

Curtis Securities, LLC provides a fairness opinion to the Board of Directors of Berkshire Bancorp Inc. in connection with the issuance of preferred stock

PHILADELPHIA, PA, October, 2008 – Curtis Securities, LLC, an investment banking firm specializing in advising middle market businesses, announced that New York, NY based Berkshire Bancorp Inc. (“Berkshire”) has issued \$60,000,000 of Non-Cumulative Mandatorily Convertible Perpetual Series A Preferred Stock.

Berkshire reported in a form 8-K filed September 17, 2008 that it expected to record a noncash, other-than-temporary impairment charge on its holdings of certain auction rate securities backed by preferred stock of FNMA and FHLMC, as well as direct investments in FNMA and FHLMC preferred stock.

Berkshire sold the Series A Preferred Stock to its chairman and majority stockholder, and two nonaffiliated investors for aggregate gross proceeds of \$60 million, which reinstated the "well capitalized" status, for regulatory purposes, of its unit Berkshire Bank.

Curtis provided perspective on the current state of the market and a fairness opinion to the Board of Directors of Berkshire in connection with the transaction. Knowledge of and experience within the banking industry enabled Curtis to develop its opinion in a timely and efficient manner, which provided useful transaction insights to the Berkshire Board of Directors during the fast paced transaction. Other advisors included Manny Adler of Blank Rome LLP and Grant Thornton.

Curtis Financial Group, LLC advises middle market companies on mergers, acquisitions, divestitures, raising capital, and provides fairness opinions, business valuations, and related corporate finance services. Our financial services group has completed approximately 40 engagements in the past three years, serving banks, insurance companies, asset managers and insurance agents/brokers. According to data provided by SNL Securities, Curtis ranked 4th in the U.S. for financial services advisory assignments (banking and insurance) in the mid-Atlantic region since January 1, 2005. Our professionals have completed merger and acquisitions with over \$1.6 billion in transaction value, financing transactions of over \$1 billion, and over 150 fairness opinions and 1,500 valuations.

For more information, please contact:

Kevin J. Rudd, President, (215) 972-2351, kjrudd@curtisfinancial.com

Anthony A. Latini, Jr., Managing Director, (215) 972-2353, alatini@curtisfinancial.com

