

V The Heritage VISION

WINTER 2010

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**HERITAGE
BANK**
the quality bank

201 5th Avenue SW
Olympia, WA 98501

www.HeritageBankWA.com

Strength in Community Banking

Heritage Bank has worked effectively for more than 82 years to build a company with strong liquidity, capital and credit quality. Combine this with a devoted focus on giving back to the communities through contributions and staff volunteer efforts, you have exactly what you and our communities deserve from their local bank.

It was an exciting year for the Heritage Team in 2009. Our community voted us Best of South Sound in a survey conducted by The Olympian newspaper. The Business Examiner selected us as the Top Place to Work Award winner in both the Large Company and Equity categories. Puget Sound Business Journal honored us with the Silver Award in their Washington's Best Workplaces Program—confirmation that not only is Heritage a great place to bank; it is also a great place to work!



Brian Vance,
President & CEO

Set Your Savings Goals

A Term Savings account is for people looking to save for specific goals. Whether it's a family vacation, college, a wedding or a down payment on a house—this savings account can help get you there. Just tell us how much you want to save and when you want to reach your goal.



Opening a FREE Term Savings account is easy and rewarding:

1. **Set your goal**—\$1,000 to \$100,000
2. **Set your goal timeline**—1 year to 5 years
3. **Amount to save**—we'll let you know exactly what you need to save each month
4. **Start saving**—each month a set savings amount will be transferred automatically from your Heritage Bank checking account to your Term Savings account
5. **Reaching your goal**—when the term is up, your goal amount is available for withdrawal

Automatic Alerts Online

You can program *Heritage@Home* settings to automatically alert you via email when your balance falls below or goes above a certain amount, when specified checks have cleared and when your certificate of deposit accounts are reaching their maturity dates.

Bill Pay can notify you of payments made; upcoming payment due dates; automatic payments scheduled and when action is required on any e-bills.

In addition, FinanceWorks can be setup to alert you on available balances of all accounts on file, upcoming transactions, credit card spending or if any expense exceeds a preset amount.

Set up alerts today to stay on track and meet your goals.



On the Move

The close of 2009 left us saying goodbye to two long-time employees. Joan Burbridge, VP Loan Review/CRA Officer retired after 32 years of service. Mary Rasmussen, Customer Service Associate at the Lakewood Branch retired after 12 years of service. We will miss them both and wish them the best.

Avoid Identify Theft

When someone asks for personal information, such as your Social Security or credit card number, find out how the information will be used and if it will be shared with others.

Review your billing statements. If your bills don't arrive on time, contact your creditors. A missing credit card bill might mean that an identity thief has changed your billing address and is using your account.

Guard your mail from thieves. Pick up your mail from your mailbox as soon as possible. Place outgoing mail in post office collection boxes.

Do not give out personal information over the phone or through the mail. Thieves can pose as bankers, government officials, or others to get you to reveal your Social Security number or your bank account number.

Keep items with your personal information safe. When you throw away receipts, credit card applications, or old checks or billing statements, make sure to shred them first.

When you set up your Personal Identification Number for your ATM or debit card, don't use a number that a person could easily associate with you. Use a number that only you know and that you can recall easily.

Order a copy of your credit report every year. Catch mistakes and fraud before they ruin your personal finances.

Heritage Bank Welcomes New Employees

Lisa Furman, VP Risk Management Officer



Lisa will oversee the Risk Management Division which includes compliance, security and internal audit. Most recently, Lisa held the position of VP General Accounting Manager for First Citizens Bank after nine years as SVP Risk Management Officer for Venture Bank.

Christy Green, AVP Compliance Officer



Christy joins the Risk Management Division, where she will be responsible for both deposit and loan compliance. Her most recent position was with Washington Mutual, where she filled various roles including compliance and operations control.

Save 15% on TurboTax

Preparing your tax return has never been so simple! TurboTax is now part of *Heritage@Home*. Simply login to Online Banking and click on the "My TurboTax" tab of the menu bar. Information such as your name, address, account numbers and routing numbers are automatically prefilled into your tax return from our secure Online Banking website. Your refund is direct deposited into your Heritage Bank account. If you are not eligible for the Federal FREE Edition, you have the option of deducting the cost of using TurboTax from your refund, if applicable.



Coming Soon—Online Account Opening

Beginning March 1st, you can easily open an account online at *HeritageBankWA.com*. Fill in the online application and fund your account with a debit card, credit card or transfer from another bank.

There are a few things to keep in mind as you begin the account opening process.* It will take about 10 minutes to complete account sign-up and account funding. You can track your progress with the blue bar on the left side of your screen. The current step is highlighted. When you have finished a step, a check mark will appear.

Visit *HeritageBankWA.com* to open your new account online.



*You must be at least 18 years of age to apply for a new account online.

Lighting up the Community

Lassen Electric Services Incorporated has been lighting up Thurston, Mason and Lewis counties since 1929. While that longevity is impressive, even more notable is the fact that Donna Wiest has been in Lassen's front office for the past 62 years.

"I started in 1948 as the bookkeeper," says Donna. "At that point, I had no idea things would turn out like this."

Her boss, Irving Lassen mentored her to take over the business. Donna and her husband Joe, a Lassen electrician, purchased the business from Irving's estate in 1975.

Since Joe's passing in 2006, Donna has continued to run the business—with the help of a leadership team including son Robert Wiest, daughter Debbie Wiest-Kaufman and son-in-law Tim Kaufman. Even employees who aren't related have become part of the family; the one with the shortest tenure has already worked there more than a decade.

"Our business philosophy hasn't changed a whole lot since the early days," says Donna. "We've always done residential, commercial and industrial work and intentionally stayed smaller. For us it's never been about how many customers we could get, but more about making our customers happy so they'd come back again and again."

Lassen is small, with just Donna, Debbie and two estimators in the office. Six electricians handle the majority of the work and they hire members of IBEW Local 76 for larger jobs.

When Donna started with Lassen, the business was one of just four electrical contractors in the Olympia area.



Pictured left to right: Donna Wiest, Robert Wiest, Georgia Lanza, Debbie Wiest-Kaufman, Tim Kaufman and Renee Oram

"Competition is a lot keener since then," she says. "Now, if you look up electrical contractors in the Yellow Pages, you'll find 25 to 40 of us in town."

While many of those competitors work on new construction only, Wiest is proud Lassen has long been dedicated to service. "When the economy is bad, service is our bread and butter," she says. "We also made the decision to diversify a few years ago so we also install some community water systems. That's work we didn't used to touch, but it's helping us stay strong during slow times."

Georgia Lanza, who manages Heritage Bank's Olympia Branch, says Lassen's longevity is no fluke.

"Being an electrical contractor all these years is one thing, but they're much more than that," she says. "They get what our community is about, what this community means. They support local organiza-

tions and Donna is a huge supporter of the Washington Center for the Performing Arts."

"Lassen truly is a community business," says Georgia, "just as we are a community bank." Lassen has banked with Heritage for more than 30 years. The hometown feel of the two businesses makes for a natural working relationship.

"Someone from Heritage is always popping in to see if we need anything or just to say hello," says Debbie. "It really is like the TV show 'Cheers,' when we go into the branch, everybody knows our names."

"Heritage offers so many products and services and we don't take advantage of many of them," says Donna. "But I like knowing they're there if I need them. The whole staff is so friendly. You can't fake that—not for all these years. I think they really do care about us."



Emergency Food Network

On November 21st the Lakewood Branch organized a team of employees and friends at the Emergency Food Network (EFN) to re-pack frozen green beans. EFN is the organization from which Pierce County food banks receive the food to distribute to those in need and has been a long-time loyal customer of the Lakewood Branch. Large quantities of food are often donated which are necessary to break down into smaller packages. During a three hour shift the Heritage team re-packed about 4,000 pounds of green beans into individual three pound bags.

EFN does a "re-pack" every Saturday and volunteers are always needed.

Food Bank Collection

It was another fantastic year for Thurston County branches collecting funds and items for the annual food drive for the Thurston County Food Bank. They collected more than \$630 in cash and nearly 1,000 items for the food bank. Thank you Melody Bridges for coordinating Heritage Bank's participation in this meaningful event.

Executive Officers

Brian L. Vance
President and Chief Executive Officer

Gregory D. Patjens
Executive Vice President

Donald J. Hinson
Senior Vice President and
Chief Financial Officer

Altrusa International

Jackie Smith, Manager of the 80th & Pacific and Spanaway branches worked with her Altrusa group and the Parkland Spanaway Library on October 2nd, raising \$386 to purchase much-needed books. The club also presented a check to the Parkland Spanaway Library Foundation for \$1,700 to purchase their "Ladybug Book Collection," a compiled list of *100 Books Every Child Should Hear*.



Winterfest

The Spanaway Branch collected winter jackets, hats, gloves, toys and books for Pacific Lutheran University's Winterfest. Low-income families brought their children to the campus for the day to spend time with Santa, make crafts and get their faces painted. Afterwards, they took home a warm jacket and a toy for Christmas. Clothing and toy donations were collected from PLU students and various other community organizations.



Santa Breakfast

Once again, Heritage Bank was the proud sponsor of the Santa Breakfast at the 2009 Providence St. Peter Foundation's Christmas Forest in Olympia. More than 300 guests attended the annual breakfast and were delighted with the musical entertainment provided by award winning artists, Buck & Elizabeth. Santa drew the winning tickets for the door prizes: shiny new bikes for 2 lucky winners (donated by Heritage Bank) and a gift basket with a family membership from the Hands on Children's Museum. Heritage volunteers included Teresa Dean, Chuck Fiene, Jen Strader, Shenae Knutsen, Amanda Aveiro, Diane Pearson, Brittany Potts, Ashley Unger and customer volunteer Stacy Sharp.

The proceeds from the many Christmas Forest events benefit the Providence mission to provide basic health services to those in need.

Our Vision

We are an Innovative Team
providing Financial Services
where Your Success is our Vision

Our Mission

We are Committed to Continuously Improving:
Customer Satisfaction,
Employee Empowerment & Shareholder Value



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