



Welcome to the Heritage Bank family!

On behalf of the Board of Directors of Heritage Financial Corporation and as President and CEO, please accept our warmest welcome to Heritage Bank. As you may already be aware, Heritage Bank has acquired all banking operations of Cowlitz Bank and Bay Bank, a division of Cowlitz Bank. We appreciate the uncertainty a change of this type creates and want you to know that we are committed to making the transition as smooth as possible. Representatives of Cowlitz Bank, Bay Bank, Heritage Bank and the FDIC are available to answer any questions you may have.

Heritage Bank, an Olympia-headquartered bank, has worked effectively for more than 83 years to build a bank with strong liquidity, capital, credit quality and earnings. In fact, we have one of the strongest balance sheets of any bank doing business in the state of Washington. Combine this with a devoted focus on giving back to our communities through contributions and staff volunteer efforts, you have exactly what your community deserves from a local bank.

We work together as a team focused on building lasting relationships dedicated to exceeding customer expectations. Not only will you benefit from local decision making, but also full-service business and personal banking tools, designed with you and your financial goals in mind.

We look forward to serving your community and building new banking relationships with you. We are your partner for success.

What does this mean for You as a Customer?

- Your Cowlitz Bank and Bay Bank accounts are safe, secure and fully accessible. Your deposits will continue to be FDIC-insured, currently up to \$250,000 per depositor. Additionally, Heritage Bank participates in the FDIC Transaction Account Guarantee Program, which means that all non-interest bearing accounts are fully covered by the FDIC.
- There will be no need for you to make changes in where or how you bank. You will be greeted by the same friendly and knowledgeable bank representatives that you have come to know and trust.
- You can use the same checks, account numbers, debit and ATM cards and online banking.

What happens to Your CD?

If you have a certificate of deposit (CD) with Cowlitz Bank or Bay Bank, interest will be paid at your original rate through maturity. You may withdraw funds from any CD without an early withdrawal penalty until you enter into a new deposit agreement. Please also see Notice to Depositors from the FDIC for additional information.

In closing, I want to reaffirm our commitment to you, our newest customers, and welcome you to the Heritage Bank family. Over the next few days, weeks and months, we will both get to know each other better and I am confident that you will enjoy not only doing business with the same employees you have known for many years, but you will also enjoy your relationship with Heritage Bank. We will make certain that our relationship not only remains strong, but grows as we move through this transition. If you have any questions please visit your local branch, call our Customer Service Center at (800) 455-6126 or visit us online at [www.HeritageBankWA.com](http://www.HeritageBankWA.com).

Sincerely,

Brian Vance

President & CEO, Heritage Bank