



Dear Valued South Sound Bank Customers,

On September 27, 2018 South Sound Bank's Shareholders voted to approve the merging of South Sound Bank into Timberland Bank. The official merger of our organizations took place on October 1st, 2018, however South Sound Bank and Timberland Bank will continue in many ways to operate independently until June of 2019. We want to assure you that you will continue to be served now and in the future by the same exceptional South Sound staff you've always known in the same Thurston County locations. When our computer systems are fully integrated in June of 2019 you will have full access to all of Timberland's 22 additional Western Washington locations to handle your banking needs.

The merger of Timberland Bank and South Sound Bank is the blending of two well-respected community banks which share common values and a commitment to serve into a larger, locally-based institution where together we can do more.

In the coming months, we will be working diligently to integrate our computer systems and the operations of our two banks. Beginning in early October, South Sound customers will have surcharge free access to all of Timberland's ATMs. The merger will provide you with more branch locations, more banking options, more lending solutions and the expertise of our combined staff who will continue to provide the quality service you have come to expect.

As we move forward, we know there will be questions about how this merger will affect you. We look forward to providing you with information on our website at www.timberlandbank.com and in updates delivered directly to you via e-newsletters.

Prior to the merging of South Sound's computer system into Timberland's we will provide you with a welcome guide and will post information on our website about the conversion. This guide will include important dates along with features of the new accounts that will be available to you. We believe you will enjoy our everyday banking services and reward programs plus the technology we've added to allow the convenience of banking from anywhere. Through Timberland you will have access to home mortgage lending, construction and home equity loans, plus a full array of business products and services that we believe you will find helpful.

As we work toward merging our banking families, I'm proud to share with you a little about our significant history. Timberland Bank was founded in 1915 in Hoquiam, Washington and for 103 years has continued to grow and expand its services throughout Western Washington. The Bank is known for providing exceptional personal service and quality financial products that help and support its banking clients. We are proud to be recognized regionally and nationally for our stability, growth and financial performance.

Timberland Bank has long been a central part of the communities we serve. We are proud to be a community bank where decisions are made locally and community involvement is encouraged. Each year we, and our employees give generously to serve non-profit organizations throughout our market areas.

This is the first of several communications we will provide about the process of blending our banking families. We are excited for the opportunity to serve you and we are diligently working to make the transition as seamless as possible.

Again, welcome to Timberland Bank. We look forward to serving you.

Sincerely,

Michael R. Sand, President and CEO
Timberland Bank

TOGETHER WE CAN DO MORE

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