



Questions and Answers and Important Information for Customers of Heritage Bank

Welcome Heritage Bank!

Heritage Bank is now part of the Heartland Financial USA, Inc. family of banks. We see this partnership as an opportunity for both Heritage and the customers we serve. In this brochure, we take the opportunity to communicate some important information regarding events that will occur over the next two months.

On December 7, 2012, Heritage Bank officially became the Heartland's 10th independently chartered bank. Other than the bank's ownership, Heritage customers did not see any changes at that time.

Pending final regulatory approval, which is expected by March 2013, Heritage Bank will be merged with Heartland's Arizona Bank & Trust (AB&T) subsidiary. At that time, the Heritage name will change to Arizona Bank & Trust. You will continue to have access to competitive products and state-of-the-art banking technologies. Most importantly, the high-touch service you expect will remain the same.

As we begin the merger process, we recognize you may have questions. For the most up-to-date version of Customer Frequently Asked Questions, please visit our website at www.arizbank.com/HeritageFAQ.

Why is Heritage Bank merging with Arizona Bank & Trust?

Heritage and AB&T have determined that it would be in the best interest of our banks and customers to join together. This merger will continue the banks' legacy of providing convenient products, services and technology. Merging with AB&T will also provide Heritage customers with the convenience of seven new banking locations in the Phoenix metro area.

Who is Arizona Bank & Trust?

Founded in 2003, Arizona Bank & Trust is

a federally-insured, state-chartered bank with assets exceeding \$300 million. AB&T's top-tier banking team provides a full range of integrated services including commercial and retail banking, private client services, treasury management, wealth management and mortgage lending. AB&T currently has banking locations serving Phoenix, Mesa, Chandler, Gilbert, Tempe and Scottsdale. As a local bank, decisions affecting customer relationships are made by the people who live, work and are actively involved in serving the Phoenix market – an edge which is not typical in the banking environment

today. Above and beyond this, AB&T has a deep commitment to deliver customized financial solutions and extraordinary service to its clients.

Who is Heartland Financial USA, Inc.?

Heartland Financial USA, Inc. (NASDAQ: HTLF), headquartered in Dubuque, IA, is a multibank holding company dedicated to community banking. Heartland provides commercial and retail banking, residential mortgage, wealth management, investment services, insurance and consumer finance services. Heartland currently has 69 banking

locations in 47 communities in Iowa, Illinois, Wisconsin, New Mexico, Arizona, Montana, Colorado and Minnesota, as well as, mortgage loan production offices in California, Nevada, Texas, Wyoming and Idaho. Additional information about Heartland Financial USA, Inc. is available at www.htlf.com.

What will happen to the employees of Heritage?

We anticipate most Heritage employees will remain in their current roles. Merging with a larger bank like AB&T will certainly provide additional employment and career opportunities with Heartland given its even greater size. Heartland currently employs over 1,500 professionals across its ten subsidiaries.

Will there be a local board of directors?

Upon the merger of Heritage with AB&T, local Heritage directors will join the AB&T Board.

What changes are in store for Heritage customers?

At this time, it's business as usual. There are no immediate changes in accounts, pricing, employees, banking hours or day-to-day bank operations. You will be provided specific information on any changes to your accounts well in advance of the March 15 conversion.

When will the merger and name change actually take place?

Upon receiving final approval of state and federal regulatory agencies, we anticipate the merger, name change and computer conversion will take place March 15, 2013.

Will the Heritage banking locations remain open?

Since the Heritage banking office on Camelback Road is located just a few blocks from the AB&T office on Camelback, the Heritage office will be closed and merged effective March 15, 2013.

AB&T is pleased to announce that construction of a new Tempe office, which will be located at 1030 E. Baseline Road. This new location, which will open mid-summer, will help us more conveniently serve our Tempe customers. We are anticipating merging both the current AB&T Tempe location and Heritage Tempe location into this new facility at that time. More details regarding this exciting move will be shared as they are available.

Is there anything customers should be doing to get ready for the merger?

No. It will be "business as usual" for our customers as we prepare for the merger. We will continue to communicate updates, information and work very closely with our customers to ensure a smooth transition.

Will the merger affect the bank's customer service?

Absolutely not! Heartland and AB&T share the Heritage commitment to provide exemplary customer service.

Will there be a new website?

Not at this time. Following the March 15, 2013 conversion, the Heritage site will automatically be redirected to the AB&T website.

Will my account number change?

It is not likely. In the event there would be any changes, we will notify you well in advance of the merger and assist you with making necessary changes.

Will my routing number change?

Not at this time. Following the March 2013 conversion, the Heritage routing number will be transitioned to the Arizona Bank & Trust routing number. However, checks and transactions with the old routing number will continue to be honored for an indefinite period following the merger.

Will my direct deposits, automated payments, and transfers continue without interruption?

Yes. All of the above services will continue without interruption.

May I continue using my existing personal checks, debit, credit and ATM cards?

Yes. Please continue to use your existing checks, debit, credit, and ATM cards. Your current checks with the Heritage name and routing number will continue to be honored for an indefinite period following the merger. Prior to the conversion in March 2013, you will receive new debit/ATM cards and instructions for activation at no cost. There will be more information regarding the timing and delivery of new cards sent as we get closer to the merger.

Will there be changes to my personal Online Banking services?

You may continue utilizing your current online banking services up to the time of our computer conversion. Following the conversion, you will have unlimited access to the AB&T Online Banking service, which offers all of the functionality you currently enjoy. In addition, you will have access to our Online Bill Pay Service, Personal FinanceWorks (a free service that assists in managing your personal budget and finances) and our Savvy Mobile Banking service. Prior to conversion, we will provide more information about the process, including instructions and details on how we will be assisting customers with the transition.

Will the interest rate change on my certificate of deposit?

No. Rates on existing certificates of deposit will remain the same through the maturity date.

Will the merger affect my loan rate?

No. Rates and terms on all loans are determined by the loan agreement.

Will any fees change?

We will review all fees currently charged by each bank in order to develop consistent pricing. Both Heritage and AB&T are committed to keeping fees at a competitive level.

Will FDIC deposit insurance change?

Each depositor will continue to be insured by the Federal Deposit Insurance Corporation (FDIC) to at least \$250,000. Please contact your banker for any questions regarding FDIC insurance protection.

May I continue using my business checks, credit cards and merchant services?

Yes. Please continue to use your business checks, credit card and merchant card services as usual. Your checks will continue to be honored for an indefinite period following the merger. As the merger approaches, bankers will be contacting our business customers to provide more information and assist with transitioning products and services.

How will this change affect my business account?

Few changes are anticipated. Heritage and AB&T bankers will be available to assist business customers with questions throughout the transition.

AB&T offers an extensive line of business credit and treasury management products including:

- Commercial/Small Business Loans
- Tax Exempt Bond Financing
- Wire Transfer
- ACH Services
- Remote Deposit
- Foreign Exchange
- Sweep Accounts
- Equipment Leasing
- Positive Pay
- Business Online Banking
- Merchant Credit Card Services
- Lines of Credit
- Business Credit Cards
- Interest Rate Swaps
- And many other services

Please watch for detailed product information coming approximately one month prior to conversion.

If I have additional questions during the upcoming months, who should I talk with?

We certainly expect there will be questions throughout this process so please continue to direct those questions to your Heritage banker. We promise a prompt and complete answer.



2710 E. Camelback Road, Suite 100
Phoenix, AZ 85016



PHOENIX

2710 E. Camelback Road, Suite 100
Phoenix, AZ 85016
602.840.3400

Lobby Hours:
9:00 a.m. - 5:00 p.m. (M-F)



TEMPE

1333 W. Broadway Rd., Suite 102
Tempe, AZ 85282
480.894.2900

Drive Through Hours
9:00 a.m. - 5:00 p.m. (M-F)

Lobby Hours:
9:00 a.m. - 5:00 p.m. (M-F)

Fraud Warning: Please be advised you will not receive any email notification to claim/unlock/unsuspend your account or be asked to provide any private information. Please be alert for any scams to obtain information from you. You should always type in the Web Address (URL) you are searching for on the Internet to avoid being phished or scammed.

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