

Directors

Dick Anderson

Greg Bennett

Michael Livingston

Malcolm A. Mackenzie

Joseph F. Malato

John K. Meras

LeRoy Moore, MD

Harold Moskowitz

Lisa R. Paul

D. Kent Payne

Ernest A. Rota

Executive Officer

M. Thomas LeMasters
Interim President and Chief Executive Officer,
Chief Financial Officer

Bank of Napa, N.A.

2007 Redwood Road Suite 101

Napa, CA 94558

707.257.7777

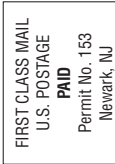
“TELEBANKER” – 888.299.6336

www.thebankofnapa.com

STOCK TRANSFER AGENT

Registrar and Transfer Company
Investor Relations Department
10 Commerce Drive
Cranford, NJ 07016-3572

800.368.5948
www.rtco.com



*c/o Registrar and Transfer Company
10 Commerce Drive, Cranford, New Jersey 07016*

BANK OF NAPA, N.A.



BANK OF NAPA, N.A.

Shareholder Update

Fall 2007

Shareholder Update



BANK OF NAPA, N.A.

www.thebankofnapa.com

The Bank of Napa Difference

There are a lot of banks in Napa, but there's only one Bank of Napa

You may have noticed a new slogan in our advertisements. "There are a lot of banks in Napa, but there's only one Bank of Napa." We feel this statement summarizes what makes BON unique. We are first and foremost a bank OF Napa. We are funded by local investors, overseen by a board of local business leaders, and managed by local banking experts.

The Bank of Napa was founded on the belief that Napa needs, deserves, and will embrace a bank dedicated to extraordinary, personal customer service. This letter is your update on how we are delivering on this promise, and how this promise is improving your bank's performance. Thank you for your continued support!

Tom LeMasters
Interim President and
Chief Executive Officer

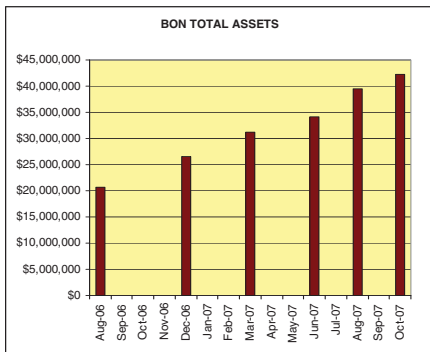
Dick Anderson
Chairman, Board of
Directors

Spirit Accounts Thriving

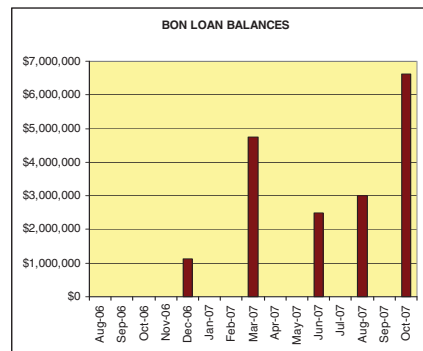
We have opened 77 Spirit accounts since beginning our Spirit Campaign in early September. The Spirit account is one of many account options available to customers, but is unique in that in addition to helping the bank to grow it supports our local high schools. Spirit account customers receive a service charge free checking account with custom checks bearing "their" school logo. The school with the most accounts at the end of the campaign will receive a donation from the bank. So far the score is: Napa 40, Vintage 37. If you want to score for your school, be sure to open "your" spirit account before our campaign ends on November 30th....."Go Team BON"

Growing Stronger

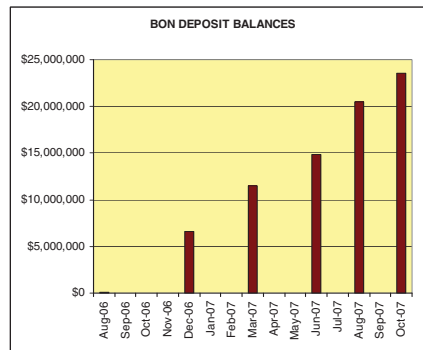
Thanks to those of you who attended our Annual Shareholder's Meeting on September 20th. For those of you who missed it, we have included a few of the charts used in the presentation. We have updated some of the numbers to give you a more current view as to our progress. We continue to enjoy a steady growth of loans, deposits, and total assets. Of particular note is the growth in the size of the bank. When we opened we were a \$20 million organization, and today we are more than double that size!



This type of growth would not be possible without great people. As you know, we started the bank with talented and experienced bankers. In August we complimented our staff by hiring three of the most experienced relationship managers in the Napa banking community: Diane Bishofberger, Lise Turner, and Ruth Appleby. Diane, Lise and Ruth each have over 20 years experience in local banking, and our growth has accelerated since they joined us. With Diane, Lise and Ruth joining Mike Spinelli, and the rest of the Bank of Napa team, we've got the best in the business.



Bank of Napa loan balances (above) and deposit balances (below) continue to grow!



Shareholder Relations

For those of you who watch the performance of our bank stock, you will note that our share price has experienced a significant decline. Bank of Napa shares, like many de novo community bank stocks, are thinly traded which means that there is little transaction volume. A thin stock is often characterized by low liquidity, a high spread between the bid and ask prices, and high volatility. When someone sells Bank of Napa stock our share price suffers more than would be the case for a more widely held security. Fortunately, the opposite is true as well. When we have buyers, our stock price will increase. As you know, most of our shareholders are local folks who invested in us "for the long term," and do not trade in our stock.

Additionally, many large and small commercial bank stocks have been negatively affected by concerns over the state of the economy, and the sub prime loan problem covered in the news. This is not the case with the Bank of Napa. Our balance sheet is sound, as we continue to make good loans, gather new deposits, and have a strong capital base. *We remain "bullish" on our bank, its business plan and its prospects for long term success, all of which will ultimately be reflected in our share price.*

As we stated frequently during our capital campaign, an investment in Bank of Napa common stock is one that should be viewed as a long term investment. However, if circumstances change and you wish to either buy or sell shares of the bank stock, you can do so by contacting one of our two market makers listed below. Bank of Napa's common stock is publicly traded and listed "OTC" under the symbol of BNNP.

Lisa Gallo, Vice President Wedbush Morgan Securities 4949 S.W. Meadows Rd. # 100 Lake Oswego, OR, 97035 866-491-7828	John Cavender, Vice President Howe Barnes Hofer & Arnett 555 Market St. 18th Floor San Francisco, CA 94105 800-346-5544
--	---

Many shareholders continue to ask how they can strengthen the bank. The answer is simple. Bank with us. Your deposits and loans will help the bank grow and that will in turn improve your investment. We have developed a simple acronym to help guide you in how to help the bank:

- B**ecome a Customer—move your accounts to Bank of Napa
 - O**ffer Assistance—tell us how we can improve our service to you and others
 - N**urture Referrals—tell your family, friends, and business colleagues about Bank of Napa
- Thank you for your support of Bank of Napa. We look forward to seeing you at our office.



BANK OF NAPA, N.A.