



SNUGGLY RATES

1.60% APY*

12 Month Relationship CD Rate

One Time Penalty-Free Withdrawal

*APY is Annual Percentage Yield. Above rates are as of 1/23/18. Minimum deposit of \$1,000 required. 90 day interest penalty for early withdrawal. You must open or have a qualifying demand deposit or NOW account to receive this rate and the one time penalty free withdrawal. Offer subject to change.

www.frontiercommunitybank.com

400 Lew Dewitt Boulevard
Waynesboro, Virginia 22980



FRONTIER

COMMUNITY BANK

NEWSLETTER

FEBRUARY 2018

BUILD A MEAL PROJECT

WITH LINEAGE ARCHITECTS

Our Build-a-Meal project was successful and Lineage would like to thank everyone who took part in the build, and everyone who came out to support the cause!

Thank you to the sponsors who made it all happen! DASCOM Americas, Lantz Construction Company, Frontier Community Bank, Bradford Staffing,

and Charlie Obaugh Chevrolet. A special thank you to Lantz for helping with the build, and also Augusta County Government Center for providing the site for our build.

Between all monetary and food donations, we raised a total of \$1,800 for our local Food Pantry!



SANTA TO A SENIOR



Tatiana Stevens and Rhonda Fix deliver packages to benefit the annual "Santa to a Senior" drive coordinated by Home Instead Senior Care. The drive benefits our local seniors asking for the most basic of necessities, such as blankets, socks and tissues.

For the last eight years, your Frontier staff has generously ensured every senior at our local Home Instead Senior Care living facility received every item on their wish list.

Contact Us: 540.932.9100 (Waynesboro) 540.213.1200 (Staunton)

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FROM YOUR PRESIDENT

Dear Shareholders:

2017 was a busy year for Frontier, highlighted with a year of firsts that we are proud of. Our first branch, located in Staunton, finished a strong inaugural year by generating substantial deposit growth. Our first loan production office, located in Lynchburg, assisted the Bank to deploy the new deposits through funding high quality loans. Finally, for the first time since the great recession; our local economies demonstrated clear improvement!

Even though last year was busy, we allocated time to focus upon helping out in the local communities that we operate in. Our Newsletter highlights several events that the Frontier team assisted with throughout the course of the year. Supporting the community that you live and work in is a very special facet of community banking, and the entire staff at Frontier truly enjoys pitching in whenever they can.

One of the most important initiatives for the coming year is the introduction of mobile banking. We plan to introduce an extremely user-friendly platform supporting various handheld devices during the latter part of this year. We are very excited about this endeavor, since it complements Frontier's existing suite of internet banking tools so well. We will provide you with additional mobile banking updates as the year progresses.



Please think of your Bank whenever a financial need arises. We appreciate every opportunity to learn more about you and earn your business. As always, feel free to contact me directly at 540.932.9100 if you have further questions about Frontier.

Alan J. Sweet
President and Chief Executive Officer

Alan J. Sweet,
President and Chief Executive Officer



SAFE SHOPPING

Love online shopping? You're not alone

The National Retail Federation predicts online retail will grow 8%-12% in 2017, up to three times higher than the growth rate of total retail sales.

Clearly, many enjoy the benefits of online shopping. You don't have to fight traffic to drive to the mall and circle the parking lot. Online stores are open 24/7, and you can wear your pajamas. It's easy to compare prices between multiple retailers and read both customer and professional reviews of products before you buy. Product selection is vast, to say the least, including many stores and unique items sold outside of the country. And, hey, products are shipped right to your door (and with Amazon Key, even dropped inside your door, too).

But to shop online safely, and protect your personal identity from malicious types, take heed of these online shopping safety tips.

LOOK FOR THE PADLOCK

Look for the little padlock in the address bar or a URL that starts with "https" instead of "http," as the "s" stands for "secure." Some browsers will tell you it's safe to give out your credit card by showing you a green address bar, while unprotected ones will be highlighted in red.

USE A SECURE PAYMENT METHOD

Only shop on sites that take secure payment methods, such as credit cards and PayPal, as they likely give you buyer protection just in case there's a dispute.

DO YOUR HOMEWORK

When on marketplaces like eBay, check the

seller's reputation and read comments before buying a product to see what the experience was like for past customers. You can always ask a question of a seller and reputable ones will reply in a timely manner. Also, read the item description carefully before you buy, including where the seller is located, shipping charges, if the product is new or used, refund and return policies, and payment methods accepted.

WATCH OUT FOR FAKE SHOPPING APPS

As we saw last year, hundreds of phony retail apps popped up in Apple's App Store and Google Play (for Android devices), in the hopes of tricking shoppers into downloading and using them.

Source: <https://www.usatoday.com/story/tech/columnist/saltzman/2017/10/28/6-tips-safe-online-shopping/802965001/>

COMMUNITY INVOLVEMENT

PAINT STAUNTON BLUE

Frontier Community Bank appreciates the Staunton Police Department's commitment to serve and protect our community. Thank you for your service. In honor of #PaintStauntonBlue we supplied lunch to SPD and officers received a tumbler with a sweet treat.



FINANCIAL HIGHLIGHTS

UNAUDITED

	2017	2016
Results of Operations:		
Net income	\$ 351,636	\$ 521,018
Period-end Balances:		
Loans, net of unearned income & allowance	\$ 93,175,159	\$ 82,814,914
Deposits	99,234,234	87,482,018
Assets	113,203,426	104,253,777
Per Share Information:		
Earnings per share	\$0.29	\$0.43
Book value	\$9.90	\$9.57

2018 HOLIDAY CLOSINGS

- Presidents' Day** - February 19
- Memorial Day** - May 28
- Independence Day** - July 4
- Labor Day** - September 3
- Columbus Day** - October 8
- Veterans Day** - November 12
- Thanksgiving Day** - November 22
- Christmas Day** - December 25



FARM FRIENDLY

15 Year Adjustable Rate Mortgages

30 Year Term Loan at 4.875%/4.981% APR*



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*APR is annual percentage rate. 15 year APR based on the following terms and conditions: loan amount of \$1,000,000.00; loan is a 15/15 year adjustable rate mortgage loan with a 30 year maximum amortization; rate will adjust after the first 15 years and will be tied to the 10 year treasury bill plus 3.00%; 6% rate cap; floor of 4.875%; payment may increase: 711 & up credit score; owner occupied; 1st lien; minimum of 10 acres or evidence of farming operations on a Schedule F; loan to value of < 75% with a maximum loan amount of \$1,750,000.00; all closing costs paid in cash; new money only; first 180 monthly payment amounts of \$5,335.80 (monthly payment amount does not include taxes and insurance); actual payment obligation will be greater; rates as of 5/1/17 and are subject to change. Offer of credit is subject to credit approval.

