

# ANNUAL REPORT 2018

## Banking Done Your Way



Franklin Financial  
Services Corporation





# Banking Done Your Way

It's how we approach service to you and to every community we serve. Our team is here for one reason: to serve all your financial needs exactly the way you prefer.



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*Pictured on the cover: Penn National Community & Golf Club. Pictured above, top left: Carlisle Events (featured on page 8); top middle: Franklin Logistics (featured on page 10); top right: Penn National Community & Golf Club (featured on page 12); bottom right: Grant Street Loft (featured on page 15).*

# INSIGHTS FROM OUR PRESIDENT



*Timothy (Tim) G. Henry, President and CEO*

## Dear Fellow Shareholder,

Franklin Financial Services Corporation ended 2018 with four quarters of strong core operating performance and begins 2019 in a strong financial position. This has not come easily as 2018 was negatively impacted by an \$11.1 million loss we reported on May 31, 2018 related to a participation loan in which it is believed that one or more officers and/or employees of the borrower committed fraud. Nevertheless, the corporation was able to finish the year with net income of \$6.125 million and capital ratios that exceeded the benchmarks to be considered well-capitalized. Due to both strong core operations and a strong capital position, we were able to pay annual dividends to our shareholders of \$1.05 per share, an increase of 12.9% when compared to 2017.

For the year ended December 31, 2018 the average total commercial loan portfolio balance increased by 7.6% when compared to the previous year. We feel good about our portfolio growth, as we used 2018 to continue to rotate out of participation loans and invest more of our assets into commercial loans that we originate and manage. Over the last two years, we have reduced our exposure to participation loans in our commercial loan portfolio from 18% to 11.2% with the goal of bringing the percentage to or below 10%. We believe this is a prudent step to take – one which will result in better loan quality and returns for our company in the long-term. Had we not chosen to rotate out of our dependence on participation loans, our average commercial loan growth in 2018 would have been 12.5%. This tells me that our team of commercial relationship managers is effective in building strong customer relationships.

Our residential mortgage and retail lending balances saw decreases in 2018 as customers paid down their home equity loan balances and we began selling the majority of the residential mortgages that we originated. This change in our residential mortgage philosophy will allow us to generate more fee income in the future while reducing interest rate risk to the bank. This strategy also allows us to provide a greater variety of residential mortgage products to our customers, creating more opportunities for people to own their own home.

Overall deposit growth was up 3.4% for the year as interest-bearing checking and money market accounts grew by 8.8% and 5.2% respectively, offset primarily by a decrease in certificate of deposit balances. Our move in 2017 to increase staffing in our Treasury department has meant that we have had more relationship managers working with our community office teams to focus on our deposit customers, resulting in successful growth in balances while controlling interest costs in a rising rate environment. The positive result of these efforts is that our Net Interest Margin (NIM) increased six basis points, from 3.72% to 3.78%, in 2018.

An important driver to the bank's earnings is our Investment and Trust Services department that ended 2018 with total assets under management (AUM) of \$807.0 million. While earnings can be affected from time to time by market fluctuations, when measured at cost the department grew its year-over-year AUM by 6.9%. Fee income increased by 5.6% to \$5.7 million. During the year we added new talented people to the department and solidified our team working in the Greater Harrisburg/Capital Region --setting the stage for a good future for the bank's Investment & Trust Services department.

Taken as a whole, the bank's non-interest income grew by 3.6% due primarily to growth in the previously mentioned Investment and Trust Services department and debit card income. This growth comes despite decreases in deposit service charges and fees -- in particular the usage of the bank's overdraft protection program -- perhaps a sign of a stronger economy and better financial management by our customers.

Non-interest expense decreased in 2018 when compared with 2017, but that decrease was heavily influenced by the \$10 million reserve that was taken in 2017 in anticipation of settling a potential class action lawsuit. Salaries and benefits were up 6.2% when compared to 2017 as we added key people to our team. Marketing expenses increased by \$359 thousand over 2017 as we continue our efforts to develop a strong presence in the Greater Harrisburg/Capital Region and the rest of our market footprint.

The bank made many advances in 2018 that will continue to support our growth into future years. Many of these changes

are designed to bring the bank to our customers rather than asking them to come to us. As examples:

- We initiated our "Bank@Work" program which allows our staff to go to where our customers are and open deposit accounts electronically.
- We redesigned our website to provide more useful information and to make it easier for our customers to access and to transact business with the bank.
- We changed our bank's website domain from ".com" to ".bank" to enhance our customer's online safety. Our website can now be reached at [fmtrust.bank](http://fmtrust.bank).
- We launched our 24/7 call center (888-264-6116) to provide daytime and after hours support to our customers when our community offices are closed.
- We developed a new mobile checking product that provides a higher rate of return with the ease and convenience of mobile banking.
- We've improved our mobile banking app making it easier for customers to access the features they want including mobile deposits and person-to-person (P2P) transfer of funds through People Pay.
- Due to the success of our "branch of the future" concept, we are continuing to renovate community offices by introducing teller pods that create a physical environment that improves customer communication. In 2018, we completed renovations at our Greencastle, Philadelphia Avenue and Norland Avenue offices, and we have begun renovations at our Shippensburg office.

All of these initiatives tie into our new tagline "Banking Done Your Way" and the mindset we have to bring the bank to the customer where, when and how they want to interact with us. It excites us to develop these new programs and services that bring convenience and value to our customers.

## INSIGHTS FROM OUR PRESIDENT cont.

We are taking care of our communities in other ways too. During 2018, we provided monetary donations to 225 organizations in our service area and participated in 65 events with 194 volunteers from the bank giving over 2,250 hours of volunteer service.

I believe that we are doing a good job helping our customers and communities achieve their goals and that we are successfully contributing to the economic strength of South Central Pennsylvania.

Beyond improving the performance of the corporation, we are active in taking other steps to enhance the investment you, our shareholder, has made in the corporation. Last year I talked about our stock being “thinly traded” and explained that we were focusing on increasing the liquidity of our stock through investor presentations. While we continued our investor presentations in 2018, we indicated in our Current Report on Form 8-K filed on December 21, 2018 that we were applying to trade on the Nasdaq. I am pleased to report that our application was approved and that we anticipate beginning to trade on Nasdaq on, or about, May 1, 2019. Trading on the Nasdaq exchange will give our company greater visibility, and over time, we believe it will improve the liquidity of the stock.

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### **ALL OF THESE INITIATIVES TIE INTO OUR NEW TAGLINE “BANKING DONE YOUR WAY” AND THE MINDSET WE HAVE TO BRING THE BANK TO THE CUSTOMER WHERE, WHEN AND HOW THEY WANT TO INTERACT WITH US**

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I am excited about the prospects for our shareholders and the bank in 2019. I see us continuing to build loan and deposit market share in all of our markets through the effective use of technology, marketing and the abilities of our talented bankers to bring solutions to our customers. I also see our Investment and Trust Services department growing as we provide both individual and corporate trust services, including 401(k) programs, to our valued individual and commercial customers. Additionally, I see our shareholders benefiting in multiple ways

from our successful listing on the Nasdaq. And I see the bank continuing to play an integral role in the communities we serve through donations, volunteer service and loans that support both the companies and individuals who create jobs and wealth for our communities.

I continue to be appreciative of the opportunity to be the CEO and President of this great organization. We all know that one person cannot make the bank successful by their own actions. I am fortunate to be surrounded by an outstanding Board of Directors, Senior Management team and employees who are focused on the shareholder, the customer and our communities. I leave you with a glimpse of the foundation for our success -- our beliefs as expressed in our Mission Statement, Vision Statement and Core Values.

#### **MISSION STATEMENT**

Delivering the right financial solutions ... from people you know and trust.

#### **VISION STATEMENT**

We are committed to remaining independent by growing our bank to meet the increasing needs of our customers, communities and shareholders. We will be the financial services leader in the markets we serve.

#### **CORE VALUES**

We, the employees, officers and directors, are committed to the core values of integrity, teamwork, excellence, accountability, and a concern for our customers and the communities we serve.

Thank you for your support. I look forward to writing this letter to you again next year and sharing with you what great things happened in 2019.

Sincerely,



Timothy G. Henry

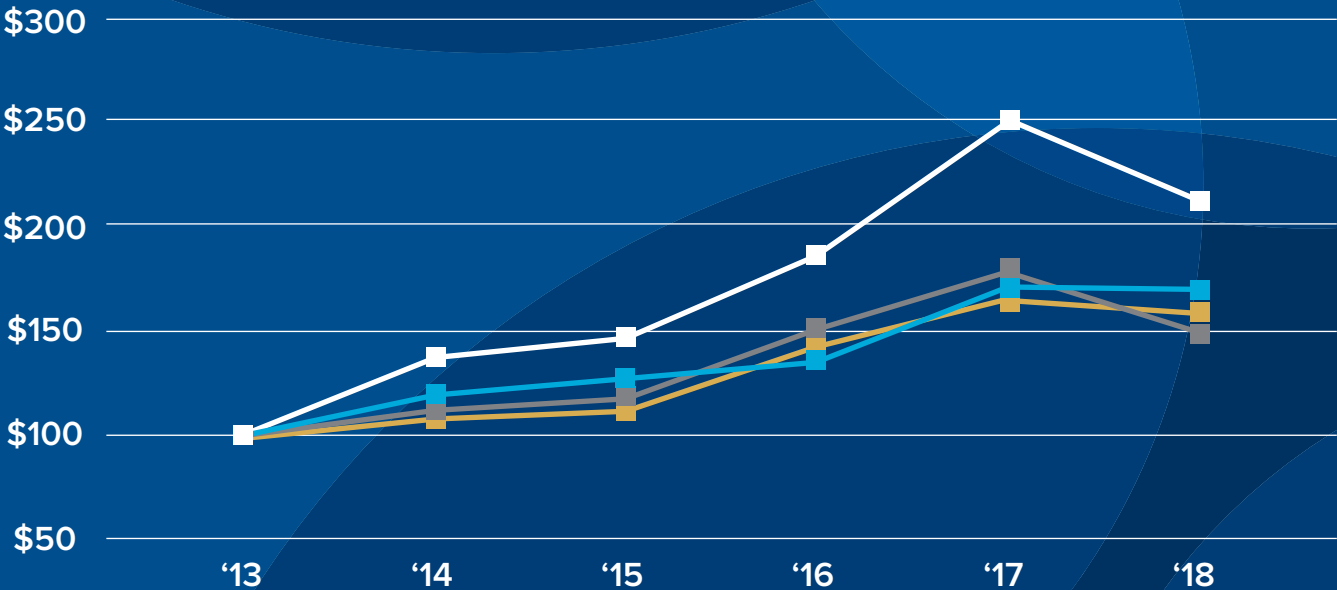
# 2018 FINANCIALS

## TOTAL RETURN PERFORMANCE

(as dollars)

- Franklin Financial Services Corporation
- NASDAQ Composite Index
- SNL Mid-Atlantic Bank Index
- Peer Group

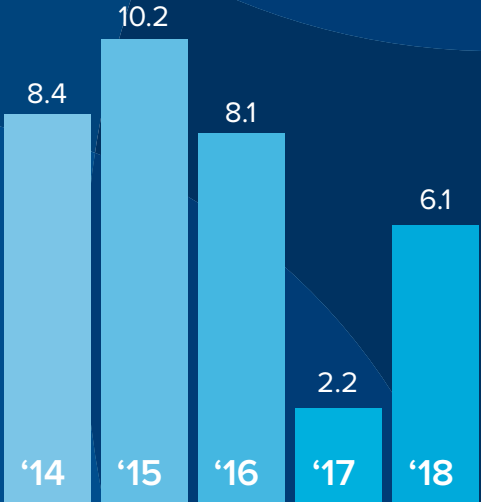
Peer Group consists of Mid Atlantic Banks with Assets between \$1B-\$2B as of 9/30/2018



Source: S&P Global Market Intelligence ©2019

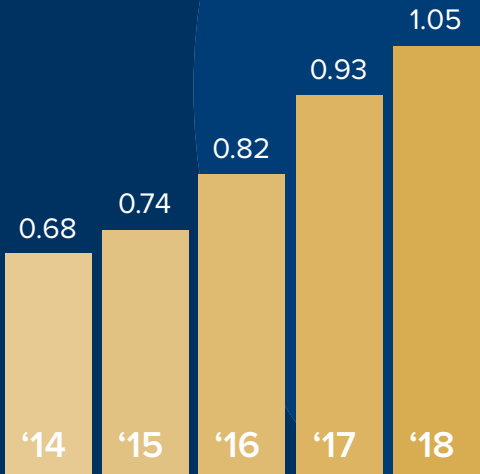
## NET INCOME

(as dollars in millions)



## REGULAR CASH DIVIDENDS PAID

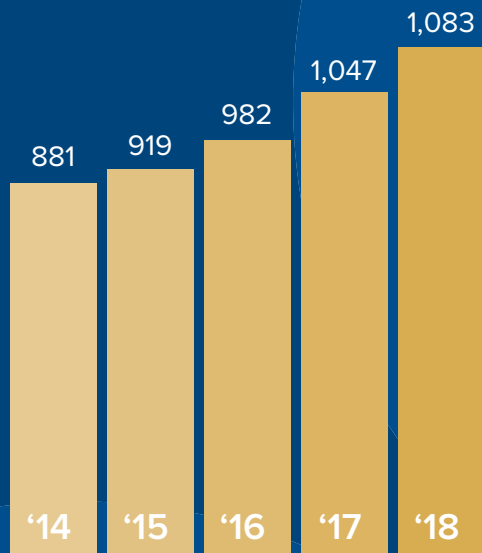
(as dollars per share)



## 2018 FINANCIALS cont.

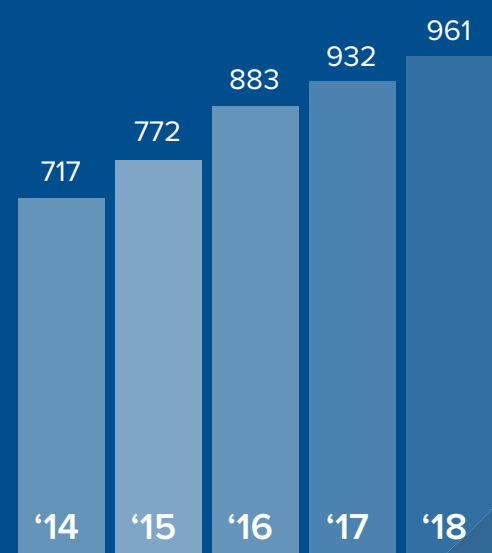
### TOTAL DEPOSITS

(as dollars in millions)



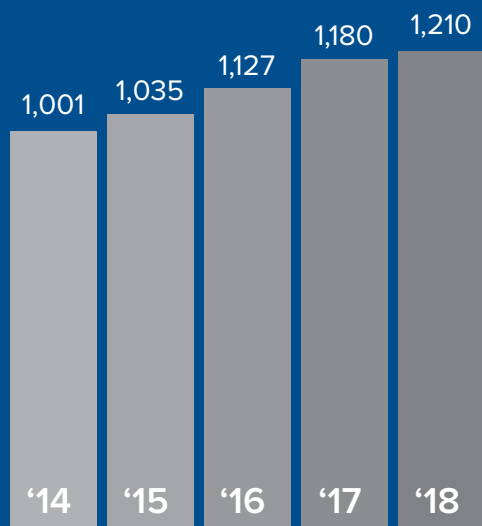
### NET LOANS

(as dollars in millions)



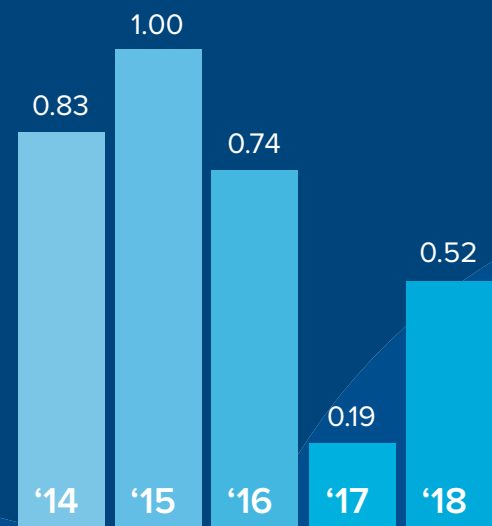
### TOTAL ASSETS

(as dollars in millions)



### RETURN ON AVERAGE ASSETS

(as percentage values)





# Consolidated FINANCIAL Highlights

(dollars in thousands, except per share)

	2018	2017
<b>PERFORMANCE MEASUREMENTS</b>		
Net income .....	\$6,125	\$2,176
Return on average assets .....	0.52%	0.19%
Return on average equity .....	5.34%	1.80%
Net interest margin .....	3.78%	3.72%
<b>SHAREHOLDERS' VALUE (per common share)</b>		
Diluted earnings per share .....	\$1.39	\$ 0.50
Basic earnings per share .....	1.40	0.50
Regular cash dividends paid .....	1.05	0.93
Book value .....	26.85	26.44
Market value .....	31.50	37.36
Market value/book value ratio .....	117.32%	141.30%
Price/earnings multiple .....	22.66	74.72
Current dividend yield .....	3.43%	2.49%
Dividend payout ratio .....	75.07%	185.25%
<b>BALANCE SHEET HIGHLIGHTS</b>		
Total assets .....	\$1,209,587	\$1,179,813
Investment securities .....	\$131,846	127,336
Loans, net .....	960,960	931,908
Deposits .....	1,082,629	1,047,181
Shareholders' equity .....	118,396	115,144
<b>SAFETY AND SOUNDNESS</b>		
Risk-based capital ratio (Tier 1) .....	15.21%	15.31%
Leverage ratio (Tier 1) .....	9.78%	9.73%
Common equity ratio (Tier 1) .....	13.96%	14.06%
Nonperforming loans/gross loans .....	0.27%	0.28%
Nonperforming assets/total assets .....	0.44%	0.45%
Allowance for loan loss/loans .....	1.28%	1.25%
Net loans charged-off (recovered)/average loans .....	0.97%	-0.01%
<b>TRUST ASSETS UNDER MANAGEMENT</b>		
Trust and Investment Services (fair value) .....	\$684,825	\$686,941
Held at third-party brokers (fair value) .....	122,213	158,145

CLIENT PROFILE

# SOLUTIONS DONE YOUR WAY



## THEIR MISSION

TO BE A RESPONSIBLE MEMBER OF THE COMMUNITIES IN WHICH THEY OPERATE AND TO PURSUE NEW BUSINESS OPPORTUNITIES, ENSURING THE GROWTH OF THE COMPANY.

## CARLISLE EVENTS

Carlisle, PA

When Chip and Bill Miller hosted their first car show at the Carlisle Fairgrounds in 1974, they never could have envisioned the success that would be Carlisle Events.

Today, Carlisle is home to the largest car and truck collector events in the nation. More than half a million guests from around the world visit shows promoted by Carlisle Events annually. And now, Carlisle Events is giving car lovers another reason to visit the area.

The car show producer is redeveloping a 48-acre, vacant lot where a massive manufacturing facility previously stood. The mixed-use project will include a hotel; restaurants; retail and office spaces; a three-acre, public park with trails; and car condominiums. Car condominiums will have multiple-car garages as well as living spaces including bedrooms, kitchens and living rooms.

“Working with F&M Trust has been great. They looked at our business model, pursued it and were aggressive in saying, ‘We believe in this project, and we will lend the money to make this happen,’” said Harold Brandt, Chief Financial Officer of Carlisle Events.

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**“THEY WERE AGGRESSIVE IN SAYING, ‘WE BELIEVE IN THIS PROJECT, AND WE WILL LEND THE MONEY TO MAKE THIS HAPPEN.’”**

HAROLD BRANDT

Chief Financial Officer, Carlisle Events

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Partners since the project’s inception, Brandt, has enjoyed a strong relationship with F&M Trust and Dave Zimmerman, Senior Commercial Services Relationship Manager of F&M Trust.

“The whole financing deal has definitely gone beyond what anyone could hope for. It’s a construction project, so there’s something that always pops up. If the project is delayed because of the weather, Dave is easy to talk to. He completely understands the constraints of construction,” said Brandt.

As the company continues to grow, F&M Trust will continue tailoring financial solutions to meet Carlisle Event’s unique needs – that’s banking done your way.

*Upper right: Bill Miller, Jr. Co-Owner/Founder, Carlisle Events; Dave Zimmerman, Senior Commercial Services Relationship Manager; Harold Brandt, Chief Financial Officer, Carlisle Events; Lance Miller, Co-Owner, Carlisle Events.*



# OUR BOARD OF DIRECTORS

*Front row left to right*

Patricia D. Lacy, President & Director - Beistle Company; Timothy G. Henry, President & CEO; G. Warren Elliott, Chairman of the Board, President - Cardinal Crossings, Inc., Former Franklin County Commissioner; Martha B. Walker, Partner - Walker, Connor & Spang, LLC; Allan E. Jennings Jr., President & COO - Jennings Chevrolet, Buick, GMC, Inc.

*Back row left to right*

Donald A. Fry, Chairman of the Board - Cumberland Valley Rental and Towne Cleaners, ANDOCO, Inc.; Donald H. Mowery, Partner - RSM Associates, LP; Stanley J. Kerlin, Law Office of Stanley J. Kerlin, LLC; Daniel J. Fisher, Retired - D. L. Martin Company; Martin R. Brown, President - M. R. Brown Funeral Home, Inc.; Gregory A. Duffey, President - CFP&M Insurance a division of KSI Insurance; Richard E. Jordan III, President & CEO - Smith Land & Improvement Corporation.

## Franklin Financial Services Corporation Officers

**G. WARREN ELLIOTT**  
Chairman of the Board

**MARK R. HOLLAR**  
Treasurer and Chief Financial Officer

**JOYCE A. RILEY**  
Assistant Corporate Secretary

**TIMOTHY (TIM) G. HENRY**  
President and Chief Executive Officer

**AMANDA M. DUCEY**  
Corporate Secretary

## We thank the lasting legacy of our former directors.

JERYL MILLER

HUBER MCCLEARY

WILLIAM SNELL

CHARLES SIOBERG

JOHN HULL

DENNIS GOOD

CHARLES DILLER

STEVE PATTERSON

JAY BENEDICT

CHARLES BENDER

CLIENT PROFILE

# FLEXIBILITY DONE YOUR WAY



## THEIR MISSION

TO ACQUIRE, DEVELOP, BUILD AND LEASE FACILITIES IN SOUTH CENTRAL PENNSYLVANIA.

### FRANKLIN LOGISTICS AND DEVELOPMENT

Chambersburg, PA

Working in logistics, plans can change at any moment.

And Franklin Logistics and Development needs a bank that can keep up. That's why they bank with F&M Trust.

"The flexibility that you have with F&M Trust is unmatched by its competitors," said Colby Nitterhouse, president of the Chambersburg-based logistics company.

Halfway through construction on a large warehouse, Franklin Logistics and Development was approached by a company that wanted to lease half of the building, resulting in a drastic last minute change to construction plans

Steve Butz, F&M Trust's Commercial Services Market Manager, adjusted Franklin Logistics and Development's financing, enabling them to customize the warehouse for their new tenant.

"By partnering with a solid bank that gives us the flexibility to grow, we can provide better service to our customers. Steve is good to work

with. He understands what we're doing, and that goes a long way," said Nitterhouse.

The full-service, third-party logistics company provides a full range of warehousing, transportation and supply chain solutions for a growing number of domestic and international customers. Nitterhouse's company, like F&M Trust, is willing to accommodate, and that, Nitterhouse said, is what sets both apart from their competitors.

"With F&M Trust, we can present something to Steve, and maybe a larger bank would look at it pretty cut and dry, but F&M Trust still has that local touch and is willing to be creative," said Nitterhouse.

No matter how many times plans change for Franklin Logistics and Development in the future, F&M Trust will continue to keep up.

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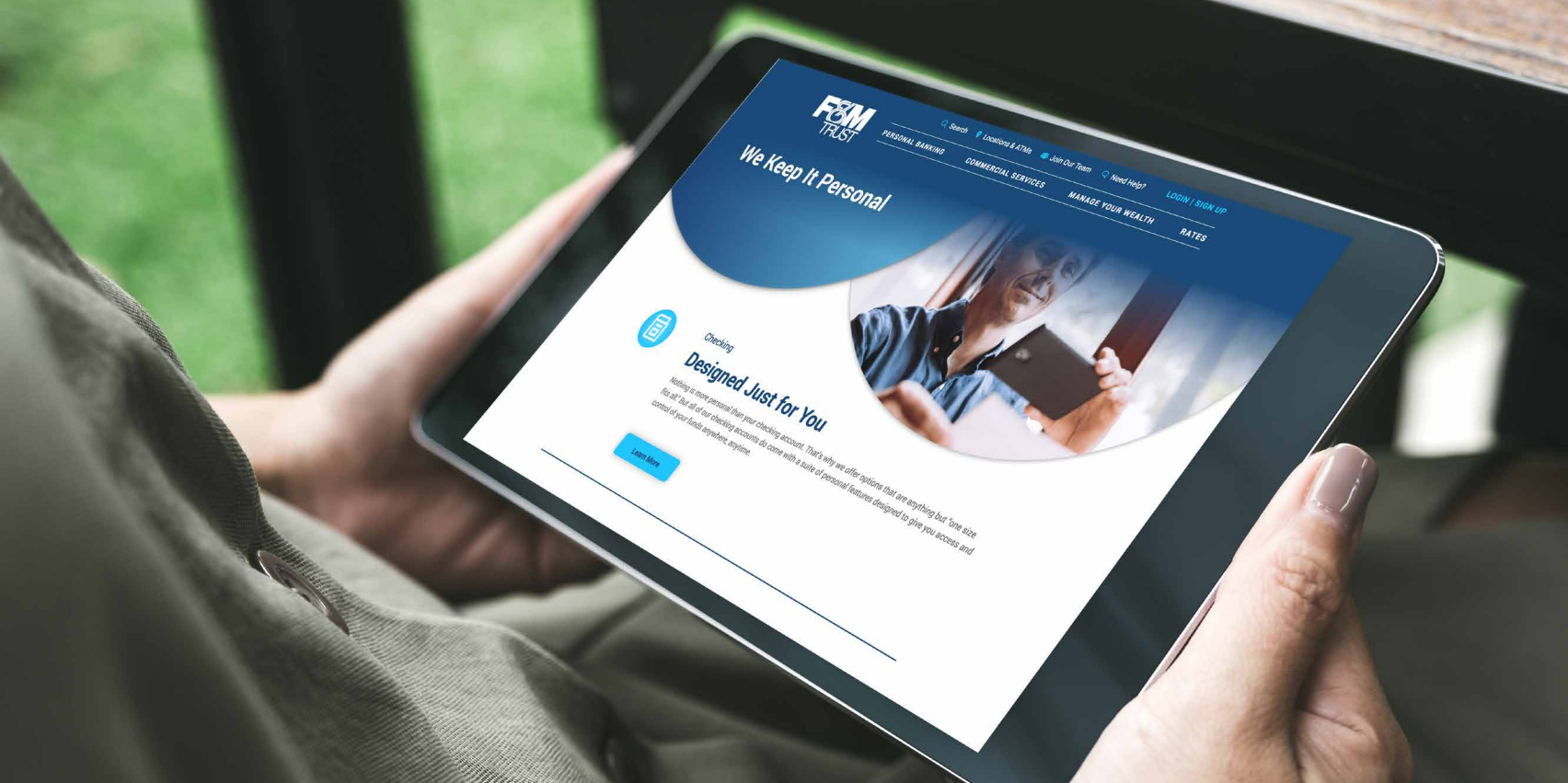
**"THE FLEXIBILITY THAT YOU HAVE WITH F&M TRUST IS UNMATCHED BY ITS COMPETITORS"**

COLBY NITTERHOUSE

President, Franklin Logistics and Development

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*Upper left: Steve Butz, Chief Commercial Services Officer, F&M Trust; Colby Nitterhouse, President, Franklin Logistics and Development; Tim Henry, President & CEO, F&M Trust*



# F&M TRUST TRANSITIONS TO NEW .BANK DOMAIN

This year, F&M Trust introduced a new way to keep our customers a little safer.

With the launch of our new website in early October, we made the transition from a traditional .com domain to a .bank domain — a move that adds another layer of security for our online users and helps increase brand awareness.

Of the 4,805 banks in the U.S., F&M Trust is one of 450 that are using the domain, which offers added protection against breaches and phishing attacks.

The extension, which became widely available to banks in 2015, serves as a visual cue to customers and employees, signaling to them that the F&M Trust website is legitimate.

The adoption of the easily identifiable .bank domain shows our commitment to meet the evolving needs of our customers while continuing to optimize our digital offerings.

The switch helps set F&M Trust apart from our competitors. We are the first bank in South Central Pennsylvania to make the transition.

Similar to the .gov domain for government entities or .edu for educational institutions, the .bank domain is a standardized, verified domain for financial institutions.

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**F&M TRUST. A COMMUNITY BANK WITH A PASSION FOR OFFERING THE RIGHT FINANCIAL SOLUTIONS. THAT'S BANKING DONE YOUR WAY.**

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As it stands now, online scammers can create fake websites to attempt to steal information and money from consumers. By using numbers and misspellings, the websites can sometimes appear to be authentic. When consumers see the .bank domain, they can be certain the website is valid and secure.

Unlike the .com domain, only verified members of the banking community can be awarded a .bank domain. Every application for the domain undergoes a rigorous verification process before it can be approved.

The .bank domain is operated by fTLD — a coalition of banks, insurance companies and financial services trade associations from around the world — which helps to authenticate financial institutions.

We are constantly looking for ways to protect our customers, and this transition is another step we have taken to keep our customers secure.

CLIENT PROFILE

# FAMILY DONE YOUR WAY



## THEIR VALUES

THEIR COMMITMENT TO THE COMMUNITY AND THEIR RESIDENTS IS PERSONAL, BECAUSE PENN NATIONAL IS THEIR HOME TOO.

### PENN NATIONAL COMMUNITY & GOLF CLUB

Fayetteville, PA

If you ask Patti Nitterhouse, she'll tell you that her business, Penn National Community & Golf Club, is more popular nationally than it is locally.

And that may be true – for now. The company — which includes the Penn Homes real estate development; a 48-room inn; a restaurant; and two public, 18-hole golf courses — has been recognized by several national publications for its hiking trails, golf courses and popularity among retirees.

But the addition of the Black Oak Bar to its restaurant is quickly making it a local favorite. Its name honors the 173-year-old black oak tree that grew on their property until it fell in 2017.

And F&M Trust, which financed the addition, couldn't be more excited about Penn National Community & Golf Club's growth.

"The people who we work with at the bank have become some of our biggest fans," said Dennis Zimmerman, President of Penn National Community & Golf Club. "That's such a great thing – to work with a bank that is really pulling for you."

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**"OUR BUSINESS HAS A LOT OF MOVING PARTS, AND F&M TRUST REALLY TOOK THE TIME TO UNDERSTAND THESE DIFFERENT BUSINESSES."**

DENNIS ZIMMERMAN

President, Penn National Community & Golf Club

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Founded in 1968 by Patti Nitterhouse's father, T.K. Nitterhouse, Patti Nitterhouse and her husband, Dennis Zimmerman, took over the company in 1995. Since then, their son, Ted Zimmerman and daughter, Honor Zimmerman, have also joined the ranks. And they view Phil Pantano, Commercial Services Market Manager for Franklin, Fulton and Huntingdon counties at F&M Trust, as an integral part of their business team.

"We absolutely love Phil. He is there every step of the way, and it almost feels like he's part of our team," said Ted Zimmerman.

In addition to the close relationship F&M Trust and the Zimmerman family enjoy, something else sticks out to Dennis Zimmerman.

"Our business has a lot of moving parts," he said. "And F&M Trust really took the time to understand these different businesses."

*Upper left: Renee Preso, Vice President, Southern Franklin, Fulton, and Huntingdon County Market Manager, F&M Trust; Ted Zimmerman, Real Estate Developer, Penn National Community and Golf Club; Dennis Zimmerman, President, Penn National Community and Golf Club; Patti Nitterhouse, Vice President, Penn National Community and Golf Club; Honor Zimmerman, Real Estate Sales, Penn National Community and Golf Club; Phil Pantano, Vice President, Commercial Services, Franklin, Fulton, and Huntingdon County Market Manager*



# 2018 COMMUNITY HIGHLIGHTS

## COMMUNITY

Franklin Financial Services and F&M Trust employees are devoted to serving the communities in which they live and work. Each year, our employees assist hundreds of nonprofit organizations by volunteering their time at community events or by serving as members of a board of directors.

- 65 bank-sponsored events and other activities
- 194 volunteers
- 2,252 volunteer hours

## DONATIONS

In 2018, Franklin Financial Services and F&M Trust continued investing in each of the regions we serve by contributing to organizations that are dedicated to improving the quality of life for those communities.

- \$349,619 in community investments
- 225 organizations supported



# SENIOR MANAGEMENT



**Timothy (Tim) G. Henry**  
President and CEO



**Mark R. Hollar**  
Senior Vice President  
CFO and Treasurer



**Steven D. Butz**  
Senior Vice President  
Chief Commercial Services Officer



**Karen K. Carmack, DM, SPHR,  
SHRM-SCP**  
Senior Vice President  
Chief Human Resources Officer



**Ronald L. Cekovich**  
Senior Vice President  
Chief Information and  
Operations Officer



**Patricia A. Hanks**  
Senior Vice President  
Chief Retail Services Officer



**Lorie M. Heckman, CRCM**  
Senior Vice President  
Chief Risk Officer



**Susan L. Rosenberg, JD**  
Senior Vice President  
Chief Investment & Trust Officer



**Matthew D. Weaver**  
Senior Vice President  
Chief Marketing Officer



CLIENT PROFILE

# GROWTH DONE YOUR WAY



## THEIR VALUES

WE KNOW WE WOULD BE NOTHING WITHOUT THE COMMUNITY THAT SURROUNDS US.

### THE GRANT STREET LOFT

Chambersburg, PA

It started with a simple goal: grow their small-scale café kiosks throughout Chambersburg.

Third generation owners of The Butcher Shoppe – a community grocery store – Anne and Leo Schoenhofen, needed a commercial kitchen to support the kiosks, also known as micro-markets.

So, they purchased a 7,200-square-foot, two-story, brick warehouse with the intention of converting it into a kitchen. But when they saw the second floor, they knew they had to do something more with the space, noting that in the past, community members had asked Anne Schoenhofen to cater their weddings.

That's when the couple dreamed up The Grant Street Loft – a new special event venue in Chambersburg. Financed by F&M Trust, the project involved renovating the building into a commercial kitchen on the first floor, a chic event center on the second level, and a trendy rooftop deck.

"F&M Trust was excited about our growth. They were like, 'Yeah, let's do this. Let's make this work.' Not every bank does that. F&M Trust wanted to see what was next," Anne Schoenhofen said.

*Upper left: Phil Pantano, Vice President, Commercial Services, Franklin, Fulton, and Huntingdon County Market Manager; Leo Schoenhofen, Co-Owner, The Grant Street Loft; Anne Schoenhofen, Co-Owner, The Grant Street Loft; Brian Reidell, Vice President, Commercial Services, Treasury Manager*

"They understood our vision," added Leo Schoenhofen. "And in the future, when we go to them and say, 'Hey we have our next best idea,' we know they will give it their full attention. And they will know that we're going to get it done."

Though they haven't come up with their next idea yet, the Schoenhofens plan to pursue other business ventures in the future. Whatever they decide, one thing is certain: F&M Trust will be there to support them.

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**"F&M TRUST WAS EXCITED ABOUT OUR GROWTH. THEY WERE LIKE, 'YEAH, LET'S DO THIS. LET'S MAKE THIS WORK.' NOT EVERY BANK DOES THAT. F&M TRUST WANTED TO SEE WHAT WAS NEXT."**

ANNE SCHOENHOFEN  
Owner, The Grant Street Loft

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# OUR OFFICERS

## COMMERCIAL SERVICES

### STEVEN D. BUTZ

Senior Vice President  
Chief Commercial Services Officer

### PHILIP A. PANTANO

Vice President  
Commercial Services  
Franklin, Fulton, and Huntingdon County  
Market Manager

### DAVID P. ZIMMERMAN

Vice President  
Senior Commercial Services  
Relationship Manager

### MARY S. CORDELL

Vice President  
Commercial Services  
Relationship Manager

### KRISTI A. DORSEY

Vice President  
Commercial Services  
Relationship Manager

### MATTHEW D. HARSHBARGER

Vice President  
Commercial Services  
Relationship Manager

### MICHAEL S. METZ

Vice President  
Commercial Services  
Relationship Manager

### KATHERINE M. POWLEY

Vice President  
Commercial Services  
Loan Portfolio Manager

### DALLAS J. ZULLI

Vice President  
Commercial Services  
Relationship Manager

### KATHLEEN M. BLOSS

Assistant Vice President  
Commercial Services  
Loan Portfolio Manager

### CHAD R. RYDBOM

Assistant Vice President  
Commercial Services  
Relationship Manager

### BRIAN C. REIDELL

Vice President  
Commercial Services  
Treasury Manager

### JENNIFER E. BISHOP

Treasury Relationship Manager

### JERAMY D. CULLER

Assistant Vice President  
Business Banking Manager

### DANA L. KAISER-BRECHBIEL

Assistant Vice President  
Business Banker

### PATRICIA M. MURRAY

Assistant Vice President  
Business Banker

### BENJAMIN S. DEBELL

Business Banker

### NATASHA J. KOONS

Business Banker

### ADAM B. SMITH

Business Banker

### CRYSTAL M. SUNDERLAND

Business Banker

### ERIC J. FLEMING

Vice President  
Credit Department Manager

### LORRAINE ACUNA

Senior Credit Analyst

### MARIA S. SEABRA

Senior Credit Analyst

### JULIE L. POWELL

Senior Credit Analyst

### LANCE R. BERNECKER

Credit Analyst

### MICHAEL R. COOK

Credit Analyst

### KOFI E. ODOOM

Credit Analyst

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## EXECUTIVE

### TIMOTHY (TIM) G. HENRY

President & Chief Executive Officer

### AMANDA M. DUCEY

Corporate Secretary

### JOYCE A. RILEY

Assistant Corporate Secretary

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## FACILITIES

### TEX E. MILLER, JR.

Facilities Manager

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## FINANCE

### MARK R. HOLLAR

Senior Vice President  
Chief Financial Officer & Treasurer

### AMY B. HERROLD

Controller

### KIM A. BRANT

Asset-Liability Analyst

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## **HUMAN RESOURCES**

### **KAREN K. CARMACK, DM, SPHR,**

#### **SHRM-SCP**

Senior Vice President  
Chief Human Resources Officer

### **LEVI L. CROUSE MBA, SHRM-CP**

Assistant Vice President  
Human Resources Officer

### **MICHELE A. WILLIAMS**

Training & Development Manager

### **BRIAN R. CARROLL**

Talent Acquisition Officer

### **JENNIFER L. JOHNSON**

Training & Development Officer

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## **INVESTMENT & TRUST SERVICES**

### **SUSAN L. ROSENBERG, JD**

Senior Vice President  
Chief Investment & Trust Officer

### **WARREN M. HURT**

Vice President  
Chief Investment Officer

### **MATTHEW W. BERGER**

Vice President  
Investment & Trust Services  
Franklin, Fulton, and Huntingdon County  
Market Manager

### **CHRISTIAN C. MERRITT, III**

Vice President  
Investment & Trust Services  
Cumberland County/Capital Region  
Market Manager

### **CAROLE L. CRIST**

Vice President  
Investment & Trust Services  
Relationship Manager

### **KAREN L. DEGENHART**

Vice President  
Employee Benefits Officer

### **RONALD R. FROESCHLE**

Vice President  
Employee Benefits Officer

### **JOSEPH G. MAXWELL**

Vice President  
Investment & Trust Services  
Relationship Manager

### **JAMES C. MCELHENIE**

Vice President  
Investment & Trust Services  
Relationship Manager

### **JAMES P. PROBST**

Vice President  
Investment & Trust Services  
Relationship Manager

### **DIANA L. SPONSELLER**

Vice President  
Investment & Trust Services  
Relationship Manager

### **DENNIS L. WILSON**

Vice President  
Investment & Trust Services  
Relationship Manager

### **HEATHER C. HELM**

Assistant Vice President  
Estate & Tax Administration Officer

### **DAVID Y. LUO**

Assistant Vice President  
Investment Portfolio Manager

### **ALYSSA M. PROCTOR**

Assistant Vice President  
Investment & Trust Services  
Relationship Manager

### **D. MICHELL FRIESE**

Investment & Trust Services Support Manager  
Brokerage Liaison

### **ROBIN L. MURRAY**

Trust Operations Manager

### **ADAM J. HOLLINGER**

Investment & Trust Services  
Relationship Manager

### **JEFFREY A. PETERSON**

Investment & Trust Services  
Relationship Manager

### **HANNAH S. REBUCK**

Investment & Trust Services  
Assistant Relationship Manager

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## **MARKETING**

### **MATTHEW D. WEAVER**

Senior Vice President  
Chief Marketing Officer

### **MELISSA D. MILLER**

Assistant Vice President  
Marketing Manager

### **JILL M. REDDECLIFF**

Marketing Operations Officer

### **SHELBY M. WHITE**

Corporate Communications Officer

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## **RETAIL SERVICES**

### **PATRICIA A. HANKS**

Senior Vice President  
Chief Retail Services Officer

### **JORDAN M. PEPPER**

Retail Services Operations Manager

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## **RESIDENTIAL MORTGAGE & CONSUMER LENDING**

### **DAVID E. BIMLER**

Assistant Vice President  
Residential Mortgage & Consumer  
Lending Sales Manager

### **JARED M. LEONARD**

Assistant Vice President  
Retail Lending Officer

### **AMANDA A. KEGERREIS**

Residential Mortgage & Consumer  
Lending Processing Manager

### **CATHY S. GOODHART**

Residential Mortgage Lending Officer

## OUR OFFICERS cont.

**TIMOTHY A. RARICK**  
Consumer Lending Officer

**DAVID R. WINTERS**  
Consumer Lending Officer

**DAVID E. BEITZEL**  
Mortgage Originator

**GALE E. GALLO**  
Mortgage Originator

**TIN L. LY**  
Mortgage Originator

**RHETTA B. MARTIN**  
Mortgage Originator

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### **CHAMBERSBURG MARKET**

**SUMMER FRANZONI**  
Assistant Vice President  
Chambersburg Market Manager

Lincoln Way East & Philadelphia Avenue

**LISA A. HOGUE**  
Financial Services Officer  
Community Office Manager

Lincoln Way East

**ASHLEY L. RUSSO**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Philadelphia Avenue

**KAYLA A. HECK**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Memorial Square

**MARISOL FELICIANO**  
Financial Services Officer  
Community Office Manager

**SHELBY A. YINGER**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Norland Avenue

**DANIELLE R. RITTER**  
Financial Services Officer  
Community Office Manager

**JENNIFER L. FULFER**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Brookview & Chambers Pointe

**RACHEL M. BOWERS**  
Financial Services Officer  
Community Office Manager

Orchard Park

**GIOVANNA C. CARANNATE**  
Assistant Financial Services Officer  
Assistant Community Office Manager

West Side

**MEGHAN N. HEEBNER**  
Financial Services Officer  
Community Office Manager

**MEGAN N. BRINDLE**  
Assistant Financial Services Officer  
Assistant Community Office Manager

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### **CUMBERLAND COUNTY MARKET**

**PAULO M. OLIVEIRA**  
Vice President  
Cumberland County/Capital Region Market Manager

Carlisle Crossing

**ALICIA M. BEECHER**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Boiling Springs

**BARB M. MINNIER**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Mechanicsburg & Camp Hill

**MIRIAM DEFEHR**  
Financial Services Officer  
Community Office Manager

**HEATHER E. YODER**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Shippensburg & Newville

**ELLEN L. ILE**  
Financial Services Officer  
Community Office Manager

**ANGELA M. BARMONT**  
Assistant Financial Services Officer  
Assistant Community Office Manager

Ritner Highway

**MELISSA J. MCGOWAN**  
Financial Services Officer  
Community Office Manager

**ANNETTI J. TINGLE**  
Assistant Financial Services Officer  
Assistant Community Office Manager

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### **SOUTHERN FRANKLIN COUNTY MARKET**

**RENEE L. PRESO**  
Vice President  
Southern Franklin, Fulton, and Huntingdon County Market Manager

Greencastle

**PENNY L. KOSER**

Assistant Financial Services Officer  
Assistant Community Office Manager

Mont Alto

**SARAH S. STANSFIELD**

Financial Services Officer  
Community Office Manager

Waynesboro

**CHASTITY L. WANTZ**

Assistant Vice President  
Financial Services Officer  
Community Office Manager

**JILIAN M. BIRELY**

Assistant Financial Services Officer  
Assistant Community Office Manager

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**FULTON/HUNTINGDON  
COUNTY MARKET**

**RENEE L. PRESO**

Vice President  
Southern Franklin, Fulton, and Huntingdon  
County Market Manager

Hustontown & McConnellsburg

**MARY E. WRIGHT**

Financial Services Officer  
Community Office Manager

**SAMANTHA D. WAGNER**

Assistant Financial Services Officer  
Assistant Community Office Manager

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**RISK MANAGEMENT**

**LORIE M. HECKMAN**

Senior Vice President  
Chief Risk Officer

**WILLIAM A. PRYOR**

Vice President  
Chief Credit Officer

**OLAF R. HASSE**

Vice President  
Loan Portfolio Risk Management Officer

**AVIS M. GRAHAM**

Assistant Vice President  
Investment & Trust Services  
Compliance Officer

**RAINBOW D. HOPKINS**

Assistant Vice President  
BSA/OFAC Officer

**ERIC M. FOLLIN**

Documentation Review Officer

**STEVEN R. GORMONT**

Consumer Credit Recovery Officer

**FRANK M. SEVERA**

Commercial Credit Recovery Officer

**SHERYL R. SNIDER**

Compliance Officer & CRA Officer

**RAYMOND W. WILLS**

Security Officer

**MATTHEW R. SHANK**

Assistant Documentation Review Officer

**JANET E. STAMPER**

Consumer Documentation Review Officer

**SEAN A. ZABRUCKY**

BSA/OFAC Analyst

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**TECHNOLOGY SERVICES**

**RONALD L. CEKOVICH**

Senior Vice President  
Chief Information & Operations Officer

**PAMELA A. JOHNS**

Vice President  
Loan Servicing Manager

**JOSEPH C. LIEB**

Vice President  
Assistant Technology Services Manager

**WILL M. BARNUM**

Assistant Technology Services Manager

**KRISTIN P. BEEGLE**

Deposit Operations Manager

**DIXIE C. BURKHOLDER**

Assistant Deposit Operations Manager

**STEPHANIE A. GEARHART**

Assistant Loan Servicing Manager

CLIENT PROFILE

# VISION DONE YOUR WAY



## THEIR MISSION

COMMITTED TO HELPING PEOPLE BE INTENTIONAL IN THEIR LIFE, WORK AND DEVELOPMENT.

### WAKEEN ENTERPRISE

Harrisburg, PA

Jeff Wakeen never thought he would relocate his Mechanicsburg-based business, Wakeen Enterprise, to Harrisburg.

In fact, he had told his realtor not to even bother showing him his current Harrisburg office, which is located just a few blocks away from the State Capitol.

That changed when he saw the space.

“All of a sudden I thought, this is actually where we belong in our next level of growth,” said Wakeen.

Wakeen Enterprise encompasses several businesses including a marketing firm, a strategic print placement firm, a female fitness club, a strategic consulting firm and a nonprofit.

When he first partnered with F&M Trust, Wakeen said he had an idea of what financial solutions he needed for his business. But F&M Trust steered him in a different direction.

“It was a better solution because they’re the finance people. For them to have vision and understand number one, what we’re trying

### “THEY’RE A PARTNER. THEY’RE NOT JUST A BANK.”

#### JEFFREY WAKEEN

Founder/CEO, Wakeen Enterprise (Wakeen & Company, Connection Mission, Wakeen Media Group, Wakeen Pages, Momentum Female Health & Fitness Club)

to accomplish and two, to be alongside us in our vision, is a very nice feeling which you don’t typically get out of banks. With F&M Trust, I feel a sense of family,” said Wakeen.

He noted that F&M Trust has been a trusted partner as his company has evolved over the past few years — both in terms of offering financial solutions and in helping him understand where the business is financially. And the business will continue to evolve.

As F&M Trust also continues its expansion into the capital region, the bank will be there growing alongside Wakeen and supporting his vision.

“They’re excited about our vision. They can’t wait to see us succeed, and they can’t wait to be there for our next step,” Wakeen said. “They’re a partner. They’re not just a bank.”

*Upper left: Jolene Pickens, Chief Culture Officer, Wakeen Enterprise; Kevin Wert, Chief Marketing Officer, Wakeen Enterprise; Jeffrey Wakeen, Founder/CEO, Wakeen Enterprise; Joanna Drexel-Blevins, Chief Operating Officer, Wakeen Enterprise*

# LOCATIONS

## *Chambersburg Area*

### **LINCOLN WAY EAST OFFICE**

1712 Lincoln Way East, Chambersburg  
PHONE: (717) 264-9414

### **MEMORIAL SQUARE OFFICE**

20 South Main Street, Chambersburg  
PHONE: (717) 264-6116

### **BROOKVIEW OFFICE**

2075 Scotland Avenue, Chambersburg  
PHONE: (717) 261-3697

### **NORLAND AVENUE OFFICE**

870 Norland Avenue, Chambersburg  
PHONE: (717) 262-2085

### **ORCHARD PARK OFFICE**

841 Wayne Avenue, Chambersburg  
PHONE: (717) 263-1801

### **CHAMBERS POINTE OFFICE**

1425 Philadelphia Avenue, Chambersburg  
PHONE: (717) 261-3660

### **PHILADELPHIA AVENUE OFFICE**

2405 Philadelphia Avenue, Chambersburg  
PHONE: (717) 264-5122

### **WEST SIDE OFFICE**

1100 Lincoln Way West, Chambersburg  
PHONE: (717) 263-9168

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## *Southern Franklin County*

### **GREENCASTLE OFFICE**

518 North Antrim Way, Greencastle  
PHONE: (717) 597-2384

### **MARION OFFICE**

5293 Main Street, Marion  
PHONE: (717) 375-2210

### **MONT ALTO OFFICE**

8 Park Street, Mont Alto  
PHONE: (717) 749-3161

## **WAYNESBORO OFFICE**

200 East Main Street, Waynesboro  
PHONE: (717) 762-2188

## *Cumberland County*

### **BOILING SPRINGS OFFICE**

3 East First Street, Boiling Springs  
PHONE: (717) 241-4131

### **CAMP HILL OFFICE**

3907 Market Street, Camp Hill  
PHONE: (717) 731-9604

### **CARLISLE CROSSING OFFICE**

214A Westminster Drive, Carlisle  
PHONE: (717) 243-2215

### **CARLISLE PLAZA DRIVE-UP**

700 East High Street, Carlisle  
PHONE: (717) 243-0416

### **MECHANICSBURG OFFICE**

6375 Carlisle Pike, Mechanicsburg  
PHONE: (717) 697-0444

### **NEWVILLE OFFICE**

51 South High Street, Newville  
PHONE: (717) 776-2242

### **RITNER HIGHWAY OFFICE**

1901 Ritner Highway, Carlisle  
PHONE: (717) 960-1400

### **SHIPPENSBURG OFFICE**

13 Shippensburg Shopping Center,  
Shippensburg  
PHONE: (717) 530-2100

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## *Fulton & Huntingdon Counties*

### **HUSTONTOWN OFFICE**

7781 Waterfall Road, Hustontown  
PHONE: (717) 987-3193

### **MCCONNELLSBURG OFFICE**

100 Lincoln Way East, McConnellsburg  
PHONE: (717) 485-3144

## **ORBISONIA OFFICE**

18810 Sandy Ridge Station, Orbisonia  
PHONE: (814) 447-3104

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## *Additional ATM Locations*

### **AYR TOWN CENTER**

368 South 2nd Street, McConnellsburg

### **FAYETTEVILLE POST OFFICE**

4025 Lincoln Way East, Fayetteville

### **BROOKVIEW CAMPUS - NORTHFIELD**

Northgate Commons and Apartments  
1500 Northfield Drive, Chambersburg

### **PENN NATIONAL GOLF CLUBHOUSE**

3720 Clubhouse Drive, Fayetteville

### **PENNS VILLAGE**

182 Buchanan Trail, McConnellsburg

### **QUINCY VILLAGE - COLESTOCK CENTER**

6596 Orphanage Road, Quincy

### **RIVERVIEW BUSINESS CENTER**

11734 Lenape Drive, Mount Union

### **SHIPPENSBURG WEST END**

9966 Molly Pitcher Highway, Shippensburg

### **WAYNESBORO MARKETPLACE**

11123 Buchanan Trail East, Waynesboro

### **ZULLINGER**

4884 Buchanan Trail East, Zullinger



**Franklin Financial**  
Services Corporation



P.O. Box 6010 | Chambersburg, PA 17201

888.264.6116 | [www.franklinfin.com](http://www.franklinfin.com)