



*J. Williar Dunlaevy*  
Chairman &  
Chief Executive Officer

March 2009

Dear Valued Customer:

As we look back on the last year, it would be an understatement to say that we as a nation have encountered challenging economic conditions. In fact, in 2008 we witnessed an almost unprecedented economic decline, nationally and globally, which continues in 2009. As a result, it is only natural for consumers to question the safety and soundness of their financial institution. Fortunately, in the case of Legacy Banks, strength and safety has been our cornerstone for over 170 years, and this continues today. We are a well-capitalized institution with strong asset quality, a result of our unwavering commitment to responsible banking practices. This commitment will not only allow us to weather this economic storm; it will be the foundation as we proceed with plans for future growth and expansion.

You may have read in the most recent edition of *Your Legacy* newsletter that we received preliminary approval to participate in the U.S. Treasury Capital Purchase Program (CPP), a component of the Troubled Asset Repurchase Program (TARP). Since the newsletter was printed and distributed, we have made the decision NOT to participate in this Program. Our approval was based on our financial strength and strong capital position, and it is for those same reasons that we decided to decline the federal funds. We are confident in our ability to be able to meet the future borrowing needs of the communities we serve, and to pursue our strategic plan and growth opportunities without the Program's capital infusion. We are a strong and vibrant community financial institution, and we look forward to serving future generations.

As a community bank, we take pride in providing our borrowers with the resources appropriate to achieve their financial goals and dreams. We have never participated in sub prime lending or other irresponsible lending programs. Our success has been based on fundamental banking and lending practices. Our depositors may take comfort in knowing that Legacy Banks is a member of both the Federal Deposit Insurance Corporation (FDIC), which now covers deposits up to \$250,000 and the Depositors Insurance Fund (DIF), which covers all deposits over and above the FDIC limits. At Legacy Banks all deposits are fully insured – every penny.

Please know that during these difficult economic times, you can count on Legacy Banks to help you make smart decisions when it comes to your finances. Our experienced banking professionals are happy to meet with you at any time to discuss your options. Feel free to contact a representative today or to call our Customer Service Call Center at 800-292-6634.

Thank you for choosing Legacy Banks as your financial partner.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Williar Dunlaevy', written in a cursive style.

J. Williar Dunlaevy  
Chairman and CEO