



a full service community bank

Dear Bank of Bird-in-Hand Customer(s), Shareholder(s) and Friends:

With talk of troubles in the financial industry all over the news, we wanted to reach out to you and address any concerns you might have about your accounts here at Bank of Bird-in-Hand. First of all, your money is insured up to \$250,000 by the FDIC.

News reports indicate that the start of Silicon Valley Bank's collapse was triggered by announcing a loss of approximately \$1.8 billion from its sale of investments in long-term government securities. These securities are vulnerable to changes in interest rates. As the Federal Reserve began aggressively raising interest rates to combat inflation, the value of these securities declined dramatically.

**The Bank of Bird-in-Hand does not have an investment portfolio.** It is not exposed to risk from securities that are affected by interest rates, and there is **no** deterioration of the Bank's tangible equity or capital caused by investments having unrealized losses. **The Bank remains well-capitalized.** Our Bank sticks to traditional "bread-and-butter banking." We accept deposits from people in the local community and loan it out to grow businesses and purchase homes locally. We did not take shortcuts to grow this Bank. We built it over time with hard work, not by gambling or taking unnecessary risks. Your money is safe with us.

Finally, we would like to mention some exciting news. On March 8, 2023 the Bank opened the latest GELT (Money) Bus branch at Reifsnnyder's Ag Center, 7180 Bernville Road, Bernville, PA 19506. The Bernville Branch is the first expansion of the Bank's service network into Berks County in addition to its current presence in Lancaster, Chester, Lebanon and upper Dauphin Counties. The Bank now operates four mobile bank branches serving 17 total locations, in addition to six brick and mortar branch locations. With many banks closing branches across the state, the Federal Reserve Bank in Philadelphia recently expressed concerns about the growing number of "bank deserts" which are communities without financial institutions. The Bank of Bird-in-Hand is happy to be a community bank oasis in a rural banking desert.

Keep us in mind if you are looking to move funds to a safe and sound institution you can trust. Included are a few of our current product offerings. We welcome your referrals. Thank you for your trust.

Lori Maley, CPA

President and Chief Executive Officer