

**COMMUNITY VALLEY BANK
PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS**

MAY 11, 2010

INTRODUCTION

This proxy statement is furnished in connection with the solicitation of proxies for use at the 2010 Annual Meeting of Shareholders of Community Valley Bank to be held at the Pioneer Museum, located at 373 E. Aten Road, Imperial, California, at 10:00 a.m. on Tuesday, May 11, 2010, and at any and all adjournments thereof.

It is expected that this proxy statement and the accompanying notice and form of proxy will be mailed on or about April 16, 2010 to shareholders eligible to receive notice of, and to vote at, the meeting.

Revocability of Proxies

A form of proxy for voting your shares at the meeting is enclosed. Any shareholder who executes and delivers such proxy has the right to and may revoke it at any time before it is exercised by notifying the Secretary of the Bank in writing of revocation of the proxy or by filing a duly executed proxy bearing a later date. In addition, the powers of the proxyholders will be suspended if the person executing the proxy is present at the meeting and elects to vote in person by advising the chairman of the meeting of his or her election to vote in person, and voting in person at the meeting. Subject to such revocation or suspension, all shares represented by a properly executed proxy received in time for the meeting will be voted by the proxyholders in accordance with the instructions specified on the proxy. **UNLESS OTHERWISE DIRECTED IN THE ACCOMPANYING PROXY, THE SHARES REPRESENTED BY YOUR EXECUTED PROXY WILL BE VOTED "FOR" THE ELECTION OF THE NOMINEES FOR DIRECTOR NAMED HEREIN. IF ANY OTHER BUSINESS IS PROPERLY PRESENTED AT THE MEETING, THE PROXY WILL BE VOTED IN ACCORDANCE WITH THE RECOMMENDATIONS OF MANAGEMENT.**

Persons Making the Solicitation

This solicitation of proxies is being made by the Bank's Board of Directors. The expense of preparing, assembling, printing and mailing this proxy statement and the materials used in the solicitation of proxies for the meeting will be borne by the Bank. It is contemplated that proxies will be solicited principally through the use of the mail, but directors, officers and employees of the Bank may solicit proxies personally or by telephone, without receiving special compensation thereof.

VOTING SECURITIES

There were issued and outstanding 1,343,198 shares of the Bank's common stock on March 22, 2010, which has been fixed as the record date for the purpose of determining shareholders entitled to notice of, and to vote at, the meeting. On any matter submitted to the vote of the shareholders, each holder of the Bank's common stock will be entitled to one vote, in person or by proxy, for each share of common stock he or she held of record on the books of the Bank as of the record date. In connection with the election of directors, shares may be voted cumulatively if a shareholder present at the meeting gives notice at the meeting, prior to the voting for election of directors, of his or her intention to vote cumulatively. If any shareholder of the Bank gives such notice, then all shareholders eligible to vote will be entitled to cumulate their shares in voting for election of directors. Cumulative voting allows a shareholder to cast a number of votes equal to the number of shares held in his or her name as of the record date, multiplied by the number of directors to be elected. These votes may be cast for any one nominee, or may be distributed among as many nominees as the shareholder sees fit. If cumulative voting is declared at the meeting, votes represented by proxies delivered pursuant to this proxy statement may be cumulated at the discretion of the proxyholders, in accordance with management's recommendation.

SHAREHOLDINGS OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Management of the Bank knows of no person who owns, beneficially or of record, either individually or together with associates, 5 percent or more of the outstanding shares of the Bank's stock, except as set forth in the table below. The following table sets forth, as of February 28, 2010, the number and percentage of shares of outstanding common stock beneficially owned, directly or indirectly, by each of the Bank's directors and by the directors and executive officers of the Bank as a group. The shares "beneficially owned" are determined under Securities and Exchange Commission Rules, and do not necessarily indicate ownership for any other purpose. In general, beneficial ownership includes shares over which the director, or executive officer has sole or shared voting or investment power and shares which such person has the right to acquire within 60 days of February 28, 2010. Unless otherwise indicated, the persons listed below have sole voting and investment powers of the shares beneficially owned. Management is not aware of any arrangements which may, at a subsequent date, result in a change of control of the Bank.

<u>Beneficial Owner</u>	<u>Amount and Nature Of Beneficial Ownership⁽¹⁾</u>	<u>Percent Of Class</u>
<u>Directors:</u>		
Michael Bracken ⁽²⁾	21,680	1.60%
Alejandro Calderon ⁽³⁾	21,250	1.57%
Rhoda Casto ⁽⁴⁾	10,750	*
Jon A. Edney ⁽⁵⁾	19,200	1.42%
H. Andrew Erickson ⁽⁶⁾	13,200	*
Donald Gibson ⁽⁷⁾	20,200	1.50%
Robert Hahn ⁽⁸⁾	41,218	3.03%
Ronald Rubin ⁽⁹⁾	13,650	*
Jordana Selwick ⁽¹⁰⁾	47,500	3.52%
Clyde Shields ⁽¹¹⁾	16,500	1.22%
Thomas Topuzes ⁽¹²⁾	27,500	2.03%
Directors and Executive Officers As a Group (12 in all) ⁽¹³⁾	266,080	18.66%
* Less than one percent (1%)		

- (1) Includes shares subject to options that are exercisable within 60 days of February 28, 2010. These are treated as issued and outstanding for the purpose of computing the percentage of each director and the directors and executive officers as a group, but not for the purpose of computing the percentage of class of any other person.
- (2) Includes 11,680 shares acquirable by the exercise of options.
- (3) Includes 6,750 shares acquirable by the exercise of options.
- (4) Includes 750 shares acquirable by the exercise of options. Ms. Casto has shared voting and investment powers over 10,000 of these shares.
- (5) Includes 6,200 shares acquirable by the exercise of options.
- (6) Includes 5,700 shares acquirable by the exercise of options.
- (7) Includes 5,250 shares acquirable by the exercise of options.
- (8) Includes 17,118 shares acquirable by the exercise of options.
- (9) Includes 750 shares acquirable by the exercise of options. Mr. Rubin has shared voting and investment powers over 8,850 of these shares.
- (10) Includes 7,000 shares acquirable by the exercise of options.
- (11) Includes 5,500 shares acquirable by the exercise of options. Mr. Shields has shared voting and investment powers over 11,000 of these shares.
- (12) Includes 11,000 shares acquirable by the exercise of options.
- (13) Includes 83,071 shares acquirable by the exercise of options.

ELECTION OF DIRECTORS

Nominees

The Bank's Bylaws provide that the number of directors of the Bank shall not be less than 7 nor more than 13 with the exact number of directors to be fixed from time to time by resolution of two-thirds of the full Board of Directors.

The persons named below, all of whom are currently members of the Board of Directors, have been nominated for election as directors to serve until the 2011 annual meeting of shareholders and until their successors are elected and have qualified. Votes of the proxyholders will be cast in such a manner as to effect the election of all eleven (11) nominees, as appropriate, (or as many thereof as possible). The eleven nominees for directors receiving the most votes will be elected directors. In the event that any of the nominees should be unable to serve as a director, it is intended that the proxy will be voted for the election of such substitute nominee, if any, as shall be designated by the Board of Directors. The Board of Directors has no reason to believe that any of the nominees named below will be unable to serve if elected. Additional nominations for directors may only be made by complying with the nomination procedures which are included in the notice of annual meeting of shareholders accompanying this proxy statement.

The following table sets forth as of February 28, 2010, the names of, and certain information concerning, the persons nominated by the Board of Directors for election as directors of the Bank.

Name and Title Other than Director	Age	Year First Appointed Director	Principal Occupation During the Past Five Years
Michael Bracken	39	2007	Managing Partner, Development Management Group, Inc.
Alejandro Calderon	46	2007	Rehabilitation Counselor, Canizalez Associates
Rhoda Casto	73	2007	Retired, Former Bank President
Jon A. Edney	44	2007	President, Imperial Valley Real Estate Services, Inc.
H. Andrew Erickson	59	2007	Owner, Erickson and Associates, a commercial real estate appraiser
Donald Gibson	72	2007	President, Gibson & Schaefer, Inc.; President, Gibson's All American Aggregates, Inc.
Robert Hahn, President & CEO	64	2007	President and Chief Executive Officer, Community Valley Bank; former President, First National Bank of North County

Name and Title Other than Director	Age	Year First Appointed Director	Principal Occupation During the Past Five Years
Ronald Rubin	62	2007	President, Rubin Seeds, LLC
Jordana Selwick	43	2007	Secretary, Selwick's, Inc.
Clyde Shields	78	2007	Entomological Consultant
Thomas Topuzes, Chairman	63	2007	President and Chief Executive Officer, Thomas Topuzes & Associates, LLC

All of the nominees named above have served as the initial members of the Bank's Board since their appointment in 2007, the Bank's year of inception. All nominees will continue to serve if elected at the meeting until the 2011 Annual Meeting of Shareholders and until their successors are elected and have qualified. None of the directors were selected pursuant to any arrangement or understanding other than with the directors and executive officers of the Bank acting within their capacities as such. There are no family relationships between any of the directors and executive officers of the Bank.

Compensation of Directors

Directors who are not also officers of the Bank are not compensated for serving as members of the Board.

Executive Officers

The following table sets forth as of February 28, 2010, certain information concerning executive officers of the Bank.

Name	Age	Position and Principal Occupation For the Past Five Years
Robert Hahn	64	President and Chief Executive Officer, Community Valley Bank; former President, First National Bank of North County
Charles Tarquini	61	Executive Vice President and Chief Credit Officer, Community Valley Bank; former Senior Vice President Commercial Loans, First National Bank of North County

None of the executive officers were selected pursuant to any arrangement or understanding other than with the directors and executive officers of the Bank acting within their capacities as such. There are no family relationships between any of the directors and executive officers of the Bank. There are no material proceedings to which any executive officer of the Bank or any associate of any executive officer of the Bank is a party or has an interest materially adverse to the Bank.

CERTAIN TRANSACTIONS

Some of the directors and executive officers of the Bank and the companies with which they are associated are customers of, or have had banking transactions with, the Bank in the ordinary course of the Bank's business, and the Bank expects to have banking transactions with such persons in the future. In management's opinion, all loans and commitments to lend included in such transactions were made in compliance with applicable laws on substantially the same terms, including interest rates and collateral, as those prevailing for comparable transactions with other persons of similar creditworthiness and, in the opinion of management, did not involve more than a normal risk of collectability or present other unfavorable features.

INDEPENDENT ACCOUNTANTS

The firm of Vavrinek, Trine, Day & Co, LLP served as independent certified public accountants for the Bank with respect to the year 2009. Audit services performed by Vavrinek, Trine, Day & Co, LLP for the year ended December 31, 2009 consisted of examination of the financial statements of the Bank, consultation on matters related to accounting and financial reporting, and certain non-audit services consisting primarily of consultation on matters relating to the preparation of the Bank's tax returns. All such services were approved by the Bank, which has determined the firm of Vavrinek, Trine, Day & Co, LLP to be independent of the operations of the Bank.

OTHER MATTERS

Management does not know of any matters to be presented at the meeting other than those set forth above. However, if other matters come before the meeting, it is the intention of the persons named in the accompanying proxy to vote the shares represented by the proxy in accordance with the recommendations of management on such matters, and discretionary authority to do so is included in the proxy.

Dated: April 16, 2010

COMMUNITY VALLEY BANK

IT IS VERY IMPORTANT THAT EVERY SHAREHOLDER VOTES. WE URGE YOU TO SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON.

IN ORDER TO PROVIDE ADEQUATE MEETING ACCOMMODATIONS, PLEASE INDICATE ON THE PROXY WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING.

A COPY OF THE BANK'S ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2009 IS ENCLOSED HEREWITH. ADDITIONAL COPIES OF THE ANNUAL REPORT MAY BE OBTAINED BY WRITING TO COMMUNITY VALLEY BANK, P.O. BOX 1808, EL CENTRO, CA 92244 OR BY CALLING (760) 352-1889.