

Statute file

MARCIA WEEKS
CHAIRMAN

RENZ D. JENNINGS
COMMISSIONER

DALE H. MORGAN
COMMISSIONER



ARIZONA CORPORATION COMMISSION

JAMES MATTHEWS
EXECUTIVE SECRETARY

SECURITIES DIVISION
1300 West Washington
Third Floor
TELEPHONE: (602) 542-4242
FAX: (602) 542-3583

May 25, 1994

Carrie Paulsen, Esq.
Lillick & Charles
Two Embarcadero Center
San Francisco, CA 94111-3996

RE: Vintage Bank Common Stock
A.R.S. § 44-1843(A)(2)

Dear Ms. Paulsen:

On the basis of the facts set forth in you letter of May 16, 1994 and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter. The Division concurs with your opinion that the Common Stock to be offered to an Arizona shareholder is exempt from registration pursuant to A.R.S. § 44-1843(a)(2), as securities "issued by a state bank . . . the business of which is supervised and regulated by an agency of . . . the United States."

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the anti-fraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter. By doing so we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

DEE RIDDELL HARRIS
Director of Securities

DRH:ph
Attachment

LILLICK & CHARLES

Attorneys at Law

Two Embarcadero Center
San Francisco, CA 94111-3996
415-984-8200

Cables LILLICK CHS

May 16, 1994

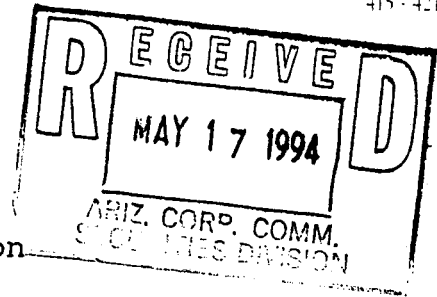
Telex TRT 184983

Writer's Direct Dial Number
(415) 984-8216

Facsimile
415-421-4799

VIA FEDERAL EXPRESS

State of Arizona
Corporation Commission, Securities Division
1300 West Washington Street, Third Floor
Phoenix, Arizona 85007



Re: The Vintage Bank - Request for No-Action Letter on the Availability of the Exemption from Securities Registration at Section 44-1843 A.2 of the Arizona Revised Statutes, as amended

Dear Sir or Madam:

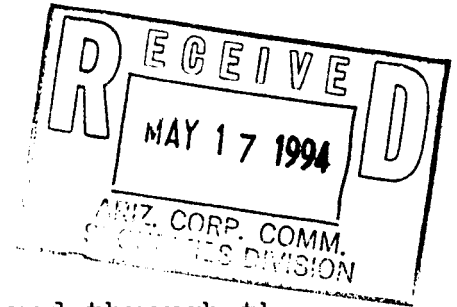
On behalf of our client, The Vintage Bank (the "Bank"), we request a no-action position with respect to the Bank's proposed offering of common stock to a shareholder in Arizona as described below. This request is made pursuant to the exemption from registration for bank securities set forth in Section 44-1843 A.2 of the Arizona Revised Statutes, as amended.

This request for a no-action position is made in connection with the Bank's proposed public offering of up to 121,214 shares (the "Shares") of its no par value common stock (the "Common Stock"), at a price of \$16.50 per share (the "Offering"). For a period of 30 days prior to commencement of the Offering to the public, the Bank will offer up to 80,000 of the Shares to its existing shareholders (the "Rights Offering"). The records of the Bank indicate that there is one shareholder of record residing in the State of Arizona, who holds 56 shares of the Bank's Common Stock.

The Bank is a California state-chartered bank, subject to the supervision and regulation of the California Superintendent of Banks. In addition, the Bank is a member of the Federal Reserve System, and is subject to the supervision of the Board of Governors of the Federal Reserve System. The Bank's deposits are insured by the Federal Deposit Insurance Corporation up to the maximum amount permitted by law.

As noted above, there is only one Bank shareholder in the State of Arizona eligible to participate in the Rights Offering of the Common Stock. The subsequent public Offering of the

State of Arizona
Corporation Commission, Securities
Division
May 16, 1994
Page 2



remaining Shares of Common Stock will be offered through the Bank's officers and directors to prospective investors primarily within the Bank's community area. Therefore, no offering of Bank Shares is anticipated within Arizona except with respect to the one existing Bank shareholder who currently resides in the State.

The offer and sale of the Shares under the Rights Offering will be made pursuant to the terms of an Offering Circular which has been submitted to and is being reviewed by the California Superintendent of Banks (the "Superintendent"). The Rights Offering will commence upon the issuance of a stock permit by the Superintendent.

Section 44-1843 A.2 of the Arizona Revised Statutes, as amended, exempts from registration:

Securities issued by a national bank or a bank or credit or loan association organized pursuant to an act of Congress and supervised by the United States or an agency thereof, or issued by a state bank or savings institution the business of which is supervised and regulated by an agency of this state or of the United States.

We submit that The Vintage Bank is a "state bank . . . the business of which is supervised and regulated by an agency of . . . the United States or an agency thereof." Accordingly, the Common Stock should be exempted from registration pursuant to this exemption.

Previously, the Arizona Securities Division has granted similar requests for a no-action position with respect to state-chartered banks on the grounds that such banks fell within the above-mentioned exemption. See, e.g., letter of April 1, 1993 regarding Liberty Savings Bank. This conclusion is based upon the reasoning that state registration in Arizona is unnecessary for institutions which are subject to substantial supervision and regulation by federal and state banking authorities. As noted above, the Bank is subject to the regulation of the Federal Reserve System, the California Superintendent of Banks, and as an insured depository institution, the Federal Deposit Insurance Corporation. The Offering is being conducted pursuant to the California Financial Code and the regulations of the Superintendent. The Superintendent will issue a permit to sell the Shares only after a thorough review of the terms of this Offering.

State of Arizona
Corporation Commission, Securities
Division
May 16, 1994
Page 3

For the reasons stated above, and because of the restricted scope of the Rights Offering within Arizona (namely, only one shareholder in the State is involved), we respectfully request the issuance of a no-action letter stating that the Securities Division would not recommend enforcement action against the Bank should it rely on the exemption from registration set forth at Section 44-1843 A.2.

Enclosed please find a check in the amount of \$200 payable to the Arizona Corporation Commission, Securities Division, in payment of the fee for this request pursuant to Section 44-1861 L of the Arizona Revised Statutes, as amended.

To confirm your receipt of this request, please file stamp the enclosed copy of this letter and return it to us in the enclosed self-addressed, stamped envelope.

Please do not hesitate to call if you should have any questions or require additional information.

Very truly yours,

LILLICK & CHARLES

Carrie Paulsen / LCJ
Carrie Paulsen

292:48:VIN08.940159

Enclosures

cc: Terry L. Robinson
Wyman G. Smith

