



For Immediate Release

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NEXTIER BANK AND FARMERS & MERCHANTS OF WESTERN PA COMPLETE MERGER

Create \$1 Billion Financial Services Leader

BUTLER, PA and KITTANNING, PA October 1, 2014 – NexTier Bank and Farmers & Merchants Bank of Western PA (F&M Bank) announced today completion of the merger of the two banks after receiving all shareholder and regulatory approval. The “new” NexTier Bank, a billion dollar financial services leader, offers Western Pennsylvania businesses and consumers a comprehensive line of products and services, 24 convenient locations, and a focus on premium customer service. The combined organization will continue the commitment to community that both organizations have made a priority for well over a century.

Mark Karenchak, the current Chairman of the Board of NexTier Bank will continue in this role. Richard J. Krauland, the President and CEO of Farmers & Merchants will serve as the President and CEO of the combined entity. Krauland will also serve on the NexTier Bank Board of Directors. Other executive officers include Robert A. Howell, Executive Vice President and Chief Lender, Richard J. DeHaas, Senior Vice President and Chief Credit Officer, Kristin S. Robertucci, Senior Vice President and Chief Financial Officer, Clem C. Rosenberger, Senior Vice President and Chief Operations Officer, Mark S. Schoen, Senior Vice President and Chief Risk Officer, and Maria W. Smathers, Senior Vice President, Sales and Marketing.

“As a result of this merger, the new NexTier has a strengthened competitive position with an expanded geographic footprint,” Krauland said. “The combined organization will also offer a more robust deposit product line, technological advances such as mobile and tablet banking, enhanced consumer and commercial lending products, Investment services through NexTier Wealth Management¹, and both Commercial and Personal Insurance through NexTier Insurance Services².”

“Our customers can benefit from greater convenience, more choices, and better value,” continued Krauland. “Our communities can benefit because we want to be a leading contributor in every community in which we do business.”

NexTier Bank has assets of \$970 million and serves the western Pennsylvania region with corporate headquarters in Butler. NexTier, Inc. includes NexTier Bank, NexTier Insurance Services and NexTier Wealth Management. NexTier Bank has 24 community offices throughout northern Allegheny, Armstrong and Butler counties. www.nexttierbank.com

A large, stylized blue and green graphic of the letter 'T' or a similar shape, positioned in the bottom right corner of the page.

Inspired by You.

NexTier Corporate Profile

A Corporate Profile is attached to this press release.

¹Securities offered through LPL Financial, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. NexTier Bank and NexTier Wealth Management are not registered brokers/dealers and are not affiliated with LPL Financial.

Not FDIC Insured	No Bank Guarantee	May Lose Value
Not a Deposit	Not Insured by any Federal Government Agency	

²Insurance products are not guaranteed by the Bank. Not FDIC insured. Not a deposit. Not insured by any Federal Government Agency. May lose value including loss of principal.

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The New NexTier has a diversified business mix, which includes:

- NexTier Bank - Personal and Business Banking solutions, including:
 - Personal and Business Banking
 - Commercial Banking and Lending
 - Leasing Services
 - Merchant Services
 - Mortgage Services
 - Treasury Management and Preferred Corporate Services
 - Business and Consumer Online Financial Management Services
- NexTier Wealth Management – Investment Services¹
- NexTier Insurance Services² - Personal Lines and Business Insurance

HEADQUARTERS

NexTier, Inc.: 222 Market Street, Kittanning, PA 16201
NexTier Bank & NexTier Wealth Management: 245 Pittsburgh Road, Butler, PA 16001

TELEPHONE

Main Telephone and Customer Care Center: 1-800-262-1088

NEXTIER BANK EXECUTIVE OFFICERS

Mark Karenchak, Chairman of the Board
Richard J. Krauland, President and Chief Executive Officer
Robert A. Howell, EVP, Chief Lending Officer
Richard J. DeHaas, SVP, Chief Credit Officer
Kristin S. Robertucci, SVP, Chief Financial Officer
Clem C. Rosenberger, SVP, Chief Operations Officer
Mark R. Schoen, SVP, Chief Risk Officer
Maria W. Smathers, SVP, Sales & Marketing

NEXTIER INSURANCE EXECUTIVE OFFICER

Richard E Putnam Jr., Chief Executive Officer

EMPLOYEES: 250

ASSETS: \$970 million

LOCATIONS

NexTier Bank

- NexTier Operations Center, 245 Pittsburgh Road, Butler, PA
- 24 branches in northern Allegheny County, Armstrong County and Butler County

NexTier Insurance Services

- 101 E. Diamond St. Butler, PA
- 18 Franklin Village Mall, Kittanning, PA

NexTier Wealth Management

- NexTier Operations Center, 245 Pittsburgh Road, Butler, PA
- 11361 Perry Highway, Wexford, PA

WEBSITE: www.nexttierbank.com

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