



August 20, 2010

Dear Valued Client:

Welcome to Pacific Western Bank. On August 20, 2010, Pacific Western acquired Los Padres Bank, including all insured and uninsured deposits, loans and branches of Los Padres, in a transaction assisted by the Federal Deposit Insurance Corporation (FDIC).

All of your insured and uninsured deposits are safe and have been transferred to Pacific Western Bank. Your funds are available immediately, subject to the terms of your account.

As of Monday, August 23, 2010, all former Los Padres Bank branches will have reopened as branches of Pacific Western Bank and be ready to serve you. Soon you will have the added convenience of 68 additional banking offices and an expanded ATM network to choose from.

Safety and soundness is our main concern. Among Pacific Western Bank's June 30, 2010 financial statistics are the following:

- Pacific Western Bank is the 14<sup>th</sup> largest California-based commercial bank out of over 282 institutions;
- Total assets of \$5.1 billion including \$413 million in cash and cash equivalents;
- Total capital of \$573 million; and
- A total risk-based capital ratio of 15.76% which is well in excess of the minimum "well-capitalized" level of 10%.

We aim to use this opportunity to earn the privilege of your business by treating you like a valued customer and friend, giving you the best service we know how, and providing high quality financial products and services to satisfy both your business and personal banking needs.

As a first step, let us tell you that we value the former Los Padres Bank employees, many of whom you must know and who have served you well in the past. We welcome them into the Pacific Western Bank family. In addition to some new faces, we hope you will be comforted by the familiar ones as well.

Attached is a brief Q & A that we hope anticipates your initial questions about your deposits and loans at Pacific Western Bank. Please visit or call us at the banking office of your choice for answers to other questions that may arise. Former Los Padres Bank personnel and Pacific Western Bank representatives are standing by.

On behalf of everyone at Pacific Western Bank, thank you for giving us the opportunity to serve your banking needs.

Sincerely,

Matthew P. Wagner  
Chairman of the Board and Chief Executive Officer