

QUINNIPIAC BANK & TRUST COMPANY

Newsletter



Mark A. Candido, President & CEO

Paul A. Gustafson, Chairman



QBT Lending Team

Dear Friends:

It's hard to believe that one year has passed since we opened for business. On March 10, 2009 we celebrated our first year in business with cake and coffee and thanked those of you who stopped in to share our success. Before I make you aware of some of our achievements during our first year, I want to take a minute to put your mind at ease with regards to the community banking scene across the country. Community Banks are thriving and doing extremely well with very few exceptions. Community Banks remain committed to serving their local communities and did not get wrapped up in the sub prime lending market, buying insurance companies or straying away from their core business models. Community banks have stayed true to what they know and do best, developing a locally driven business plan and sticking to it. Quinnipiac Bank

did just that, we remained committed to serving the Greater New Haven Community and delivering personalized financial services to meet the needs of that community. In doing that, we have acquired a broad customer base of local commercial and consumer customers who agree that our personal approach is a more desirable and preferred environment in which to do their banking; people who both know and are known to our staff, Sr. Management and our dedicated Board of Directors. We remain the best and safest bank in which to put your money and of course the bank to turn to when you need to borrow. We take pride in being a Bank that is safe, sound, liquid and secure. We ended the calendar year with total equity capital of \$9,000,000, total assets of \$28,800,000 and a capital ratio of 31.4%. Our deposits were a healthy \$19,400,000 and our strong loan portfolio was \$5,550,000. We are very proud to state that we do not have a single delinquent or problem loan in our portfolio. Unlike many of our competitors who tend to find ways not to make loans in this environment, we are lending money. We continue to grow our commercial and consumer loan base with prudent lending to strong, sound, credit worthy borrowers. We currently have a Loan pipeline in excess of \$15.0 million in commercial loans and fully expect to close on the majority of these loans. Please consider us first for your business and personal borrowing needs. We also very much appreciate referrals of your friends, relatives and business associates. Remember we are a full service commercial Bank with all of the latest technologically advanced products and services, delivered by people who truly care in providing you with the best possible service.

I want to take a moment to share several highlights of a recently completed survey done by The Aite Group LLC and released by the Independent Community Bankers of America. This national survey was based on information received from 743 community banks and was recently completed in February of 2009.

- "55 % of community banks have seen an increase in deposits as a result of new customers moving away from large national Banks"
- " Loan origination volume also is up at 40 % of local banks and only 11 % of respondents believe the current financial crisis has significantly curtailed their institution's ability to lend".
- "While the financial crisis has affected banks of all sizes and in all regions, community banks continue to lend and are typically faring much better than the larger banks because they didn't participate in the high risk activities that led to the problems we are currently experiencing." Camden Fine the CEO of The independent Bankers Association states: "this survey clearly shows that the vast majority of community banks are well – positioned to survive the economic downturn and perhaps, even reclaim some of the customers from larger banks".
- "47 % of the Banks surveyed saw an increase in business customers.

Throughout these volatile economic times, Quinnipiac Bank & Trust Company remains a safe, sound institution with which to bank. I urge you to come in and try us out, I am sure you will be pleased you did. We are warm, personable, friendly and always smiling.

Additions to Our Staff



John Siclari

John Siclari – John joined our bank as a residential mortgage lending officer in November of 2008. John has ten years experience in the residential mortgage industry all with Wachovia Bank. He is ready willing and able to accommodate your needs during the day, evenings or weekends.

Richard Evans -- We welcome the addition of Richard Evans to our staff as Vice President and Commercial Lending Officer. Richard comes to Quinnipiac Bank & Trust Company with nearly 20 years of lending/banking experience. He is a welcome addition to our team and Richard's personality and work ethic will blend perfectly with the rest of our staff.



Richard Evans

Dena Simister – Dena comes to our bank from Webster Bank with over 20 years branch banking experience. She is a great addition to our branch staff and we welcome her to the Quinnipiac Bank & Trust family.

Products

Simply put, all of our products are now up and running. Many of our customers are utilizing more than one product as described in our business and consumer brochures that were mailed to you in August. Please call if you would like another one sent or better yet stop in and pick one up. We would be pleased to see you.

Newest Product

Remote Deposit Capture

I would be remiss if I didn't highlight our newest product brought on line by our Operations Dept. You will recall we touched upon it briefly in August. It is a fantastic technological innovation worth talking about. In summary, it allows our customers to electronically scan and transmit deposits (checks only) into their accounts 24 hours a day 7 days a week. There are virtually no boundaries for the customers that previously stated "you are too far away for me to bank with". We have several customers already using the system and an ever increasing list of customers waiting to be set up. Some from as far away as Fairfield County and some with as many as 8 separate accounts being accessed from one machine. Please keep this product in mind, and feel free to call and get a personal demonstration of the system or ask for the phone number of one of our

current users for a first hand testimonial. We are thrilled to show off this product.

News Worthy



Quinnipiac Bank's Vice President, Dick Barredo speaks with WTNH's Bob Wilson. Visit our web site to see the full story as it aired on WTNH.

Residential Mortgages

We are happy to announce that we now have a full array of residential mortgage products. We are competitive and offer premiere personal service provided by Jennifer Lynch and John Siclari. Both are knowledgeable, experienced residential mortgage lenders. Jennifer and John would be happy to meet with you in the evening or on weekends at our offices or in your home to discuss your mortgage needs. They are a pleasure to work with. In closing we remind you that we want to be "your bank". We offer competitive consumer & business products all

delivered with a personal touch." We are dedicated to building a better bank by establishing relationships and not just transactions "We want you to feel that you are welcome and appreciated.

We want to strengthen our relationship by converting our investors into customers. I assure you, you will be pleased with our products, services and staff. We encourage you to communicate with us via our e-mail address which is shareholdermail@quinnipiacbank.com, info@quinnipiacbank.com or of course you should always feel free to contact me or Dick Barredo directly at 203- 407-0756. My extension is 210 and Dick's is 211.

Lastly, a gentle reminder – We are safe, secure, sound, and interested in making loans. We want to make loans to you, your business associates and relatives. Please call on us at any time and be comfortable in sharing this message.

As always, we thank you for your continued support and look forward to seeing you the next time you are in the Bank. I urge you to make it a point to ask for me and/or Dick Barredo.

Yours Truly,

Mark A. Candido
President & CEO