

CNB Business Continuity Program: Statement of Preparedness

City National Bank (CNB) is committed to protecting the safety of our employees and clients as well as the integrity of our business and the interests of shareholders.

The primary objective of CNB's Business Continuity Program (the Program) is to ensure the continuity of operations in the event of an unplanned business interruption. The program is structured to address a variety of potential outages, related risks, and mitigating actions and controls.

CNB has an Incident Response process that provides for escalation and management of an event, including internal and external crisis communications. During an emergency CNB activates one or more of its Emergency Operations Centers (EOC); the incident response team relocates to the specified EOC until the emergency is over.

CNB has two geographically separate data centers supported by uninterrupted power supplies (UPS) and back-up diesel generators, which are tested regularly. Critical applications are replicated at CNB's recovery center. In addition, there are designated alternate work area locations to relocate critical operations personnel during an emergency.

Business continuity plans are regularly exercised to demonstrate CNB's ability to continue normal operations with our clients, business partners, and internal staff in the event of a business disruption. These exercises, which include recovery of the infrastructure and critical applications, are conducted regularly and no less than once every twelve months. All plans are maintained on an on-going basis.

As a regulated organization, all components of the Program, as well as the planning and outcome of continuity exercises are reviewed and validated at least annually by the Audit and Risk Committee of the Board of Directors, the Internal Audit department, and the Office of the Comptroller of the Currency (OCC).

CNB ensures that the Program complies with applicable federal regulations. CNB will communicate with its regulatory authorities regarding the nature and extent of any significant business disruption as required by applicable law and regulation.

CNB has also diversified some of its operations and supporting technology services through geographically dispersed locations.

The Program is designed and repeatedly tested to recover from scenarios of varying severity of business disruption, including facilities failures or disruptions to a single building, business district, city or region, telecommunications failures, earthquakes, pandemics, civil disturbances and other disruptions. For all of these scenarios, to the extent feasible, CNB intends to continue its critical business operations and provide continued services to customers during any business disruption regardless of the size and length of a business disruption. Anticipated recovery times will vary between a few minutes up to 48 hours.

This statement is reviewed annually to accurately reflect the Program.