

**CHARTER FOR
THE CORPORATE GOVERNANCE, COMPENSATION AND NOMINATING
COMMITTEE
OF THE BOARD OF DIRECTORS
OF THE BANK OF NAPA, N.A.**

(As adopted by the Board of Directors on February 21, 2007, Last Approved May 25, 2011)

ESTABLISHMENT OF COMMITTEE

The Corporate Governance and Nominating Committee (“Committee”) shall be established by the Board of Directors of Bank of Napa, N.A. (“Bank”) and shall exist as a Committee under the Bank’s By-Laws and shall conduct its affairs in accordance with this Charter. This Charter shall be annually (or more frequently if recommended by the Committee) reviewed by the Bank’s Board of Directors. The Committee shall be comprised solely of Independent Directors, that is directors independent as defined by law or by the rules of the Office of the Comptroller of the Currency. Additionally, an Independent Director shall not be an employee of the Bank and shall be free of any relationship that, in the opinion of the Board, would interfere with his or her exercise of independent judgment as a Board or Committee member. The Committee shall consist of no fewer than three directors, each of whom shall be subject to annual reconfirmation and may be removed by the Board at any time.

PURPOSE:

Through this Charter, the Board delegates certain responsibilities to the Committee relating to: (1) the compensation of the Bank's CEO; (2) the compensation of other executive officers and non-employee directors; and (3) the oversight of the management of the Bank's Equity Incentive Plan as approved by the Bank's shareholders and various long-term incentive, and health and welfare plans that cover all employees.

The Committee shall establish the requirements and qualifications for members of the Board. The Committee, in consultation with the Chief Executive Officer, shall recommend candidates for nomination and election to the Bank’s Board of Directors.

RESPONSIBILITIES AND OBJECTIVES - COMPENSATION:

- In consultation with executive management of the Bank, establish the Bank's general compensation philosophy and oversee the development and implementation of compensation programs.
- Set bank goals used to determine cash bonuses paid and equity-based compensation awarded to the Bank's CEO and other executive officers;
- Evaluate the performance of the Chief Executive Officer and determine and recommend to the Board the base compensation level for the Chief Executive Officer,
- Review, at its discretion, the CEO's performance evaluation of the other executive

officers of the Bank and determine and recommend to the Board the base compensation level for each such officer;

- Review and recommend proposed payments of cash bonuses to the Bank's CEO and other executive officers under any incentive compensation plan adopted by the Board;
- Make awards of equity-based compensation to the CEO and other officers of the Bank under the Bank's Equity Incentive Plan;
- Review annually, the management of the Bank's pension, 401(k)/profit sharing, supplemental executive retirement, and health and welfare plans and submit to the Board for review.
- Review and recommend any severance or similar termination payments proposed to be made to any current or former officer;
- Review and recommend to the Board of Directors compensation of directors;
- Review and recommend to the Board of Directors the Bank's human resources policies, guidelines, procedures and practices for conformity with applicable governmental regulations and statutes.
- Review the compensation disclosures included in the Bank's annual proxy statement and prepare or cause to be prepared an annual report of the Committee on executive compensation to be included therein.

The Committee has delegated to executive management the responsibility for the determination of compensation of non-executive officers of the Bank. At the end of each year, executive management will provide the Compensation Committee with the total amount of incentive compensation to be paid to non-executive officers for the current year and the Bank's overall salary budget for the upcoming year.

DUTIES AND RESPONSIBILITIES - COMPENSATION

To carry out its mission, the Committee shall have the responsibilities set forth below.

- Overall Policy:*** The Committee shall conduct a periodic review of the Bank's general executive compensation policies and strategies and report and make recommendations to the Board with respect thereto.
- Bank Goals and Objectives:*** The Committee shall set bank goals and objectives used to determine cash bonuses paid and stock-based compensation awarded to the CEO and other executive officers.
- Executive Performance and Base Salary:*** The Committee shall evaluate the performance of the Chief Executive Officer and, subject to any existing

employment contracts, determine and recommend to the Board the CEO's base salary. In addition, the Committee can review the CEO's evaluation of each executive officer and, subject to any existing employment contracts, determine and recommend to the Board the base compensation level for each such officer.

- **Cash Bonuses:** The Committee shall periodically review the Bank's Incentive Compensation (Bonus) Plan and recommend changes, if deemed appropriate, to the Board of Directors. The Committee shall also review and recommend proposed payments of cash bonuses to the Bank's CEO and other executive officers under the Bank's Incentive Compensation Plan.
- **Stock-Based Compensation:** The Committee shall recommend to the Board for approval any changes that it deems appropriate to the Bank's stock-based compensation plans and will review and recommend to the Board for approval any new or successor plans. In addition, the Committee shall recommend to the Board awards of stock-based compensation to the CEO and other officers of the Bank under the Bank's stock-based compensation plans.
- **Other Benefits and Plans:** The Committee can conduct or cause to be conducted a periodic review of the Bank's pension, 401(k)/profit sharing, supplemental executive retirement and health and welfare plans.
- **Contracts:** The Committee shall review and recommend employment contracts, or compensation arrangements, for the CEO and other executive officers.
- **Director Compensation:** Compensation for non-employee directors will be determined by the Board on the recommendation of the Compensation Committee. Non-employee director compensation will be set at a level that is consistent with market practice, taking into account the size and scope of the Bank's business and the responsibilities of its directors. Compensation paid to non-employee directors for service on the Board may be paid in cash and/or stock-based compensation. Officer directors receive no separate compensation for their board service.
- **Annual Report:** The Committee shall review the compensation disclosures in the Bank's annual proxy statement and prepare or cause to be prepared an annual report on executive compensation to be included therein.
- **Reports to the Board:** The Committee will regularly report to the Board on its activities, findings and recommendations.
- **Additional Assignments:** The Committee shall perform such other functions as the Board may from time to time assign to the Committee.

RESPONSIBILITIES AND OBJECTIVES - GOVERNANCE

In carrying out the purpose set forth herein, the Committee shall:

- Identify and review candidates for the Board of Directors and, in consultation with the CEO, recommend to the full Board candidates for nomination and election to the Board or for appointment by the Board to fill a vacancy;
- Consider and evaluate director nominees proposed by shareholders;
- Evaluate Board performance and from time to time review the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board, including such factors as business experience, diversity and personal skills in finance, real estate capital markets, government regulation, financial reporting and other areas that are expected to contribute to an effective Board;
- Consider the impact of a material change in qualifications of a director arising from the retirement or a change in the principal occupation, position or responsibility of a director as such a change relates to continued service on the Board of Directors;
- Evaluate the effectiveness of the Board's committee structure and recommend to the full Board changes to committee structure or committee charters that the Committee perceives to be necessary;
- Recommend for Board approval appointments of committee members, and review committee chairpersons designated by the Chairman of the Board and recommend to the Board if appropriate;
- Recommend for Board approval to serve as Chairman of the Board and one independent director to serve as Lead Director.
- Review and assess compliance with the any policies applicable to members of the Board of Directors and recommend changes to such policies from time to time;
- Establish a director orientation and continuing education program;
- Have full access to the Bank's executives as necessary to carry out this responsibility;
- Perform any other activities consistent with this Charter, the Bank's By-Laws and governing law as the Board deems necessary or appropriate;
- Review the Committee Charter from time to time for adequacy and recommend any changes to the Board; and
- Report to the Board on the major items covered at each Committee meeting.

AUTHORITY

The Committee shall be given the resources and assistance necessary to discharge its responsibilities, including unrestricted access to senior management of the Bank and other employees and documents. The Committee shall also have the authority to engage outside advisers, as it deems necessary or appropriate. The Committee shall have sole authority to retain and dismiss any consultant or firm retained to advise the Committee on matters within its sphere of responsibility, including sole authority to approve the firm's fees and other retention terms.

MEETINGS:

The Committee will meet periodically as necessary to act upon any matter within its jurisdiction. A majority of the total number of members of the Committee shall constitute a quorum at all Committee meetings. A majority of the members of the Committee shall be empowered to act on behalf of the Committee. Minutes shall be kept of each meeting of the Committee.