



FOR IMMEDIATE RELEASE

August 7, 2008

Contact

Tara Perkins, Director of Public Relations, PostScript, Inc.
444 South Union Street, Burlington, VT 05401
802.863.2568, ext. 11 / tara@postscriptinc.com

Merchants Bank raises \$41,500 for Community Capital of Vermont and the Vermont Job Start Loan Fund!

SOUTH BURLINGTON, VT –Thomas S. Leavitt, Executive Vice President for Merchants Bank is pleased to announce that the Bank has raised \$41,500 for Community Capital of Vermont, a non-profit small business lending organization that is now also home to the Vermont Job Start Loan Fund. The organization offers financing and other assistance to businesses in Vermont that do not yet meet all the requirements for traditional bank financing.

“This is another successful Merchants Bank Vermont Matters initiative. Our company is pleased to support the mission of a fine organization. In recognition of Community Capital’s assumption of the Vermont Job Start Loan Fund, Merchants Bank donated \$100 to Community Capital on behalf of every customer that opened a Rewards Checking for Business account from May through June. Merchants Bank has a strong tradition of serving small business in communities throughout our state. This has been a meaningful way of partnering to provide real opportunities to job creators,” commented Leavitt.

"We are pleased to have teamed up with Community Capital. This was an excellent opportunity to reinvest in our Vermont communities," said Doreen Allen, Merchants Bank Community Reinvestment Act Officer and Northfield Branch President.

“At a time when many Vermonters are looking to self-employment as a way to generate additional income for themselves and their families, Merchants Bank stepped up to the plate,” said Emily Kaminsky, Director of Community Capital. “By partnering with Community Capital through their Vermont Matters Initiative, the Bank really went to bat on behalf of Vermont’s micro and small business owners who come to Community Capital because they do not yet qualify for bank financing. Their contribution was also timely in that it helps cover the costs of managing the first year of the Vermont Job Start Loan Fund, a thirty-year old loan program created by the State of Vermont and formerly housed at the Vermont Economic Development Authority. With the Bank’s assistance, Community Capital expects to finance at least 35 Vermont enterprises this year, many of which will be start-ups and owned by Vermonters with limited means to secure a bank

loan. These businesses will create and/or retain as many as 50 jobs for Vermont's economy!"

Community Capital is located in Barre and serves the entire state of Vermont. For more information, visit www.CommunityCapitalVT.org. Community Capital is also a proud partner of the Central Vermont Community Action Council.

Vermont Matters! The continuing mission of Merchants Bank is to provide Vermonters with a state-wide community bank that blends a strong technology platform with a genuine appreciation for local markets. Merchants Bank fulfills this commitment through a branch-based system that includes 36 community bank offices and 44 ATMs throughout Vermont, Personal Bankers dedicated to top-quality customer service and streamlined solutions, including: Personal Banking with *CashRewards* Checkingsm, Free Checking for Life[®], a low-cost Money Market Account, Free Online Banking and Bill Pay, Overdraft Coverage, Direct Deposit, Free Debit Card, and Free Automated Phone Banking; Business Banking with Rewards Checking for Business, Business Online Banking and Bill Pay, Business Lines of Credit and Merchant Card Processing; Small Business Loans; Health Savings Accounts; Credit Cards; Flexible Certificates of Deposit; Vehicle Loans; Home Equity Credit; and Home Mortgages. Visit mbvt.com for more information. Merchants' stock is traded on the NASDAQ National Market system under the symbol MBVT. Member FDIC. Equal Housing Lender.

###