

Danielson Associates Inc.

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Dear Banker:

Financial Modernization is with us whether we want it or not, and it is going to force a redirection of the planning of most banking organizations. The enclosed report, Financial Modernization: A Blueprint for Local Banks, gives an overview of changes that can be expected and the logical response for local banks. This should be helpful in your thinking, but it only scratches the surface.

To make a knowledgeable adjustment to what is coming, you might want to consider our planning process that includes:

- An analysis of the impact of financial modernization in your market, and how it is likely to affect your organization.
- A one or two day planning meeting that discusses the analysis and develops the outlines of a plan to deal with financial modernization.
- The preparation of a financial modernization plan.
- We also can assist in implementation, especially if it involves entering a new line of business.

If you would like to know more about our services, please give either myself or Jon Holtaway a call at (301) 468-4884.

Respectfully yours,

Arnold G. Danielson
Chairman