

Press Release

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FOR IMMEDIATE RELEASE

June 1, 2006

Headline: Carol Smith rejoins Valley Bank as Vice President, Commercial Lender

PUYALLUP, Washington – June 1, 2006— David H. Brown, President and Chief Executive Officer of



Valley Bank announced that Carol Smith has rejoined Valley Bank as Vice President and Commercial Loan Officer at its Auburn Branch. Smith will be responsible for new business development, and the bank's professional banking efforts in the South King County region.

"I am very pleased to welcome Carol back to Valley Bank. Carol worked for us a number of years and it is a pleasure having her return. Carol successfully managed the bank's Professional Program for the medical and dental market in Pierce County and we look forward to her developing this program in South King County."

Smith has more than 24 years of banking experience, and most recently was Vice President and Commercial Lender at Columbia Bank. She earned a Bachelor of Arts degree in English Literature and a Masters of Business Administration degree from the University of Washington.

Carol resides in North Tacoma with her husband, who is a professor at the University of Puget Sound.

Valley Bank, a subsidiary of Valley Community Bancshares, Inc., serves the South King and Eastern Pierce County region of Washington State with eight full-service banking facilities, a mortgage loan production office, and one drive-up facility with assets of \$200 Million.

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