

COMMUNITY BANCORP

Corporate Governance Guidelines

I. Introduction

The Board of Directors (the “Board”) of Community Bancorp (the “Company”), acting on the recommendation of its Corporate Governance/Nominating Committee, has developed and adopted a set of corporate governance principles (the “Guidelines”) to promote the functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions.

These Guidelines memorialize practices that the Company has developed over its history to oversee the work of management and the Company’s business results. Setting forth these Guidelines helps to assure having practices in place for the Board to review and evaluate the Company’s business operations as needed and to make decisions that are independent of the Company’s management. These Guidelines are also intended to align the interests of directors and management with those of the Company’s shareholders.

The Guidelines are subject to future refinement or changes as the Board may find necessary or advisable for the Company in order to achieve these objectives.

II. Board Composition

The Board periodically evaluates whether a larger or smaller slate of directors would be preferable.

Pursuant to the Company’s Articles of Incorporation, the Company’s shareholders elect directors on an annual basis. The slate of directors recommended by the Board at each annual meeting is based upon the recommendation that the Board receives from the Corporate Governance/Nominating Committee. In forming its recommendation, such Committee reviews the suitability of each candidate and the slate of proposed directors as whole, taking into account the membership criteria discussed below.

The composition of the Board should balance the following goals:

- The size of the Board should facilitate substantive discussions of the whole Board in which each director can participate meaningfully;

- The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Company's business.
- A majority of the Board shall consist of directors who the Board has determined have no material relationship with the Company and who are otherwise "independent" under the listing standards of Nasdaq.

III. Selection of Chairman of the Board and Chief Executive Officer

The Board is free to select its Chairman and the Company's Chief Executive Officer in the manner it considers in the best interests of the Company at any given point in the time.

IV. Selection of Directors

Nominations. The Corporate Governance/Nominating Committee is responsible for recommending for the Board's selection the slate of director nominees for election to the Company's Board of Directors and for filling vacancies occurring between annual meetings of shareholders. The Committee conducts surveys and otherwise seeks out the identity of possible candidates for the Board on an ongoing basis.

Criteria. A majority of the Board shall consist of directors who are neither officers or employees of the Company or its subsidiaries (and have not been officers or employees within the previous three years), do not have a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and who are otherwise "independent" under the listing standards of Nasdaq and such additional criteria as the Board and Committee deem relevant, including the following:

- Personal qualities and characteristics, accomplishments and reputation in the local business community;
- Current knowledge and contacts in the communities in which the Company does business and in the Company's industry or other industries relevant to the Company's business;
- Ability and willingness to commit adequate time to Board and committee matters;
- The fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company; and

- Diversity of viewpoints, background and experience.

Invitation. The invitation to join the Board should be extended by the Board itself via the Chairman of the Company, together with an independent director, when deemed appropriate.

Orientation and Continuing Education. Management, working with the Board, will provide an orientation process for new directors, including background material on the Company, its business plan and its risk profile, and meetings with senior management. Periodically, management should prepare additional educational sessions for directors on matters relevant to the Company, its business plan and risk profile. Consistent with its emphasis on continuing due for education, the Company's ongoing annual stock option grants to independent director for completion of certain educational programs during each year is expected to continue.

Shareholder Recommendations. The Corporate Governance/Nominating Committee will consider recommendations for nominees to the Board from shareholders of the Company. Any such recommendation should be made in writing and be addressed to: Chairman of the Corporate Governance/Nominating Committee, Community Bancorp, 400 S. 4th Street, Suite 215, Las Vegas, Nevada, 89101. Any such recommendation should identify the proposed nominee and should provide such additional information as the proposing person believes would be helpful to the Committee in its evaluation. Any such recommendation shall be evaluated in accordance with the criteria set forth in these Guidelines and taking into account other potential candidates identified by or to the Committee. **Any such recommendation shall not constitute an advanced notice of intention by a shareholder to make a nomination at the annual meeting of shareholders as required by section 13 of the bylaws unless such recommendation contains the information required by the provisions of such section.**

V. Election Term

The Board does not believe it should establish term limits. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the operations and future of the Company based on their experience with and understanding of the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new viewpoints through the evaluation and nomination process described in these guidelines.

VI. Retirement of Directors

Directors of the Company and its banking subsidiary will not stand for reelection after reaching the age of 75 years; provided, however, that such provision shall not apply to any director who was a founding director of Community Bank of Nevada. Directors are allowed to complete their current terms if their birthday falls within the term. Exceptions to this policy can be approved by the Board.

VII. Board Meetings

The Board currently plans at least twelve meetings each year, with further meetings to occur (or action to be taken by unanimous consent) at the discretion of the Board. The meetings will usually consist of committee meetings and the Board meetings.

The agenda for each Board meeting will be prepared by the Corporate Secretary. All information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting, including the monthly "Board package" of financial information and reports, should be distributed in writing or electronically to all members in advance, whenever feasible and appropriate. In preparing the information, management should ensure that the materials distributed are as concise as possible, yet give directors sufficient information to make informed decisions. The Board acknowledges that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

VIII. Executive Sessions

To ensure free and open discussion and communication among the independent directors of the Board, the independent directors will have at least two regularly scheduled executive sessions each year, and more frequently as necessary. The minutes of executive sessions will be distributed to all members of the Board and after approval by the Board will be maintained in the Company's records.

IX. The Committees of the Board

Except as permitted by the Nasdaq listing standards, each of the Corporate Governance/Nominating Committee, the Audit Committee and the Compensation Committee shall be composed of directors who are not officers or employees of the Company or its subsidiaries (and have not been officers or employees within the previous three years), who do not have relationships which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and who are otherwise "independent" under the Nasdaq listing standards. The required qualifications for the members of each committee, if any, shall be set out in the respective committee's charter. A

director may serve on more than one committee for which he or she qualifies. The Audit Committee must also satisfy the requirements of SEC Rule 10A-3.

All directors, whether members of a committee or not, are invited to make suggestions to a committee chair for additions to the agenda of his or her committee or to request that an item from a committee agenda be considered by the Board. Each committee chair will give a periodic report of his or her committee's activities to the Board.

The Company shall have at least the committees required by the Nasdaq listing standards but may have such other committees as the Board determines to be necessary or appropriate.

X. Management Succession

At least annually, the Board shall review and concur in a succession plan, developed by management and reviewed by the Compensation Committee, addressing the policies and principles for selecting a successor to the CEO and other executive officers, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills and planned career paths for possible successors to the CEO.

XI. Executive Compensation

1. *Evaluating and Approving Salary for the CEO.* The Board, acting through action of the Compensation Committee, evaluates the performance of the CEO and the Company against the Company's goals and objectives, and sets the compensation of the CEO.

2. *Evaluating and Approving Compensation of Executive Officers.* The Board, acting through the Compensation Committee, evaluates and the Board determines the proposals for overall compensation policies applicable to, and compensation for, executive officers.

XII. Board Compensation

The Board will act upon recommendation of the Compensation Committee concerning the components and amount of Board compensation.

XIII. Expectations for Directors

The business and affairs of the Company shall be managed by or under the direction of the Board in accordance with Nevada law. In performing their duties, the primary responsibility of the directors is to exercise their business judgment in the best interests of the Company. The Board has developed a number of specific

expectations of directors to promote the discharge of this responsibility and the efficient conduct of the Board's business.

1. *Commitment and Attendance.* All independent and management directors should make every effort to attend meetings of the board and meetings of committees of which they are members. Members may attend by telephone in accordance with the provisions of Nevada law to mitigate conflicts. All directors should make every effort to attend meetings of the shareholders.

2. *Participation in Meetings.* Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the board and of each committee on which he or she serves. Upon request, management will make appropriate personnel available to answer any questions a director may have about any aspect of the company's business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

3. *Loyalty and Ethics.* In their roles as directors, all directors owe a duty of loyalty to the Company. This duty of loyalty mandates that the best interests of the Company take precedence over any interests possessed by a director.

The Company has adopted a Code of Conduct, including a compliance program to enforce the Code. Certain portions of the Code deal with activities of directors, particularly with respect to transactions in the securities of the Company, potential conflicts of interest, the taking of corporate opportunities for personal use, and competing with the Company. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's counsel in the event of any issues.

4. *Other Directorships.* The Company values the experience directors bring from other boards on which they serve, but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or legal issues. Directors should advise the Chairman of the Nominating/Corporate Governance Committee and the CEO before accepting membership on other boards of directors or other significant commitments involving affiliation with other businesses or governmental units.

5. *Contact with Management.* All directors are invited to contact the CEO at any time to discuss any aspect of the Company's business. Directors also have complete access to other members of management. The Board expects that there will be frequent opportunities for directors to meet with the CEO and other members of management in Board and committee meetings and in other formal or informal settings.

Further, the Board encourages management to, from time to time, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

6. *Contact with Other Constituencies.* It is important that the Company speak to employees and outside constituencies with a single voice, and that management serve as the primary spokesperson.

7. *Confidentiality.* The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

XIV. Evaluating Board Performance

The Board should conduct a self-evaluation at least annually to determine whether it is functioning effectively. The Corporate Governance/Nominating Committee should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively.

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board. Each committee's evaluation must compare the performance of the committee with the requirements of its written charter, if any.

XV. Reliance on Management and Outside Advice

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors to the extent provided by Nevada law. The Board shall have the authority to retain and approve the fees and retention terms of its outside advisors.

XVI. Shareholder Communications with the Board of Directors

The ability of shareholders to communicate directly with the Board is an important feature of corporate governance and assists in the transparency of the Board's operations. In furtherance of this interest, the Board has adopted a process by which a shareholder may communicate directly in writing to the Board. A shareholder wishing to provide a written communication to the Board should address his or her letter to the Chairman of the Board, Community Bancorp, 400 S. 4th Street, Suite 215, Las Vegas, Nevada, 89101. Because communications to the Board can relate to products and services, be solicitations or otherwise relate to improper or irrelevant topics, the Board has adopted a

process for “filtering” communications. This process has been approved by not less than a majority of the independent directors on the Board.