

Gold Canyon Bank prohibits excessive or luxury expenditures on entertainment and events, office or facility renovations, aviation or other transportation services or other activities or events that are not reasonable expenditures for conferences, staff development, reasonable performance incentives or other similar measures conducted in the normal course of business. This Excessive or Luxury Expenditures Policy is intended to strengthen and supplement the Bank's existing policies and procedures and ensure compliance with the United States Department of Treasury standards regarding excessive or luxury expenditures. This Policy applies to all Directors, Officers and Employees of Gold Canyon Bank. Any expenses that could be considered excessive or luxury require approval by the Chairman and CEO.

The types and categories of expenditures covered by this policy are as follows:

**Entertainment:** Entertainment is defined as an activity that an employee or executive officer would use corporate funds for business-development purposes relating to a current customer or prospective customer or to further enhance the Bank's marketing efforts. All expenses incurred by the Bank should be for Bank purposes and used to develop business of the Bank. These expenses should be documented through the normal accounts payable process.

**Conferences:** We encourage our employees and officers to attend conferences that are appropriate educational opportunities.

**Board/Management Retreats:** Retreats should be used only for educational or business planning purposes. Board education is a vital part of maintaining and keeping a dynamic director base and this policy should not limit a retreat that is focused on strategic planning or education.

**Employee Recognition/Holiday parties:** Employee recognition/holiday parties are part of the Bank's employee appreciation process. These events should be local in nature and reasonable in cost.

**Office and Facility Renovations:** Renovations of facilities and office space should be relative to the approved project and current business plan of the Bank. An exception will be permitted to address an emergency situation, such as an act of nature.

**Aviation or Other Transportation Services:** Transportation for Company or Bank staff to outlying locations, including bank locations, conferences, business development purposes, and merger and acquisition research, should be conducted in the most cost appropriate way for the Bank. Modes of transportation to be used may consist of vehicle, commercial air, or rail service. The selection of transportation services will factor in cost, efficiency, and timeliness of travel. Expenditures for the use of a private airplane are prohibited. Employees are responsible for any expenses incurred in connection with spouse travel.

**Expenditures Requiring Prior Approval:** The following expenditures require the approval of the CEO or the CFO if the amount exceeds \$1,000 and are not otherwise prohibited by this Policy:  
entertainment, conferences, board management retreats, or other events; office and facility renovations; aviation or other transportation services; other similar items, activities, or events for which the Bank may reasonably anticipate incurring expenses or reimbursing an employee for incurring expenses.

**Reporting of Violations:** Any individual who knows of a violation of this Policy must report the violation immediately to the CEO. Violations of the Policy are subject to disciplinary action up to and including termination.

**Certification:** The CEO and CFO of Gold Canyon Bank shall certify to the Board annually that the provisions of this policy are being enforced and are sufficient to provide reasonable assurance that the expenditures for such purposes are not excessive.