



David V. Heald, President and Chief Executive Officer commented, "We are pleased with the community's continued choice in banking services as represented by our fourth consecutive year of double-digit percentage growth in deposits, loans, and assets, the foundation of our solid balance sheet. This positive momentum was spurred by many factors including the Bank's hiring of key business development personnel, the positioning of branches and a dedicated business lending office, its unique branding emphasizing local banking, and its positive reputation as a leading lender."

"This month we celebrate our fifth anniversary and our successful opening in Aptos of a fifth full service banking office. Our increased footprint within the County provides us the ability to attract new business and further grow our balance sheet while providing more convenient access for our clients. We have continually positioned ourselves at opportune times in order to take advantage of significant changes in the banking landscape in our market area."

"In the year ahead, we will continue to be proactive in seeking opportunities while being mindful of the impacts of current economic conditions on our customers, shareholders, and community."

### **Bank approved but not accepting TARP funds**

In recognition of its financial strength, Santa Cruz County Bank was approved by the Federal Government for \$5 million in funds from its U.S. Treasury Capital Purchase Program under "TARP" Troubled Asset Relief Program. The Capital Purchase Program is a voluntary program designed to assist healthy financial institutions. Santa Cruz County Bank has elected not to accept the TARP funds.

### **Annual Meeting Notice**

The Bank's Annual Meeting of Shareholders will be held on May 20, 2009 at The Inn at Pasatiempo at 3:00 p.m. Pacific Standard Time.

### **About Santa Cruz County Bank**

Headquartered in Santa Cruz, Santa Cruz County Bank is a full service bank serving the banking needs of individuals and businesses throughout Santa Cruz County. The Bank operates five full-service banking offices, a Business Lending Office and two self-serve banking centers. The Bank's full-service banking offices are located in Aptos, Capitola, Santa Cruz, Scotts Valley and Watsonville. The Bank commenced operations on February 3, 2004 in Santa Cruz.

Santa Cruz County Bank's common stock is listed on the Over the Counter (OTC) Bulletin Board under the stock symbol SCZC. More information on the Bank may be obtained through its website: [www.sccountybank.com](http://www.sccountybank.com) or by calling (831) 457-5000.

*This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank is conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.*

### **CONTACTS:**

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