



February 2, 2020

Dear Trustar Bank Stockholder:

Happy New Year! I am pleased to report that as of December 31, 2019, after less than six months in business, Trustar Bank had \$81 million in deposits, \$84 million in loans, and \$132 million in total assets. So far in January, this growth momentum is continuing, and all elements of the bank are performing in a manner consistent with the financial projections we submitted to the regulators in connection with our charter application.

The essential financial elements of a start-up bank are: (1) a certain amount of organizational expenses during the pre-opening period when there is no income coming in, (2) establishing – and paying for – an infrastructure to support a full range of products and services beginning on Day One, and (3) growing the revenue base (loans and deposits) as rapidly as possible – consistent with safety and soundness – to pay for the infrastructure and eventually generate a net profit. In the financial projections we submitted to the regulators, the Organizers projected that the bank would achieve profitability on a monthly basis within 18 months (i.e., by this time next year) and that all organizational and early-period losses would be fully recovered within 36 months. We believe the bank is on track to achieve those objectives.

In addition to continuing our march toward profitability through loan and deposit growth, we are working on two strategic initiatives in 2020: (1) opening two, and possibly three, retail banking offices, and (2) starting or acquiring a mortgage business that will have the ability to serve the needs of our customers with a full range of residential loan products. Both of these initiatives will be helped by the fact that the bank's initial equity offering was oversubscribed, so we started out with \$55 million in capital instead of the \$35-50 million contemplated in our charter application and offering circular. For this show of confidence, our Board and management are extremely grateful to you and all of our other founding shareholders.

If you have not already done so, I would like to ask for your help this year to accelerate the growth of your bank. We need deposits and good loans. To the extent you are banking elsewhere, please give Trustar Bank an opportunity to compete for your business. We have offices in Great Falls and Tysons Corner; we expect to open in Reston about three months from now; we have state-of-the-art online banking and mobile banking; and, we will come to your home or office to make doing business with "your bank" easy for you. And, of course, we always appreciate referrals. Helping the business grow is the best way to help your investment grow!

- To get started with deposits, contact Chris Broad at (571)523-4459 or cbroad@trustarbank.com.
- To get started with loans, contact George Connors at (571)523-4448 or gconnors@trustarbank.com.

Thank you again for your support of Trustar Bank!

Very truly yours,

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Shaza Andersen, CEO