



May 28, 2020

Dear Trustar Bank Stockholder:

As we approach Trustar Bank's one-year anniversary on July 10, I want to keep you abreast of several exciting things that are happening at **your** bank!

First of all, as I stated in my letter of four months ago, our primary financial goal for this year is to grow the bank's revenue base (loans and deposits) as rapidly as possible – consistent with safety and soundness – to pay for the essential infrastructure we have in place and eventually generate a net profit. I'm pleased to report that in the quarter ended March 31, loans increased by 34% and deposits grew by 42%, ending the quarter at \$114 million and \$115 million, respectively. Total assets were \$175 million as of March 31, 2020, right in line with our budget.

Trustar's first quarter financial results do not reflect, in any meaningful way, the economic impact of the coronavirus pandemic. As an "essential" business, the bank has remained open, and our team members have demonstrated exceptional resilience and dedication to serving our customers during this time. One example of this dedication has been the team's round the clock work to process loans through our participation in the Paycheck Protection Program (PPP) offered through the Small Business Administration. To date the Bank has processed over 350 PPP loan applications, often working late into the night and on weekends. In addition to serving our existing customers, our participation in the PPP has helped to welcome a new set of customers to Trustar Bank, and we are working hard to retain them as long-term customers.

As previously reported, the Organizers projected in our charter application (a) that the bank would achieve profitability on a monthly basis by the end of this calendar year and (b) that all organizational and early-period losses would be fully recovered within 36 months. The interest and fees generated by the PPP loans will provide near-term benefits that should solidify the achievement of the first objective. The environment in 2021 and beyond may prove more challenging due to the general business slowdown and the actions by the Federal Reserve to stimulate economic activity by reducing interest rates. To date, we have not detected any deterioration in the quality of our loan portfolio, so our principal challenge will be to rebuild our loan pipeline, and maintain our net interest margin, as the local economy rebounds.

I hope you were able to join our "virtual" stockholders' meeting on April 21. We had good attendance, all ballot measures were passed overwhelmingly, and we had a productive Q&A session after the formal business was concluded. We look forward to our first opportunity to welcome all of you, in person as soon as circumstances permit.

Last, but certainly not least, construction is underway on our first retail banking office. The office is located in The Spectrum shopping center, adjacent to Reston Town Center. We anticipate that the construction will be complete, and the office will open for business, on or about June 22, 2020, with Reuben Halsey serving as our branch manager. What a great way to celebrate the gradual "reopening" of our local economy!



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, especially later this year to replace the PPP loans and related deposits that are by definition short-term in nature. To the extent you are banking elsewhere, please give Trustar Bank an opportunity to compete for your business. Helping the business grow is the best way to help your investment grow!

Thank you again for your support of Trustar Bank!

Very truly yours,

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Shaza Andersen, CEO