



# OPTIMUM EXPERIENCE

NEWSLETTER FOR CANANDAIGUA NATIONAL BANK & TRUST OPTIMUM CHECKING CUSTOMERS

## The Resilience of Community Banks: Why We're Thriving and Retaining Deposits

In the ever-evolving landscape of the financial sector, the significance of community banks has proven to be stable and resilient. Community banks have not only weathered the storm, but have emerged as pillars of strength and reliability, retaining deposits, and securing trust amidst times of uncertainty. Canandaigua National Bank & Trust (CNB) is no exception and remains well capitalized and well positioned to continue to serve our customers and community.

Community banks play a pivotal role in fostering economic stability and growth within our neighborhoods. At CNB, we reinvest our deposits back into the communities we serve. CNB manages and maintains a diversified approach to deposits, lending, and funding sources reducing our risk to impacts of a single industry or investment. We also make decisions locally, which means that we focus on our local economy's health and wellbeing.

Several reports have highlighted a noteworthy trend. Despite a challenging regulatory environment and current economic landscape, community banks have not experienced a drain on their deposit bases. In fact, we have witnessed a surge in deposit retention, solidifying our position as a safe haven for customers seeking stability and reliability.

A few key factors have contributed to the success and deposit retention during this period:

**Personalized Service:** We emphasize personal relationships and individual attention, cultivating a sense of trust and loyalty among customers. Unlike larger banks, CNB provides a more individualized and responsive customer experience.

**Local Focus:** Intimate knowledge of the local market and close ties to the community allow us to make informed decisions that benefit the local economy. This focus on local needs fosters stronger relationships and customer loyalty.

**Stability and Reliability:** While larger banks face challenges due to their size and complexity, community banks tend to have simpler structures and are often more conservative. This stability and prudence reassure customers, especially during times of economic uncertainty.

**Adaptability:** We have displayed a remarkable ability to adapt to changing circumstances, embracing technology while still preserving a community-oriented approach. Online and mobile banking services, coupled with a personalized experience, offer customers convenience without sacrificing relationship-building.

**Community Engagement:** CNB is actively involved in community development initiatives, sponsoring local events, supporting small businesses, and contributing to the overall welfare of the areas served. This active engagement further solidifies our position as trusted financial partners. In 2022 for instance, CNB celebrated a historic year for giving, providing support to more than 300 local not-for-profit organizations.



As larger financial institutions grapple with the fallout from collapses and mergers, community banks stand tall as beacons of stability, demonstrating resilience and unwavering commitment to customers. Here at CNB, our ability to retain deposits amidst market volatility speaks volumes about the enduring trust earned from our communities. Our success and longevity is also thanks in large part to our commitment to our customers. We are focused on helping each

person reach their financial potential and are proud that many of our customer relationships span generations.

The resilience of community banks in the aftermath of recent banking collapses underscores their fundamental importance in the financial ecosystem. A localized approach, attention to personal service, reliability, and adaptability helps ensure that we will remain an indispensable cornerstone of economic stability and community prosperity for generations to come.



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# Exploring the Advantages of Certificates of Deposit (CDs)

In 2023, Certificates of Deposit (CDs) continue to stand out as a reliable and secure investment option, especially due to their higher interest rates compared to traditional savings accounts. These elevated interest rates serve as a compelling advantage, offering several benefits in today's financial landscape.

**Higher Interest Rates:** CDs stand out as an attractive option in their ability to secure comparatively higher interest rates than standard savings accounts. Given the lower interest rates in traditional savings vehicles, CDs offer individuals an opportunity to significantly increase earnings on their savings. This heightened return can contribute meaningfully to an individual's overall financial strategy, providing a stable source of income or enhancing long-term savings.

**Predictable Returns:** One of the most alluring aspects of CDs is the certainty they offer regarding returns. Unlike the unpredictability of the stock market or mutual funds, CDs provide a fixed interest rate over a specified period. This predictability allows for precise financial planning, empowering individuals to budget effectively and anticipate the exact amount they will receive at the maturity of the CD. Such assurance and stability in returns can be an advantage for those seeking a reliable income stream or aiming to meet specific financial milestones.

**Security and Insurance:** The security provided by CDs is invaluable. Insured by the Federal Deposit Insurance Corporation (FDIC). This safety net ensures peace of mind

for investors, guaranteeing the safety of their principal investment.

**Diversification and Stability:** While CDs may not promise the same high returns as riskier investments, they play a crucial role in diversifying investment portfolios. Their stability acts as a balancing force within a diversified portfolio, mitigating overall risk by providing a secure anchor amid more volatile assets like stocks or bonds. This diversified approach helps investors navigate market fluctuations more effectively.

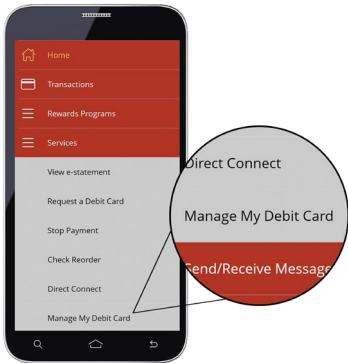
Finally, CDs offer several advantages, including security, competitive interest rates, flexibility in terms of duration, and a means to diversify an investment portfolio. These benefits make CDs an appealing option for individuals seeking a low-risk investment with a predictable return, providing a stable foundation for financial planning and savings goals. However, it's essential for investors to carefully consider their financial objectives and liquidity needs before opening a CD.

Contact us to learn more about adding CDs to your portfolio or visit [CNBank.com/FeaturedCDs](https://CNBank.com/FeaturedCDs) for current rates.

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This material provided by Aaron Gillette. Deposit Products — Member FDIC



## Manage My Debit Card

Our new and improved debit card management solution is conveniently integrated into Online Banking and the CNB Mobile App. With Manage My Debit Card you can:

- Receive real-time alerts when your card is used.
- Track where your card is stored.
- Control where your card can be used.
- Turn your card on/off instantly.
- Report a card lost or stolen.
- Add your card to your mobile wallet.

For more information, visit [CNBank.com/ManageMyDebitCard](https://CNBank.com/ManageMyDebitCard).



## CNC Shareholder Corner



Canandaigua  
National  
Corporation

Be on the lookout for our invitation to the  
2024 Annual Shareholder Meeting  
scheduled for April 17, 2024.

[CNBank.com/ShareholderRelations](https://CNBank.com/ShareholderRelations)