

Pandemic Plan Makes Banking Services One Less Worry

The ultimate impact of the H1N1 flu virus this season remains to be seen. York Traditions Bank understands that your primary concern is your family's health. So continuity of banking services might not be the first thing on your mind.

That's why we thought ahead and established a pandemic plan to reduce the risk of spreading illness to customers and to ensure that, if there is a local emergency, we'll still be open to meet your banking needs.

"Our approach is an outgrowth of Mike Kochenour's years of involvement with the York County Chapter of the American Red Cross," said Maureen Shive, Human Resources Director at York Traditions Bank.

In particular, Kochenour has participated in a subgroup, within the Red Cross chapter, that focuses on pandemics. The subgroup, headed by Dr. David Hawk, Medical Director, York City Bureau of Health, has shaped the Bank's leadership role in pandemic planning among local businesses.

Efforts to keep our Associates and customers healthy in the event of a pandemic include:

- **Providing free flu shots to Associates**
- **Distributing a special Associates newsletter about H1N1, with information about reducing the risk of contracting or spreading the virus**
- **Adjusting sick leave policies and expressly requiring Associates to stay home when ill**
- **Cross training staff so that, for example, corporate office personnel can fill in at branches if necessary**

We're hopeful that national and local measures will minimize the impact of H1N1. But if our community experiences difficulties, we'll be here to help and we'll be open for business.

Refer A Friend

Tell a friend or family member about your experience at the Bank, have them mention it when they open an account, and we'll treat you to lunch at Marcello's in East York or White Rose Bar & Grill (a \$25 value).



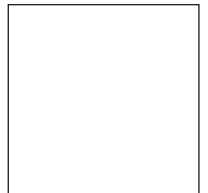
YORK TRADITIONS

B • A • N • K

235 St. Charles Way
York, PA 17402
741-1770

2450 Eastern Boulevard
747-2620

2305 Susquehanna Trail North
747-2640



Traditionally

S P E A K I N G

Letter from the President

While it's important not to underestimate the economic struggles still facing many local individuals, families, and businesses, some indicators finally seem to call for cautious optimism that a "slow and steady" recovery may be under way.

As a community institution, it's our passionate belief that recovery ultimately depends on the efforts of local businesses and individuals. We're here to assist in those efforts. And the values and sound practices that drove the creation of York Traditions Bank strongly position us to support the recovery.

As such, we continue to focus on dynamic segments of our community, through such efforts as outreach and product line enhancements for small businesses, women entrepreneurs, and young professionals. Strategically expanding our presence in York County, including a new branch planned on White Street in West York, will further enhance our convenience and service to these groups.

Our ability to serve all customers with excellence depends on our Associates, to whom we are strongly committed. We strive to empower them to achieve their full potential and experience the inherent rewards of exceeding customer expectations.

The success of our approach is reflected in our three consecutive years on the Best Places to Work in PA list. Our dedication to our Associates is transferred to you through the level of exquisite service they provide as they meet the individual needs of each business and personal customer.

As a unified team, we look forward to serving the banking and financial needs of our hard-working community as we press on toward renewed prosperity.

Sincerely,



Mike Kochenour
Chairman, President and CEO



PRODUCT SPOTLIGHT

Checking Products Continue to Deliver Exceptional Value

Personal Checking with Interest: Attractive Rates at Any Balance Level!

Offering highly competitive interest rates for personal checking has always been an important focus for us at York Traditions Bank. And with tiers that grow your rate with your balance, we add value when you do.

For further details on our checking products, visit www.yorktraditionsbank.com.

Checking with Interest

Balance	Interest Rate	Interest Rate (APY)
\$0.00 to \$999.99	0.50	0.50
\$1,000.00 to \$9,999.99	0.50	0.50
\$10,000.00 to \$24,999.99	0.75	0.75
\$25,000.00 to \$49,999.99	0.75	0.75
\$50,000.00 to \$99,999.99	1.05	1.06
\$100,000.00 & Over	1.24	1.25

Rates subject to change after account is opened. Fees could reduce earnings. Minimum initial deposit is \$100. APY accurate as of 10/1/09.

Member FDIC

Stay Tuned

A new checking product will be launched in the fourth quarter, which will offer enhanced value to individuals that wish to capitalize on convenience-driven, technology-based solutions.

Bank Executives and Board Promote Local Entrepreneurship

After a successful first season of speakers, the Women's Business Center at the J.D. Brown Center for Entrepreneurship will kick off 2010 with a series of lunch sessions geared toward educating professional women and women business owners.

York Traditions Bank continues to have a close relationship with the Center, the startup of which was funded by John D. Brown, a member of the Bank's Board of Directors. Carolyn Schaefer, a Senior Leader with the Bank, serves on the Advisory Board.

The Bank is sponsoring the session on February 2, during which York Traditions Bank Board Member Dr. Wanda Filer will speak on "Educating Women on Best Practices in Business."

Additionally, Mike Kochenour will present a session on March 2 on "Fundamentals of a Healthy Organization." Should anyone have an interest in participating, contact Lynda Randall, J.D. Brown Center, (717) 815-6638.



John D. Brown, CEO,
Blockhouse, Inc.



Carolyn Schaefer,
Managing Director,
Personal Banking



Dr. Wanda Filer, M.D.,
M.B.A., Founder,
Strategic Health
Institute & Physician,
WellSpan Medical
Group



Mike Kochenour,
Chairman, President
and CEO

Best Places to Work in Central Pennsylvania: What Keeps Us On the List?

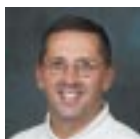


How has York Traditions Bank made the "Best Places to Work in PA" list three consecutive years? Just ask our Associates.



"I felt so welcomed when I came on board this May. My colleagues were very accessible for answering questions and helping me as a newcomer. It's all part of how much our Associates value one another and work as a team committed to exquisite service."

—**Kelly Bradburn**, *Branch Associate*



"I'm especially proud to be one of 13 original Associates from our opening in 2002. It's been impressive to see how our culture and values have maintained a community bank feel, even as we've grown to 50 Associates and three branches, soon to be four."

—**Mike Huson**, *Business Services Associate*



"One example of how the Bank practices the Core Values is the trust Mike Kochenour places in the staff. I remember a meeting when several of us expressed disagreement with Mike's opinion on an issue. After listening carefully, Mike based his decision on our point of view. It's great to see leadership that respects and pays attention to staff input."

—**Sandy Dumanski**, *Branch Associate*

Join Us for Festivities and Informative Seminars as We Celebrate Seven Years of Service

Our success over seven years could never have been possible without our customers. So we'd like you to join our **7th Anniversary Celebration**. Visit any of our branch locations at the following times:

Thursday, October 29 or Friday, October 30

Continental Breakfast, 9:00 a.m.-11:00 a.m.

Lunch, 11:00 a.m.-2:00 p.m.

Afternoon Snack, 3:00 p.m.-5:00 p.m.

Saturday, October 31

Light Breakfast, 9:00 a.m.-11:00 a.m.

Bring your child or grandchild, dressed in costume, for "Trick or Treat!"



We'll give away free copies of the 2010 Farmer's Almanac at each location.

Guest Appearances and Seminars

Mortgage Questions? Teri Conklin, our Mortgage Rep, will be available Friday, October 29, from 9:00 a.m.-11:00 a.m. at Susquehanna Trail; 12:00 p.m.-2:00 p.m. at St. Charles Way; and 3:00 p.m.-5:00 p.m. at Eastern Boulevard.

Information Security. Living in our age of online crime, fraud, identity theft, and other threats can be intimidating. Learn how to protect yourself on Thursday, October 29, 1:00 p.m.-2:00 p.m., in the St. Charles Way Board Room.

Questions on Investment Strategies? A representative from Morgan Stanley Smith Barney will join us at each branch on Friday, October 30, to answer your investment questions, 11:00 a.m.-2:30 p.m.

Meet Our Senior Management Team who will be roving throughout the branches to chat with customers.

Anniversary Specials

Just for Kids!* Open a Savings Account for your child or grandchild at one of our branches during our anniversary celebration hours, and we'll waive the minimum balance and deposit \$7.00 into the account in honor of our 7th Anniversary!**

Bring a Friend, Get a Reward.* Bring a friend for the anniversary celebration. When they open a York Traditions Bank checking account, we'll add a \$50 deposit*** to your friend's new account and give you a \$50 Visa Gift Card!

* Offer valid from 10/29/09 through 10/31/09. Limit 5 new accounts/Visa Gift Cards per household.

** Minimum balance requirement waived until account owner reaches age 18. \$7 will be deposited into the savings account on 12/31/09 and may be reported as taxable income.

*** Minimum balance required to open a checking account is \$100. Annual percentage yield (APY) for interest checking accounts, accurate as of 10/1/09, is .50% for balances up to \$9,999.99; .75% for balances \$10,000 to \$49,999.99; 1.06% for balances \$50,000 to \$99,999.99 and 1.25% for balances \$100,000 and over. APY subject to change after account opening. Fees could reduce earnings. \$50 will be deposited on 12/31/09 and will be reported as taxable income.

FDIC Has Extended Increase in Coverage – York Traditions Bank Depositors Can Be Even More Confident

The FDIC has extended the increased standard maximum deposit insurance amount to \$250,000 through December 31, 2013. York Traditions Bank depositors can be even more confident, due to our fundamental strengths and sound practices.

"Depositors at York Traditions Bank can find comfort in the fact that we remain classified by the regulators as 'Well Capitalized'—the highest classification available," said John D. Blecher, Chief Financial Officer.

"Our investment portfolio is AAA rated," Blecher added, "and we maintain lines of credit with the Federal Home Loan Bank and the Atlantic Central Bankers Bank that allow us to quickly obtain additional liquidity should we ever need it. Providing confidence by exceeding the standards is part of our mission to exceed customer expectations."



Small Business Focus



Ed Hesson, Retail Business Partner, is York Traditions Bank's point person for driving small business initiatives.

Local Business: A Key Driver of York County's Economy, and a Key Focus of York Traditions Bank

From its inception, York Traditions Bank has recognized that a commitment to small and local business goes hand in hand with the mission of a community bank.

"We pride ourselves on doing banking as it used to be," said Ed Hesson, Retail Business Partner, who is charged with driving small business services and initiatives.

"All the mergers and acquisitions in banking left a huge void, and the focus on personalized service to the local business community was lost," he said. "One of the key reasons York Traditions Bank formed was to fill that void."

According to Hesson, business owners see an immediate difference when they approach York Traditions Bank for a full range of services, from basic credit and deposit accounts to such advanced needs as merchant services and remote deposit.

"It always comes down to our people," he said. "What really makes us unique is that a business owner can walk into any local branch and immediately find a knowledgeable, well-trained Associate who can sit down and talk through the specific needs and requirements of the business. Processes like loan approvals are fast and streamlined, since decision makers are right here in York County—and often in the individual branch office."

But those initial conversations, he added, are the start of what can evolve into a wide-ranging, personalized partnership with small and local business customers.

"It goes well beyond the conventional expectations of a banking relationship," said Hesson. "Our Associates are deeply linked to the local community. So as the Retail Business Partner at York Traditions Bank, I can become an advisory resource—not only on basic banking and finance but on the big picture of how the business fits into the community, and how that can translate to the next level of opportunities, strategies, and resources to grow the business."

To keep those relationships thriving, York Traditions Bank is working continuously on enhancements to small business services.

"Since we're deeply engaged with customers and their ongoing evolving needs, we always have enhancements in the pipeline," said Hesson.

Examples include new Free Business Checking and Relationship Business Checking accounts that York Traditions Bank is planning to launch for small businesses, as well as enhanced Online Banking services.

"But these enhancements are just the beginning," Hesson said. "York County is a fast-growing region with a dynamic business community. And we're determined to keep pace so that we can continue to be the best banking partner for local businesses."

If you are looking for value-added services for your small business, please call Ed Hesson at 747-2637 or email him at ehesson@yorktraditionsbank.com.

Coming Soon

Later this year, York Traditions Bank will launch two exciting new business checking accounts that will provide additional excellent options for small business customers. The new products will offer enhanced business activity and Online Banking services and will include new features such as free Business Debit Cards and free Quickbooks or Quicken downloads. More details to be announced shortly.

What York Traditions Bank Customers Are Saying About Small Business Services

From hair salons to construction contractors, small business customers of York Traditions Bank represent the diverse spectrum and strength of the local business community that is so important to the economy here in York County. Here is what some of them are saying about their experience with York Traditions Bank.

“I was very pleased with how responsive York Traditions Bank was in taking on a line of credit that I needed to expand the business. When you’re their client, they evaluate you as a businessperson instead of looking at numbers alone. I also use their online banking extensively, and Ed Hesson and Gene Draganosky always give me a quick turnaround when I have questions.”

—**Brad Carrozza**, *Fine Cut Interiors*

Established in 1991, Fine Cut Interiors, of York, is a contractor specializing in metal framing, drywall, and acoustical ceilings.

“We recently began moving our business accounts to York Traditions Bank, including a line of credit, payroll, checking, and equipment loans. We’ve been very pleased with them. It’s been a smooth transition, and they’ve been impressively flexible in meeting our needs.”

—**Walt Ness**, *Beck & Ness Woodworking*

Beck & Ness Woodworking, of Emigsville, is a maker of custom cabinetry, office furniture, and other wood products.

“When I purchased my father’s business, York Traditions Bank gave me the best interest rate. In addition to business checking, I also use York Traditions for my mortgage and personal checking. Their people are enjoyable to work with, and they’re so friendly when I walk into the branch – especially to my little boy. It’s banking with a personal touch.”

—**Len Iacono**, *Iacono’s*

Iacono’s, of York, offers a full range of services, including styling, perms, coloring, hair replacement, wigs, nail services, and facial care.

If you are looking for value-added services for your small business, please call Ed Hesson at 747-2637 or email him at ehesson@yorktraditionsbank.com.