TO THE CHIEF EXECUTIVE OR OPERATING OFFICER OF
THE DEPOSITORY INSTITUTION OR TRUST COMPANY ADDRESSED

Effective September 24, 2001, President Bush issued Executive Order 13224 (the “Order”) freezing assets of individuals and organizations that support terrorism. This action represents an important first strike on the financial front in our nation’s new war on terrorism. By issuing this Order, the President targets the very heart of terrorism by cutting off its financial resources and limiting the ability of terrorist supports and organizations to move money across international borders. Pennsylvania depository institutions and trust companies will play a critical role in this aspect of the war on terrorism, and the cooperation of this industry will be critical in the months to come.

A copy of the Order is attached to this letter, and it also may be obtained from the Pennsylvania Department of Banking (the “Department”) website (www.banking.state.pa.us). The Order may also be found on the website of the Office of Foreign Assets Control (“OFAC”) (www.treas.gov/ofac). Depository institutions and trust companies should review the OFAC site frequently since the list of entities whose assets were frozen by the Order already has expanded since the time when the Order was issued and is expected to expand further. It is the Department’s understanding that for compliance purposes, there are electronic filter products available from vendors that will identify customer names on the OFAC list.

It is important that all depository institutions and trust companies understand that immediate compliance with the Order is required. Any monies received by or from or any transaction with any person or entity identified in the Order, or identified in any OFAC list or directive, must be blocked. These monies must be accepted and held until further notice from OFAC or any other appropriate government agency.

It is also important that all depository institutions and trust companies understand that there are severe penalties under Federal law for violations of the Order.

The Department expects the full cooperation of all depository institutions and trust companies. The Department will take all actions and employ all powers available to it to ensure that all depository institutions and trust companies operating in Pennsylvania are, at all times, in full compliance with the Order. Specifically, the Department will use all enforcement and examination powers available under the Banking Code of 1965, Savings Association Code of 1967, Credit Union Code, Department of Banking Code, and the Regulations enacted under those respective statutes to effectuate compliance. The Department will cooperate with all local, state, federal and international law enforcement agencies as may be appropriate. The contents of this letter must be communicated to your branch offices and employees immediately.
Should your institution have any questions regarding OFAC you may contact them on the OFAC hotline at 202-622-2490. Depository institutions and trust companies having questions regarding the Department’s enforcement of the Order or any related questions should contact Richard DeMartino, Director, Bureau of Supervision and Enforcement, at 717-783-8240, or Ronald Wysochansky, Director, Bureau of Examinations, at 717-787-2303.

Sincerely,

[Signature]

Enclosure: Executive Order 13224