

FACTS:

WHAT DOES TOWNEBANK AND ITS FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and other employment information
- Account balances and transaction history
- Credit history and investment experience

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons TowneBank and its family of companies chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does TowneBank & its family of companies share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes - to offer our products and services to you	Yes	Yes
For joint marketing with other financial companies	Yes	Yes
For our affiliates' everyday business purposes - information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes - information about your creditworthiness	Yes	Yes
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	No	We don't share

To Limit Our Sharing:

- Visit us online: townebank.com/optout
- Contact your hometown banker

Please note: If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are no longer our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

Your hometown banker or Towne affiliated representative would be happy to answer questions about this Privacy Notice. For their direct contact information, call: TowneBank (844) 402-0002; Towne Insurance (800) 486-4611; Towne Investment Group (888) 249-2271; Towne Benefits (855) 340-3873

Mortgage Privacy Hotline (844) 292-8414

Mortgage Companies (a full listing is provided on page 3 under TowneBank Family of Companies)

Who we are:

Who is providing this notice?

This notice is provided by certain specific companies in the TowneBank Corporate family as listed in the section below titled *TowneBank Family of Companies*.

What we do:

How does TowneBank and its family of companies protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files & buildings.

Our employees are also committed to safeguarding customer information and preventing its unauthorized access, disclosure, or use.

How does TowneBank and its family of companies collect my personal information?

We collect your personal information, for example, when you

- open an account or apply for a loan
- apply for insurance, or use your credit or debit card
- seek advice about your investments

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes - information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. [Page 3 provides more information pertaining to your rights under state law.]

What happens when I limit sharing for an account I hold jointly with someone else?

Your choices will apply to everyone on your account.

Definitions:

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

Our affiliates include companies with a TowneBank/Towne name and other financial companies such as banks, mortgage companies, broker-dealers, insurance agencies; and, nonfinancial companies such as employee benefit companies, real estate agencies, property management companies, and title and escrow companies.

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

Nonaffiliates we share with can include government entities, credit bureaus, insurance companies, companies that perform marketing services on our behalf, and companies that assist in servicing your loan(s) or account(s) with us.

Joint Marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Our joint marketing partners include investment and asset management services, personal insurance providers, credit card providers, and real estate service providers.

What we do: Other Important Information:

Special Notice to California and Vermont Residents – In accordance with applicable state privacy laws, we will treat accounts with California and Vermont mailing addresses as if you have elected to opt-out.

This notice applies to individual consumers who are customers or former customers. This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We will keep you informed of changes or amendments as required by law.

TowneBank Family of Companies:

TowneBank of Currituck, TowneBank OBX, Towne Wealth Management, Towne Insurance Agency LLC, Towne Benefits, Towne Investment Group, TowneBank Mortgage, Towne Mortgage LLC, NewTowne Mortgage LLC, Towne Mortgage of the Carolinas LLC, SimonTowne Mortgage LLC, HomeSale Mortgage LLC, Coastal Home Mortgage Co., LLC, Towne Center Mortgage LLC, FitzGerald Financial Group, Advance Financial Group LLC, Towne First Mortgage LLC, Towne 1031 Exchange LLC, and Virginia Home Title & Settlements.