

## **National Penn Acquires Chester County Insurance Firm Krombolz Agency, Inc.**

Monday January 3, 11:07 am ET

BOYERTOWN, Pa., Jan. 3 /PRNewswire-FirstCall/ -- National Penn Bancshares, Inc. (Nasdaq: [NPBC](#) - [News](#)), parent company of National Penn Bank, today announced that it has acquired Krombolz Agency, Inc. (KAI), a 70-year-old, family-owned insurance firm based in West Chester, Pa. The acquisition adds another firm to National Penn Bank's growing insurance group.

KAI will operate as a division of National Penn Insurance Agency, Inc., an affiliated insurance agency and non-bank subsidiary of National Penn Bank. Ernest H. (Skip) Krombolz, Jr., president of KAI, will remain as president of the Krombolz Agency division.

"The addition of KAI to our insurance group will allow us to offer our Chester County customers additional services from a quality firm they're already familiar with," said Mark S. Swartley, president of National Penn Insurance Agency, Inc. "Not only does KAI have an excellent reputation with its customers, it also has formed good relationships with National Penn's Chester County division president Nancy Corson and her staff."

The acquisition is part of National Penn's broad strategy to be customer focused, according to Glenn E. Moyer, president, National Penn Bancshares. "We are responding to customers' requests for services that complement and enhance our traditional banking relationships," Moyer said. This is the third insurance agency that National Penn has acquired in the last nine months. It added Pennsureance, a Berks County agency, in July, and D.E. Love Associates, of Yardley, Bucks County, in December.

KAI, which has seven employees, offers property, liability, workers' compensation, auto and bonding services, as well as individual life and health products. The majority of KAI's business is focused on the commercial market.

"Knowing National Penn as well as we do, we recognize that we have similar beliefs in doing business the right way and wanting to help customers succeed over the long term," said KAI President Skip Krombolz. "These shared values will benefit our customers as well as both of our organizations."

Mystic Capital Advisors Group, LLC provided acquisition advisory services to National Penn Insurance for the transaction.

National Penn Bancshares, Inc. is a \$4.34 billion financial services company operating 73 community offices in southeastern Pennsylvania through National Penn Bank and its FirstService Bank, HomeTowne Heritage Bank, and The Peoples Bank of Oxford

Divisions. The Peoples Bank of Oxford Division also operates one community office in Cecil County, Maryland. National Penn's trust and investment management services are provided through Investors Trust Company and FirstService Capital, Inc.; brokerage services are provided through National Penn Investment Services; mortgage banking activities are provided through National Penn Mortgage Company; insurance services are provided through National Penn Insurance Agency, Inc., and equipment leasing services are provided through National Penn Leasing Company. National Penn Bancshares, Inc. common stock is traded on the NASDAQ Stock Market under the symbol "NPBC." Additional information about the National Penn family is available on National Penn's Web site at <http://www.nationalpennbancshares.com>.

This press release contains forward-looking statements concerning future events. Actual results could differ materially due to the following risks and uncertainties -- deteriorating economic conditions; increased competition; interest rate movements; market volatility in the securities markets; legislative or regulatory developments; merger-related synergies, savings and integration issues; technological changes; and other risks and uncertainties discussed in National Penn's reports filed from time to time with the Securities and Exchange Commission. National Penn cautions readers not to place undue reliance on these statements. National Penn undertakes no obligation to publicly release or update any of these statements.

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Source: National Penn Bancshares, Inc.