

PRIVACY OF CUSTOMER FINANCIAL INFORMATION POLICY

PURPOSE AND SCOPE

It is the policy of Continental Bank (the “Bank”) to comply with all Federal and State laws pertaining to the privacy and confidentiality of customer information and customer financial records.

In addition to the Bank’s strict internal policy, we are bound by the Gramm-Leach-Bliley Act (GLBA), the Right to Financial Privacy Act (RFPA), the Fair Credit Reporting Act (FCRA) and various other laws and regulations that provide the basis for the regulatory framework of our policies and procedures.

GRAMM LEACH BLILEY ACT

Subtitle A of Title V of the Gramm Leach Bliley Act established specific guidelines regarding when financial institutions are allowed to disclose nonpublic personal information about a consumer to nonaffiliated third parties, and requires a financial institution to disclose to all of its customers the institution’s privacy policies and practices relating to information sharing with both affiliates and nonaffiliated third parties. Additionally, the Act requires that customers be provided an opportunity to opt-out of sharing his or her nonpublic personal information to nonaffiliated third parties subject to certain exceptions. Continental Bank has elected to not share any non-public personal information with nonaffiliated third parties other than as permitted by the exceptions delineated in the privacy rule.

DEFINITIONS

Affiliate: any company that controls, is controlled by, or is under common control with the Bank.

Consumer: is an individual who obtains or has obtained a financial product or service that is to be used primarily for personal, family, or household purposes and includes such an individual’s legal representative.

Customer: a consumer with whom the Bank has a “customer relationship.” A customer relationship is a continuing relationship between the Bank and a consumer under which one or more financial products or services is provided to the consumer that are to be used primarily for personal, family, or household purposes. A person does not have a continuing relationship with the Bank if that person obtains a product or service in an isolated transaction or has obtained a loan and the Bank sold the loan without servicing rights.

Personally identifiable financial information: any information collected about a consumer in connection with providing a financial product or service to that consumer. This includes: information provided by the consumer during the application process (e.g., name, phone number, address, income); information resulting from the financial product or service transaction (e.g., payment history, loan or deposit balances, credit card purchases); information from other sources about the consumer obtained in connection with providing the financial product or service (e.g., information from a consumer reporting agency or from court records)

Publicly available information: any information the Bank reasonably believes is lawfully made available to the general public from federal, state, or local government records, widely distributed media, or disclosures to the general public that are required to be made by federal, state, or local law.

Nonaffiliated third party: means any person who is not an affiliate.

Nonpublic personal information: consists of personally identifiable financial information obtained or that is provided by a consumer that is not publicly available information. It includes any lists, descriptions, or other groupings of consumers (including publicly available information contained therein) that are derived using personally identifiable financial information that is not publicly available.

Recipient: receipt of nonpublic personal information from a nonaffiliated financial institution and to any nonaffiliated entity to which the bank gives nonpublic personal information.

POLICIES AND REQUIREMENTS

Continental Bank shall have procedures to ensure the following:

- The Bank must provide an initial notice to a consumer no later than when the consumer establishes a customer relationship with the bank, regardless of disclosure practices.
- The Bank will provide a link to the Bank's Privacy Policy notice on its website homepage
- Should the most recent privacy notice change, the Bank shall provide a revised notice prior to disclosing nonpublic information about a consumer or customer and provide an opportunity to "opt-out".
- When acting in the capacity of a "recipient", the Bank shall limit the redisclosure of nonpublic personal information

FAIR CREDIT REPORTING ACT

It is Continental Bank's intent to comply with the provisions of the Fair Credit Reporting Act (FCRA) and its implementing regulations that permit institutions to communicate consumer transaction and experience information with their affiliates. In accordance with the law and related regulations, the Bank will not share other information unless customers are provided a method to opt-out of this practice. "Other" information refers to information that is covered by the FCRA and is generally described as:

- Information that bears on a consumer's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living.
- Information that is used or collected for one of the permissible purposes (e.g., credit transaction, insurance underwriting, and employment purposes) listed in the FCRA. Examples of other information include, but are not limited to income, credit score or credit history with others, medical history or marital status.
- Information that is not solely transaction or experience information

RIGHT TO FINANCIAL PRIVACY ACT

The Right to Financial Privacy Act established guidelines and procedures regarding how agencies of the federal government may obtain the financial records of certain customers from financial institutions. The Right to Financial Privacy Act covers requests for financial information regarding individuals and partnerships with five or fewer people. It does not govern record requests for corporations or partnerships with more than five people. The Right to Financial Privacy Act only covers requests from a federal government authority. It does not apply to requests from the Internal Revenue Service or from state, local, or other non-federal agencies.

Continental Bank will not honor any request for customer information that does not comply with the requirements of the Right to Financial Privacy Act. Strict precautions will be taken to prevent the release of inappropriate information as allowed by the Right to Financial Privacy Act.

OVERSIGHT RESPONSIBILITIES

Continental Bank's compliance program includes a series of effective systems and controls to monitor its activities and ensure that the Bank's compliance program is being implemented in accordance with the policies established.

- It is the responsibility of the Board of Directors or an appropriate committee of the Board to ensure compliance for all regulations.
- Senior Management is responsible for the administration of the program.

- The Compliance Officer, Bank Security Officer and designees are responsible for establishing and maintaining an effective compliance program with systems and controls.
- The Compliance Officer will report to the Board of Directors annually on the Bank's information sharing program based on GLBA regulation.

ENFORCEMENT OF POLICY

The Board of Directors has the authority to approve all compliance policies and at its discretion may assign responsibility for updating the program to an appropriate committee or senior management.

The Compliance and Security Officers, Audit Committee, and Senior Management are responsible for the enforcement of this policy and ensuring the directives are implemented and administered in compliance with the approved policy.

REPORTING

Compliance with privacy laws will be audited by the internal audit department or a third party vendor selected by internal audit. Frequency of audits will be determined by the audit department and will be reported to the board of directors' audit committee as required by internal policy and procedures.

The Board of Directors and the Audit Committee shall be notified and shall review and approve any changes to the notice.