

Customer Confidentiality & Privacy Policy

Heritage Oaks Bank has a long tradition of respect for the privacy of our clients and the confidentiality of the information you provide us. We are aware that your privacy expectations are critical to you and that these concerns become even more important as the Information Age progresses. Even though we must take advantage of technological advances in order to serve you better, you continue to have the right to expect that private information you provide to us will be treated with appropriate discretion.

Web Site Privacy

Through our Web site, we strive to provide valuable information to you about how we may serve you, our existing client and all potential new clients. As a visitor to our Web site, you need not be concerned about the privacy of your personal information. Our site is not designed to collect personally identifying information on our visitors.

If however, you decide to contact us via e-mail, please keep in mind that e-mail on the Internet is not secure. We cannot guarantee the confidentiality of information sent via e-mail on the Internet. We strongly discourage you from including your Social Security Number, your Account Number or any other form of personal financial information or identification in your e-mail to us. Your e-mail address and any other information your e-mail header shows about you, such as your name or organization, will be revealed to us in the e-mail. We will use this information only for the specific purpose of responding to your comments or questions. Your e-mail address will not be sold, nor will it be shared with others outside of the bank unless we are compelled to do so by law.

TRADITIONAL BANKING PRIVACY

Continuing our commitment to provide quality banking services to you, our valued client, the bank has adopted the following privacy policy:

Recognition of Our Customer's Expectation of Privacy

We recognize that you expect us to safeguard the privacy and security of your confidential financial affairs. We have established and maintain standards and procedures to protect against misuse of this information.

Collection, Use and Retention of Customer Information

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, assets, and income;
- Information about your transactions with us, our affiliates or others, such as your account balance and payment history; and
- Information we receive from a consumer reporting agency, such as your creditworthiness and credit history.

Nonpublic personal information is nonpublic information about you that we may obtain in connection with providing a financial product or service to you. This could include information such as account balances, payment history, or overdraft history.

We collect, use and retain information about you only where we reasonably believe it to be useful and necessary in administering our business relationship with you; providing products, services, other business opportunities to you; and protecting you against fraud and other criminal activity or because we are required by law to collect the information. We collect and retain this information only for these purposes and if you ask us, we will tell you why we are collecting and retaining the information.

If you decide to close your account(s) or become an inactive client, we will adhere to the privacy policies and practices as described in this notice.

Use of Your Information for Marketing

We do not provide your personal information to any affiliate of Heritage Oaks Bank or other third parties for marketing purposes. As an existing customer of the bank, we may contact you from time to time by mail, telephone or other methods to advise you of products or services we think will be of interest to you. You have the right to limit telephone calls from us for marketing new products or services; if you wish to do so, please write to us or telephone us at (800) 795-2524, press 0 for receptionist.

MAINTENANCE OF ACCURATE INFORMATION

We have established procedures to assure that the financial information we have about you is accurate, current, and complete in accordance with reasonable commercial standards. We will respond to any request to correct information in a timely manner. You should notify us immediately if you believe any financial information we have about you is inaccurate.

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Limiting Employee Access to Information and Protection of Information

Employees of Heritage Oaks Bank, its divisions, and affiliates do have access to confidential and private customer information in the normal performance of their duties. We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information. In addition, the importance of confidentiality and client privacy is emphasized in our Employee Handbook. We educate our employees to understand the importance of confidentiality and client privacy and they are well aware that appropriate disciplinary measures will be taken for any violation of our Privacy Policy and Procedures.

Restrictions on the Disclosure of Account Information

We do share private information of the type described above about you among our branches, departments, affiliates and service providers only in accordance with the strict confidentiality policies, applicable law, and as required to complete transactions and conduct business with you, or in conjunction with a joint marketing agreement with another financial institution, such as a credit card issuer.

We do not reveal specific information about your account or other personally identifiable data to parties not affiliated with you or us unless: (1) you have requested it; (2) the information is provided to help complete a transaction you have initiated or authorized; (3) the information is provided to a reputable credit bureau or similar information reporting agency; or (4) in connection with a fraudulent activity investigation. There are many state and federal laws that require us to disclose information to various government entities. Some examples of these laws are the Bank Secrecy Act, the USA Patriot Act, the Internal Revenue Code and the Right to Financial Privacy Act. There are other laws and regulations that require us and our service providers to disclose information. If you are involved in a legal proceeding, state and federal law provide the litigants with the right to obtain records and information from us. In these instances we will disclose the information when ever we are required to do so by law, regulation, legal process or court order. We will attempt to notify you before we comply with legal process unless we are specifically prohibited from doing so by law.

Maintaining Customer Privacy in Business Relationships with Third Parties

At times it is necessary to make personally identifiable information about you accessible to a third party, such as a vendor or service company that we have hired to provide support or services for one or more of our products, or to our external or regulatory auditors. If personally identifiable client information is accessible to such third parties, the third party (if not required by law to maintain confidentiality) must agree to adhere to our privacy principles and standards. We do not sell or otherwise provide customer information, mailing lists, or prospect lists, to unaffiliated parties for their independent use.

Disclosure of Privacy Principles to Customers

We want you, our client, to understand our commitment to privacy issues and our use of confidential financial information about you. You may obtain a copy of this policy statement at any one of our branches. If you have any questions regarding this policy, please contact the bank's Privacy Officer at (805) 369-5200.

