



FOR IMMEDIATE RELEASE

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**Elizabeth D. Kapner Appointed Marketing Manager
of Merchants Bank**

SOUTH BURLINGTON, VT—Thomas S. Leavitt, Executive Vice President of Merchants Bank announced the appointment of Elizabeth D. Kapner to the position of Marketing Manager, effective immediately. In her new position Kapner will oversee the marketing partners and vendors for Merchants Bank and provide project support for its subsidiary, Merchants Trust Company.

Kapner joined Merchants Bank in 1996, as a Customer Representative at the White Street branch. She later moved to the Customer Call Center, and then took on the position of Sales Administrator in January, 2000. Kapner has served as Retail Banking Administrator, assisting with the execution of the Bank's marketing plan, for the past two years. As the Marketing Manager, Kapner will expand on her former duties and will take on direct management of the company's marketing plan and budget. She will guide the work of the Bank Board's Marketing Committee.

“Betsy has been a diligent student of our business over a 10-year period. She is effectively tapping that experience in building programs that have real value in our markets. Appointing her to the Marketing Manager position solidifies our Community Banking and Trust business development team” stated Leavitt.

Kapner has a B.S. in Business Administration from the University of Vermont, and has participated in company professional development programs in advancing her education. She is a resident of South Burlington.

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. It fulfills this commitment through a branch-based system that includes 36 community bank offices and 43 ATMs throughout Vermont, Personal Bankers dedicated to top-quality customer service, and streamlined products: FreedomLYNX[®] Banking, which consists of 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; TimeLYNX[®] Flexible Certificates of Deposit; AutoLYNX Vehicle Loans; HomeLYNX[®] Home

Equity Loans and Lines of Credit; RealLYNX[®] Residential Mortgages; CommerceLYNX[®] Business Banking; and Q-LYNX Quick Decision Business Loans. For more information about Merchants Bank, visit mbvt.com. Merchants' stock is traded on the NASDAQ National Market system under the symbol MBVT. Member FDIC. Equal Housing Lender.