

NORCAL COMMUNITY BANCORP CODE OF CONDUCT AND ETHICS

I. INTRODUCTION

It is the policy of NorCal Community Bancorp and its Subsidiary ("NorCal") that, at all times, Directors, Executive Officers and Staff shall adhere to and obey laws, rules, and regulations of local, state, and Federal authorities applicable to the business of NorCal and its Subsidiary.

It is NorCal's belief that there are no greater selling points for a business corporation than high corporate and individual conduct, quality service and sound judgment. Personal honesty and corporate integrity are high priorities of NorCal. Whether a Director, Executive Officer or Staff, it is each person's responsibility to maintain the highest standards of professional and ethical conduct which is essential in preserving NorCal's integrity in the community. Each person has a fundamental duty to avoid placing him or herself in a position which creates, or which leads to, or could lead to, a conflict of interest or the appearance of a conflict of interest.

Directors, Executive Officers and Staff have an affirmative duty to promote and advance the interests of NorCal. Each individual should be concerned with the welfare of customers as well as stockholders of NorCal.

NorCal requires ethical behavior of its Directors, Executive Officers and Staff. A Staff member is encouraged to talk with his or her supervisor, manager or other appropriate personnel when in doubt about a best course of action in a particular situation from an ethical perspective.

Staff are encouraged to report violations of laws, regulations, or this Code of Conduct and Ethics (the "Code") using the processes described in this Code. NorCal will not permit retaliation against Staff for reports made in good faith.

A. Coverage

This Code applies to the Directors, Executive Officers and Staff of NorCal and its Subsidiary. Certain parts of the Code may be applicable only to Bank of Alameda ("Bank"), and if so, are indicated. "Staff" means an officer or employee of NorCal and it includes executive officers, unless specifically to "Executive Officers," and are so indicated. "Executive Officer" means a member of NorCal management so designated by resolution of the Board.

B. Guidance and Reporting Procedures

1. **General questions** regarding this Code may be directed to the Chairman of the Audit Committee.
2. **Determinations regarding whether a violation of this Code has occurred** shall be made as follows:
 - (a) Process:
 - (i) If the alleged violation under consideration concerns an Executive Officer or Director, of either NorCal or Bank of Alameda, the determination of the existence of any violation shall be made by the

Audit Committee, in consultation with legal counsel as the Audit Committee deems appropriate.

- (ii) If the situation under consideration concerns any other Staff, the determination of the existence of a violation shall be made by the President in consultation with legal counsel if he or she deems appropriate. The President shall report such determination to the Chairman of the Audit Committee.
- (iii) Whoever makes the decision as to whether a violation has occurred shall document the decision and forward the documentation to the Corporate Secretary for filing and retention. These files shall be available to external auditors, legal counsel and the Board of Directors.
- (iv) In determining whether a violation of this Code has occurred, the Audit Committee or President making such determination may take into account to what extent the violations were intentional; the qualitative and quantitative materiality of such violation from the perspective of either the detriment to NorCal or the benefit to the Director, Executive Officer or Staff, the policy behind the provision violated and such other facts and circumstances as they shall deem advisable under all the facts and circumstances.

- (b) Acts or omissions determined to be violations of this Code by other than the Audit Committee under the process set forth above shall be promptly reported to the Audit Committee and by the Audit Committee to the Board.

3. Requests for Waivers. A waiver of a provision of this Code shall be requested whenever there is a reasonable likelihood that a contemplated action will violate the Code.

- (a) Process:
 - (i) If the request under consideration relates to an Executive Officer or Director the determination with respect to the waiver shall be made by the Audit Committee, in consultation with legal counsel if the Audit Committee deems appropriate and submitted to the Board for ratification.
 - (ii) If the request under consideration relates to any other Staff, the determination shall be made by the President in consultation with legal counsel if the President deems it appropriate, unless such request is quantitatively or qualitatively material or outside the ordinary course of business, in which case such determination shall be made by the Audit Committee.
 - (iii) The decision with respect to the waiver request shall be documented and forwarded to the Corporate Secretary for filing and retention. These files shall be available to external auditors and to legal counsel and the Board of Directors.

- (b) All waivers of this Code shall be promptly reported by the President and the Audit Committee to the Board.
- (c) Waivers will not be granted except under extraordinary or special circumstances.
- (d) To the extent determined to be required or appropriate by NorCal's Board of Directors in consultation with legal counsel, waivers shall be publicly disclosed on a timely basis.

4. Written Approval and/or Notification under the Code. Whenever the requirement for "written approval" or notification appears elsewhere in this Code, it means that a writing setting forth the pertinent facts of the situation under consideration shall be submitted according to the process specified below. Also, written notification is highly recommended if contemplated actions may have the propensity to create an arguable violation or even create the appearance of a violation to a reasonable person.

- (a) Process:
 - (i) If the request under consideration relates to an Executive Officer or Director, the determination with respect to the approval shall be made by the Board of Directors or the Audit Committee, in consultation with the legal counsel.
 - (ii) If the request under consideration relates to any other Staff, the determination with respect to the approval shall be made by the President, in consultation with legal counsel, if the President deems it appropriate, unless such request is quantitatively or qualitatively material or outside the ordinary course of business, in which case such determination shall be made by the Audit Committee. Staff shall direct their requests for approvals to the President, (who, in turn, will contact the Audit Committee) or directly to the Audit Committee, as appropriate.
 - (iii) The decision with respect to the approval request shall be documented and forwarded to the Corporate Secretary for filing and retention. These files shall be available to external auditors and legal counsel and the Board of Directors.
- (b) All approvals shall be promptly reported by the Audit Committee to the Board of Directors.

5. GOOD FAITH REPORTING OF WRONGDOING

- (a) Employees of NorCal and the Bank are protected, to the extent provided by law, against retaliation by NorCal when they provide information or assist in an investigation by federal regulators, law enforcement, Congress, or NorCal itself, regarding conduct which the employee reasonably believes relates to fraud against NorCal's shareholders. Furthermore, the Bank is

subject to and the Staff are protected by Section 33 (a) Depository Institution Employee Protection Remedy, of the Federal Deposit Insurance Act (12 U.S.C. 1831j, as amended), (the "Act"), which is commonly known as "Whistleblower Protections." Pursuant to the Act, Staff shall not be discharged, threatened, or otherwise discriminated or retaliated against regarding their compensation, terms, conditions, location or privileges of employment because they, or a person acting on their behalf, make a good faith report or are about to report verbally or in writing to NorCal or an appropriate authority an instance of wrongdoing.

- (i) "Good faith report" shall mean a report of conduct defined as wrongdoing, which the person making the report has reasonable cause to believe is true and which is made without malice or consideration of personal benefit.
 - (ii) "Wrongdoing" shall mean a violation which is not of a merely technical or minimal nature of a federal or state statute or regulation or of this Code designed to protect the interests of the public or NorCal.
 - (iii) All good faith reports and resulting investigations will be kept confidential.
- (b) Good faith reports of wrongdoing should be submitted, in writing, to the Chairman of the Audit Committee. The Chairman of the Audit Committee may discuss the report with NorCal's legal counsel or external auditors, as appropriate, and may then arrange a meeting with the employee if the employee does not report on an anonymous basis, to allow the employee to present a personal and complete description of the situation. Thereafter, the Chairman of the Audit Committee will take the matter under consideration, including undertaking any necessary investigation or evaluation of the facts related to the situation and after consultation with legal counsel or external auditors and as appropriate, shall render a written decision, response or explanation as expeditiously as possible. If the employee is not satisfied with the response of the Chairman of the Audit Committee, the employee may pursue redress under the complaint resolution process as set forth in the Bank of Alameda Employee Handbook. Such a decision or response will be final and conclusive.
- (c) Directors may submit any good faith reports of wrongdoing in writing to the Chairman of the Audit Committee or directly with legal counsel. A thorough investigation will be undertaken by the Chairman of the Audit Committee, or his designee, or legal counsel, and appropriate action taken.
- (d) Procedures for confidential, anonymous submission of Staff concerns regarding questionable accounting or auditing matters shall be handled under the same procedures established for good faith reporting.

6. SUBSTITUTION OF BANK BOARD DIRECTORS UNDER CERTAIN CIRCUMSTANCES

- (a) If in the judgment of NorCal's legal counsel, any bank regulatory law or regulation relating to corporate separateness or otherwise makes it illegal, inappropriate or inadvisable for the Board of Directors, the Audit Committee, or officers of NorCal Community Bancorp to make the determination, or consider and grant the waivers and approvals or take other action required under this policy, the Board of Directors of the Bank shall make such determinations and grant such approvals or waivers assisted by the Bank's legal counsel.

II. CONFLICTS OF INTEREST

A. Introduction

For purposes of this policy, a "conflict of interest" occurs when an individual's private interest interferes in a quantitatively or qualitatively material way or appears from the perspective of a reasonable person to interfere in a qualitatively or quantitatively material way, with the interests of NorCal as a whole. A conflict situation can arise when Staff member or Director takes actions or has interests that may make it difficult to perform his or her responsibilities objectively and effectively. Ordinarily, a conflict exists when an outside interest could actually or potentially influence the judgment or actions of an individual in the conduct of NorCal's business. Conflicts of interest may also arise when a Staff member or Director or a member of his or her family, receives improper personal benefits as a result of his or her position in NorCal. Knowing violations of any such conflict of interest are prohibited under this Code, and are further discussed below.

B. General Policy

NorCal must have the confidence of its customers and the public. Directors and Staff must avoid conflicts or the appearance of conflicts, as discussed above.

C. Avoidance of Appropriation of Corporate Opportunity

Directors and officers of NorCal stand in a fiduciary relationship to NorCal. It is a breach of this duty for any such person to take advantage of a business opportunity for his or her own or another person's personal profit or benefit when the opportunity is within the corporate powers of NorCal, and when the opportunity is of present or potential practical advantage to NorCal, unless NorCal's Board knowingly elects not to avail itself of such opportunity and such person's participation is approved in advance by the Board. If such a person so appropriates such an opportunity, NorCal may claim the benefit of the transaction or business and such person exposes himself or herself to liability in this regard. It is NorCal's policy that no Director or Executive Officer appropriate a corporate opportunity, without the consent of the Board.

D. Serving as a Director, Officer or Employee of a Non-NorCal, or Bank of Alameda Business

As stated in Section 2.3 of NorCal's By-Laws, no person shall serve as a member of the Board of Directors: (i) who is a director, officer, employee, agent, nominee, material consulting accountant, analyst, attorney or policy decision maker for any other financial institution, lender or bank holding company or affiliate or subsidiary thereof; or (ii) who has been or is the assignee or nominee of anyone who has any contract, arrangement or understanding with any other financial institution, lender or bank holding company, or affiliate or subsidiary thereof, or with any officer, director, employee, agent, nominee, material consulting accountant, analyst, attorney or policy decision maker thereof, pursuant to which that person could be called upon to reveal or in any way utilize information obtained as a director or will, directly or indirectly, attempt to effect or encourage any action of this Corporation. The Board of Directors of the corporation, or a committee thereof, shall determine whether any person who seeks to become a director complies with the provisions of Section 2.3.

Staff members must have the written approval (as described in Section I.B.4) in advance of accepting an appointment or position to serve as a director, partner, owner, officer, or employee of any non-NorCal, or Bank of Alameda business. If the service is permitted, then any Staff member acting in this dual capacity must inform the Board of any matter affecting this dual responsibility at any time and, if warranted, abstain from any discussion or vote arising from this situation.

No outside employment of a Staff member which may constitute a conflict of interest is permitted unless approved in advance under this Policy. Outside employment considered to be a conflict of interest would include, but is not limited to, employment with or service on the board of directors of a competitor or supplier, employment as an auditor or accountant, investment advisor, insurance broker or agent, or acting as a real estate broker or agent. Generally, Directors and Staff are prohibited, absent approval under this policy, from serving:

1. in an unaffiliated entity which primarily engages in stock, bond and securities trading, underwriting or sales; or
2. as a director, officer or employee of another unaffiliated bank, thrift, trust or depository institution.

E. Political Activities

No Director or Staff member of NorCal or Bank of Alameda, acting on NorCal's behalf, may contribute or loan money or items of value to any foreign, federal, state or local political candidates or parties. This prohibition includes the use of any NorCal facilities, equipment supplies, personnel or name. Staff members may, however, participate and /or contribute to the political process as concerned individuals, through means which would include voting and the contribution of their own time and money, and participation in or contributions to political action committees.

Staff members considering running for election to public office must discuss such a matter in advance with their supervisors to assure that their responsibilities at NorCal are not compromised. This policy does not prohibit consideration for personal leaves of absence by Staff members to pursue elected or appointed governmental positions. Requests for personal leaves of absence will be considered and administered as set forth in the Bank of Alameda Employee Handbook.

F. Relationships with Regulatory and Governmental Authorities

1. It is the policy of NorCal to cooperate with legitimate, duly authorized governmental and regulatory investigations.
2. All Directors and Staff shall promptly and honestly respond to inquiries by bank examiners, auditors, legal counsel and security personnel. The concealment of pertinent information by Directors or Staff is prohibited.

G. Preservation of Records

Whenever a Staff member becomes aware of an investigation which affects NorCal, he or she shall immediately notify the Chairman of the Audit Committee. Notwithstanding any NorCal records retention guidelines, under no circumstances shall any records known to be the subject of or germane to any anticipated, threatened or pending law suit or governmental or regulatory investigation or case filed in bankruptcy be removed, concealed or destroyed. For purposes of this section, "records" means any of hard copy, paper documents and electronic records, including but not limited to, e-mail, voicemail, and the contents of hard discs.

H. Membership in Civic, Trade and Community Associations

Volunteering in civic and charitable organizations is encouraged for Staff. To serve as a director or officer of a charitable or civic organization, a Staff member must obtain written approval from the President in advance of accepting the appointment. Participation in such activities shall not be deemed to be within an individual's scope of employment or authority as a Staff Member and NorCal assumes no liability therefor.

I. Accuracy of Records

Staff shall always adhere to established accounting rules and audit controls. All records shall accurately reflect transactions in a timely manner. Incorrect or misleading entries shall be corrected immediately. Falsification of records or transactions shall be grounds for termination.

In accordance with the rules promulgated by the SEC under the Sarbanes-Oxley Act of 2002, it shall be unlawful for any officer or director of NorCal or any other person acting under the direction thereof, to take any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of NorCal's financial statements for the purpose of rendering such financial statements materially misleading.

J. Fair Dealing

1. Introduction

Each Staff member must endeavor to deal fairly with NorCal's customers, suppliers, and competitors. No Staff member shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material fact, or any other unfair-dealing practice. More specific discussion follows:

2. Relationships with Competitors

- (a) Except in situations where NorCal is participating in a transaction with another institution, no Director or Staff member shall have any agreement, understanding or arrangement with any competitor with respect to pricing of services, interest rates or marketing policies. Providing the best possible service to our customers is the most effective means of competing. NorCal will refrain from inaccurately representing the products and services of its competitors.
- (b) No Director or Staff member shall engage in any activity which competes with NorCal.
- (c) No Director or Staff member shall reveal any trade secrets that are unique to NorCal or are NorCal's proprietary information.
- (d) Each Director and Staff member has a fiduciary responsibility to take care that no information that is deemed as confidential as to NorCal be passed to competitors.

3. Relationships with Customers

- (a) Staff shall act in a professional manner at all times when representing NorCal. In dealing with NorCal's customers, Staff shall use prudent judgment and exercise good faith. Staff shall avoid situations that would generate a conflict of interest. Transactions with customers shall always be conducted at "arms length."
- (b) No Staff member shall misrepresent, circumvent or conceal the nature of any material aspect of any transaction when dealing with a customer.
- (c) Neither Directors nor Staff shall take advantage of their position with NorCal to attain investment or participation in a customer's business unless approved as provided in this Policy. Neither Directors nor Staff shall participate or invest in a business of a customer or participate in a joint venture with a customer if the Director or Staff member has access to information regarding the customer which is not publicly available or which would constitute an unfair advantage owing to the Director's or Staff member's position with NorCal.

- (d) If a relationship between a Staff member and a customer or a potential customer exists which potentially creates a conflict of interest, that Staff member shall remove himself/herself from all dealings with that customer.
- (e) No Staff member shall knowingly allow or encourage a customer to state false information on a loan application or other bank form or document, or to structure a banking transaction in violation of the Bank Secrecy Act.
- (f) Staff members' relationships with loan applicants are more fully set forth in Section III.B.3 of this Code.
- (g) From time to time, Staff members may be requested to advise a customer as to the legality of a transaction. Any discussion which could be interpreted as the giving of legal advice to customers must be avoided.

K. Advertising, Marketing and Corporate Communications

NorCal shall adhere to the highest standards of financial advertising in compliance with all applicable laws and regulations. Advertising shall be truthful and will contain enough information about products or services that the intended audience can be expected to make an intelligent purchase based upon the advertisement.

Staff may not, without authorization, release to news media information about NorCal's activities. All press releases to the news media will be made through the Chief Financial Officer with the prior approval of the President. Any requests from a NorCal shareholder for information shall be immediately referred to the Chief Financial Officer, the President, or to the Corporate Secretary as appropriate for proper handling.

L. Sale of Norcal Properties

Directors and Staff shall enjoy no advantage over the general public in the purchase of any NorCal properties including real estate, automobiles, securities or any other real or personal properties. The terms and conditions of any transactions with Directors or Staff shall not be less favorable to NorCal than those offered to others. Properties shall be sold in accordance with normal business practices.

M. Selling Assets or Services to NorCal

Directors and Staff shall enjoy no advantage over the general public in the sale of assets or services to NorCal. The terms and conditions of any transactions with Directors or Staff members shall not be less favorable to NorCal than those offered by others. Services and assets shall be purchased in accordance with normal business practices.

N. Illegal Kickbacks

Illegal kickbacks are improper payments to any party for the referral of business and are strictly prohibited.

O. Loan and Deposit Transactions

Staff are prohibited from approving or performing transactions or file maintenance involving their own deposit or loan accounts or any deposit or loan accounts involving their relatives or any affiliated business relationships. "Relatives" include a Staff member's spouse or fiancée, siblings, parents (actual or step), children, stepchildren, grandparents, grandchildren, domestic partner, aunt, uncle, first cousin, niece, nephew, in-law, or any significant other non-family relationship.

III. LOANS

A. Staff loans from other sources

Staff generally are prohibited from borrowing any money from customers or suppliers of NorCal unless those customers or suppliers are their immediate family members. Any borrowing by Staff under any other circumstances that appear inappropriate or potentially embarrassing also is prohibited. However, nothing in this Code shall preclude any Staff member from obtaining loans from another financial institution, provided that such loans are, under all facts and circumstances, at fair market value and at terms no more favorable to the Staff member than those available to the general public.

B. Loans from NorCal

1. It shall be unlawful for NorCal, directly or indirectly, including through any subsidiary to extend or maintain credit, to arrange for the extension of credit, or to renew an extension of credit in the form of a personal loan to or for any Director or Executive Officer of NorCal unless permitted by law. Provided, however, that this restriction does not apply to any loan made or maintained by Bank of Alameda, if the loan is subject to the insider lending restrictions of Section 22(h) of the Federal Reserve Act. Loans from Bank of Alameda are further subject to the provisions of Regulation O, 12 C.F.R. 563.43 (which specifies restrictions on loans), the Bank's Regulation O Policy, the provisions of the Loan Policy, other lending policies, and other applicable provisions of law, and incorporated herein by reference.
2. **All other Staff members** are subject to the provisions of the Bank's Loan Policy.
3. **Bank loans to customers**
 - (a) At no time shall any Staff member represent that he/she has the authority to approve any application or commit or bind the Bank in any manner unless specific lending authority has been conferred upon him or her by the Board of Directors of the Bank.
 - (b) No Staff member shall, in connection with or incidental to the making of a mortgage loan, require or permit the mortgage instrument or bond or note to be signed by a party to the transaction if the instrument contains any blank spaces to be filled in after it has been signed, except blank spaces relating to recording. Permitting a loan applicant(s) to sign any document before it is properly completed is strictly prohibited.

- (c) NorCal shall not discriminate against any applicant regarding any aspect of a credit transaction on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to enter into a binding contract), the fact that all or part of the applicant's income derives from any public assistance program or the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act or any applicable state law, as more fully set forth in the Bank's Loan Policy.
- (d) In underwriting loans, Staff shall use integrity in evaluating the completeness and accuracy of the loan files to determine that the borrower is able to repay the mortgage debt and the collateral property is of sufficient value to justify the loan amount.
- (e) No Staff member shall bring pressure on an appraiser to reach a value necessary to qualify the property/borrower.
- (f) Loans ready to close during the commitment period must close at the terms agreed upon by the parties. A Staff member shall not seek to delay a loan closing in anticipation of the expiration of stated rates and other terms.
- (g) No Staff member shall quote unavailable interest rates or unavailable loan terms to prospective loan applicants.
- (h) A Staff member shall make full disclosure of any personal interest they may have in a loan, project, or property that is the subject of a loan application.
- (i) The Bank's policy is to faithfully honor an agreement or commitment made to an applicant.

IV. TRANSACTIONS WITH AFFILIATED PERSONS

For purposes of this Section IV, an "affiliated person" is any Director, Director Emeritus, and any designated Executive Officer of NorCal or the Bank and any entity owned or controlled by such persons.

- A. NorCal will not invest, either directly or indirectly, in the stock, bonds, notes, or other securities of any affiliated person or purchase securities under a repurchase agreement with any affiliated person.
- B. Fees assessed for late payment or for overdrawn demand accounts of affiliated persons will be the same as those charged to the general public and will not be waived. Overdrawn demand accounts will be brought to the attention of the Chief Financial Officer.
- C. Interest paid on deposit accounts of any kind shall be at a rate available to the general public.
- D. There shall be no loan transactions with third parties which include affiliated persons unless in accordance with this Code.
- E. Any purchase from or sale to an affiliated person of any property real or personal shall be conditioned upon determining the value from an independent outside appraiser. The Board

of Directors of NorCal or Bank of Alameda will vote upon the transaction in advance, with the affiliated person abstaining.

V. NORCAL PROPERTY

- A. Staff have a duty to protect and conserve NorCal property and to ensure its use for proper purposes. Staff are to take care and responsibility to safeguard the property of NorCal within reason. However, at no time is a Staff member to put his/her person at risk to safeguard NorCal property.
- B. NorCal property includes, but is not limited to:
 - 1. All physical property of Norcal whether leased or owned by NorCal and includes all fixtures.
 - 2. All records of the accounts of customers, and any other records and books in possession of NorCal.
 - 3. All marketing studies, advertising or promotional materials, customer lists, logs or reports or any other forms, or surveys that are in NorCal's possession.
 - 4. All proprietary software.

VI. ABUSE OF CONFIDENTIAL INFORMATION OR RELATIONSHIP

- A. The confidential relationship between NorCal and its customers is a fundamental principle of the financial services business, which has long been recognized by the statutes and court decisions. It is essential that every Director and Staff member maintain this relationship at all times.
- B. Norcal is entrusted with important information about individuals and businesses. A violation of this trust is a serious matter. Furthermore, NorCal is legally obliged under regulations promulgated pursuant to the Gramm-Leach- Bliley Act of 1999 to protect the privacy of a consumer's personal financial information. The privacy practices of NorCal and it's subsidiary are set out more fully in the Privacy Policy and Notice which is circulated to our customers and members of the public. Therefore, it is imperative never to discuss such information with anyone outside of the Bank or with other Staff members who have no need to know. Confidential information shall not be obtained merely for the purpose of knowing such information, rather only when it pertains directly to a particular transaction or situation.

Examples of information that must be kept confidential are listed below:

- 1. Customer Account Information (i.e. account numbers and balances, information on a loan application, paycheck amounts, overdrafts, deposits, withdrawals, names and addresses of the Banks' customers). Such information should only be discussed using discretion with the signer(s) on the account or the loan applicant(s).
- 2. Personal matters regarding co-workers as well as customers (i.e. divorce, disagreements, personality conflicts or embarrassing behavior).

3. Details of Bank Security (i.e. opening/closing procedures, alarm/camera systems, cash drawer and vault limits).
- C. Deriving monetary gains from confidential information that could be obtained only by reason of employment or as a Director with the Bank, whether such information relates to the Bank, its customers, or anyone with whom it has business relations is strictly prohibited. Confidential information includes all non-public information that might be of use to competitors, or harmful to NorCal or its customers if disclosed.

VII. ACCEPTING THINGS OF VALUE

A. Federal Law:

The solicitation of and acceptance of things of value is generally prohibited by the Bank Bribery Act of 1985. Violations of this law can result in fines and or imprisonment. The law is applicable to all Directors, Staff, agents or attorneys of the Bank.

B. Soliciting and Accepting Things of Value:

1. You may not solicit or accept for yourself or for a third party anything of value (which includes, but is not limited to, any gift, meal, favor, service, entertainment legacy or other thing) from anyone in return for any business, service or confidential information of the Bank.
2. You may not accept anything of value from anyone in connection with the business of the Bank other than bona fide salary, wages, fees or other compensation paid in the usual course of business.

C. Permitted Transactions:

The following transactions are permitted and shall be considered an exception to the general prohibition against acceptance of things of value:

1. Acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those with parents, children or spouse) when the circumstances make it clear that it is those relationships, rather than the business of the Bank concerned that are the motivating factors;
2. Acceptance of meals, refreshments, travel arrangements or accommodations, or entertainment, all of reasonable value, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relation;
3. Acceptance of loans from other financial institutions on customary terms to finance proper and usual activities, such as home mortgage loans, except where prohibited by law;
4. Acceptance of advertising or promotional material of reasonable value such as pen, pencils, note pads, key chains, calendars and similar items;

5. Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other customers;
6. Acceptance of gifts of reasonable value related to commonly recognized events or occasions, such as promotion, new job, wedding, retirement or Christmas; or
7. Acceptance of civic, charitable, education, or religious organizational awards for recognition of service and accomplishment.

D. Common Sense

The purpose of this policy is to avoid violations of law and to insure that NorCal's business is safeguarded from undue influence of bribery and personal favors. Whenever you have dealings with persons who have business with the Bank, the requirements of the law must be kept in mind. Necessarily, the application of the Policy stated herein will require good judgement and common sense. If you encounter situations in which you are not sure of your obligations, you should consult with the President or NorCal's legal counsel.

E. Disclosure:

If you are offered or receive something of value beyond what is authorized herein, you should disclose fully that fact in writing in accordance with the reporting directions herein.

Circumstances beyond those described above in section VII C may be given written approval on case-by-case basis, where something of value is accepted in connection with NorCal business. However, such approval will require full written disclosure and the approval must be consistent with the Bank Bribery Act.

F. Disposition:

If it is determined that something of value has been received in violation of this Policy, it will be returned to the donor. If return is not possible, depending on the circumstances, any such items of value will be turned over to a charitable institution. If possible, the donor will be informed of this disposition.

G. Violations:

Acceptance of things of value which are not otherwise permitted herein is a violation of federal criminal law (18 U. S.C. Section 215) and such violation is punishable by fines and imprisonment.

H. Unrelated Business Relationships:

It is inevitable and desirable that you will have individual business and personal relationships with NorCal's customers, vendors and others who do business with NorCal even though such individual business and personal relationship is not connected with NorCal's business. This Policy is not intended to discourage such relationships. Any such business relationship should be on customary terms and for proper and usual purposes. However, you should not solicit any special favors in recognition of your relationship with Norcal.

VIII. ANTI-MONEYLAUNDERING COMPLIANCE

- A. It is the policy of Norcal to comply with all anti-money laundering laws and regulations, and to guard against the use of NorCal's products and services for money laundering or other illegal activity. Compliance is the responsibility of each Staff member, as directed by NorCal's Board of Directors, implemented by the Compliance Officer and part of the Staff member's job responsibilities. Furthermore, each Staff member is subject to personal liability under these laws, including possible fines and imprisonment for violations.
- B. Norcal's policy on Anti-Money Laundering is included in the Bank Secrecy Act Policy. Each Staff member is required to adhere to this Policy.

IX. COMPLIANCE AND COMPLIANCE MONITORING

- A. As stated in NorCal's Compliance Policy, which is incorporated herein by reference, it is the policy of NorCal to comply with both the letter and the spirit of the federal laws and regulations that govern NorCal's activities. All operating policies, procedures and forms used to conduct NorCal's business shall be in conformity with applicable federal laws and regulations. As an integral part of the Internal Audit Program, the Internal Audit Department, or other qualified third party, will test compliance with the provisions of the Code. Deviations from the Code detected by the Internal Audit Department or third party will be reported to appropriate management as well as to the Audit Committee and the Board of Directors.
- B. Any Staff member who violates a provision of this Code is subject to applicable disciplinary action up to and including termination. Directors who violate a provision of this Code are subject to such sanction as the Board of Directors shall impose. Notwithstanding the foregoing, NorCal also preserves and reserves its other rights and remedies against any individual who violates any provision of this Code, both at law and in equity.

XL. DISCLAIMER OF EMPLOYMENT CONTRACT

This Code is neither an employment contract nor any guarantee of continued employment. The employment relationship between NorCal and its Staff is "at will." NorCal's policies, guidelines and related procedures are subject to unilateral change by NorCal at any time.

X. CERTIFICATION

Each Director and Staff member will be required to read or review this Code each year and certify, in writing, that he or she understands his or her responsibility to comply with the guidelines and provisions set forth herein.