



2 0 1 8 A N N U A L R E P O R T



Board of Directors

Top Row:

Carlos G. Tamayo, Chairman of the Board – La Tortilla Factory

Bruce E. DeCrona, Retired Banker

Daniel G. Libarle, President – Lace House Linen Supply, Inc.

Richard W. Abbey, ESQ. – Abbey, Weitzenberg, Warren & Emery

Deborah A. Meekins, Retired Banker

Marlene K. Soiland, President and CEO – Soiland Management Company, Corporate Secretary – Exchange Bank

Steven G. Dutton, President and Co-owner – Dutton Ranch Corp.

Bottom Row:

James M. Ryan, President – Ryan Mortgage Company, Vice Chairman of the Board – Exchange Bank, Trustee – Frank P. Doyle Trust

Dante B. Benedetti, Chairman Emeritus – Clover Sonoma, Trustee – Frank P. Doyle Trust

Gary Hartwick, President and CEO – Exchange Bank

William R. Schrader, Chairman of the Board – Exchange Bank

Executive Team

Left to Right:

Rich Lewis, SVP/Chief Information Officer

Ann Hudson, SVP/ Retail Banking

Troy Sanderson, EVP/Chief Banking Officer

Gary Hartwick, President and Chief Executive Officer

Michael Sullivan, EVP/Chief Credit Officer

Lori Zaret, SVP/Chief Human Resources Officer

Greg Jahn, EVP/Chief Financial Officer



As we look forward to 2019, we reflect on all that we have accomplished over the last year. It is appropriate that we continue to recognize and acknowledge the journey to recovery after the October 2017 wildfires. Exchange Bank's culture of caring, combined with our strong values and dedication to doing our part for the greater good of the community, was very evident over the past 15 months. The compassion and generous spirit of our employees continues to have a direct and positive impact on our community. We are deeply grateful and proud of the contribution the Bank and our employees have made toward the recovery efforts and we will continue to be there as our community moves forward.

Throughout 2018, we remained focused on executing our strategic plan and are very proud of the financial performance that Exchange Bank delivered for its shareholders. From almost every viewpoint, 2018 was a successful year for our Bank. We continued to execute our goal of creating long-term shareholder value by effectively balancing our reinvestment in the company and our community, while delivering an excellent return on invested capital and assets.

From an operating standpoint, 2018 was a year in which the dedication and hard work of our employees became clearly evident in the outstanding financial results of the Bank. In addition to the extraordinary efforts of our employees and continued support by our valued clients, many variables lined up in a very positive manner for the Bank.

Net income surpassed that of any prior year in our Bank's history. Net income was \$38.5 million, an increase of \$19.0 million, or 97%, as compared to \$19.5 million for 2017. While net income after tax was impacted by the Tax Cuts and Jobs Act of 2017, which became effective in 2018, reducing the federal tax rate to 21% from 35%, the real indicator of the Bank's operations for the year is income before tax. By this measure, the Bank had an extraordinary year. Income before taxes for the year ended December 31, 2018 totaled \$53.5 million, compared to \$43.6 million a year ago, an increase of 23%. The earnings of the Bank were driven primarily by continued growth in average loans and investments, which were funded by a significant increase in the level of average low cost core deposits outstanding during the year. The growth in loans and investments led to an increase in net interest income of \$12.4 million, a 15% increase over 2017.

As a result of the devastating wildfires that impacted our communities late in 2017, the Bank experienced an increase of approximately \$300 million in insurance related deposits from our clients who were impacted by the fires. We expected the rebuilding of our community and the

customer redeployment of these deposits to happen at a faster pace than what has actually transpired. As a result, these deposits remained with the Bank throughout much of the year and contributed to an increase in average deposits outstanding during 2018 of \$345 million. This additional liquidity was generally invested in short to intermediate term investment securities, which generated additional interest income of approximately \$5.0 million. It is important to note that we believe that a good portion of these fire insurance related deposits will leave the Bank over the next year as our customers' rebuilding and relocation efforts progress at a more rapid pace.

We are proud of our efforts to support the credit needs of our clients and community during 2018. Average loans outstanding during the year increased by \$51 million, or 3.5% over the average balance outstanding at December 31, 2017. The modest growth in net loans outstanding during 2018 understates the Bank's true commitment to supporting the economic growth of the communities we serve. In fact, the Bank supported our clients with new loan production exceeding \$300 million during 2018. This was largely offset by an unusually high volume of prepayments the Bank experienced as clients elected to refinance existing debt with other financial institutions offering aggressive long-term fixed interest rates during a period when the Federal Reserve was increasing interest rates.

As a result of a rising interest rate environment and diligent management of our balance sheet, the Bank was able to reprice loans and investments at a more rapid rate than similar increases on its cost of deposits. The net impact of this positive repricing environment led to an increase in net interest income of approximately \$3.9 million during 2018.

The comparisons between net income after tax for the years ending December 31, 2018 and 2017 were strongly influenced by the impact of a change in the tax law enacted during 2017. This new tax law caused a turnaround in income tax expense of approximately \$12.9 million. The turnaround in income tax expense came in two forms. First, the Bank benefited from a lower federal income tax rate, which contributed approximately \$6.0 million in tax savings in 2018. Second, as a result of the enactment of the new tax law, the Bank reported an additional adjustment to income tax expense of \$6.9 million in the fourth quarter of 2017. The increase in income tax expense was the result of a one-time adjustment related to the carrying value of the Bank's net deferred tax assets due to the reduction in federal income tax rates from 35% to 21%. This unusual adjustment of \$6.9 million in income tax expense in 2017 did not exist in 2018.

The Bank's non-interest income for the year increased from \$24.3 million in 2017 to \$25.8 million in 2018, an increase of 6%. This increase was centered in our Trust & Investment Management department and SBA lending division. Non-interest income generated by our trust and investment business increased \$600,000 and revenues generated from gains on the sale of SBA loans increased \$800,000. Also, during the first quarter of 2018, the Bank benefitted from a gain of \$3.25 million on the sale of other real estate held for sale. Such a gain is of a nonrecurring nature and will not be repeated in 2019.

During 2018, the Bank successfully executed in a number of areas of our strategic plan, including the strengthening of our management team and continued investment in technology to drive future efficiencies in the Bank. As a result of these initiatives, total operating expenses for the Bank grew by over 6%, increasing from \$61.7 million to \$65.6 million in 2018. The largest component of this increase resides in salaries and benefits, which increased by \$2.6 million. In addition to adding key senior management roles, we continued to enhance our strength in such areas as risk management and information technology. Additionally, due to the burdens of the high cost of living in Sonoma County, we invested in our employees by providing non-senior management staff with a cost of living salary adjustment.

A key initiative for us during 2018 was to continue growing the Bank's capital. While the Bank continued to reward its shareholders with two increases to the quarterly dividend during the year, as a result of strong earnings growth we were successful in growing our capital from \$203.2 million to \$231.6 million, an increase of 14%. This allowed the Bank to increase its tangible capital ratio from 8.68% at December 31, 2017 to 9.22% at December 31, 2018.

The Bank's capital ratios exceed all regulatory definitions of "well capitalized." As of December 31, 2018, the Bank reported total risk-based capital of 15.14%. Additionally, the Bank's liquidity position remains strong due to the outstanding quality of our investment securities portfolio and strong overnight cash position. Exchange Bank paid a quarterly cash dividend of \$1.00 per share on common stock outstanding to shareholders on December 14, 2018. Total dividends paid to Exchange Bank shareholders during 2018 were \$6.60 million and represented an increase of 13.2% above total dividends of \$5.83 million paid to shareholders during 2017.

Our loan growth was primarily centered in business and commercial real estate and construction lending. In the commercial real estate portfolio, loan growth was diversified across all property types. While expanding the loan portfolio, we prudently managed interest rate

risk with 80% of our loan portfolio repricing or maturing within five years. As interest rates rise, this will position the Bank with improved revenue opportunities.

The Bank's credit quality remains strong with non-accrual loans at .28% of total loans at December 31, 2018. Classified loans to capital declined from 8.4% in 2017 to 4.80% in 2018. Despite continued loan growth, as a result of our strong credit quality metrics, the Bank did not make any provision for loan losses in 2018 and was able to maintain a ratio of loan loss reserves to total loans of 2.63%.

Exchange Bank's Trust & Investment Management department has been a fiduciary of client assets since 1963. We have an experienced team of professionals who work with their clients to help them define and achieve their long-term goals. We also have several credentialed trust and investment professionals who work closely with the top estate planning attorneys in Sonoma County. Whether working with private clients and their families or business clients and their employee benefit trust account (401k plans), our goal is to create a trusted relationship that helps our clients feel confident and secure about meeting their financial goals.

Over the past several years, our Trust & Investment Management department has delivered strong financial performance, growing our client base and expanding our presence in the markets we serve. This department continues to be a consistent revenue and earnings growth contributor to the Bank. The department contributed a record \$7.3 million in gross revenue to the Bank for 2018, an increase of \$600 thousand, or 9% over the prior year. Total client assets under management in 2018 grew to a record \$1.2 billion. Our Trust & Investment Management department is the sixth largest community bank trust department by asset size in the state of California.

The Bank successfully executed its strategic plan of expanding its presence in the Sacramento market with the acquisition of the trust department of First Northern Bank of Dixon. We consolidated the employees and approximately \$45 million in trust assets into our existing operations in Roseville, California. We will continue to grow our trust business by expanding our geographic presence into other contiguous markets where we have identified a team of experienced professionals. In early 2019, the Bank executed an agreement to acquire another \$85 million in trust assets from a community bank in the South Bay. We believe the expansion of our Trust & Investment Management department will provide value to our shareholders, clients and employees. The progress we have made in 2018 positions the Bank for continued growth and success.

2018 was a tale of two distinct stories in terms of expectations relating to economic growth and market optimism. The year began on a high with the perceived benefit from tax reform and its positive impact on consumers and businesses. In addition to tax cuts, the White House increased federal government spending for both 2018 and 2019. Federal Reserve officials expressed greater confidence that the economy was poised for strong growth and that inflation would rise to their target rate of 2%, resulting in the Fed raising the Fed funds rate four times during 2018. As a result of this robust outlook for economic growth and growing concerns regarding inflationary pressures, treasury yields rose to the highest levels in almost a decade. Ultimately, the unemployment rate closed the year at 3.9%, near the lowest level in the U.S. since 1969. Employers added an average of 220,000 jobs a month, the best growth since 2015, and payrolls have grown for 100 straight months. In short, U.S. economic growth exceeded expectations and the expansion stretched to become the second longest in U.S. history.

The second story of the economy began to emerge in the fourth quarter of 2018, a period when optimism of economic strength faded to concerns of weakness. During this period, the markets abruptly turned their attention to lingering concerns regarding trade tensions, a slowing of the Chinese economy, renewed worries about the direction of Brexit, the potential for tariff wars, the impact of a tightening monetary policy, a higher interest rate environment and an extended partial shutdown of the federal government. Additionally, American manufacturing growth slowed and was followed by other economic signs of weakness, including ebbing consumer confidence as well as weakness in the housing market and vehicle sales.

The U.S. economy is clearly slowing down. The optimism that prevailed a year ago has moderated, and businesses and consumers are being cautious. Although the economy just finished a very good year, the economic outlook is uncertain. This recent and more cautious outlook for both the global and U.S. economic growth has caused a sell-off in stocks in recent months, which had their worst year since 2008. The economy may be at a crossroads with so many outstanding issues—the potential for positive and negative surprises is unusually high. As a result of this growing body of evidence pointing to weaker economic growth, the Fed has recently signaled its intention to take a break from its recent pattern of raising interest rates.

Beyond fiscal and monetary policy, our operations are directly impacted by the regulatory environment in which we operate. We continue to navigate compliance

and regulatory changes, operating under a regulatory environment that is expected to be a challenge for the foreseeable future. We believe that any new regulatory requirements must ensure new regulations are appropriate for the size, risk profile and complexity of the financial institution. Many regulations have led directly to an increase in operating expenses in the form of higher personnel and technology costs. Information security expectations, residential mortgage regulations and, in particular, the Bank Secrecy Act/Anti-Money Laundering regulations are the most expensive to implement and continue to be a burden on the banking industry. We also spend a considerable amount of resources to safeguard our customers from fraud, cybersecurity risk and to protect their privacy.

Technology advancements are fast evolving and influencing every aspect of our professional and personal lives, at the same time transforming the retail banking sector. Advances in technology allow faster, more efficient and safer delivery of our products and services, resulting in a more engaging customer experience and the ability to better control costs.

Today more than ever, we must continue to invest in new technologies. As a company, we are making significant investments in technology, and we have no doubt this will continue to be one of the largest areas of investment for the Bank over the next several years. We continue to increase capital investments in projects that will enhance our customer experience and position the Bank for long-term growth.

In 2019, we will begin to make a significant investment in a new core operating system and our online and mobile banking platform. In order to keep pace with fintech firms who continue to make retail banking inroads, we must update and replace our legacy core operating system, resulting in the enhanced delivery of our products and services while reducing our operating costs.

A new core operating platform will drive the Bank forward in a digital era. The core system project and “best of suite” hosted model will assist the Bank in operating more efficiently, grow more effectively and allow our employees to focus their energies on the strategic business of banking, new product development, digital transformation and seamless delivery of our products and services. Expected to be in place in late 2020, this new system brings real time processing to customer transactions, improved bank efficiencies and the technology needed to accommodate faster processing and provide for growth in the future. This decision was not taken lightly and will require the allocation of extensive financial and human resources.

We do not make decisions to drive short-term earnings, but focus on investing for long-term results. The core system decision will be the biggest driver of change in our Bank over the next two years and is the key to improving efficiency not only within our information technology group, but within many lines of business. This decision will be the cornerstone of the Bank's digital transformation strategy in 2019 and beyond.

We also continue to invest in key technologies at the Bank's co-location facility to ensure we have sufficient computing capacity and viable operating systems in the event of a regional disaster. Our cybersecurity strategy is focused on protecting the Bank from the ever-growing information security threat landscape. We will continue to work tirelessly to implement the necessary tools to strengthen our security controls and protect our customer relationships. All of these technologies are being implemented to protect, streamline and improve the delivery of critical services to our customers.

Digital technologies are reshaping business models and the competitive landscape, reinventing the customer experience and redefining relationships between banks and their customers. In defining our digital delivery priorities for 2019, the need to meet our customers where they prefer to bank—whether at home or on vacation, with a mobile phone, tablet, or desktop computer—our mobile app and broader digital platform should be our customers' financial home; a one-stop-shop for understanding and managing their finances. We recognize that customer preferences continue to evolve and that we need to continually invest in digital technology to deliver a seamless experience across all of our delivery channels.

We have evaluated the current set of digital services we provide and have established a long-term digital strategy. As a result, we are moving forward in early 2019 with a complete conversion of our internet and mobile banking platform to an innovative and leading provider of consumer, business and voice digital banking. The conversion is targeted to go live in late July 2019. Online and mobile channels such as internet banking, mobile banking and consumer and business online account opening, will be greatly enhanced. Deploying a new online banking platform will be a huge win for our customers, offering numerous features that our current providers cannot offer.

Our products and services are no longer exclusively delivered through our branch network. Today, we have over 34,000 customers who bank online and over 17,000 active mobile banking users, a 12.5% increase above last year, resulting in approximately 37% of our consumer deposit base utilizing mobile banking.

The reality is that mobile delivery channels are a key component of the evolution of the branch that allow customers to truly have an omni-channel experience, conducting their business when and how they choose.

Despite the advancement of technology, the branch still plays an important role in providing one-on-one customer service and meeting the needs of the community. As a community bank, our branches remain an essential, yet evolving, part of our retail strategy. Convenient access to a physical branch continues to rank at or near the top of consumers' and small business owners' priorities when choosing a bank. Although mobile and other self-service channels are available for simple transactions, for more complex financial transactions consumers continue to express a strong preference for the face-to-face interaction afforded by a branch.

The branch of the future will phase out legacy systems and operate in a tablet environment. The traditional teller line will be replaced with bankers who are equipped with touch screen devices, allowing our employees to support a more engaged customer experience. The branch of the future will also incorporate self-service kiosks and interactive teller machines allowing customers to handle their business in the branch at their own convenience. However, our bankers will continue to be available for personal touch services.

During 2018, we received approval from the City of Sebastopol for the construction of our striking new branch of the future. Construction will begin in 2019 and will be completed by mid-2020. The branch will be designed with a refreshed open layout to provide an improved customer experience to reflect our brand and the spirit of the Sebastopol community. We will offer new ways for our customers to interact with our staff. In partnership with our new core provider, we will attempt to pilot the use of tablets for basic transactions and new account activity and install our first self-service interactive teller machine.

We also completed one of our strategic retail initiatives of delivering a new frontline sales and service platform to our branches. It has significantly improved our new account opening process by capturing the customer's signature electronically and initiating our transition to a paperless branch environment, streamlining processes and reducing expenses. As we move forward with our core conversion, we will continue to improve our branch operating platforms to ensure we deliver the best possible customer experience.

We have good deposit market share in most of our communities, yet we continue to see growth opportunities with existing and new customers. We continually look to

refine our product offerings. In 2019, we will introduce a more robust and simplified set of deposit products that will reward our customers' relationship with Exchange Bank.

The quality of the branch experience is driven by the quality of our employees and their personal interaction with customers. Our mission includes investing in our most valuable asset—our employees. Developing our employees remains a key commitment for us and we must continue to focus on investing in the Bank's future leaders. The Bank continues to expand learning and leadership development at all levels and supports our employees by offering financial assistance to further their education. Our commitment to developing our employees to meet the changing banking environment will be key in continuing to differentiate Exchange Bank in the future.

At Exchange Bank, we understand that our success is directly linked to the success of our communities. Giving back to the communities where we live and work is part of our legacy—a cornerstone of Exchange Bank's mission. The passion and leadership of our team members, combined with the Bank's financial resources, make a difference in the communities we serve. We are once again very proud of our employees who contributed thousands of hours and personal resources in support of local charitable and civic organizations. In 2018, we awarded over \$700,000 to more than 300 non-profit, charitable and civic organizations to improve the lives of people throughout Sonoma County.

Bank-sponsored fundraisers are a tradition that foster a spirit of giving throughout the Bank. In 2018, our employees personally raised over \$100,000 through a variety of fundraising activities. For the past 25 years, the Volunteer Center of Sonoma County has named Exchange Bank the corporate fundraising champion for the Human Race. In 2018, our employees raised over \$42,000 for this event.

In recognition of our employees' exceptional work and dedication, we are proud to report that Exchange Bank was recognized as one of Sonoma County's "Best Places to Work" for the thirteenth consecutive year. We have also been recognized as "Best Local Bank," "Best Business and Consumer Bank," and one of Sonoma County's "Healthiest Places to Work." In 2018, we were also a recipient of a "Community Philanthropy Award." The Bank's legacy of financial leadership and community support is grounded in its core values of Commitment, Respect, Integrity and Teamwork.

These awards are a reflection of what we value most—making a difference in the lives of our customers, teammates and community.

We extend our deepest gratitude to our more than 400 employees for their commitment and hard work and all that they accomplished in 2018. We are excited about the opportunities before us to further strengthen and grow the Bank. As we look ahead, we believe the fundamental elements of our core business are solid and we are well positioned for growth in 2019 and beyond. We are confident that we will build on our success while continuing to drive long-term value for you, our shareholders.

We want to thank our Board of Directors, our senior leadership team and all of our employees for the passion and commitment they demonstrate every day. Together, we are building a stronger Exchange Bank for our shareholders, our customers, our employees and our community.

On behalf of our Board of Directors and employees, we sincerely thank you, our shareholders, for your commitment and continued support. We look forward to a successful 2019.

Warmest regards,



William R. Schrader
Chairman of the Board



Gary Hartwick
President and Chief Executive Officer



Invested In Our Community

Since 1890, one of the legacy core values at Exchange Bank has been our commitment to our local community. We maintain this commitment both collectively as an organization and individually in our personal contributions. Exchange Bank is extremely proud to have served our community for 128 years. Our board members, executives and our employees continually serve the community by providing countless hours of volunteer time and monetary support.



Photo Key

Employees in Service

- | | |
|---|--|
| 1. Volunteer Center – corporate champions | 8. SRJC President's Medallion of Honor Award |
| 2. Human Race | 9. EB Softball team – division champions |
| 3. Redwood Empire Food Bank – Dutton Branch | 10. Women in BIZ Conference |
| 4. American Cancer Society – Relay for Life | 11. Secret Santa – St. Francis branch |
| 5. Best Bank award ceremony | 12. American Heart Association – Go Red Day |
| 6. Golden Heart Award – awarded for onsite defibrillators | 13. American Cancer Society – Purple Friday |
| 7. Santa Rosa 150th Sesquicentennial Celebration | 14. United Way – Day of Caring |
| | 15. Santa Rosa Rose Parade |



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CONSOLIDATED BALANCE SHEETS**EXCHANGE BANK AND SUBSIDIARIES**

– Unaudited –

December 31, 2018 and 2017

(In thousands, except share and par value amounts)

	2018	2017
ASSETS		
Cash and due from banks	\$ 152,890	\$ 308,087
Short-term investments	234	230
Total cash and cash equivalents	153,124	308,317
Interest-bearing deposits in other financial institutions	44,000	52,000
Available-for-sale investment securities	844,905	638,912
Loans and leases	1,514,404	1,497,785
Less allowance for loan and lease losses	(39,854)	(40,323)
Net loans and leases	1,474,550	1,457,462
Federal Home Loan Bank stock	11,303	10,015
Bank premises and equipment, net	17,591	18,762
Bank owned life insurance	47,530	45,441
Other real estate owned	1,022	41
Accrued interest receivable and other assets	59,935	53,142
Total assets	\$ 2,653,960	\$ 2,584,092
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$ 886,864	\$ 894,899
Interest bearing	1,492,819	1,448,770
Total deposits	2,379,683	2,343,669
Accrued interest payable and other liabilities	42,705	37,218
Total liabilities	2,422,388	2,380,887
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, 1,000,000 shares authorized:		
None issued or outstanding	—	—
Common stock, \$2.50 par value; 3,000,000 shares		
authorized; 1,714,344 shares issued and outstanding	4,286	4,286
Additional paid-in capital	46,026	46,026
Retained earnings	193,687	161,775
Accumulated other comprehensive loss, net of taxes	(12,427)	(8,882)
Total stockholders' equity	231,572	203,205
Total liabilities and stockholders' equity	\$ 2,653,960	\$ 2,584,092

CONSOLIDATED STATEMENTS OF INCOME**EXCHANGE BANK AND SUBSIDIARIES**

– Unaudited –

For the Years Ended December 31, 2018 and 2017

(In thousands, except per share amounts)

	2018	2017
Interest income:		
Interest and fees on loans and leases	\$ 74,634	\$ 70,186
Interest on investment securities:		
Taxable	19,402	10,315
Exempt from Federal income taxes	1,920	1,868
Total interest income	95,956	82,369
Interest expense:		
Interest on deposits	2,627	830
Interest on borrowings	—	587
Total interest expense	2,627	1,417
Net interest income before provision for loan and lease losses	93,329	80,952
Provision for (reversal of) loan and lease losses	—	—
Net interest income after provision for loan and lease losses	93,329	80,952
Non-interest income:		
Service charges and fees	4,845	5,067
Trust income	7,330	6,709
Merchant discount and interchange fees	4,413	4,207
Income from bank owned life insurance	1,639	1,592
Gain on sale of assets	3,251	1,574
Other income	4,293	5,143
Total non-interest income	25,771	24,292
Non-interest expense:		
Salaries and employee benefits	36,086	33,528
Occupancy and equipment	7,663	7,459
Professional fees	7,440	6,268
FDIC assessments	840	745
Other expenses	13,576	13,673
Total non-interest expense	65,605	61,673
Income before provision for income taxes	53,495	43,571
Provision for income taxes	14,984	24,063
Net income	\$ 38,511	\$ 19,508
Basic and diluted earnings per common share	\$ 22.46	\$ 11.38

Exchange Bank Officers

EXECUTIVE OFFICERS

Gary Hartwick
President and Chief Executive Officer

Greg Jahn
EVP and Chief Financial Officer

Troy Sanderson
EVP and Chief Banking Officer

Michael Sullivan
EVP and Chief Credit Officer

Howard Daulton
*SVP and Corporate and
Business Development Manager*

Ann Hudson
SVP Retail Banking

ACCOUNTING

Shauna R. Lorenzen
VP and Controller

APPLICATION SUPPORT

Linda G. Wilson
VP and Application Support Manager

BRANCH BANKING

Rick Mossi
SVP and Retail Delivery Group Manager

Dave McLennon
VP and Regional Sales Manager

Dorothy Rodella
VP and Regional Sales Manager

Beth Ryan
VP and Customer Experience Manager

Barb Myers
AVP and Relationship Banking Wholesaler

Cassandra Zorn
AVP and Retail Operations Officer

BUSINESS BANKING

Paul Garayalde
VP and Business Banking Credit Manager

Joseph Carbonaro
VP and Business Banking Supervisor

Doreen Lorinczi
VP and Business Banking Officer

Jocelyn Lundgren
VP and Business Banking Officer

William Deedy
AVP and Business Banking Officer

CENTRAL SERVICES

Aaron Greenhalgh
VP and Bank Operations Manager

Byron Webb
VP and Electronic Banking Manager

Diane Bogges
AVP and Bank Operations Business Analyst

COMMERCIAL BANKING

Steve Herron
SVP and Commercial Banking Manager

Jacqueline Christensen
VP and Commercial Loan Officer

Jared Cooley
VP and Commercial Loan Officer

Becky Ettinger
VP and Commercial Loan Officer

Jason Hinde
VP and Commercial Loan Officer

CONSTRUCTION AND MORTGAGE LENDING

Terrance Flynn
*SVP and Commercial Real Estate
Banking Manager*

Douglas Angelo
VP and Real Estate Loan Officer

Jeff Owen
VP and Real Estate Loan Officer

CONSUMER LOANS

Lori DeCosta
VP and Retail Lending Manager

Patty Brookins
AVP and Consumer Loan Officer

CREDIT ADMINISTRATION

Paul Yeomans
SVP and Wholesale Banking Sales Manager

Ed Gomez
*SVP and Senior Credit Officer -
Commercial Lending*

Justin Hubbs
SVP and Senior Credit Officer - Retail Lending

Glenna D. Davidson
AVP and Commercial Credit Risk Officer

CUSTOMER CARE CENTER

Stacy Small
AVP and Customer Care Manager

EXCHANGE BANK LEASING

Kenneth Taylor
VP and Leasing General Manager

FACILITIES AND PURCHASING

Sue Maddigan
AVP and Facilities and Purchasing Manager

HUMAN RESOURCES

Lori Zaret
SVP and Chief Human Resources Officer

LEARNING AND DEVELOPMENT

Dawn Warner
VP and Learning and Development Director

Kelly Dibblee
AVP and Learning Business Partner

Erin Williams
AVP and Senior Learning Business Partner

LOAN SERVICE CENTER

Carie A. Fletcher
VP and Loan Service Center Manager

Donna Smith
*AVP and Real Estate Closing and
Disbursement Specialist*

MARKETING

Craig Bainbridge
*SVP and Product Innovation and
Delivery Manager*

Tony De Mattei
VP and Digital Channels Product Manager

Carol Washburn
VP and Product Manager

Sally Traugher
AVP and Marketing Services Manager

RESIDENTIAL MORTGAGE

Kevin Smart
VP and Residential Mortgage Manager

Colleen Oller
VP and Retail Lending Underwriting Manager

Lori Mauchley
*AVP and Residential Mortgage
Operations Manager*

RISK MANAGEMENT

Nina Qualls-Mendoza
SVP and Risk Management Officer

Randy Hong
VP and Information Security Officer

Cyndi Perez
VP and Deposit Compliance and Operational Risk Manager

Eileen Berry
AVP and CRA Officer

Kerri Howard
AVP and BSA Officer

Olufemi Ojikutu
AVP and Audit Manager

ROSEVILLE COMMERCIAL BANKING

Jerry Gamboa
SVP and Commercial Banking Regional Manager

Geofry Fong
VP and Commercial Loan Officer

Paul Stiplosek
VP and Commercial Loan Officer

SALES AND BUSINESS DEVELOPMENT

Brian Kilkenny
VP and Senior Business Development Officer

Alan Aranha
VP and Regional Business Development Officer

Joseph Huang
VP and Regional Business Development Officer

Kenn Cunningham
AVP and Sales Officer

SMALL BUSINESS ADMINISTRATION

Joseph Smith
SVP and Small Business Administration Manager

Jim Barnett
VP and Small Business Administration Business Development Officer

Richard Carlson
VP and Small Business Administration Business Development Officer

Scott Cisneros
VP and Small Business Administration Business Development Officer

Maryanne Harris
VP and Small Business Administration

Scott Huberts
VP and Small Business Administration Business Development Officer

Antonio G. Uribe
VP and SBA Underwriting Supervisor

June Ingalls
AVP and SBA Operations Manager

Terrie King
AVP and Small Business Administration Officer

SPECIAL ASSETS

Christy Qabazard
VP and Special Assets Manager

TECHNICAL SERVICES

Richard Lewis
SVP and Chief Information Officer

Brian Davidson
VP and Core System Support Manager

Daniel Seletzky
VP and IT Manager

Jane Daniel
AVP and Project Portfolio Manager

TRUST AND INVESTMENT MANAGEMENT

John Mackey
SVP and Managing Director of Investment and Fiduciary Services

Diana Angell
VP and Personal Trust Officer

Chris Ann Bachtel
VP and Personal Trust officer

Austin Bryant
VP and Investment Officer

Alysia Corell
VP and Personal Trust officer

Matthew Kelman
VP and Institutional Trust Fiduciary Manager

Emily Menjou
VP and Personal Trust Fiduciary Manager

David Rapoport
VP and Investment Officer

William Sullivan
VP and Investment Officer

Mary Chapot
AVP and Personal Trust Officer

Susan Preston
AVP and Employee Benefit Trust Officer

BRANCH MANAGERS

Santa Rosa Main Office

John Matli
VP and Branch Manager

Bennett Valley

Yvette Carre
Branch Manager

Cloverdale

Ramiro Rodriguez
Branch Manager

Coddington

Stephen Schofield
VP and Branch Manager

College

Carrie Winn
Branch Manager

Cotati

Jessica Hidalgo
Branch Manager

Dutton

Carmen Garcia
VP and Branch Manager

Healdsburg

Patti Mannatt
VP and Branch Manager

Larkfield

Laura Buhner
VP and Branch Manager

Petaluma East

Edie Cheda
VP and Branch Manager

Petaluma Main

Rick Gorman
VP and Branch Manager

Reinking

Terry Fassold
VP and Branch Manager

Rohnert Park

Cherie Chipman
VP and Branch Manager

Sebastopol

Kelly Back
VP and Branch Manager

Sonoma

Britt Cooper
VP and Branch Manager

St. Francis

Dana O'Halloran
VP and Branch Manager

Stony Point

Veronica Rincon
VP and Branch Manager

Windsor

Jim Curry
VP and Branch Manager

Awards & Accolades

Best Bank

Press Democrat readers' poll
North Bay Bohemian readers' poll

Best Local Bank

Petaluma People's Choice awards

Best Consumer Bank

NorthBay biz readers' poll

Best Business Bank – Gold Medal winner

NorthBay biz readers' poll

Best Places to Work – 13th consecutive year

North Bay Business Journal

2018 North Bay Community Philanthropy Award

North Bay Business Journal readers' poll

Healthiest Companies in the North Bay Award

North Bay Business Journal readers' poll

2018 SRJC President's Medallion of Honor

Awarded by the Santa Rosa Junior College

Golden Heart Award

Awarded by the Petaluma Health Care District

Mission Statement

From generation to generation, we invest in people, business and community to build a strong future.



Vision Statement

We want to be your bank, making a difference in the communities we serve, to create a better future for generations to come.



Core Values

Commitment

Exchange Bank's legacy is one of financial leadership and community support, which we will continue through responsiveness to the needs of our customers and communities. As a public company, we strive for an attractive long-term return for our shareholders, act as a responsible community citizen and demonstrate leadership in local business and community circles. We support our communities with our money, time and talent.

Respect

We value the diversity of our customers, employees and communities. We believe that everyone is entitled to be treated with fairness and respect. Our employees are empowered to think independently, act resourcefully, and are charged with the responsibility of representing our values within the organization and in the community.

Integrity

Our business is grounded in trust. We are committed to acting with the highest standards of personal, professional and organizational integrity and character.

Teamwork

Together, we are stronger and wiser than any of us individually. We foster a spirit of enthusiasm, professionalism, engagement and fun while working together in pursuit of common goals. We are known as people who care about our customers, our company, our communities and one another.



Equal Opportunity Employer



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