

Our Response to Silicon Valley Bank (SVB) and Signature Bank

As your financial partner, we appreciate your questions around the recent bank collapses and how it might affect ACCESSbank and our industry. Thankfully, we feel these situations are unique and anticipate virtually no effect on ACCESSbank and the vast majority of U.S. banks. To help provide clarity, we would like to summarize the events and explain how ACCESSbank is positioned for success.

Last week, the FDIC was named receiver of Silicon Valley Bank ("SVB") and Signature Bank due to bank closures. In the case of SVB, they operated with a significant timing mismatch in long-term assets and short-term liabilities in an unprecedented rising rate environment. As liquidity needs grew for their clients, SVB was forced to liquidate longer-term investments at significant market losses to meet these immediate demands. This, combined with the resultant negative hit to their capital, led to a crisis in confidence regarding the bank's ultimate solvency and created the classic 'run on the bank' scenario. On Monday, March 13th, the FDIC, Federal Reserve, and Department of Treasury guaranteed all depositors involved, reassuring confidence in the banking system and reducing the likelihood of systemic risk.

How is ACCESSbank different? We are committed to serving our community by making sound investments, protecting your deposits, and striving to deliver a secure, fair, and reasonable return to our shareholders. Our balance sheet is of the highest quality. The investment portfolio is a healthy mix of short and long-term investments, allowing us the flexibility to absorb any market volatility, while meeting our clients' liquidity needs. The bank's credit health is strong, with virtually no non-performing loans. Our capital levels and loan loss reserves exceed regulatory guidelines and peer bank comparisons, which provide further protection in the event of any economic downturn or unforeseen financial stress.

Ultimately, our greatest strength is our employees and clients. As a bank that has been built around a high-service mentality that works hard at knowing its clients and providing value as financial advisors, we are committed to the basics of sound, fundamental community banking. We appreciate your dedication, commitment, and relationship with ACCESSbank – we don't take that for granted! As always, please reach out to any member of our team with additional questions or concerns.

Sincerely,

Your Trusted Advisors at ACCESSbank