December \_\_\_, 2012

Dear Shareholder:

We hope this letter finds you well. As chairman of the Audit & Finance committee, I’d like to make you aware of a strategic financial action your Company will be taking before the end of the year. As you may know, regardless of what happens with the current fiscal negotiations, top federal income tax rates on qualified dividend income is scheduled to increase from 15% to 18.8% as a result of the Affordable Care Act. More than likely these rates will be raised further as part of the current negotiations.

In order to take advantage of existing tax rates for future cash flows to shareholders, we will, prior to the end of 2012, be issuing unsecured Subordinated Promissory Notes having a principal amount due of $5 million dollars (together with interest at 3% per annum) to shareholders based on percentage of ownership. This debt instrument, which will be an asset of yours owed by the Company to you, will begin to be paid back starting January 2013. Until the principal amount is exhausted, it will serve as a replacement of the current monthly dividend.

It is our expectation that the principal amount of the unsecured Subordinated Promissory Notes to be distributed by the Company to you in 2012 will be taxable to you as dividend income in 2012 even though you will not receive cash from these unsecured Subordinated Promissory Notes until future years. Recognizing dividend income with respect to these unsecured Subordinated Promissory Notes in 2012 should provide you with a basis in these unsecured Subordinated Promissory Notes equal to the amount of income recognized, so that the [principal portion of the] future cash payments made with respect to these unsecured Subordinated Promissory Notes should be treated as a return of basis [with the interest portion being taxable in the year received]. Thus, issuing these unsecured Subordinated Promissory Notes will affect the amount of tax you will owe for 2012.

In order to help offset the income tax you will owe on the receipt of these unsecured Subordinated Promissory Notes, the Company will, also prior to the end of 2012, be issuing a special cash dividend of $1.2 million dollars. It is our expectation that this special cash dividend will also be taxable to you as dividend income in 2012. **While the amount may vary based on each shareholders individual tax situation, a significant portion of this special distribution will need to be allocated for taxes. Each shareholder is strongly encouraged to consult with a tax advisor to understand his or her specific situation.**

In summary, this action will achieve a number of objectives. First, it will allow the Company to distribute cash (in the amount of the Unsecured Subordinated Promissory Notes) at a lower effective rate moving forward. Second, it will give management the flexibility to use these current funds for potential future growth. Finally, it will keep us consistent with our strategic plan and dividend guideline of a 50/50 split between investment and distribution.

If you have any questions regarding this please feel free to contact Rob Miller or myself.

Wishing you a wonderful holiday season.

Sincerely,

Robert Beers, III, Chairman, Audit and Finance Committee