



Santa Cruz County Bank and Lighthouse Bank Shareholders Approve Merger Agreement

SANTA CRUZ, Calif., September 18, 2019 – Santa Cruz County Bank (OTC Pink: SCZC) and Lighthouse Bank (OTC Pink: LGHT) jointly announced that the shareholders of both companies have approved the agreement and plan of reorganization and merger (the “Agreement”) announced on May 28, 2019, whereby Lighthouse Bank will merge with and into Santa Cruz County Bank.

More than 91 percent of shares voted by Lighthouse Bank shareholders were voted in favor of the merger and over 98 percent of shares voted by Santa Cruz County Bank shareholders were voted in favor of the merger.

In addition to shareholder approval, Santa Cruz County Bank has received all regulatory approvals for the merger which is expected to close on October 18, 2019.

“The collaborative effort by the Directors, Executive Management, Senior Management and employees, of these two nationally recognized banking institutions, has been phenomenal. We will welcome four experienced Directors, John Burroughs, Stephen Pahl, Craig French and James Weisenstein to join our Board of Directors when the merger closes. Together we are excited to continue serving our local community and enhancing shareholder value” said William J. Hansen, Chairman of Santa Cruz County Bank.

“We look forward to offering seven full-service banking offices for the convenience of our customers and community. The expansion of our facilities as a result of the merger will provide greater access for our growing customer base, additional space for our employees, and the use of conference rooms for community groups. Since our merger announcement in late May, transition teams at both banks have been working diligently to develop our conversion strategy. We welcome Lighthouse Bank staff members to our family and look forward to bringing our two banks together to serve our communities as one premier banking institution,” stated David V. Heald, President and CEO of Santa Cruz County Bank.

When the merger transaction is completed, Santa Cruz County Bank’s total assets will increase to nearly \$1 billion on a pro forma basis. Both Lighthouse Bank branches, one in Santa Cruz and one in Cupertino, will remain as full service branches after the merger is completed, and customers of both banks will have access to a total of seven branches, six in Santa Cruz County and one in Cupertino.

About Santa Cruz County Bank

Santa Cruz County Bank, founded in 2004, is a top rated, locally owned and operated full-service community bank headquartered in Santa Cruz, California. The bank operates five branches located in Aptos, Capitola, Santa Cruz, Scotts Valley and Watsonville. The bank offers a variety of competitive deposit and lending solutions for businesses and individuals; including business loans, lines of credit, commercial real estate financing, agricultural loans, SBA and USDA government guaranteed loans, credit cards, merchant services, remote deposit capture, mobile and online banking, bill payment, and cash management. The bank's SBA Department has been recognized as a top SBA lender in Santa Cruz County and in the Silicon Valley. Santa Cruz County Bank is a top USDA lender in the state of California. Santa Cruz County Bank stock is publicly traded on the OTC marketplace under the stock symbol SCZC. Stock purchase orders may be placed through a brokerage firm or one of the Market Makers listed in the Investor Relations section of Santa Cruz County Bank's website.

For more information about Santa Cruz County Bank, visit www.sccountybank.com.

About Lighthouse Bank

Lighthouse Bank, founded in 2007, is a highly rated locally owned and operated full-service community bank with offices in Santa Cruz and Cupertino. The Bank's dedication to providing personalized relationship-based service and easy access to decision makers give its customers a refreshing alternative to "big banking". Lighthouse Bank further supports this commitment by offering unique services such as worldwide surcharge free ATM/Debit Cards, remote deposit capture, and complimentary business courier service throughout Santa Cruz County. Lighthouse is also focused on supporting the community and actively participates and donates to local non-profits, including a match of employees' donations to non-profits of their choice. Lighthouse offers a variety of competitive deposit and lending solutions for businesses and individuals; including loans, lines of credit, construction and commercial real estate financing, SBA government guaranteed loans, credit cards, merchant services, mobile banking, remote deposit capture, and online banking bill payment and cash management. Lighthouse Bank stock is actively traded under the symbol LGHT.

For more information about Lighthouse Bank, visit www.lighthousebank.com.

Forward-Looking Statements

This press release contains certain forward-looking information about Santa Cruz County Bank ("Santa Cruz"), Lighthouse Bank ("Lighthouse"), and the combined company after the close of the merger and is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. Such statements involve inherent risks, uncertainties, and contingencies, many of which are difficult to predict and are generally beyond the control of Santa Cruz, Lighthouse and the combined company. Santa Cruz and

Lighthouse caution readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. Risks and uncertainties for each institution and the combined institution include, but are not limited to the ability of the parties to complete the merger; government approval may not be obtained or adverse regulatory conditions may be imposed in connection with governmental approvals of the merger; approval by the shareholders of Santa Cruz and Lighthouse may not be obtained; the successful integration of Lighthouse, or achieving expected beneficial synergies and/or operating efficiencies, in each case might not be obtained within expected time-frames or at all; and the possibility that personnel changes/retention will not proceed as planned. All forward-looking statements included in this press release are based on information available at the time of the communication. Pro forma, projected and estimated numbers are used for illustrative purposes only and are not forecasts, and actual results may differ materially. We are under no obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.