



TOUCHMARK NATIONAL BANK

Clients, Shareholders and Friends,

I am proud to announce the opening of Touchmark's third branch located in the new Peachtree Pavilion development near the intersection of Peachtree Industrial Boulevard and I-285. The Peachtree Pavilion is a vibrant 180,000-square-foot retail center anchored by a Super H-Mart and adjacent to the Doraville GM facility that will be re-developed over the next several years.

Our new Peachtree Pavilion Branch will be managed by Vitra Darden. Charlene Fang, our Senior Business Development Officer, will also be based at this branch. Many of you will recognize Vitra and Charlene from their days at Summit Bank. They have both been instrumental in helping us launch Touchmark over the past year, and I know they will offer you a warm and professional welcome to their new office. Vitra's direct line is (770) 407-6716 and her e-mail address is vitra.darden@touchmarknb.com. Charlene's direct line is (770) 407-6712 and her e-mail address is charlene.fang@touchmarknb.com.

Just a quick note regarding the banking industry, the proposed government bailout and how Touchmark is affected: The entire financial services industry is obviously under a great deal of stress. There is enough blame to be passed around to everyone, but none of that will solve this crisis—and it is a crisis. While no taxpayer wants to pay for a bailout, the consequences of not doing something swiftly and thoughtfully could be catastrophic to our banking system and to our economy as a whole. Many parallels to the banking situation can be seen in the gasoline shortage we're currently dealing with here in Atlanta, where a shortfall in 'liquidity' has resulted in stress, concerns of 'rate increases' and a lack of confidence in the ability to obtain a critical resource when we want it. Just like the crisis of confidence in the banking system, it causes uncertainty in our daily plans.

At Touchmark, we've done everything possible to protect your deposits, your stock investment and your confidence in us. Touchmark is very well-capitalized with over \$34 million, having accomplished one of the largest and most successful capital campaigns in Georgia history. Our loan portfolio is clean and we have no non-performing assets. While we are being very thoughtful as we grow the bank, we have plenty of money to lend and we are eager to support our community's economic vitality.

Please give us a call if you have a borrowing need! Should you have any concerns about your FDIC deposit coverage, we have a solution that can provide you with coverage from \$100,000 to as high as \$50,000,000 on certificates of deposit. Any of our bankers can explain how CDARS works, so give us a call or come by for a visit. You can also visit our website at www.touchmarknb.com and click on the CDARS demo on our home page.

Despite the headlines, we are confident that this is a great time to be starting a bank. Our first nine months have been rewarding and we look forward to much prosperity in the years to come. We invite you to partner with us. Thank you for your support, your investment, your business and your consideration as we work to establish **The New Standard in Banking.**

Best regards,

Bill Short
President & CEO
Touchmark National Bank
Touchmark Bancshares, Inc.