



March 12, 2023

To Our Customers, Shareholders, and Communities,

The failure of Silicon Valley Bank (“SVB”) has caused an unprecedented volume of information (primarily through social media sites) targeting US banking customers. This focus has criticized not just SVB, but the entire banking industry. This is prompting many of us to ask: how does this impact me?

First, Mission Bank is a traditional community bank with customers in traditional industries in our local communities. We are not involved in the arenas and strategies that you have heard about with SVB. Our customers are farmers, real estate professionals, services providers, doctors, restaurants, manufactures, distributors, accountants, and non-profits. We bank locally, with you.

Second, Mission Bank’s success is built on trust. Our customers trust us and thus count on us as advisors and stewards of community resources. Our capital ratios, loan-to-deposit ratio, bond portfolio, and liquidity ratios are well within industry averages (and often even more conservative). Unlike SVB, by way of example, if we liquidated our entire bond portfolio at the current market valuation, we would still be well above the regulatory minimums to be considered a “well capitalized” financial institution.

Customer trust is based, in part, on Mission Bank’s proven track record of navigating turbulent times. During the Great Recession of 2008, Mission Bank never had a losing quarter and has been profitable every quarter since our second year of operation. At times, our conservative strategies have led critics to label us “a boring bank.” Those same critics are not as vocal in moments like this. We were on sound financial footing last week and the events of the last 72 hours have not impacted us.

Third, during this time, our fortress balance sheet principle will allow us to thrive. If you know of a business owner, professional, or organizational leader looking for a relationship-oriented bank serving the local community, please send them our way.

If you have any questions or would like to discuss recent events in greater detail, please reach out to your local banker or directly to me.

Best,

A.J. Antongiovanni
President and CEO
Mission Bank