank commenced operations on August 14, 2006. Prior to August 14, 2006 the Bank obtained a final Certificate of Approval from the OCC, received deposit insurance from the Federal Deposit Insurance Corporation, became a member of the Federal Reserve System, and sold 2,288,634 shares of its common stock. The Bank engages in commercial banking activities to deliver its products and services to the public through one branch located in Napa County, California.

The Bank was in the organizational stage from December 3, 2003 to August 14, 2006, the date the operations commenced. During this period activities consisted primarily of the organizational and pre-opening activities necessary to obtain regulatory approvals, preparing for the common stock offering to capitalize the Bank, acquiring facilities, and preparing to commence business as a financial institution.

To capitalize the Bank, its organizers sold 2,288,634 shares of the common stock of the Bank at \$10 per share. A warrant to purchase one share of common stock for \$12.50 was issued for every five shares of common stock a purchaser acquired in the initial offering. The organizers and directors of the Bank purchased 325,477 shares of common stock in the offering.

In addition to the common stock and warrants purchased in the offering, the Bank issued the organizers an additional 159,000 warrants to purchase common stock at the offering price.

The Bank adopted an Equity Incentive Plan to grant both incentive and non-qualified stock options to its organizers, directors, consultants, executive officers and employees. The bank has reserved 388,000 shares of common stock for issuance under the Equity Incentive Plan.

BANK OF NAPA, N.A.

NOTE 1 - Organization and Summary of Significant Accounting and Reporting Policies - Continued

Estimates – In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for loan losses. In connection with determining the allowance for loan losses, management obtains independent appraisals for significant properties held as collateral.

Recent Accounting Pronouncements

On October 10, 2008 the Financial Accounting Standards Board, (FASB) issued FASB Staff Position (FSP) 157-3, *Determining the Fair Value of a Financial Asset When the Market for that Asset Is Not Active*, which provides an example that illustrates key considerations in determining the fair value of a financial asset when the market for that asset is not active. FSP 157-3 provides clarification for how to consider various inputs in determining fair value under current market conditions consistent with the principles of Statement of Financial Accounting Standard, (SFAS) 157. FSP 157-3 became effective upon issuance. The adoption of SFAS 157 has not impacted the Bank.

On March 19, 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB No. 133* (SFAS 161). SFAS 161 requires expanded qualitative, quantitative and credit-risk disclosures about derivatives and hedging activities and their effects on the Bank's financial position, financial performance and cash flows. SFAS 161 also clarifies that derivatives are subject to credit risk disclosures as required by SFAS No. 107, *Disclosures about Fair Value of Financial Instruments.* SFAS 161 is effective for the Bank's financial statements for the year beginning on January 1, 2009. The adoption of Statement 161 has not impacted the Bank.

On December 4, 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations* (SFAS 141R). SFAS 141R modifies the accounting for business combinations and requires, with limited exceptions, the acquirer in a business combination to recognize 100 percent of the assets acquired, liabilities assumed, and any non-controlling interest in the acquiree at the acquisition-date fair value. In addition, SFAS 141R requires the expensing of acquisition-related transaction and restructuring costs, and certain contingent assets and liabilities acquired, as well as contingent consideration, to be recognized at fair value. SFAS 141R also modifies the accounting for certain acquired income tax assets and liabilities. SFAS 141R is effective for new acquisitions consummated on or after January 1, 2009 and earlier adoption is not permitted. The adoption of Statement 141R has not impacted the Bank.

In April, 2009, the FASB amended SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*, to require disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies as well as in annual financial statements. Also amended was Accounting Principles Board (APB) Opinion No. 28, *Interim Financial Reporting*, to require those disclosures in summarized financial information at interim reporting periods. This amendment shall be effective for interim reporting periods ending after June 15, 2009, with early adoption permitted for periods

BANK OF NAPA, N.A.

NOTE 1 - Organization and Summary of Significant Accounting and Reporting Policies - Continued

ending after March 15, 2009. An entity may early adopt this SFAS only if it also elects to early adopt SFAS 157-4,

Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly, and SFAS 115-2 and SFAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments*. This SFAS does not require disclosures for earlier periods presented for comparative purposes at initial adoption. In periods after initial adoption, this SFAS requires comparative disclosures only for periods ending after initial adoption. The Bank will adopt these amendments for the interim reporting period ending June 30, 2009. The adoption of SFAS107-1 and APB 28-1 will have no impact on the Bank.

In April, 2009, the FASB issued SFAS 115-2 and SFAS 124-2, the other-than-temporary impairment guidance in U.S. GAAP for debt securities to make the guidance more operational and to improve the presentation and disclosure of other-than-temporary impairments on debt and equity securities in the financial statements. This FSP does not amend existing recognition and measurement guidance related to other-than-temporary impairments of equity securities. The objective of an other-than-temporary impairment analysis under existing U.S. generally accepted accounting principles (GAAP) is to determine whether the holder of an investment in a debt or equity security for which changes in fair value are not regularly recognized in earnings (such as securities classified as held-to-maturity or available-for-sale) should recognize a loss in earnings when the investment is impaired. An investment is impaired if the fair value of the investment is less than its amortized cost basis. The adoption of SFAS 115-2 and SFAS 124-2 will have no impact on the Bank

In April, 2009, the FSP 157-4 provided additional guidance for estimating fair value in accordance with FASB Statement No. 157, *Fair Value Measurements*, when the volume and level of activity for the asset or liability have significantly decreased. This FSP also includes guidance on identifying circumstances that indicate a transaction is not orderly. This FSP emphasizes that even if there has been a significant decrease in the volume and level of activity for the asset or liability and regardless of the valuation technique(s) used, the objective of a fair value measurement remains the same. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. This FSP applies to all assets and liabilities within the scope of accounting pronouncements that require or permit fair value measurements, except as discussed in paragraphs 2 and 3 of Statement 157. This will have no impact on the Bank.

The Bank's unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all information and footnotes normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States of America. Accordingly, these financial statements should be read in conjunction with the audited financial statements

BANK OF NAPA, N.A.

NOTE 1 - Organization and Summary of Significant Accounting and Reporting Policies - Continued

and notes thereto for the year ended December 31, 2008. The financial statements reflect all adjustments, that in the opinion of Management, are necessary for the fair presentation of interim periods. All such adjustments are of a normal recurring nature.

Results of operations for interim periods are not necessarily indicative of results for the full year.

NOTE 2 - Cash and cash equivalents

Cash and cash equivalents include cash on hand, amounts due from banks, money market funds, and federal funds sold. Generally, federal funds are sold for one-day periods. The Bank maintains the minimum required amount of funds on deposit with other federally insured financial institutions under correspondent banking agreements. Generally, banks are required to maintain non-interest bearing cash reserves equal to a percentage of certain deposits. For the period ended March 31, 2009, no reserve balance was required.

NOTE 3 - Investment Securities

Investment securities consist of U.S. agency securities and obligations of states and political subdivisions and other securities. At the time of purchase of a security, the Bank designates the security as held-to-maturity or available-for-sale, based on its investment objectives, operational needs, and intent to hold. The Bank does not purchase securities with the intent to engage in trading activity. Held-to-maturity securities are recorded at amortized cost, adjusted for amortization of premiums or accretion of discounts. The Bank did not have any investments in the held-to-maturity portfolio at March 31, 2009 or December 31, 2008. Securities available-for-sale are recorded at fair value with unrealized holding gains or losses, net of the related tax effect, reported as a separate component of stockholders' equity until realized. A decline in the market value of any security available-for-sale or held-to-maturity below cost that is deemed other than temporary results in a charge to earnings and the corresponding establishment of a new cost basis for the security. Amortization of premiums and accretion of discounts on debt securities are included in interest income over the life of the related security held-to-maturity or available-for-sale using the effective interest method. Dividend and interest income are recognized when earned. Realized gains and losses for securities classified as available-for-sale and held-to-maturity are included in earnings and are derived using the specific identification method for determining the cost of securities sold.

Federal Home Loan Bank ("FHLB") and Federal Reserve Bank ("FRB") 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. Because this stock is viewed as a long term investment, impairment is based on ultimate recovery of par value. Both cash and stock dividends are reported as income. The FHLB announced that it will not pay any dividends for the first quarter of 2009. It is uncertain when or if the FHLB will resume paying dividends.

BANK OF NAPA, N.A.

NOTE 3 - Investment Securities - Continued

The Bank is also member of the FRB. FRB stock is classified as a restricted security, and cash dividends are reported as income.

At March 31, 2009, the Bank's investment portfolio, comprised of U.S. Government agency securities and taxable municipal bonds, had an amortized cost of approximately \$6,691,000. The maturity of these securities ranges from three months to twenty-eight years, and the average life of the portfolio is 3.90 years.

Following is a comparison of the amortized cost and approximate fair value of securities available-for-sale as of March 31, 2009 and December 31, 2008:

March 31, 2009				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agency securities	\$ 2,557,427	\$ 59,818	\$ -	\$ 2,617,245
Taxable Municipal Securities	4,133,638	37,280	(7,323)	4,163,595
	\$ 6,691,065	\$ 97,098	\$ (7,323)	\$ 6,780,840
December 31, 2008				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government agency securities	\$ 7,200,573	\$228,637	\$ -	\$ 7,429,210
Taxable Municipal Securities	1,688,123	22,994	-	1,711,117
	\$ 8,888,696	\$251,631	\$ -	\$ 9,140,327

During the three months ended March 31, 2009 and 2008, the Bank received proceeds in the amount of \$4,738,205 and \$1,018,472 and realized a gain in the sale of U.S. Government agency securities in the amount of \$111,250 and \$15,623, respectively.

NOTE 4 - Loans and allowance for loan losses

Loans are reported at the principal amount outstanding, net of deferred loan fees and costs, and the allowance for loan losses. Interest on loans is calculated by using the simple interest method on the daily balance of the principal amount outstanding.

Loans on which the accrual of interest has been discontinued are designated as non-accrual loans. Accrual of interest on loans is discontinued either when reasonable doubt exists as to the full and timely collection of interest or principal or when a loan becomes contractually past due by ninety days or more with respect to interest or principal. When a loan is placed on non-accrual status, all interest previously accrued but not collected is reversed against current period interest income. Income on such loans is then recognized only to the extent that cash is received and where the future collection of principal is probable. Interest accruals are resumed on such loans only when they are brought fully current with respect to interest and principal and when, in the judgment of management, the loans are estimated to be fully collectible. A loan that is more than 90 days delinquent may continue to accrue interest if the loan is well collateralized and in process of collection or renegotiation.

BANK OF NAPA, N.A.

NOTE 4 - Loans and allowance for loan losses - Continued

Major classifications of loans at March 31, 2009 and December 31, 2008 are as follows:

Loan category	March 31, 2009		December 31, 2008	
	Amount	Percent of Total	Amount	Percent of Total
Agricultural Loans	\$ 523,835	1.0%	\$ 516,835	1.1%
Construction and land development	4,047,417	7.8%	3,744,944	8.0%
Commercial	12,305,481	23.9%	11,079,863	23.9%
Real Estate	34,271,240	66.3%	30,709,557	66.0%
Installment and other	507,496	1.0%	483,265	1.0%
Total Gross Loans	51,655,469	100.0%	46,534,464	100.0%
Deferred loan fees and costs, net	126,642		129,700	
Allowance for loan losses	(628,000)		(528,000)	
Net Loans	\$ 51,154,111		\$ 46,136,164	

The allowance for loan losses is established through a provision for loan losses charged to expense. Loans are charged against the allowance for loan losses when management believes that the collectibility of principal is unlikely. The allowance is an amount that management believes will be adequate to absorb losses inherent in existing loans, based on evaluations of collectibility and prior loss experience of loans. The evaluations take into consideration such factors as changes in the nature and volume of the portfolio, overall portfolio quality, loan concentrations, specific problem loans, and current economic conditions that may affect the borrower's ability to pay.

	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008
Allowance for loan losses:		
Balance at the beginning of the period	\$ 528,000	\$ 111,000
Loans charged off	-	-
Recoveries	-	-
Provisions	100,000	94,000
Balance at the end of the period	\$ 628,000	\$ 205,000

Impaired loans, as defined, are measured based on the present value of expected future cash flows discounted at the respective loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent. The Bank considers a loan impaired when it is probable that all amounts of principal and interest due, according to the contractual terms of the loan agreement, will not be collected, which is the same criteria used for the transfer of loans to non-accrual status. Interest income is recognized on impaired loans in the same manner as non-accrual loans. At March 31, 2009 and March 31, 2008, the Bank did not have any impaired loans.

BANK OF NAPA, N.A.

NOTE 5 - Premises and equipment

Premises and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method.

The estimated lives used in determining depreciation and amortization are:

Equipment	2 – 7 years
Furniture and fixtures	2 – 7 years
Leasehold improvements	10 years
Data Processing and computers	2 - 7 years

Leasehold improvements are amortized over the lesser of the useful life of the asset or the term of the lease. The straight-line method of depreciation is followed for all assets for financial reporting purposes, but accelerated methods are used for tax purposes.

	March 31, 2009	December 31, 2008
Leasehold improvements	\$ 727,049	\$ 727,049
Furniture, fixtures, and equipment	351,883	344,202
Data Processing and Computers	172,938	172,939
	<u>1,251,870</u>	<u>1,244,190</u>
Less: Accumulated depreciation and amortization	(444,328)	(400,845)
	<u>\$ 807,542</u>	<u>\$ 843,345</u>

NOTE 6 – Income taxes

The Bank uses the asset and liability method to account for income taxes. Under such method, deferred tax assets and liabilities are recognized for the future tax consequences of differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases (temporary differences). Deferred tax assets and liabilities are reflected at currently enacted income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes in the period of enactment.

A valuation allowance is established to the extent that it is not more likely than not, that the benefits associated with the deferred tax assets will be fully realized. As of March 31, 2009 and December 31, 2008, the Bank has a 100% valuation allowance equal to the amount of its net deferred tax asset.

BANK OF NAPA, N.A.**NOTE 7 - Net Loss Per Common Share**

Basic loss per common share is calculated by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted earnings per share are not presented when a loss occurs because the conversion of common stock equivalents to potential common stock is anti-dilutive.

	Three Months Ended March 31		
	2009	2008	2007
Net income (loss)	\$ (196,634)	\$ (424,222)	\$ (406,050)
Weighted average shares used in computing:			
Basic earnings per share	2,288,884	2,288,884	2,288,884
Total average shares and equivalents	<u>2,288,884</u>	<u>2,288,884</u>	<u>2,288,884</u>
Basic EPS	\$ (0.09)	\$ (0.19)	\$ (0.18)

NOTE 8 – Related Party Transactions

The Bank, in the normal course of business, makes loans to and receives deposits from its directors, officers, principal stockholders and their associates. In management's opinion, these transactions are on substantially the same terms as comparable transactions with other customers of the Bank. The Bank's related party loan and deposit activity at March 31, 2009 is summarized below:

Aggregate amount outstanding, December 31, 2008	\$2,178,803
New loans or advances during the period	221,480
Repayments during the period	<u>167,258</u>
Aggregate amount outstanding, March 31, 2009	<u>\$2,233,025</u>
Loan commitments	\$2,841,889
Related party deposits	\$1,786,210

BANK OF NAPA, N.A.

Note 9 – Fair Value Measurement

SFAS No. 157 defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurement. Upon adoption of SFAS No. 157, there was no cumulative effect adjustment to beginning retained earnings and no impact on the financial statements.

The following table presents information about the Bank’s assets measured at fair value on a recurring basis as of March 31, 2009, and indicates the fair value hierarchy of the valuation techniques utilized by the Bank to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank has the ability to access. Fair values determined by Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Bank’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Description	Fair Value March 31, 2009	Fair Value Measurements at March 31, 2009, Using		
		Quoted Prices in Active Markets Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment securities, available-for-sale	\$ 6,780,840	\$ -	\$ 6,780,840	\$ -
Total assets measured at fair value	\$ 6,780,840	\$ -	\$ 6,780,840	\$ -

Investment securities - Fair values for investment securities are based on quoted market prices when available or through the use of alternative approaches, such as matrix or model pricing when market quotes are not readily accessible or available.

BANK OF NAPA, N.A.

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Information contained herein may contain certain forward-looking statements that are based on management's current expectations regarding economic, legislative, and regulatory issues that may impact the Bank's earnings in future periods. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "intend," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values, and competition; changes in accounting principles, policies or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory and technological factors affecting the Bank's operations, pricing, products and services. The Bank undertakes no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

Results of Operations

The bank's total deposits at March 31, 2009 were \$51.2 million, an increase from the same period last year of \$19.7 million or 62.5%. Loan balances at the end of the first quarter of 2009 were \$51.8 million, an increase of \$32.5 million or 59.4%. The Bank had total assets of \$68.2 million at March 31, 2009, representing an \$18.7 million or 37.8% increase since March 31, 2008.

For the three months ended March 31, 2009, the Bank reported a net loss of \$197,000 or \$.09 per share compared to a loss of \$424,000 or \$.19 per share and \$406,000 or \$.18 for the three months ended March 31, 2008 and 2007, respectively. The improvement of 53.5% in the first quarter 2009 over the same period in 2008 is attributable mostly to the increase in the net interest income of \$248,000 or 64.4%.

Net Interest Income

The table, Distribution of Average Statement of Condition and Analysis of Net Interest Income, compares income from interest earning assets with expense from interest bearing liabilities. The table also indicates net interest income, net interest margin, and net interest rate spread for each period presented. Interest income represents the interest earned by the Bank on its portfolio of loans, investment securities, and other short-term investments. Interest expense represents interest paid to the Bank's depositors and on borrowings. Net interest income is the difference between interest income and interest expense. The volume and mix of earning assets and interest bearing liabilities, as well as interest rate fluctuations caused by economic conditions, can significantly affect net interest income.

Through March 31, 2009, the Bank's net interest income before provision for loan losses was \$633,000 compared to \$385,000 and \$294,000 for the same periods in 2008 and 2007, respectively. The increase in total interest income from 2008 to 2009 was largely generated from an increase in loan volume. Interest expense of \$166,000 increased from \$150,000 as a result of increases in the volume of deposits for the three months ended March 31, 2009.

BANK OF NAPA, N.A.

The Bank's net interest margin as shown in Table 1, increased to 4.44% at March 31, 2009 from 3.45% at March 31, 2008, an increase of 99 basis points (100 basis points = 1%) between the two periods. The increase in the net interest margin is attributable to the shift of lower yielding assets to higher yielding assets; the shift from investments to loans.

Table 1. Distribution of Average Statement of Condition and Analysis of Net Interest Income for the Three Months Ended:

	March 31, 2009			March 31, 2008			March 31, 2007		
	Average Balance	Yield/ Cost	Income/ Expense	Average Balance	Yield/ Cost	Income/ Expense	Average Balance	Yield/ Cost	Income/ Expense
Assets									
Interest Earning Assets:									
Loans, gross	\$ 48,317,357	5.98%	\$ 712,339	\$ 14,043,184	6.85%	\$ 239,212	\$ 2,414,568	8.42%	\$ 50,134
Federal Funds Sold	293,667	0.27%	197	11,527,308	3.39%	98,881	23,889,611	5.15%	307,589
Debt Securities	8,605,272	3.61%	77,571	18,689,118	3.95%	186,739	-	NA	-
Other Securities	566,954	6.16%	8,728	688,016	6.03%	10,479	50,586	6.78%	857
Total Interest Earning Assets	57,783,250	5.61%	798,835	44,947,626	4.79%	535,311	26,354,765	5.52%	358,580
Non-Interest Earning Assets:									
Cash and Due From Banks	5,808,204			1,950,331			775,375		
All Other Assets	1,131,532			1,186,597			1,740,171		
Total Assets	\$ 64,722,986			\$ 48,084,554			\$ 28,870,311		
Liabilities and Equity									
Interest Bearing Liabilities:									
Interest-bearing demand	4,690,483	0.38%	4,391	2,520,562	0.99%	6,209	1,127,768	0.64%	1,787
Money Market	16,954,940	1.49%	62,224	13,698,762	2.43%	82,681	4,546,453	3.75%	42,047
Savings	1,237,772	0.42%	1,294	891,682	1.07%	2,383	449,703	1.18%	1,310
CDs < \$100K	5,101,941	2.61%	32,844	2,323,644	4.50%	25,976	749,990	4.54%	8,394
CDs ≥ \$100K	9,181,384	2.88%	65,134	2,802,268	4.72%	32,900	885,267	4.88%	10,614
Total Interest Bearing Deposits	37,166,520	1.81%	165,887	22,236,918	2.72%	150,149	7,759,181	3.35%	64,152
Other Borrowings	4,444	0.63%	7	-	0.00%	-	-	0.00%	-
Total Interest Bearing Liabilities	37,170,964	1.81%	165,894	22,236,918	2.72%	150,149	7,759,181	3.35%	64,152
Non-Interest Bearing Liabilities:									
Non-Interest Bearing Demand	10,351,970			7,688,712			1,149,427		
Other Liabilities	309,643			276,764			226,179		
Stockholders' Equity	16,890,409			17,882,160			19,735,524		
Total Liabilities and Equity	\$ 64,722,986			\$ 48,084,554			\$ 28,870,311		
Net Interest Margin/Net Interest Income		4.44%	632,941		3.45%	385,162		4.48%	294,428

Since December 31, 2008 through March 31, 2009, the total deposits of the Bank increased to \$51.2 million while earning assets (the combination of federal funds sold, securities and loans) totaled \$59.0 million, an increase of \$3.0 million or 5.36%. From December 31, 2007 to March 31, 2008, total deposits increased to \$31.5 million and earning assets totaled \$45.0 million, an increase of \$4.3 million or 10.6%.

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Table 2. Rate and Volume Analysis

	March 31, 2009 compared to March 31, 2008		
	Increase (decrease) due to change in		
	Average Volume	Average Rate	Total Change
Interest income			
Loans	\$ 505,035	\$ (31,908)	\$ 473,127
Federal funds sold	(8,537)	(90,147)	(98,684)
Investment securities	(91,100)	(18,068)	(109,168)
Other interest earning assets	(1,862)	111	(1,751)
Total interest income	<u>403,536</u>	<u>(140,012)</u>	<u>263,524</u>
Interest expense			
Interest-bearing demand	\$ 1,999	\$ (3,817)	\$ (1,818)
Savings and money market	12,295	(33,841)	(21,546)
Time under \$100,000	17,794	(10,926)	6,868
Time deposits \$100,000 or more	45,146	(12,912)	32,234
Interest on other borrowings	7	0	7
Total interest expense	<u>77,241</u>	<u>(61,496)</u>	<u>15,745</u>
Change in net interest income	<u>\$ 326,295</u>	<u>\$ (78,516)</u>	<u>\$ 247,779</u>

	March 31, 2008 compared to March 31, 2007		
	Increase (decrease) due to change in		
	Average Volume	Average Rate	Total Change
Interest income			
Loans	\$ 239,631	\$ (50,553)	\$ 189,078
Federal funds sold	97,200	(305,908)	(208,708)
Investment securities	186,739	0	186,739
Other interest earning assets	10,474	(852)	9,622
Total interest income	<u>534,044</u>	<u>(357,313)</u>	<u>176,731</u>
Interest expense			
Interest-bearing demand	\$ 6,224	\$ (1,802)	\$ 4,422
Savings and money market	85,427	(43,720)	41,707
Time deposits \$100,000 or more	32,989	(10,703)	22,286
Time under \$100,000	26,046	(8,464)	17,582
Total interest expense	<u>150,686</u>	<u>(64,689)</u>	<u>85,997</u>
Change in net interest income	<u>\$ 383,358</u>	<u>\$ (292,624)</u>	<u>\$ 90,734</u>

For the three months ended March 31, 2009, total interest income increased approximately \$264,000 or 49.3% compared to the three month period ended March 31, 2008. Earning asset volumes increased in loans while volumes decreased in federal funds sold and investment securities. The average rate earned on total average earning assets increased by 82 basis points. For the three months ended March 31, 2008, total interest income increased approximately \$177,000 or 50.2% compared to the three month period ended March 31, 2007. Earning asset volumes increased in loans and investment securities while volumes decreased in federal funds sold.

BANK OF NAPA, N.A.

Total interest expense increased approximately \$16,000 or 10.7% for the three months ended March 31, 2009 compared to three month period ended March 31, 2008. Between the two periods average interest-bearing liabilities increased by \$14.9 million, while the average rates paid on those liabilities decreased by 91 basis points. Total interest expense increased approximately \$86,000 or 134.4% for the three months ended March 31, 2008 compared to three month period ended March 31, 2007. Between the two periods average interest-bearing liabilities increased by \$14.5 million, while the average rates paid on those liabilities decreased by 63 basis points.

Allowance for Loan Losses

Provisions for loan losses are determined on the basis of management's periodic credit review of the loan portfolio. Based on the condition of the loan portfolio, management believes the allowance for loan losses is sufficient to cover risk elements in the loan portfolio. For the three months ended March 31, 2009, the provision to the allowance for loan losses amounted to \$100,000 compared to \$94,000 and \$20,000 for the three months ended March 31, 2008 and 2007, respectively. The amount provided to the allowance for loan losses during the first three months brought the allowance to 1.21% of net outstanding balances at March 31, 2009, compared to 1.13% and .91% of net loans outstanding at December 31, 2008 and 2007, respectively. Additionally, there are no loans which have been charged-off or loans that are on non accrual status for the three months ended March 31, 2009, 2008 and 2007.

Noninterest Income

Noninterest income for the quarter end March 31, 2009 increased by \$110,000 or 317.5% over the same period in 2008 and \$10,000 or 527.4% from 2007 to 2008 for the quarter end March 31. The increase from 2009 over 2008 and 2008 over 2007 is attributable to the gain in the sale securities of \$111,000 and 16,000, respectively.

Noninterest Expense

The Bank recognized stock-based compensation expense of \$47,000, \$53,000 and \$18,000 for the quarters ended March 31, 2009, 2008 and 2007, respectively. This expense is included in noninterest expense under salaries and employee benefits.

The significant components of other expense includes supplies, insurance, regulatory fees and loan expenses which were approximately \$10,000, \$15,000, \$18,000 and \$13,000 respectively, in 2009, \$8,000, \$13,000, \$14,000 and \$20,000 respectively, in 2008 and \$16,000, \$12,000, \$13,000 and \$3,000 respectively, in 2007. The slight increase during the three years is attributable to normal growth of the Bank.

Data processing fees increased by \$14,000 for the first quarter-end 2009 compared to the same period in 2008, an increase of 23.5% which is attributable to volume increase in the number of accounts for the Bank. The increase for the same period ending in 2008 over 2007 increased by \$11,000 or 22.3%.

BANK OF NAPA, N.A.

Capital Adequacy

The Bank's capital adequacy ratios at March 31, 2009 and December 31, 2008 are presented in the following table. The ratios at March 31, 2009 as compared to December 31, 2008, declined, typical of de novo institutions. This is primarily due to the expected net loss the Bank incurred in the first quarter of 2009.

Capital ratios are reviewed by Management on a regular basis to ensure that capital exceeds the prescribed regulatory minimums and is adequate to meet the Bank's anticipated future needs. All ratios are in excess of the regulatory definition of "well capitalized".

	<u>Amount of Capital Required</u>					
	<u>Actual</u>		<u>To Be Adequately Capitalized</u>		<u>To Be Well-Capitalized</u>	
	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>
As of March 31, 2009						
Total capital to risk-weighted assets	\$ 17,240	30.8%	\$ 4,472	8.0%	\$ 5,590	10.0%
Tier 1 capital to risk-weighted assets	\$ 16,612	29.7%	\$ 2,236	4.0%	\$ 3,354	6.0%
Tier 1 capital to average assets	\$ 16,612	25.7%	\$ 2,589	4.0%	\$ 3,236	5.0%
As of December 31, 2008						
Total capital to risk-weighted assets	\$ 17,289	34.0%	\$ 4,072	8.0%	\$ 5,090	10.0%
Tier 1 capital to risk-weighted assets	\$ 16,761	32.9%	\$ 2,036	4.0%	\$ 3,054	6.0%
Tier 1 capital to average assets	\$ 16,761	27.7%	\$ 2,419	4.0%	\$ 3,023	5.0%

Liquidity

Liquidity refers to the Bank's ability to maintain cash flows sufficient to fund operations, and to meet obligations and other commitments in a timely and cost-effective fashion. At various times the Bank requires funds to meet short-term cash requirements brought about by loan growth or deposit outflows, the purchase of assets, or liability repayments. An integral part of the Bank's ability to manage its liquidity position appropriately is the Bank's large base of core deposits, which are generated by offering traditional banking services in its service area and which have, historically, been a stable source of funds. To manage liquidity needs properly, cash inflows must be timed to coincide with anticipated outflows or sufficient liquidity resources must be available to meet varying demands. The Bank manages liquidity to be able to meet unexpected sudden changes in levels of its assets or deposit liabilities without maintaining excessive amounts of balance sheet liquidity. Excess balance sheet liquidity can negatively impact the Bank's interest margin. In order to meet short-term liquidity needs, the Bank utilizes overnight Federal funds purchase arrangements with correspondent banks, solicits brokered deposits if deposits are not available from local sources and maintains a collateralized line of credit with the Federal Home Loan Bank (the "FHLB") of San Francisco. The Bank is now eligible to obtain credit equal to 15 percent of its total assets, with original terms out to 84 months. The Bank is also approved to borrow from the Federal Reserve Bank (the "FRB") Discount Window. In addition, the Bank can raise cash for temporary needs by selling securities under agreements to repurchase and selling securities available-for-sale.

BANK OF NAPA, N.A.

At March 31, 2009 the Bank had approximately \$8.2 million in cash equivalents. Management expects to be able to meet the liquidity needs of the Bank, primarily through balancing loan growth with corresponding increases in deposits and borrowings. The Bank also has unused unsecured formal lines of credit totaling \$10.0 million with its correspondent banks. The Bank had no borrowings outstanding with the FHLB or the FRB

Financial Instruments with Off-Balance Sheet Risk

The Bank makes commitments to extend credit in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit in the form of loans. The Bank uses the same credit policies in making commitments as it does for on-balance sheet instruments and evaluates each customer's creditworthiness on a case-by-case basis. As of March 31, 2009 the Bank had undisbursed loan commitments of \$13.4 million compared to \$7.0 million as of March 31, 2008. These commitments, to the extent used, are expected to be funded through repayment of existing loans and normal deposit growth.

BANK OF NAPA, N.A.

ITEM 4 CONTROLS AND PROCEDURES

The Bank maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be disclosed, is accumulated and communicated to management in a timely manner. Management has reviewed this system of disclosure controls and procedures as of the end of the period covered by this report and believes that the system is operating effectively to ensure appropriate disclosure. No significant changes were made in the Bank's internal controls over financial reporting during the quarter that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting.

PART II OTHER INFORMATION

Item 1 Legal Proceedings

There are no pending, or to management's knowledge any threatened, material legal proceedings to which the Bank is a party or to which any of the Bank's properties are subject.

Item 2 Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3 Defaults Upon Senior Securities

None.

Item 4 Submission of Matters to a Vote of Security Holders

None.

Item 5 Other Information

Item 6 Exhibits

The exhibit index following the signature page is incorporated by reference.

BANK OF NAPA, N.A.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Bank of Napa, National Association

Date: May 7, 2009

/s/M. Thomas LeMasters

M. Thomas LeMasters, President and CEO

Date: May 7, 2009

/s/Carmela D. Johnson

Carmela D. Johnson, Interim Chief Financial Officer and Interim Principal Financial Officer

BANK OF NAPA, N.A.

Exhibit Index

No.	Exhibit	Page
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	23
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	24
32	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	25

BANK OF NAPA, N.A.

EXHIBIT 31.1

Certification pursuant to Rule 13a-14(a)/15d-14(a) as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002.

I, M. Thomas LeMasters, Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Bank of Napa (the Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors:

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Dated: May 7, 2009

/s/ M. Thomas LeMasters
M. Thomas LeMasters
President and Chief Executive Officer

BANK OF NAPA, N.A.

EXHIBIT 31.2

Certification pursuant to Rule 13a-14(a)/15d-14(a) as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002.

I, Carmela D. Johnson, Interim Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-K of Bank of Napa (the Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors:

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Dated: May 7, 2009

/s/ Carmela D. Johnson
Carmela D. Johnson
Interim Chief Financial Officer

BANK OF NAPA, N.A.

Exhibit 32

**Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906
of the Sarbanes-Oxley Act of 2002**

In connection with the quarterly report on Form 10-Q of the Bank of Napa, N.A. for the quarter ended March 31, 2009, as filed with the Office of Comptroller of the Currency, the undersigned hereby certify pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- 1.) such Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2.) the information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ M. Thomas LeMasters

M. Thomas LeMasters
President and Chief Executive Officer

Date: May 7, 2009

/s/ Carmela D. Johnson

Carmela D. Johnson
Interim Chief Financial Officer

This certification accompanies each report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Registrant for purposes of §18 of the Securities Exchange Act of 1934, as amended.