



2013 ANNUAL REVIEW  
NEW HORIZONS BECKON.





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## SHAREHOLDER INFORMATION

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### Annual Meeting

The 2014 Annual Meeting of Shareholders for ACNB Corporation will be held on Tuesday, May 6, at 1:00 p.m. at the ACNB Corporation Operations Center, 100 V-Twin Drive, Gettysburg, PA. All proxy and other materials for the Annual Meeting are available on the Internet at [acnb.com](http://acnb.com) under ACNB Corporation Investor Relations.

### Stock Listing

ACNB Corporation common stock is listed and traded on The NASDAQ Capital Market under the symbol ACNB.

### Annual Report on Form 10-K

A copy of ACNB Corporation's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, may be obtained, without charge, by contacting:

Lynda L. Glass  
Executive Vice President, Secretary &  
Chief Governance Officer  
ACNB Corporation  
PO Box 3129  
Gettysburg, PA 17325  
717.339.5085

The Annual Report and other Corporation reports are also filed electronically with the Securities and Exchange Commission and are accessible by the public on the Internet at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml).

### Transfer Agent, Registrar and Dividend Disbursing Agent

Registrar and Transfer Company  
10 Commerce Drive  
Cranford, NJ 07016  
[www.rtco.com](http://www.rtco.com)

For shareholder inquiries or information regarding the ACNB Corporation Dividend Reinvestment and Stock Purchase Plan, call Registrar and Transfer Company toll free at 1.800.368.5948.

### Market Makers

Boening & Scattergood, Inc.  
West Conshohocken, PA  
610.832.1212/1.800.883.1212

Janney Montgomery Scott LLC  
York, PA  
717.779.2720/1.800.999.0503

### Local Broker

Wells Fargo Advisors, LLC  
Hanover, PA  
717.637.3817/1.800.242.1331

## BUSINESS PROFILE

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ACNB Corporation, headquartered in Gettysburg, PA, is the financial holding company for the wholly-owned subsidiaries of ACNB Bank, Gettysburg, PA, and Russell Insurance Group, Inc., Westminster, MD.

Through its banking subsidiary of ACNB Bank, ACNB Corporation provides a wide array of consumer, commercial and fiduciary services to fulfill the financial needs of individuals, businesses, public entities, and community organizations in its trading area. Originally founded in 1857, ACNB Bank serves its marketplace as of December 31, 2013, via a network of 19 retail banking offices located throughout Adams County, PA, as well as in Dillsburg, Hanover and Spring Grove, York County, PA, and in Newville, Cumberland County, PA. In addition, the Bank operates a loan office in

Chambersburg, Franklin County, PA, with plans for a new retail banking office in this community opening in 2014.

Russell Insurance Group, Inc., the insurance subsidiary of ACNB Corporation, offers a broad range of commercial and personal insurance lines through licenses in 36 states, including Maryland and Pennsylvania. This full-service insurance agency has office locations in Westminster, Carroll County, MD, and Germantown, Montgomery County, MD.

## FINANCIAL HIGHLIGHTS

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For the Year	2013	2012	2011
Net interest income	\$33,612,000	\$34,344,000	\$34,370,000
Net income	9,315,000	8,886,000	8,502,000
Cash dividends paid	4,542,000	4,524,000	4,512,000
<b>Per Share Statistics</b>			
Basic earnings	\$ 1.56	\$ 1.49	\$ 1.43
Cash dividends paid	0.76	0.76	0.76
Book value (year-end)	17.83	16.98	16.39
<b>At Year-End</b>			
Total assets	\$1,046,047,000	\$1,049,995,000	\$1,004,823,000
Total loans	728,648,000	708,136,000	694,468,000
Total deposits	800,643,000	834,176,000	782,795,000
Total stockholders' equity	106,802,000	101,264,000	97,474,000
<b>Key Ratios</b>			
Return on average assets	0.90%	0.86%	0.85%
Return on average equity	9.00%	8.91%	8.80%
Dividend payout	48.76%	50.91%	53.15%
Average stockholders' equity to average assets	9.95%	9.61%	9.72%

**New horizons beckon** as ACNB Corporation sees a strengthening business environment after more than five years of economic uncertainty and industry difficulties. Throughout the recession, ACNB Corporation managed towards the future. The focus remained on ensuring safety and soundness, building capital, enhancing asset quality, and applying the necessary resources to lay the foundation for growth. Now there are signs of recovery, mixed with a sense of caution, in the economic outlook. The Corporation and its wholly-owned subsidiaries of ACNB Bank and Russell Insurance Group, Inc. see new horizons in our geographic footprint and in our product and services offering and delivery.

### ACNB Corporation Financial Performance

ACNB Corporation's net income advanced year over year, as it has since 2008 at the beginning of the economic recession. For the year ended December 31, 2013, net income was \$9,315,000, or \$1.56 per share. In comparison to 2012, this is an increase of \$429,000, or 5%. Net income for the year ended December 31, 2012, was \$8,886,000, or \$1.49 per share.

Net interest income is the most significant component of the Corporation's net income. It is income derived from the interest earned on loans and investments, less the interest paid on deposits and borrowings, through the Corporation's banking subsidiary, ACNB Bank. ACNB Corporation reported \$33,612,000 in net interest income for the year ended December 31, 2013, compared to \$34,344,000 for the year ended December 31, 2012. As interest rates remain at historically low levels with deposit interest rates at practical floors, the challenge is to minimize the impact of net interest margin compression by increasing the volume of loans and, thus, the level of interest income, while controlling interest expense. The Corporation's net interest margin declined to 3.48% for 2013 from 3.56% for 2012. However, stronger loan growth towards the end of 2013 helped to offset some of the impact of lower yields on loans during the year.

In 2013, \$1,450,000 was provisioned to fund and fortify the allowance for loan losses, which is the reserve set aside for potential loan losses in the

future. This dollar amount was reduced from the \$4,675,000 charged against earnings in 2012 as the Corporation adjusted the provision expense to reflect current conditions in the loan portfolio and to maintain the allowance for loan losses at a level deemed to meet the risk characteristics of the loan portfolio. As in prior years, asset quality remains a management focus at the banking subsidiary due to the slow economic recovery and the elevated level of non-performing assets relative to years prior to the recession. At year-end 2013 and 2012, a key credit quality metric of the ratio of non-performing loans to total loans was 1.44% and 1.00%, respectively, and though higher in 2013 remains consistent with or lower than peers in the industry. Further, the allowance for loan losses stood at \$16,091,000 at year-end 2013, in comparison to \$16,825,000 at year-end 2012. The resulting ratio of the allowance for loan losses to total loans was 2.21% as of December 31, 2013, and the coverage ratio of the allowance for loan losses to non-performing loans was 153.26% as of this same date. Both of these ratios are strong and firmly exceed those of peers.

The Corporation's return on average assets was improved year over year at 0.90% for 2013, compared to 0.86% for 2012. The return on average equity advanced to 9.00% for 2013 from 8.91% for 2012, even given the rise in stockholders' equity during 2013. And, the ratio of average stockholders' equity to average assets rose to 9.95% at year-end 2013, as compared to 9.61% at year-end 2012.

ACNB Corporation's assets remained stable at \$1.046 billion and \$1.050 billion as measured on December 31, 2013 and 2012, respectively. Total deposits decreased by more than \$33 million, or 4%, year over year to \$801 million at year-end 2013 due primarily to ongoing low interest rates on certificates of deposit and higher returns in the equities market. Total loans rose by nearly \$21 million, or 3%, to \$729 million at December 31, 2013, which is significant given the volume of loans in the portfolio that paid down or paid off throughout the year. And, very importantly, a 5% rise in stockholders' equity resulted in an aggregate of \$107 million at year-end 2013, in comparison to \$101 million at the end of the prior year.

### Dividends to Shareholders

Once again, our shareholders benefited from the Corporation's financial performance in 2013 as ACNB Corporation furthered its long history of paying dividends to its shareholders. A cash dividend of \$0.19 per share was paid in each quarter of 2013. In total, \$4,542,000, or \$0.76 per share, was approved by the ACNB Corporation Board of Directors and paid to shareholders in 2013 for a dividend payout ratio of 48.76%. This is a meaningful indication of our strength and soundness, as well as our commitment to generating value for those who own the shares of ACNB Corporation.

The ACNB Corporation Dividend Reinvestment and Stock Purchase Plan offers registered shareholders the opportunity to purchase additional shares of the Corporation's common stock through the automatic reinvestment of cash dividends and voluntary cash payments on a quarterly basis. The benefit to the registered shareholders who elect to participate in the plan includes the convenience of the acquisition of additional shares of ACNB Corporation common stock, as well as the ability to do so without paying service fees or brokerage commissions. Since the plan's introduction in January 2011, 62,968 new shares of ACNB Corporation common stock have been issued to plan participants as a result of both dividend reinvestment and voluntary cash purchases.

### ACNB Bank

ACNB Bank is the primary driver of revenues and profit at ACNB Corporation. This source of strength is founded upon a history of independence and growth for more than 155 years. Today, ACNB Bank serves communities throughout Adams County, Pennsylvania, as well as in York, Cumberland and Franklin Counties, Pennsylvania, with a network of 19 retail banking offices and a loan production office. In December 2013, the major expansion project at the Bank's North Hanover Office was nearly complete with the consolidation of the commercial and residential mortgage lending staff and a trust officer under the same roof as the retail banking staff in this York County location. This same month, the Bank celebrated with a groundbreaking ceremony for the new retail banking office at 850 Norland Avenue, Chambersburg, in the Franklin County market.

It has always been the Bank's mission to reinvest depositors' dollars in loans to others in our communities. This endeavor occurs every business day at ACNB Bank with the continued goal of increasing loan growth in local markets, while maintaining a reasonable funding base by offering competitive deposit products and services. In 2013, asset quality was again a high priority due to economic conditions and the financial impact on the Bank's borrowers. The risk in the Bank's loan portfolio is carefully managed and monitored based upon prudent underwriting and review standards for the protection of depositors and shareholders alike.

The offering and delivery of banking services to its customers is evolving with consumer demand for multiple channels and adoption of digital banking by customers of varied demographics. Coupled with the growth of smartphones and tablets for use in day-to-day activities, the expansion of online and mobile banking continues as persons experience an increasing comfort level with technology as well as value anytime and anywhere convenience. From the Bank's point of view, this expansion also applies to online communications and marketing—a

focus initiated in 2013 with further development and execution planned for 2014.

Today's banking and regulatory environments necessitate an emphasis on capital as the basis of organizational strength and sustainability. At ACNB Bank, the primary capital ratios were further enhanced and fortified in 2013. The total risk-based capital ratio at year-end 2013 was 14.26%, exceeding the 10.00% requirement to be well capitalized under banking regulations. At the end of 2012, this ratio was 14.07%. Improvement in the capital position of the Bank is predominantly a function of retained earnings, which is the amount of net income after the payment of dividends to the Corporation for issuance to ACNB Corporation shareholders.

### Trust & Investment Services

ACNB Bank's Trust & Investment Services staff provides fiduciary, investment and related services to clients. Income from this business segment totaled \$1,299,000 for 2013, and assets under management exceeded \$150 million at December 31, 2013. Looking forward, Trust & Investment Services is focused on expanding its client base geographically, beyond its Gettysburg base, and via new products and services. One step in this direction was the successful introduction of the ACNB Portfolio Builder account in January 2013, which attracted new client relationships to this business line of the Bank. This new investment option, based upon a limited mutual fund asset allocation model, features a lower minimum account balance of \$50,000, lower cost, personalized planning, daily access, and local expert advice.

### Russell Insurance Group, Inc.

The insurance subsidiary of Russell Insurance Group, Inc. was acquired in 2005, is headquartered in Westminster, Maryland, and is led by Frank C. Russell, Jr. who founded the full-service insurance agency in 1978. The weakness in economic conditions and the financial markets in recent years had a dampening effect on the insurance industry resulting in lower premiums and, therefore, lower revenues. Today, Russell

Insurance Group still faces the challenges of heightened competition, especially in the commercial lines of business, and a reduced overall commission structure. Given these pressures, commissions from insurance sales decreased to \$4,671,000 for the year ended December 31, 2013, from \$4,835,000 for the year ended December 31, 2012.

### In Closing

2013 was a year of continued diligence and discipline in managing our business at ACNB Corporation, but always with an eye towards the long-term horizon. The hard work, dedication and talent of the more than 300 people who work with us ensure our success. Looking ahead, we are focused on the future and its opportunities to grow and expand.

Your financial investment, as shareholders of ACNB Corporation, is integral to our vision. Thank you for your confidence in our future as new horizons beckon.

Sincerely,



**Frank Elsner, III**  
*Chairman of the Board*



**Thomas A. Ritter**  
*President & Chief Executive Officer*



**Lynda L. Glass**  
*Executive Vice President,  
Secretary & Chief Governance Officer*



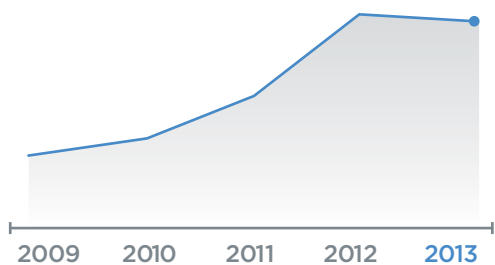
**David W. Cathell**  
*Executive Vice President,  
Treasurer & Chief Financial Officer*

## FIVE-YEAR FINANCIAL OVERVIEW

### Total Assets

In millions of dollars \_\_\_\_\_

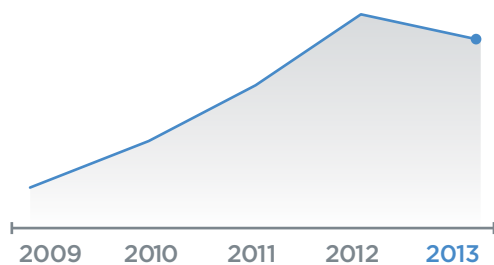
\$961.9 \$968.7 \$1,004.8 \$1,050.0 \$1,046.0



### Total Deposits

In millions of dollars \_\_\_\_\_

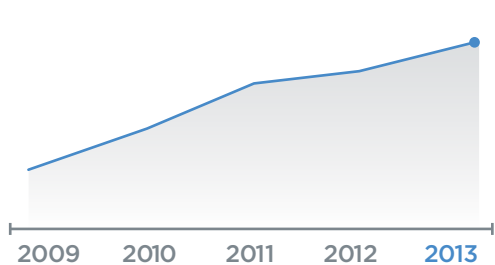
\$728.5 \$746.5 \$782.8 \$834.2 \$800.6



### Total Loans

In millions of dollars \_\_\_\_\_

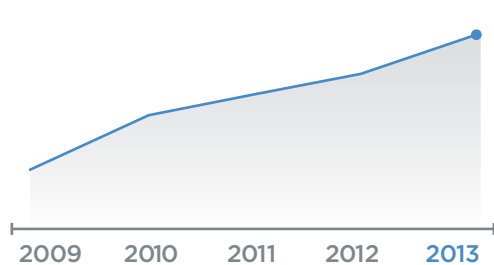
\$644.7 \$665.3 \$694.5 \$708.1 \$728.6



### Total Stockholders' Equity

In millions of dollars \_\_\_\_\_

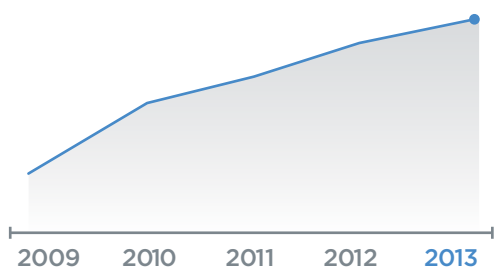
\$88.3 \$93.8 \$97.5 \$101.3 \$106.8



### Net Income

In millions of dollars \_\_\_\_\_

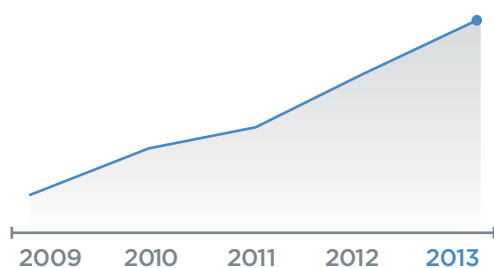
\$7.2 \$8.4 \$8.5 \$8.9 \$9.3



### Earnings Per Share

In dollars \_\_\_\_\_

\$1.22 \$1.42 \$1.43 \$1.49 \$1.56

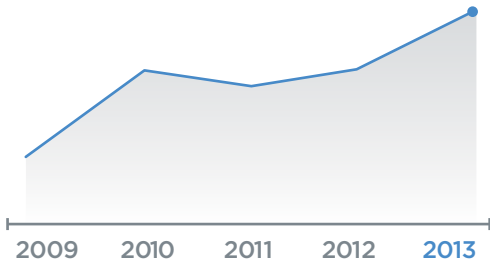




### Return on Average Assets

Percent \_\_\_\_\_

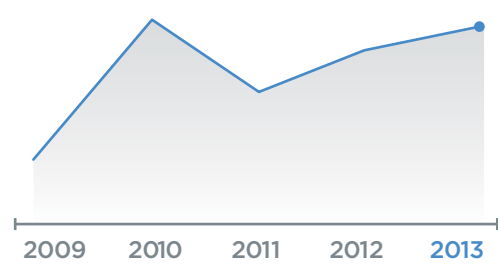
0.75% 0.86% 0.85% 0.86% 0.90%



### Return on Average Equity

Percent \_\_\_\_\_

8.34% 9.15% 8.80% 8.91% 9.00%



### Cash Dividends Paid Per Share

In dollars \_\_\_\_\_

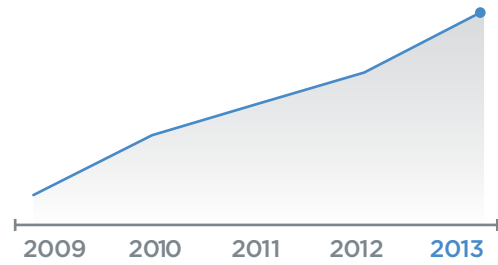
\$0.76 \$0.76 \$0.76 \$0.76 \$0.76



### Book Value Per Share

In dollars \_\_\_\_\_

\$14.90 \$15.81 \$16.39 \$16.98 \$17.83



## CONSOLIDATED STATEMENTS OF CONDITION

Dollars in thousands, except per share data

Assets	December 31	
	2013	2012
Cash and due from banks	\$ 13,963	\$ 19,078
Interest bearing deposits with banks	<u>4,153</u>	<u>32,307</u>
Cash and Cash Equivalents	18,116	51,385
Securities available for sale	129,983	165,790
Securities held to maturity (fair value \$92,082 in 2013 and \$50,980 in 2012)	94,373	50,159
Loans held for sale	496	6,687
Loans, net of allowance for loan losses (\$16,091 in 2013 and \$16,825 in 2012)	712,557	691,311
Premises and equipment	15,991	15,131
Restricted investment in bank stocks	6,861	5,318
Investment in bank-owned life insurance	32,237	31,122
Investments in low-income housing partnerships	4,687	5,440
Goodwill	6,308	6,308
Intangible assets	1,845	2,409
Foreclosed assets held for resale	1,762	4,247
Other assets	<u>20,831</u>	<u>14,688</u>
TOTAL ASSETS	<u>\$1,046,047</u>	<u>\$1,049,995</u>
<b>Liabilities</b>		
Deposits:		
Non-interest bearing	\$ 128,011	\$ 119,297
Interest bearing	<u>672,632</u>	<u>714,879</u>
Total Deposits	800,643	834,176
Short-term borrowings	49,052	47,303
Long-term borrowings	82,703	59,954
Other liabilities	<u>6,847</u>	<u>7,298</u>
TOTAL LIABILITIES	939,245	948,731
<b>Stockholders' Equity</b>		
Preferred stock (par value \$2.50; 20,000,000 shares authorized; no shares outstanding)	—	—
Common stock (par value \$2.50; 20,000,000 shares authorized; 6,053,911 and 6,027,968 shares issued in 2013 and 2012, respectively; 5,991,311 and 5,965,368 shares outstanding in 2013 and 2012, respectively)	15,135	15,070
Treasury stock, at cost (62,600 shares in 2013 and 2012)	(728)	(728)
Additional paid-in capital	9,628	9,246
Retained earnings	82,661	77,888
Accumulated other comprehensive income (loss)	<u>106</u>	<u>(212)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>106,802</u>	<u>101,264</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$1,046,047</u>	<u>\$1,049,995</u>

See the consolidated financial statements and accompanying notes presented in the Corporation's Annual Report on Form 10-K.

## CONSOLIDATED STATEMENTS OF INCOME

Dollars in thousands, except per share data

	Years Ended December 31		
	2013	2012	2011
<b>Interest Income</b>			
Loans, including fees	\$32,084	\$33,990	\$34,493
Securities:			
Taxable	4,230	4,876	6,006
Tax-exempt	1,197	1,457	1,252
Dividends	22	27	13
Other	68	89	68
TOTAL INTEREST INCOME	<u>37,601</u>	<u>40,439</u>	<u>41,832</u>
<b>Interest Expense</b>			
Deposits	2,177	3,441	4,457
Short-term borrowings	61	76	91
Long-term borrowings	1,751	2,578	2,914
TOTAL INTEREST EXPENSE	<u>3,989</u>	<u>6,095</u>	<u>7,462</u>
NET INTEREST INCOME	<u>33,612</u>	<u>34,344</u>	<u>34,370</u>
PROVISION FOR LOAN LOSSES	<u>1,450</u>	<u>4,675</u>	<u>5,435</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>32,162</u>	<u>29,669</u>	<u>28,935</u>
<b>Other Income</b>			
Service charges on deposit accounts	2,246	2,433	2,418
Income from fiduciary activities	1,299	1,224	1,396
Earnings on investment in bank-owned life insurance	975	981	968
Gain on life insurance proceeds	—	63	—
Gains on sales or calls of securities	—	7	1
Service charges on ATM and debit card transactions	1,434	1,291	1,236
Commissions from insurance sales	4,671	4,835	4,824
Other	1,078	1,033	894
TOTAL OTHER INCOME	<u>11,703</u>	<u>11,867</u>	<u>11,737</u>
<b>Other Expenses</b>			
Salaries and employee benefits	18,950	18,553	17,138
Net occupancy	1,957	1,952	2,043
Equipment	2,826	2,537	2,620
Professional services	895	825	911
Other tax	901	833	803
Supplies and postage	583	634	640
Marketing and corporate relations	396	372	478
FDIC and regulatory	768	843	1,026
Intangible assets amortization	641	641	641
Foreclosed real estate expense (income)	576	(119)	725
Other operating	3,522	3,260	2,991
TOTAL OTHER EXPENSES	<u>32,015</u>	<u>30,331</u>	<u>30,016</u>
INCOME BEFORE INCOME TAXES	<u>11,850</u>	<u>11,205</u>	<u>10,656</u>
PROVISION FOR INCOME TAXES	<u>2,535</u>	<u>2,319</u>	<u>2,154</u>
NET INCOME	<u>\$ 9,315</u>	<u>\$ 8,886</u>	<u>\$ 8,502</u>
<b>Per Share Data</b>			
Basic earnings	\$ 1.56	\$ 1.49	\$ 1.43
Cash dividends paid	\$ 0.76	\$ 0.76	\$ 0.76

## BOARDS OF DIRECTORS

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### ACNB Corporation and ACNB Bank Boards of Directors

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**Frank Elsner, III**  
*Owner & Managing Director*  
*ODT Global, LLC*  
*Chairman of the Board*  
*ACNB Corporation*  
*and ACNB Bank*

**Scott L. Kelley, Esquire**  
*President*  
*Stonesifer and Kelley, P.C.*

**James J. Lott**  
*President*  
*Bonnie Brae Fruit Farms, Inc.*

**Robert W. Miller**  
*Vice President*  
*Miller, Brown, Ohm &*  
*Associates, P.C.*

**Donna M. Newell**  
*President & Chief*  
*Executive Officer*  
*NTM Engineering, Inc.*

**J. Emmett Patterson**  
*President & Owner*  
*JDCS Enterprise*

**Daniel W. Potts**  
*Director of Business*  
*Development*  
*Global Financial Services*  
*Capgemini*

**Thomas A. Ritter**  
*President & Chief*  
*Executive Officer*  
*ACNB Corporation*  
*and ACNB Bank*

**Marian B. Schultz**  
*Retired Dean*  
*Shippensburg University*

**David L. Sites**  
*Owner & Managing Partner*  
*Realty Leasing &*  
*Management Co.*

**Alan J. Stock**  
*Owner*  
*Eicholtz Company*  
*Vice Chairman*  
*ACNB Corporation*  
*and ACNB Bank*

**Harry L. Wheeler**  
*Retired Proprietor*  
*Wheeler Drywall*

**James E. Williams**  
*President*  
*C.E. Williams Sons, Inc.*

### ACNB Bank Honorary Directors

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Dana P. Brandt  
J. Thomas Derick  
Frank C. Egger

Richard L. Galusha  
William B. Lower  
Mervin J. Morrison

W. Irvin Nelson  
Ralph S. Sandoe  
L. Robert Snyder

### Russell Insurance Group, Inc. Board of Directors

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Frank Elsner, III  
Lynda L. Glass

Daniel W. Potts  
Thomas A. Ritter

Frank C. Russell, Jr.

## OFFICERS

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### ACNB Corporation

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Frank Elsner, III  
*Chairman of the Board*

Thomas A. Ritter  
*President &  
Chief Executive Officer*

Lynda L. Glass  
*Executive Vice President,  
Secretary &  
Chief Governance Officer*

David W. Cathell  
*Executive Vice President,  
Treasurer &  
Chief Financial Officer*

### ACNB Bank

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Frank Elsner, III  
*Chairman of the Board*

Lynda L. Glass  
*Executive Vice President,  
Secretary &  
Chief Risk Officer*

Laurie A. Laub  
*Senior Vice President &  
Chief Credit Officer*

Douglas A. Seibel  
*Senior Vice President  
Commercial Lending*

Thomas A. Ritter  
*President &  
Chief Executive Officer*

James P. Helt  
*Executive Vice President  
Banking Services*

Dorothy K. Puhl  
*Senior Vice President  
Information Systems*

Thomas R. Stone  
*Senior Vice President  
Retail Banking*

David W. Cathell  
*Executive Vice President,  
Treasurer &  
Chief Financial Officer*

Sandra A. Deaner  
*Senior Vice President  
Human Resources*

Carl L. Ricker  
*Senior Vice President  
Retail Lending*

### First Vice Presidents

---

Karen B. Arthur  
Barry C. Dillman  
Kathy S. Hansel

Scott E. Hartlaub  
L. John Hicks

Dennis R. Hollinger  
Michelle N. Paulnock

R. Mark Purdy  
Lauren L. Shutt

### Vice Presidents

---

Mark P. Bernier  
Cara Lynn Clabaugh  
David W. Deaner  
Claire M. Forbush  
Stephen C. Hawbaker  
Vickie L. Hoffheins

Gary R. Holder  
Leslie R. Horn  
Helen A. Jahn  
John E. Kashner  
Beth W. Lesko  
Debra T. Little

Jill M. McNeil  
Donald C. McVay  
Scott A. Miller  
Jeffrey A. Pottorff  
Edward C. Price, Jr.  
Gary W. Rappoldt

Wendy D. Roth  
James E. Showvaker  
Debra T. Sites  
Rhonda L. Winterstein  
Merle J. Zehr  
Christina D. Ziser

### Assistant Vice Presidents

---

Brian T. Adair  
Kevin L. Cook  
Andrée V. Dennis  
Carolyn M. Dull  
Kim D. Elmo  
Kimberly S. Flickinger  
Jacqueline A. Grasley

Carolyn E. Groft  
Edward J. Groft  
Barbara D. Guise  
Jane E. Gwyn  
William A. Kauffman  
Susan R. Lang

George F. Marguglio  
Laura L. McCusker  
Celeste M. Miller  
Shelby L. Pentz  
Karen J. Redding  
Susan M. Saylor

Christine R. Settle  
Jody M. Shealer  
Lisa A. Smith  
Jeffrey B. Stambaugh  
Tina M. Steckler  
Ruby L. Sullivan

### Russell Insurance Group, Inc.

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Frank C. Russell, Jr.  
*President &  
Chief Executive Officer*

Daniel J. Coughlin  
*Vice President*

David W. Cathell  
*Vice President & Treasurer*

Lynda L. Glass  
*Vice President & Secretary*

## OFFICE LOCATIONS

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### ACNB Bank

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#### **Arendtsville**

Arendtsville Office  
101 Main Street  
Arendtsville, PA 17303

#### **Bendersville**

Bendersville Office  
101 North Main Street  
Bendersville, PA 17306

#### **Biglerville**

Biglerville Office  
3459 Biglerville Road  
Biglerville, PA 17307

#### **Cashtown**

Franklin Township Drive-Up  
10 High Street  
Cashtown, PA 17310

#### **Chambersburg**

Chambersburg Loan Office  
946 Lincoln Way East  
Chambersburg, PA 17201

#### **Dillsburg**

Dillsburg Office  
3 Tristan Drive  
Dillsburg, PA 17019

#### **East Berlin**

East Berlin Office  
1677 Route 194 North  
East Berlin, PA 17316

#### **Fairfield/Carroll Valley**

Fairfield/Carroll  
Valley Office  
4910 Fairfield Road  
Fairfield, PA 17320

#### **Gettysburg**

Adams Commerce  
Center Office  
100 V-Twin Drive  
Gettysburg, PA 17325

#### *Lincoln Square Office*

2 Chambersburg Street  
Gettysburg, PA 17325

#### *North Gettysburg Office*

675 Old Harrisburg Road  
Gettysburg, PA 17325

#### *West Gettysburg Office*

545 West Middle Street  
Gettysburg, PA 17325

#### **Hanover**

North Hanover Office  
1127 Eichelberger Street  
Hanover, PA 17331

#### *South Hanover Office*

865 Baltimore Street  
Hanover, PA 17331

#### **Littlestown**

Littlestown Office  
444 West King Street  
Littlestown, PA 17340

#### **McSherrystown**

McSherrystown Office  
369 Main Street  
McSherrystown, PA 17344

#### **New Oxford**

New Oxford Office  
318 Lincoln Way East  
New Oxford, PA 17350

#### **Newville**

Newville Office  
39 Carlisle Road  
Newville, PA 17241

#### **Spring Grove**

Spring Grove Office  
221 North Main Street  
Spring Grove, PA 17362

#### **York Springs**

York Springs Office  
202 Main Street  
York Springs, PA 17372

### Russell Insurance Group, Inc.

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#### **Westminster Office**

2526 West Liberty Road  
Westminster, MD 21157

#### **Germantown Office**

19500 Amaranth Drive, Suite C  
Germantown, MD 20874

## CONTACT INFORMATION

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#### **ACNB Bank**

acnb.com  
acnbbusiness.com

#### Customer Contact Center

Toll Free 1.888.334.ACNB (2262)

#### 24-Hour Telephone Banking Line


Toll Free 1.888.338.ACNB (2262)

#### **Russell Insurance Group, Inc.**

riginsurance.com  
Toll Free 1.800.289.4097

## Forward-Looking Statements

In addition to historical information, this document contains forward-looking statements. Examples of forward-looking statements include, but are not limited to, (a) projections or statements regarding future earnings, expenses, net interest income, other income, earnings or loss per share, asset mix and quality, growth prospects, capital structure, and other financial terms, (b) statements of plans and objectives of management or the Board of Directors, and (c) statements of assumptions, such as economic conditions in the Corporation's market areas. Such forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "intends", "will", "should", "anticipates", or the negative of any of the foregoing or other variations thereon or comparable terminology, or by discussion of strategy. Forward-looking statements are subject to certain risks and uncertainties such as local economic conditions, competitive factors, and regulatory limitations. Actual results may differ materially from those projected in the forward-looking statements. Such risks, uncertainties and other factors that could cause actual results and experience to differ from those projected include, but are not limited to, the following: the effects of new laws and regulations, specifically the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act; impacts of the new capital and liquidity requirements of the Basel III standards and other regulatory pronouncements, regulations and rules; ineffectiveness of the business strategy due to changes in current or future market conditions; future actions or inactions of the United States government, including effects of short- and long-term federal budget and tax negotiations and a failure to increase the government debt limit or a prolonged shutdown of the federal government; the effects of economic deterioration and the prolonged economic malaise on current customers, specifically the effect of the economy on loan customers' ability to repay loans; the effects of competition, and of changes in laws and regulations on competition, including industry consolidation and development of competing financial products and services; interest rate movements; difficulties in integrating and operating distinct business operations, including information technology difficulties; challenges in establishing and maintaining operations in new markets; volatilities in the securities markets; and, slow economic conditions. We caution readers not to place undue reliance on these forward-looking statements. They only reflect management's analysis as of this date. The Corporation does not revise or update these forward-looking statements to reflect events or changed circumstances. Please carefully review the risk factors described in other documents the Corporation files from time to time with the Securities and Exchange Commission, including the Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Please also carefully review any Current Reports on Form 8-K filed by the Corporation with the Securities and Exchange Commission.

A wide-angle photograph of a vast field of golden wheat. The field is in the foreground and middle ground, stretching to a flat horizon. The wheat is ripe and has a warm, golden-brown hue. In the distance, there is a line of trees and some utility poles. The sky is a clear, pale blue, transitioning to a soft orange and yellow near the horizon, suggesting a sunset or sunrise. The overall mood is peaceful and serene.

16 LINCOLN SQUARE • PO BOX 3129 • GETTYSBURG, PA 17325 • [ACNB.COM](http://ACNB.COM)