



Comptroller of the Currency
Administrator of National Banks

Western District Office
50 Fremont Street, Suite 3900
San Francisco, CA 94105
415-545-5900
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January 13, 2000

**Conditional Approval #353
February 2000**

Paul K. Briardy, Chairman
Grand Valley National Bank
925 North Seventh Street
Grand Junction, Colorado 81502-0848

Re: Charter Application, Control No. 1999 WE 01 0017
Residency Waiver 1999 WE 12 0290
Heber Valley National Bank (Proposed)
Heber City, Utah - Charter No. 24009

Dear Mr. Briardy:

The Office of the Comptroller of the Currency (OCC) has reviewed your application to establish a new national bank with the title of Heber Valley National Bank, to be located in Heber City, Utah. On this date, we found that your proposal meets the requirements for preliminary approval. This approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the organizers' representatives.

This approval is subject to the condition that during the first three years of operation, the bank shall provide the OCC's Denver Field Office, 1099 18th Street, Suite 2650, Denver, Colorado, 80202-1926, thirty (30) days prior notice of any significant deviations or changes from the proposed operating plan. This condition is enforceable under 12 USC 1818.

The bank proposes to raise \$2.50 million in capital prior to commencing operations. You are reminded that, pursuant to 12 CFR § 5.20(I)(5)(iii), this preliminary approval expires if the bank does not raise the capital funds within 12 months from the date of this letter. The preliminary approval also will expire if the bank has not commenced business within 18 months from the date of this letter.

The bank's main office will occupy a building that may be eligible for listing in the National Register of Historic Places. This approval is based, in part, on the information provided on behalf of Heber Valley National Bank (Proposed) to the Utah State Historical Society ("USHS") and the OCC. The USHS and the OCC reviewed the proposal consistent with Section 106 of the National Historic Preservation Act, and determined that it would have no adverse effect upon the property so long as the construction is consistent with the information as provided. Accordingly, the main office should be established in conformance with that information. Any deviations from the information provided will need to be provided to and reviewed by the USHS and the OCC in advance.

We have also made our decision with the understanding that the proposed national bank will be FDIC insured and the expectation that it will become a member of the Federal Reserve System. Major deviations from the operating plan or changes in the composition of the board of directors, ownership, or chief executive officer that the OCC has not approved may result in withdrawal of this preliminary approval.

Please refer to the "Corporate Organization" booklet in the *Comptroller's Corporate Manual* for the instructions on organizing your bank. The booklet contains all of the steps you must take to receive your charter. As detailed in the booklet, you may establish the corporate existence of and begin organizing the bank as soon as you adopt and forward acceptable Articles of Association and the Organization Certificate to this office. As a "body corporate" or legal entity, you may begin taking those steps necessary for obtaining final approval, but you may not begin the business of banking until you fulfill all requirements for a bank in organization and you are granted final approval by the OCC.

Enclosed are standard requirements that must be met before the bank will be allowed to commence business. Management must ensure that the applicable policies and procedures are established and adopted by the board of directors before the bank begins operation. Applicable standard requirements also must be satisfied before the bank will be allowed to commence business.

It is specifically noted that the bank has represented to the OCC that internal systems will be Year 2000 compliant as outlined in recent OCC guidance regarding Year 2000 matters. In addition, the bank will perform due diligence to ensure that any third-party data processing services or purchased applications or systems from software vendors will also be Year 2000 compliant.

The following persons are proposed as directors and executive officers in the application:

Paul K. Briardy	Director, Chief Executive Officer
John W. Stevenson	Director, President
Curtis G. Taylor	Director
John W. Frederick	Director
Rhonda J. Martin	Director

J. Cathy Davis Director

Additional executive officers and directors are subject to the OCC's prior review and clearance before opening. Also, please note that the OCC requires that you obtain prior approval of additions or changes in directors and executive officers for two years after the bank opens for business.

The OCC also hereby grants multiple waivers of the residency requirements of 12 USC 72 for all of the board of directors of Heber Valley National Bank (Proposed). This waiver is granted upon a review of all available information, including the filing, subsequent correspondence, and telephone conversations, and the bank's representations that this waiver will enable the bank to better meet the goals of its business plan without affecting the safety and soundness of the bank.

The OCC reserves the right to withdraw this waiver at any time and, at our discretion, to request additional biographical and/or financial information on any member of the board of directors.

Approval of your request does not alter the citizenship and stock ownership requirements for such persons to serve as directors on the board. The bank should review the qualifications of the directors nominated to ensure compliance with those requirements in 12 USC 72 or seek a waiver of the citizenship requirement if the bank is a subsidiary or affiliate of a foreign bank.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

If you have any questions about our approval or the organizational process please contact Senior Corporate Analyst Joseph T. Burbridge at (415) 545-5922 or write to the address reflected above.

A separate letter is enclosed requesting your feedback on how we handled your application. We would appreciate your response so we may improve our service.

Sincerely,

/s/

James A. Bundy
Licensing Manager
Western District

Enclosures: Minimum Policies and Procedures
 Standard Requirements