FSB TRUTH IN SAVINGS

February 21, 2019

This disclosure contains information about terms, fees, and interest rates for some of the accounts we offer.

Interest Rates and Annual Percentage Yields are current as of 02-21-2019.
For current rate information call (319) 287-3961.

FSB ULTIMATE

Limitations: You must deposit $100.00 to open this account.

Account Fees: The following fee applies to this account: Statement Fee- Imaged Items returned on Monthly Paper Statement (Truncated Statements are free): $5.00/month*.

FSB GOLD NOW

Rate Information: This Account is an interest bearing account. If the daily balance is more than $1,999.99, but less than $10,000.00, the interest rate paid on the entire balance in the account will be 0.05% with an annual percentage yield of 0.05%. If the daily balance is more than $9,999.99, but less than $25,000.00, the interest rate paid on the entire balance in the account will be 0.05% with an annual percentage yield of 0.05%. If the daily balance is more than $24,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 0.07% with an annual percentage yield of 0.07%. If the daily balance is more than $99,999.99 the interest rate paid on the entire balance in the account will be 0.15% with an annual percentage yield of 0.15%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. If this account is used as an IOLTA Trust Account, then Interest (less applicable fees and service charges) will be sent to the Lawyer Trust Account Commission, Judicial Branch Building.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.

Limitations: You must deposit $100.00 to open this account.

Account Fees: If your combined balance falls below $20,000.00 on any day in the statement cycle, your account will be subject to a $12.00* Gold NOW Minimum Balance Fee for that statement cycle. Accounts combined in the total include: checking, savings, time accounts (CDs), retirement accounts, auto, HELOC, Jr Home Equity, Credit Cards, and qualifying outstanding personal loans.

FSB GREEN CHECKING

Limitations: You must deposit $100.00 to open this account.

Bonuses: You will receive a $5.00 FSB Green Checking Rebate if the following criteria is met monthly:
1. 12 Debit Card transactions (excludes ATMs) with at minimum amount of $10.00 per transaction. Must be posted to your account by the last business day of the month.
2. Receive eStatements monthly (with a valid email).

If any of the above listed items are not met each statement cycle (4 weeks) the $5.00 FSB Green Checking Rebate will not be credited to your account as a bonus If the monthly criteria is met $5.00 will be credited to your account by the 15th of each month.

FSB LOYALTY CHECKING

Rate Information: This Account is an interest bearing account. If the average daily balance is less than $20,000.01, the interest rate paid on that portion of the balance will be 3.01%. The annual percentage yield for this tier will be 3.05%. If the average daily balance is more than $20,000.00 the interest rate paid on that portion of the balance will be 0.15%. The annual percentage yield for this tier will range from 3.05% to 0.16%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Balance Information: We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

Limitations: You must deposit $100.00 to open this account.

Account holder must have, or open, one additional primary or secondary account relationship other than the FSB Loyalty Checking, debit card & Ibanking.

In order to receive the higher rate of stated interest (3.05% APY & 0.15% APY)the following items need to post and clear your account each statement cycle by the last business day of the month.
1. Receive eStatements* (with a valid email address).
2. Two Electronic Direct Deposits or Electronic ACH Withdrawals.
3. Minimum of 15 Debit Card transactions (excludes ATMs) with a minimum amount of $10.00 per transaction.
4. Log into FSB Ibanking.

Charges up to $10.00 per month imposed at US non-proprietary ATMs will be credited to the account by the 15th of the following month providing the above criteria is met.

If one or any of the above listed items are not met each statement cycle (4 weeks) a rate & APY of 0.01% will be paid on all balances.

* A reply to the eStatement consent email must be received in the first 60 days of account opening. If no response is provided the account will be converted to a FSB Ultimate Checking^.

^FSB Ultimate Checking Account Disclosure:
Limitations- You must deposit $100.00 to open this account
Account Fees- The following fee applies to this account: Statement Fee- Imaged Items returned on Monthly Statement (Truncated Statements are free): $5.00/month*.

FSB HSA NOW

Rate Information: This Account is an interest bearing account. If the daily balance is less than $1,000.00, the interest rate paid on the entire balance in the account will be 0.05% with an annual percentage yield of 0.05%. If the daily balance is more than $999.99, but less than $5,000.00, the interest rate paid on the entire balance in the account will be 0.25% with an annual percentage yield of 0.25%. If the daily balance is more than $4,999.99, but less than $15,000.00, the interest rate paid on the entire balance in the account will be 0.75% with an annual percentage yield of 0.75%. If the daily balance is more than $14,999.99 the interest rate paid on the entire balance in the account will be 1.00% with an annual percentage yield of 1.00%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum average daily balance of $0.01 to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

Limitations: HSA rules are often complex. The total amount you may contribute to an HSA for any tax year cannot exceed the published annual limit. Refer to the IRS website at www.irs.gov for additional information or consult with a competent tax professional.

Account Fees: The following fees apply to this account: HSA Over Contribution Fee: $10.00; and HSA Outgoing Transfer Fee: $30.00.

FSB SAVINGS ACCOUNT

Rate Information: This Account is an interest bearing account. The interest rate on the account is 0.10% with an annual percentage yield of 0.10%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $300.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $300.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $300.00 on any day in the month, your account will be subject to a $3.00 Savings Minimum Balance Fee for that month. An Excessive Withdrawal Fee of $3.00 will be charged for each debit transaction (withdrawal, automatic transfer or payment out of this account) in excess of six during a monthly statement cycle.

FSB SMART START SAVINGS

Rate Information: This Account is an interest bearing account. If the daily balance is more than $99.99, but less than $10,000.00, the interest rate paid on that portion of the balance will be 2.23%. The annual percentage yield for this tier will be 2.25%. If the daily balance is more than $9,999.99 the interest rate paid on that portion of the balance will be 0.50%. The annual percentage yield for this tier will range from 2.25% to 0.50%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. The above stated interest rate and APY will be tied to the FSB Smart Savers Savings Account until the age of 17. After the age of 17 the Interest Rate and corresponding APY will change to that of the FSB Savings Account (Currently paying 0.10% Interest Rate and 0.10% APY). However, you may still earn the current FSB Smart Savers rate until the age of 24 if you have an active primary FSB checking account (FSB Ultimate Checking, FSB Gold Checking, FSB Loyalty Checking, or FSB Green Checking). After the age of 24, even with an existing FSB Checking Account, the account will pay the Interest Rate and corresponding APY of the FSB Savings Account (Currently paying 0.10% Interest rate and 0.10% APY). Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $100.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $100.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $100.00 on any day in the month, your account will be subject to a $1.00 Savings Minimum Balance Fee for that month. An Excessive Withdrawal Fee of $3.00 will be charged for each debit transaction (withdrawal, automatic transfer or payment out of this account) in excess of six during a monthly statement cycle. If you elect to receive paper statements a statement fee of $2.00 will be assessed each month, regardless if you receive monthly or quarterly statements. Electronic statements and Notices are provided at no charge.

FSB BROKERAGE MMDA

Rate Information: This Account is an interest bearing account. If the daily balance is more than $999.99, but less than $25,000.00, the interest rate paid on the entire balance in the account will be 0.35% with an annual percentage yield of 0.35%. If the daily balance is more than $24,999.99, but less than $50,000.00, the interest rate paid on the entire balance in the account will be 0.35% with an annual percentage yield of 0.35%. If the daily balance is more than $49,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 0.35% with an annual percentage yield of 0.35%. If the daily balance is more than $99,999.99, but less than $300,000.00, the interest rate paid on the entire balance in the account will be 0.35% with an annual percentage yield of 0.35%. If the daily balance is more than $299,999.99 the interest rate paid on the entire balance in the account will be 0.35% with an annual percentage yield of 0.35%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $1,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $1,000.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $1,000.00 on any day in the statement cycle, your account will be subject to a $10.00* MMDA Minimum Balance Fee for that statement cycle. An Excessive Withdrawal Fee of $8.00* will be charged for each debit transaction (withdrawal, check paid, automatic transfer or payment out of this account) in excess of six total debits during a monthly statement cycle.

FSB ELITE MMDA

Rate Information: This Account is an interest bearing account. If the daily balance is more than $9,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 1.02% with an annual percentage yield of 1.02%. If the daily balance is more than $99,999.99, but less than $250,000.00, the interest rate paid on the entire balance in the account will be 1.02% with an annual percentage yield of 1.02%. If the daily balance is more than $249,999.99, but less than $1,000,000.00, the interest rate paid on the entire balance in the account will be 1.02% with an annual percentage yield of 1.02%. If the daily balance is more than $999,999.99 the interest rate paid on the entire balance in the account will be 1.02% with an annual percentage yield of 1.02%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $10,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $10,000.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $10,000.00 on any day in the statement cycle, your account will be subject to a $10.00* MMDA Minimum Balance Fee for that statement cycle. An Excessive Withdrawal Fee of $8.00* will be charged for each debit transaction (withdrawal, check paid, automatic transfer or payment out of this account) in excess of six total debits during a monthly statement cycle.

FSB PREMIER MMDA

Rate Information: This Account is an interest bearing account. If the daily balance is more than $9,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 1.28% with an annual percentage yield of 1.29%. If the daily balance is more than $99,999.99, but less than $250,000.00, the interest rate paid on the entire balance in the account will be 1.28% with an annual percentage yield of 1.29%. If the daily balance is more than $249,999.99, but less than $1,000,000.00, the interest rate paid on the entire balance in the account will be 1.28% with an annual percentage yield of 1.29%. If the daily balance is more than $999,999.99 the interest rate paid on the entire balance in the account will be 1.28% with an annual percentage yield of 1.29%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $10,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $10,000.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $10,000.00 on any day in the statement cycle, your account will be subject to a $10.00* MMDA Minimum Balance Fee for that statement cycle. An Excessive Withdrawal Fee of $8.00* will be charged for each debit transaction (withdrawal, check paid, automatic transfer or payment out of this account) in excess of six total debits during a monthly statement cycle.

FSB JADE MMDA

Rate Information: This Account is an interest bearing account. If the daily balance is more than $19,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 2.23% with an annual percentage yield of 2.25%. If the daily balance is more than $99,999.99 the interest rate paid on the entire balance in the account will be 2.47% with an annual percentage yield of 2.50%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $20,000.00 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $20,000.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: If your balance falls below $20,000.00 on any day in the statement cycle, your account will be subject to a $10.00* MMDA Minimum Balance Fee for that statement cycle. An Excessive Withdrawal Fee of $8.00* will be charged for each debit transaction (withdrawal, check paid, automatic transfer or payment out of this account) in excess of six total debits during a monthly statement cycle.

FSB BUSINESS ACCOUNT

Limitations: You must deposit $100.00 to open this account.

Account Fees: Business earnings credit - This account features an earnings credit which is applied to reduce or eliminate fees on the account. If the earnings credit exceeds the fees for any period, you will be assessed no fees but you will not be paid, carry forward, or otherwise receive credit for any excess earnings credit.

The earnings credit will be calculated using the average daily collected balance (minus a 10% weighted reserve requirement) for the statement cycle. Currently, the periodic earnings credit rate for your account is 0.50% APY (Annual Percentage Yield). At our discretion, we may change the periodic earnings credit rate on the account daily. The average daily balance is calculated by adding the principal in the account for each day

of the period and dividing by the number of days in the period. The period we use is the monthly statement cycle. You do not need to maintain any minimum average daily balance during the monthly statement cycle in order to receive the credit.

The following fees and charges apply to this account:
- Paper Statement Fee: $5.00* (waived if receive monthly statements via email- with a valid email address)
- Business Withdrawal Fee: $0.15*
- Deposited Return Item: $10.00*
- Non FSB Checks: $0.05*
- OnUs Checks: $0.05*
- RDC (Remote Deposit Checks): $0.05*
- ACH Originated Debit or Credit: $0.10*
- Deposit Fee: $0.25* (over 20 deposits per month)
- Deposit Offage: $4.00*
- ACH Services Fee: $5.00*
- Cash Processing Fee (monthly cash deposit totals over $7,000): $0.10/$100.00*
- Sweep Fee: $25.00*
- Negative Collected Balance: Prime +1%.

FSB BUSINESS ULTIMATE

Limitations: You must deposit $100.00 to open this account. Any deposit over 20 per monthly statement cycle will be charged a Deposit Fee of $1.00.

Account Fees: Paper Statement Fee: $5.00* (waived if received monthly statements via email- with a valid email address). The following fee applies to this account: Deposit Fee (over 20 deposits per month): $1.00.

FSB TAX EXEMPT CHECKING NOW

Rate Information: This Account is an interest bearing account. If the daily balance is more than $1,999.99, but less than $10,000.00, the interest rate paid on the entire balance in the account will be 0.05% with an annual percentage yield of 0.05%. If the daily balance is more than $9,999.99, but less than $25,000.00, the interest rate paid on the entire balance in the account will be 0.05% with an annual percentage yield of 0.05%. If the daily balance is more than $24,999.99, but less than $100,000.00, the interest rate paid on the entire balance in the account will be 0.07% with an annual percentage yield of 0.07%. If the daily balance is more than $99,999.99 the interest rate paid on the entire balance in the account will be 0.15% with an annual percentage yield of 0.15%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded daily and will be credited to the account daily.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $100.00 to open this account.

FSB BUSINESS INTEREST CHECKING

Rate Information: This Account is an interest bearing account. If the daily balance is more than $24,999.99, but less than $50,000.00, the interest rate paid on that portion of the balance will be 0.15%. The annual percentage yield for this tier will be 0.15%. If the daily balance is more than $49,999.99, but less than $100,000.01, the interest rate paid on that portion of the balance will be 0.25%. The annual percentage yield for this tier will range from 0.15% to 0.20%. If the daily balance is more than $100,000.00 the interest rate paid on that portion of the balance will be 0.35%. The annual percentage yield for this tier will range from 0.20% to 0.35%.

The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account Daily. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly. If the account is closed before interest is credited, you will not receive the accrued interest. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum average daily balance of $25,000.00 to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

Limitations: You must deposit $100.00 to open this account.

Account Fees: The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The following fees and charges apply to this account:
- Paper Statement Fee: $5.00* (waived if receive monthly statements via email- with a valid email address)
- Business Withdrawal Fee: $0.15*
- Deposited Return Item: $10.00*
- Non FSB Checks: $0.05*
- OnUs Checks: $0.05*
- RDC (Remote Deposit Checks): $0.05*
- ACH Originated Debit or Credit: $0.10*
- Deposit Fee: $0.25* (over 20 deposits per month)
- Deposit Offage: $4.00*
- ACH Services Fee: $5.00*
- Cash Processing Fee (monthly cash deposit totals over $7,000): $0.10/$100.00*
- Sweep Fee: $25.00*
- Negative Collected Balance: Prime +1%.

IRA FIXED- 2 YEAR CD

Rate Information: This Account is an interest bearing account. The interest rate on the account is 1.10% with an annual percentage yield of 1.10%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 2 Years. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $2,500.00 to open this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 2 Years. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

1 YEAR CD

Rate Information: This Account is an interest bearing account. The interest rate on the account is 0.41% with an annual percentage yield of 0.41%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 1 Year. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $5,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 1 Year. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

2 YEAR CD

Rate Information: This Account is an interest bearing account. The interest rate on the account is 0.51% with an annual percentage yield of 0.51%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 2 Years. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $2,500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 2 Years. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

3 YEAR CD

Rate Information: This Account is an interest bearing account. The interest rate on the account is 0.61% with an annual percentage yield of 0.61%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 3 Years. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $2,500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 3 Years. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

5 YEAR CD

Rate Information: This Account is an interest bearing account. The interest rate on the account is 0.95% with an annual percentage yield of

0.95%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 5 Years. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $2,500.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 5 Years. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

17 MONTH CD SPECIAL

Rate Information: This Account is an interest bearing account. The interest rate on the account is 2.78% with an annual percentage yield of 2.80%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 17 Months. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $5,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 17 Months. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

24 MONTH CD SPECIAL

Rate Information: This Account is an interest bearing account. The interest rate on the account is 2.88% with an annual percentage yield of 2.90%.

The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 24 Months. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited semi-annually. We will mail the interest in a check to you or deposit the interest in an account that you designate. If this account is used as an IRETA account, then Interest (less applicable fees and service charges) will be sent to the Treasurer - State of Iowa, Bankers Trust Company. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Balance Information: We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed annual percentage yield.

Limitations: You must deposit $5,000.00 to open this account. You may not make additional deposits into this account. You may not make withdrawals from your account until the maturity date.

Time Account Information: Your account will mature in 24 Months. If you withdraw any of the principal before the maturity date, we may impose a penalty of 12 months interest penalty on the amount withdrawn. You may obtain the account with or without an automatic renewal feature. You must tell us which kind of account you want before the account is opened. If you select your account to automatically renew, your account will automatically renew at maturity. You will have 10 calendar days after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term. If you do not select the automatic renewal option, the account will not renew at maturity. If you do not renew the account, your funds will be placed into a non-interest bearing account.

OTHER ACCOUNT FEES

The following fees apply to all of your accounts with us except Certificates of Deposit and Time Deposit Accounts:

Escheated Account Fee (after 3 years of no in person deposits or withdrawals to the account or done a transfer through iBanking):	$75.00
Deposited Returned Item:	$10.00
Automatic transfer of funds (ATS Transfer Fee) between deposit accounts- overdraft protection:	$2.00 per transaction(the minimum transfer amount will be $200.00 with greater amounts needed in $100.00 increments)
ACH Services Fee:	$5.00/month*
Stop Payment - all items:	$32.00*
Account Closing Fee (within 90 days of opening):	$25.00*
Foreign Check Processing (credit will be given when the bank receives funds from Foreign Bank):	$6.00
Dormant Account Fee)After 12 months of no in person deposits or withdrawals to the account or done a transfer through iBanking):	$8.00/month

Same Day ACH File Fee:	$10.00* (single item)/ $25.00* (multiple items)
Deposit Offage:	$4.00
ACH File Reversal Fee:	$25.00
Sweep Fee:	$25.00*

The following fees apply to Checking; and NOW Accounts Accounts:

Cash Withdrawal at Foreign ATM (not owned by Farmers State Bank):	8 free per statement cycle, $1.50 fee per transaction over 8
Check Card Replacement Fee:	$10.00*

The following fees apply to Checking; NOW Accounts; and Money Market Accounts Accounts:

Temporary Check Printing- 1qt:	$1.00*
Check printing:	Fee depends on style of check ordered*
Duplicate Check Number Posting:	$3.00

The following fee applies to FSB Business Account; FSB Business Ultimate; FSB Tax Exempt Checking NOW; and FSB Business Interest Checking Accounts:

Cash Processing Fee (monthly cash deposit totals over $7,000):	$0.10/$100.00*

INDIVIDUAL RETIREMENT ACCOUNTS

You may put your IRA funds in the following accounts: IRA Fixed- 2 Year CD and IRA- Custom Term Fixed.

If you open an IRA, the account will be subject to the following fees:

IRA Regular Fees

IRA Minimum Balance Fee (plan balances below $5,000):	$50.00 Annually
IRA Outgoing Transfer Fee:	$50.00 At Withdrawal
Beneficiary Annual Maintenance:	$50.00 Annually

MISCELLANEOUS FEES AND CHARGES

Miscellaneous

Account Printout: $2.00 *
Account Research/ Balance Assistance (90 day maximum): $25.00/hr ($12.00 minimum) *
Address Research (statement returned twice for incorrect address): $8.00*
Cashiers Check: 7.00
Coin Counting (noncustomer): 5% of balance, $1.00 minimum
Deposit Bag- Lockable: $30.00
Deposit Bag- Zipper: $5.00
Fax (incoming/outgoing) per page: $2.00
Levies/Garnishments: $50.00
Night Deposit Key: $1.00
Rolled Coin: $0.10*
Telepayment Fee (FSB loan payments over the phone made from an external bank account): $15.00
Telephone Transfer/Payment: $2.00
Verification of Deposits: $10.00*

Overdraft Fees

A Paid Overdraft Fee, OD Limit Overdraft Fee or Returned Overdraft Fee applies to all overdrafts created by check, in-person withdrawals or other electronic means: See Below
OD Limit Overdraft Fee: $32.00
OD Limit Overdraft Fee (daily maximum): $192.00
Paid Overdraft Fee: $32.00
Paid Overdraft Fees (daily maximum): $192.00
Returned Overdraft Fee: $32.00
Returned Overdraft Fee (daily maximum): $192.00

Wire Transfers

Wire Transfer (Incoming): $12.00 *
Wire Transfer (Outgoing): $20.00 *
Wire Transfer (Foreign): $45.00 *

*** Fees marked with an asterisk (*) are subject to Iowa State & Local sales tax**

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FUNDS AVAILABILITY POLICY DISCLOSURE

YOUR ABILITY TO WITHDRAW FUNDS AT FARMERS STATE BANK. Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. However, funds from electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. We have different deposit cut-off hours for different locations. Our cut-off hours are as follows:

5:00 pm	All locations- Monday through Thursday
6:00 pm	All Locations- Friday
4:00 pm	All ATM Deposit & Withdrawals

If you make a deposit before our cut-off hour on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after our cut-off hour or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right to Hold. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first $200 of your deposit, however, may be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for

these reasons:

* You deposit checks totaling more than $5,000 on any one day.
* You redeposit a check that has been returned unpaid.
* You have overdrawn your account repeatedly in the last six months.
* We believe a check you deposit will not be paid.
* There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURES

This Agreement and Disclosure is made in compliance with federal law regulating electronic funds transfer (EFT) services. Electronic funds transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic funds transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we", "us" and "our" mean the Financial Institution. The abbreviation "PIN" or word "code" means a personal identification number.

Farmers State Bank iBanking

Types of Transactions: You may access certain account(s) you maintain with us by computer, using your assigned user ID and password, through the online banking service. You may use the online banking service to perform the following functions:

* Transfer funds between eligible accounts.
* Obtain balance information on eligible accounts.
* Review transactions on eligible accounts.
* Make loan payments.
* Stop payment requests.
* Advance funds from credit line.
* Online bill payment.
* Obtain copy of statement.
* Request to open a new account.
* Request a loan.
* ACH origination.
* EFT tax payments.
* Order checks.
* Allow export of transaction history to personal finance manager.
* Consumer Remote Deposit Capture- taking a picture of a check for deposit through FSB's free mobile app.

  You may access your accounts by computer or mobile device at www.FSB1879.com or FSB Mobile- Waterloo, IA (via the app or play store) and enter your User ID, Password & Secure Access Code.

Limitations on Frequency and Amount:

* For security purposes, there are limits on the frequency and amount of transfers you may make using this Online Banking Service.

Fees and Charges for Online Service:

* There is no charge for online banking with us.

Government Direct Deposit 1199A

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

* Accept direct deposits from the U.S. Treasury Department to your checking or savings account.

Fees and Charges:

* We do not charge for any preauthorized EFTs.
* We will charge $32.00 plus tax for each stop-payment order for preauthorized transfers.

Preauthorized Debit

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to or from your deposit accounts:

* Pay certain recurring bills from your checking or savings account.

Fees and Charges:

* We do not charge for any preauthorized EFTs.
* We will charge $32.00 plus tax for each stop-payment order for preauthorized transfers.

Direct Deposit

Types of Preauthorized Transfers: You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

* Accept direct deposits from your employer or other financial institutions to your checking or savings account.

Fees and Charges:

* We do not charge for any preauthorized EFTs.
* We will charge $32.00 plus tax for each stop-payment order for preauthorized transfers.

FSB Check Card ATM

Types of Transactions/Transfers: You may use the card and PIN issued you to pay for purchases from merchants who have agreed to accept

the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a VISA symbol. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS/Debit Card Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

* Deposit funds to your checking account.
* Withdraw cash from your checking account.
* Deposit funds to your savings account.
* Withdraw cash from your savings account.
* Transfer funds between your checking and savings accounts.
* Obtain balance information on your deposit accounts.

Limitations on Frequency and Amount:

* For security purposes, there are limits on the frequency and amount of transfers you may make using this Point of Sale service.
* A maximum of $1800.00 may be withdrawn daily with $500.00 of that available in cash.

Fees and Charges:

* There is no charge for ATM withdrawals at machines owned by us.
* There is no charge for ATM deposits at machines owned by us.
* Withdrawals at foreign ATMs may result in a $1.50 charge per withdrawal over 8 during a statement cycle. A service charge may apply from the owner of the ATM.
* There is a Replacement Card Fee of $10.00 per card.
* We do not charge for any POS transactions.

ATM Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

Other EFT Transactions. You may access certain account(s) you maintain with us by other EFT transaction types as described below.

Electronic Check Conversion. You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your check to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant or other payee (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. When information from your check is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

Re-presented Check Transactions and Fees. You may authorize a merchant to electronically collect a fee associated with the re-presentment of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction if debited as an EFT from a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

Liability for Unauthorized VISA Debit Card Transactions. The following limitations may be applicable to your accounts, except as provided by law:

The zero liability limit described below only applies to debit cards that are United States issued VISA Consumer Cards or VISA Business Cards for transactions processed through a VISA network or, for ATM transactions, a Plus network. The zero liability limit described below does <u>not</u> apply to: (a) other types of VISA commercial debit cards that are not VISA Business Cards; (b) transactions using your personal identification number that are not processed through a VISA network; and (c) ATM transactions which are not sent over VISA or Plus networks.

Tell us **AT ONCE** if you believe your VISA debit card has been lost or stolen or if you believe any unauthorized transactions have been made using your VISA debit card. Your liability for unauthorized VISA debit card transactions that are processed through a VISA or Plus network, as applicable, will be zero dollars ($0.00). However, to the extent allowed under applicable law (see for example the **Liability for Unauthorized Transfers** paragraph below) we may hold you liable for the entire amount of an unauthorized transaction if we find, based on substantial evidence, that you have been negligent or fraudulent in the handling of your deposit account or VISA debit card.

For VISA Business Cards: An "unauthorized transaction" does not include any transaction allegedly conducted by (a) a business co-owner, (b) the cardholder or person authorized by the cardholder, or (c) any other person with an interest in or authority to transact business on the account.

To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth in the **Liability for Unauthorized Transfers** paragraph below. This will help prevent unauthorized access to your account and minimize any inconvenience.

Currency Conversion.
When you use your Visa Debit Card (Personal or Business) at a merchant that settles in a currency other then US dollars, the charge will be converted into the US dollar amount and assessed an International Transaction Fee. The currency conversion rate used to determine the transaction amount in US dollars is either a wholesale market rate or the government mandate rate in effect the day before the processing date, increased by 1%. Transactions made in foreign countries in US dollars will be charged 0.08% of the transaction amount. The conversion rate in effect on the processing date may differ from the rate in the effect on the transaction date or posting date.

VISA is a registered trademark of Visa in the United States and other countries.

In addition to the limitations set forth above, the following limitations may be applicable to your accounts:

Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your card, ATM PIN, POS card or PIN, or online and/or mobile banking PIN has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your

check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your card or code, you can lose no more than $50.00 if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as $500.00. Also, if your statement shows transfers that you did not make, including those made by card code or other such means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (319) 287-3961, or write us at Farmers State Bank,131 Tower Park Drive Suite 100, Waterloo, IA 50701. You should also call the number or write this address if you believe a transfer has been made using the information from your check without your permission.

Illegal Transactions. You may not use your ATM, POS, or Debit Card, or other access device for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

Business Days. For purposes of these electronic funds transfer disclosures, our business days are Monday through Friday. Holidays are not included.

Stop Payments on ATM, POS, or Debit Card Transactions. You may not place a stop payment order on any ATM, POS, or debit card transaction.

Documentation.

Periodic Statement. You will get a monthly account statement from us, unless there are no transactions in a particular month. In any case you will get a statement quarterly. You will get a quarterly statement from us on your savings account if this is the only account you maintain and the only possible electronic transfer to or from the account is a preauthorized deposit. If you have a passbook account, you may bring your passbook to us and we will record any direct deposits that we made to your account since the last time you brought in your passbook.

Terminal Receipt. You can get a receipt at the time you make a transfer to or from your account using one of our ATMs or a POS terminal. However, receipts for transactions of $15.00 or less may not always be available.

Direct Deposits. If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at (877) 372-1879 to find out whether or not the deposit has been made.

Our Liability for Failure to Make Transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will **NOT** be liable for instance:

* If, through no fault of ours, you do not have enough money in your account to make the transfer.
* If the money in your account is subject to legal process or other claim restricting such transfer.
* If the transfer would go over the credit limit on your overdraft line.
* If the ATM where you are making the transfer does not have enough cash.
* If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
* If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.
* There may be other exceptions stated in our agreement with you.

In Case of Errors or Questions About Your Electronic Transfers. Telephone us at **(319) 287-3961,** or write us at **Farmers State Bank, Waterloo, 131 Tower Park Drive Suite 100, Waterloo, IA 50701** as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

* Tell us your name and account number (if any).
* Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
* Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If a notice of error involves unauthorized use of your point of sale debit card with the VISA logo when it is used as a VISA point of sale debit card, we will provide provisional credit within five (5) business days after you notify us instead of within ten (10) or twenty (20) business days. We may withhold providing this accelerated provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants the delay.

Confidentiality. We will disclose information to third parties about your account or the transfers you make:

* To complete transfers as necessary;
* To verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant; or
* To comply with government agency or court orders; or
* If you give us your written permission.

Personal Identification Number (PIN). The ATM PIN or POS PIN issued to you is for your security purposes. The numbers are confidential and

should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN or POS PIN available to anyone not authorized to sign on your accounts.

Notices. All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

Enforcement. In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

Termination of ATM and POS Services. You agree that we may terminate this Agreement and your use of the ATM Card or POS services, if:

* You or any authorized user of your ATM PIN or POS card or PIN breach this or any other agreement with us;
* We have reason to believe that there has been an unauthorized use of your ATM PIN or POS card or PIN;
* We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing.

Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

Preauthorized Electronic Fund Transfers.

Stop Payment Rights. If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us or write to us at the telephone number or address set forth above, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. We will charge you $ 32.00 for each stop payment order you give.

Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Liability for Failure to Stop Payment of Preauthorized Transfers. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Other Provisions. There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited at ATMs. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

Preauthorized Debit EFT Stop Payment Fee. Tax will be added to your $32.00 EFT Stop Payment Fee

eStatement Consent (Receiving all your Statements and Notices electronically):
You should know that you are responsible for the care and safekeeping of your account number(s) and password(s). Allowing another, unauthorized person access to this information will allow them to view confidential information regarding your account(s).
You must currently have a valid email address and access to a computer with an internet connection with Adobe Acrobat Reader DC or greater installed. Adobe Reader can be downloaded free of charge at www.adobe.com. Your electronic statements and notices will be sent to you as a digitally-encrypted, password-protected PDF email attachment. Upon signing up for the eStatement service, for all accounts which you are associated with, you will receive an email with an attached PDF document that you must open and respond to before receiving your first statement or notice electronically. The time required to download statements or notices to your computer will vary based on your internet connection and statement size. If you would like to keep your statements or notices for your permanent records we recommend that you take all necessary steps to prevent loss of your electronic statements and notices by regularly backing up your data and/or printing out your statements and notices. You may request a hardcopy of your statements and notices in addition to the electronic copy, but charges may apply. To ensure that you receive your electronic statements and notices, it is important that Farmers State Bank maintains an accurate email address for your account. It is your responsibility to notify Farmers State Bank of any changes to your email address so that we may provide you with the best service possible. If your electronic statements or notices are returned to us as undeliverable we will print a paper copy of your statement or notice and send it to you via US Mail. You may, at any time, change your statement or notice format from electronic back to hardcopy, but we request written notice at least seven days in advance of your statement cutoff. If you have any questions feel free to call us at 1-877-372-1879.
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DEPOSIT ACCOUNT AGREEMENT AND DISCLOSURE

INTRODUCTION. In this Deposit Account Agreement and Disclosure, each and all of the depositors are referred to as "you" and "your." The Financial Institution is referred to as "we," "our," and "us." This Deposit Account Agreement contains the terms and conditions governing certain of your deposit accounts with us. As used in this document, the term "Agreement" means this document, the signature card, a rate and fee schedule (which may be in the form of a Rate and Fee Schedule, Time Certificate of Deposit, or Confirmation of Time Deposit, hereinafter called the "Schedule"), Truth in Savings disclosures, a Funds Availability Policy Disclosure, and an Electronic Funds Transfer Agreement and Disclosure, if applicable. Each of you signing the signature card for a deposit account acknowledges receipt of this Agreement, and agrees to the terms set forth in the Agreement, as amended from time to time. You agree that we may waive, in our sole discretion, any fee, charge, term, or condition set forth in this Agreement at the time the Account is opened or subsequent thereto, on a one-time basis or for any period or duration, without changing the terms of the Agreement or your obligation to be bound by the Agreement, and we are not obligated to provide similar waivers in the future or waive our rights to enforce the terms of this Agreement.

DATE ACCOUNT OPENED. If you open an account with us after 5:00 PM on a business day that we are open, we will consider that the transaction was made at the opening of the next business day for account opening, effective date and issue date purposes.

DEPOSIT ACCOUNTS. From time to time, we may offer or you may open a variety of deposit accounts. Each such account (the "Account") is subject to the general terms and conditions and any specific terms and conditions relating to that type of account that may be set forth in this Agreement. If you open multiple Accounts, you may receive Schedule information for each Account, but this Agreement will cover all your Accounts with us. Each of you will be jointly and severally liable to us for debit balances in the Account, including without limitation overdrafts and Account charges, and jointly and severally promise to pay, upon demand, any and all debit balances, all fees and charges, and our reasonable attorneys' fees and costs and expenses of collection, including but not limited to those incurred at trial and on any appeal.

INTEREST. If your Account earns interest, the following information applies: **(A) Payment of Interest.** We will pay interest at the annual rate specified on the Schedule, which does not reflect compounding ("Interest Rate"). The Schedule also sets forth the frequency of interest payments, the frequency of any compounding and crediting, the interest accrual basis, the balance on which interest will be paid, and any minimum balance requirements. **(B) Minimum Balance Requirements.** The Schedule may specify a minimum balance that you are required to

maintain in your Account. If the minimum balance is not maintained during a specified period, we, at our option, may not pay interest on your Account and/or may charge a fee for that period. You should review any minimum balance requirements on the Schedule. **(C) Initial Interest Rate.** The initial interest rate is the current annual rate of interest that we will pay on the specified balance in your Account. We may pay interest at different rates, depending on the amount deposited and the type of depositor (individual, business, non-profit organization, etc.). **(D) Interest Compounding and Crediting.** The Schedule will indicate the interest compounding and crediting frequency for your Account (if any). Compounding generally means that interest is being accrued on earned interest. Interest may be compounded more frequently than interest is credited to your Account. **(E) Interest Accrual.** We may accrue interest on your Account more frequently than we pay or credit interest. The interest that has been calculated, but not paid to the Account, is called accrued unpaid interest. **(F) Changes.** We have the right to change the rates and fees in accordance with the terms of the Schedule. We also reserve the right to change any other term of this Agreement at our sole discretion.

FEES AND CHARGES. Subject to applicable law, you agree to pay us the fees and charges shown in the Schedules as are applicable to your Account or for other services performed by us. You agree the fees and charges may be changed by us from time to time and authorize us to charge your account for their payment whether or not each charge results in an overdraft of your account. Existing and future charges may be based upon the overall costs of providing account services and may or may not be based upon the direct cost or expense associated with providing the particular service involved. The charges may be based on consideration of profit, competitive position, deterrence of misuse of account privileges by customers, and the safety and soundness of the financial institution. We will notify you of the changes, to the extent required by law.

BALANCE METHODS. As used in this Agreement, the "average daily balance" method means "the application of a periodic rate to the average daily balance in the account for the period, determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period." The "daily balance" method means "the application of a daily periodic rate to the full amount of principal in the account each day."

DEPOSIT RULES. The following terms apply to deposits made to your Account: **(A) Endorsements.** You authorize us to accept transfers, checks, and other items for deposit to your Account if they are made payable to, or to the order of, any one or more of you, whether or not they are endorsed by you. You authorize us to supply missing endorsements, and you warrant that all endorsements are genuine. All checks and other items deposited to your Account should be endorsed payable to the order of us for deposit only, followed by your signature and Account number. We may permit you to deposit an electronic image or other electronic information related to a paper check through a service we provide that allows you to use a device, such as a mobile phone, to create and send to us such electronic image or information electronically. Before capturing an electronic image or electronic information of a paper check, you must endorse the check payable to the order of us "for mobile deposit only", followed by your signature and Account number, or any alternative restrictive endorsement we may allow and communicate to you. All endorsements must appear on the back of the check or other item within the first 1-1/2 inches from the left side of the item when looking at it from the front. Endorsements should be in black ink. While we may accept non-conforming endorsements, you will be responsible for any loss incurred by us due to the delay in processing or returning the item for payment. **(B) Final Payment.** All non-cash items (for example, checks) deposited to your Account are posted subject to our receipt of final payment by the payor bank. Upon receipt of final payment, the item becomes a collected item. If final payment is not received or if any item you have deposited or cashed is charged back to us for any reason, you authorize us to charge any of your Accounts, without prior notice and at any time, for the amount of the returned item, our returned item fee, any interest paid on that item, and any other fee we pay or incur. If an item to be charged back is lost in the process of collection or unavailable for return, we may rely upon a photocopy of the item or upon any other generally accepted notification of return of the item, in charging you or any of your Accounts for the amount of the returned item. We reserve the right to refuse any item for deposit into your Account. **(C) Notice of Stop Payment, Legal Process, or Setoff.** A check received by us before the close of the banking day may be subject to any stop payment order received, legal process served upon, or setoff exercised by us prior to 5:00 pm of the next banking day. Any knowledge, notice, stop payment order, legal process, or setoff comes too late to affect our right or duty to pay a check if it is received after that time. Additional limitations regarding stop payment orders, the right of setoff, or other legal process may be found elsewhere in this Agreement. **(D) Direct Deposits.** If we offer direct deposit services for automatic preauthorized deposits to your Account of Social Security payments or automatic transfers from your other accounts with us, you must notify us at least 30 days prior to the next scheduled direct deposit or preauthorized transfer if you wish to cancel the direct deposit or transfer service. If any amount deposited must be returned to the government for any reason, you authorize us to deduct the amount from your Account as provided in the Final Payment paragraph above. **(E) Crediting of Deposits.** The Funds Availability Policy Disclosure provided to you reflects our policies relating to the availability of deposited funds. **(F) Substitute Checks and Electronic Files Pertaining to Original Checks.** If you deposit a "substitute check" (as defined in Regulation CC § Section 229.2(aaa)) or a purported substitute check into your Account, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the item not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the substitute check resulting from the electronic representation not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic image or electronic information related to a paper check for deposit into your Account, you agree to reimburse us for losses, costs, and expenses we may pay or incur associated with the electronic image or information not meeting applicable standards for such images and/or from duplicate payment associated with the check. **(G) Deposit Discrepancies.** When you make a deposit to your account, we will credit your account for the amount stated on your deposit slip and we may provide you with a deposit receipt. We reserve the right to review the deposit and confirm the amount of funds you deposited but are not required to do so. If after any review we determine that the amount credited to your account is incorrect, we may adjust your account for the amount of the discrepancy but reserve the right not to do so if the discrepancy would not be a disadvantage to you. This may be the case, for example, if the amount credited to your account was more than the amount actually deposited by you. Notwithstanding the foregoing, we are not required to adjust your account unless within one year of the date of your account statement that shows the deposit either you notify us of the discrepancy or we discover it on our own. If you do not notify us of the error or we do not discover it on our own during this notice period, the amount credited to the account will be considered final.

WITHDRAWAL RULES. The following terms apply to withdrawals from your Account: **(A) Manner of Withdrawal.** You may make withdrawals from your Account in any manner that is permitted by us for the type of Account that you have opened. Withdrawals by mail will be posted to your Account as of the day the transaction is processed by us. We may refuse to accept any check other than standard checks provided by us, or approved by us in advance. Withdrawals and transfers from your Account may be restricted as provided in the Agreement, or in the Schedule, or by applicable law. **(B) Withdrawal Restrictions and Overdrafts.** We do not have to allow you to make a withdrawal from your Account if you don't have sufficient available funds in the Account to cover the full amount of the withdrawal. **If there are available funds to cover some, but not all, of the withdrawals or other debits to your Account on a single business day, we will post the checks for which there are sufficient available funds in sequential order by check number, from the lowest check number to the highest.** We may pay other withdrawals or debit items (such as charges) prior to paying any checks, and we may post those other withdrawals or debit items in any order we may choose at our sole discretion. If there are insufficient funds available in your Account to cover a withdrawal or debit presented against your Account, this is called an "overdraft". We will handle each overdraft in accordance with our Standard Overdraft Policy (described below) or in accordance with any other agreement you may have with us (such as an overdraft protection agreement). Even if we choose to pay one or more overdrafts, we are not obligated to cover any future overdrafts. When we determine whether payment of an item will create an overdraft, we may determine the balance of your account at any time between the time we receive the item and the deadline for us to take action on the item. We are not required to determine your account balance more than one (1) time during this period. **(C) Standard Overdraft Policy.** Unless we have agreed to a separate overdraft protection agreement with you, the following rules apply. We are not obligated to pay any overdraft. Subject to the special rules discussed below for transactions at an ATM and one-time debit card transactions, we may assess a service charge on any withdrawal created by check, in-person withdrawal, ATM withdrawal, or other electronic means that results in an overdraft, whether we pay the overdraft or not. If we pay the overdraft, you agree, immediately upon notice from us, to deposit funds sufficient to cover the overdraft

plus any service charge we impose. We may not impose a service charge in connection with an overdraft that results from a transaction at an ATM or a one-time debit card transaction unless you have given us your consent to pay service charges in connection with overdrafts that result from these transactions and we have sent written confirmation of that consent to you. You may revoke that consent at any time. **(D) Notice Requirements.** Federal regulations require us to retain the right to require you to give at least seven (7) days notice in writing prior to any intended withdrawal from a savings, negotiable order of withdrawal ("NOW"), or money market account. Although we usually pay withdrawals or checks without notice on these accounts, doing so does not mean that we give up this right. **(E) Postdated Items.** You agree that when you write a check, you will not date the check in the future. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. You agree that if we pay the check, the check will be posted to your Account on the date we pay the check, even though the posting date is prior to the date of the check. You further agree that we are not responsible for any loss to you in doing so. We will not honor a postdated check if we receive advance notice from you at such a time and in such a manner as to afford us reasonable opportunity to act. The notice must be in writing, and it must specify the date, amount, and number of the check, along with the name of the payee. Notices are effective for the time periods stated under STOP PAYMENT ORDERS. You agree that we may return a postdated check to the presenter. **(F) Power of Attorney.** The person executing a power of attorney will be referred to as the principal and the person acting for the principal as the agent. We may refuse to comply with a power of attorney for reasonable cause, or until we receive an affidavit from the agent stating that the Power of Attorney presented is a true copy and that, to the best of the agent's knowledge, the principal is alive and that the relevant powers of the agent have not been altered or terminated. **(G) Signatures.** You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items at the lowest possible cost to our customers. In light of this, you agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of items with a face amount below an amount specified by us from time to time. You authorize us to store and use Signature Card information in any reasonable form we deem necessary, including any digitized signature capture process. If you use a facsimile signature or other form of mechanically reproduced signature (such as, but not limited to, desktop publishing, digitized, or computer software generated signature), you agree you shall have the sole responsibility for maintaining security of the facsimile or mechanically reproduced signature and the device by which the facsimile or mechanically reproduced signature is affixed and you shall bear the entire risk for unauthorized use thereof whether or not you are negligent. You agree that no facsimile or mechanically reproduced signature we have been authorized to honor may be considered a forgery or an unauthorized signature, but that such facsimile or mechanically reproduced signature shall be effective as your signature or endorsement whether or not you have been negligent. You further agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure (including reasonable attorney's fees) we or you may suffer or incur as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile or mechanically reproduced signature or the device by which it is affixed. If you use any form of facsimile or mechanically reproduced signature device, you agree to deliver a sample to us if we request it. **(H) Preauthorized Drafts.** If we are unable to enforce presentment and transfer warranties on remotely created checks under Regulation CC, then if you voluntarily give information about your Account (such as our routing number and your account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a check to the party, any debit to your account initiated by the party to whom you gave the information is deemed authorized by you. **(I) Check Legends.** We may disregard information on any check or item other than the signature of the drawer, the identification of the drawee financial institution and payee, the amount, the endorsements, and any other information that appears on the MICR line. In addition, we are not responsible to take action on, or for failure to notify you of restrictive language placed on checks or other items, including but not limited to terms such as, "Void after 90 Days," "Paid in Full," "Two Signatures Required," "Void Over $100" or similar statements. In accordance with reasonable banking standards, most checks and other items are processed through automated processing and, except in limited circumstances and in our discretion, most items are not individually examined. You agree that we act within reasonable banking standards by processing most checks and other items through automated processing systems. We may agree to adhere to extraneous legends if you notify us of such legends and we have agreed in writing to honor such legends.

STALE CHECKS. We reserve the right to pay or dishonor a check more than six (6) months old without prior notice to you.

CHECKING ACCOUNTS. If your account is a checking account, the following terms may apply. If we offer NOW accounts, the account must consist solely of funds in which the entire beneficial interest is held by one or more individuals in an individual capacity, a sole proprietor, or a governmental unit, but not professional corporations or business partnerships. A NOW account may also be held by a for profit organization serving in a fiduciary or trustee capacity for an entity that is itself permitted to hold a NOW account. Otherwise, an organization may hold a NOW account only if it is operated primarily for religious, philanthropic, charitable, educational, or other similar purpose.

SAVINGS ACCOUNTS. If your account is an interest bearing account and is not a NOW account or time deposit, the following terms may apply. **(A) Transfers and Withdrawals.** If your Account is a savings or money market deposit account, federal law requires that an Account Holder may make no more than six (6) transfers and/or withdrawals during any one (1) calendar month or statement cycle (the period from one statement to the next) or similar period of at least four weeks, to another of your accounts with us or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction or by check, draft, debit card, or similar order made by you and payable to third parties. A "preauthorized transfer" includes any arrangement by us to pay a third party from your account upon written or oral instruction (including an order received through an automated clearing house (ACH) or any arrangement by us to pay a third party from your account at a predetermined time or on a fixed schedule.)**(B) Excess Transactions.** In accordance with federal law, if you have more than the allowable preauthorized transfers or preauthorized checks or drafts (for money market accounts) in any one period, your Account may be subject to closure by us and the funds placed in another account that you are eligible to maintain, or we may take away the transfer and draft capabilities of the account. In addition to the above preauthorized transfers, you may make unlimited withdrawals (payments directly to you or transfers of funds from your Account to any of your other deposit accounts or loan accounts with us), either in person at our locations, by mail, messenger, telephone (via check mailed to you), or use of an ATM card (if applicable).

TIME DEPOSITS. If your Account is a time deposit, you have agreed to keep the funds on deposit until the maturity of your Account. If your Account has not matured, any withdrawal of all or part of the funds from your Account may result in an early withdrawal penalty. We will consider requests for early withdrawal and, if granted, the penalty provided in the Schedule will apply. **(A) Penalty.** The early withdrawal penalty is calculated as a forfeiture of part of the accrued interest that has or would be earned on the Account. If your Account has not yet earned enough interest so that the penalty can be deducted from earned interest, or if the interest already has been paid, the difference will be deducted from the principal amount of your Account. For fixed rate Accounts, we will use the rate in effect for your deposit. **(B) Exceptions.** We may let you withdraw money from your Account before the maturity date without an early withdrawal penalty: (1) when one or more of you dies or is determined legally incompetent by a court or other administrative body of competent jurisdiction; or (2) when the Account is an Individual Retirement Account (IRA) established in accordance with 26 USC 408 and the money is paid within seven (7) days after the Account is opened; or (3) when the Account is a Keogh Plan (Keogh), if you forfeit at least the interest earned on the withdrawn funds; or (4) if the time deposit is an IRA or Keogh Plan established pursuant to 26 USC 408 or 26 USC 401, when you reach age 59 1/2 or become disabled; or (5) within an applicable grace period (if any).

STOP PAYMENT ORDERS. Subject to certain limitations, you may order us to stop payment on any check, automated clearing house/pre-authorized electronic funds transfer ("ACH/EFT"), or other item payable from your Account, whether drawn or authorized by you or any other account holder, as follows:

> **Stop Payment Against a Check or Other Item.** A stop payment request against a check or other item payable from your Account will be effective if we receive the order at such time and in such manner as to afford us a reasonable opportunity to act upon the order. A stop payment order against a check or other item payable from your Account is effective for six (6) months, but it lapses after fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that period. A stop payment order against a check or other item payable from your Account may be renewed for additional six (6) month periods if renewed during a period within which the stop payment order is effective.

Stop Payment Against an ACH/EFT. A stop payment order against an ACH/EFT may be honored if received at least three (3) banking days before the scheduled date of the transfer. If we honor a stop payment request against an ACH/EFT received on or within three (3) banking days of the scheduled transfer, we do so without any liability or responsibility to any party having any interest in the entry. A stop payment order against an ACH/EFT is effective until the earlier of: (i) you withdraw the stop payment order, or (ii) the debit entry is returned, or, where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific party, all such debit entries are returned. We may require you to provide us written confirmation of a verbal stop order request against an ACH/EFT within fourteen (14) calendar days. Additionally, if you request us to stop all future payments pursuant to a specific ACH/EFT authorization involving a particular party, we may require you to confirm in writing that you have revoked such authorization.

All stop payment order requests will require you to provide the date, the amount, and the number of the item or authorization, together with the name of the payee. If you give us incorrect information, we will not be liable for failing to stop payment on the item or authorization. Our acceptance of a stop payment order will not constitute a representation that the item or authorization has not already been paid or that we have a reasonable opportunity to act upon the order. You may not stop payment on an official, certified, cashier's, or teller's check issued by us, or request us to stop payment if we have otherwise become accountable for the item or authorization. In addition, you may not stop payment on checks governed by a separate agreement, such as a check guaranty agreement. Further you may not stop payment on an item or authorization after acceptance of the same by us.

Based upon the type of account ownership that you have designated, the following terms and conditions apply.

INDIVIDUAL ACCOUNTS. An Individual Account is an account in the name of one depositor only. Only that person may write checks against the Account or withdraw money, regardless of who actually owns the funds.

MULTIPLE-PARTY ACCOUNTS. This section pertains to multiple party accounts:

(A) Joint Account Ownership. An account with two or more Account Holders is a joint account. Unless you designate otherwise on the Signature Card, joint Account Holders will be considered joint tenants with right of survivorship.

(1) Joint Tenants With Right of Survivorship. If your Account is a joint account with right of survivorship, upon the death of one of the joint Account Holders, that person's ownership interest in the Account will immediately pass to the other joint Account Holder(s).

(2) Joint With No Right of Survivorship. If your Account is a joint account with no right of survivorship (Joint as Tenants in Common), upon the death of one of the joint Account Holders, that person's proportionate ownership interest will pass to the estate of the deceased Account Holder.

Each joint Account Holder, without the consent of any other Account Holder, may, and hereby is authorized by every other joint Account Holder, to make any transaction permitted under the Agreement, including without limitation: to withdraw all or any part of the account funds; to pledge the account funds as collateral to us for any obligation, whether that of one or more Account Holders or of a third party; to endorse and deposit checks and other items payable to any joint Account Holder; to give stop payment orders on any check or item, whether drawn by that Account Holder or not; to consent to or revoke consent to payment of service charges on overdrafts that result from ATM transactions or one-time debit card transactions under the Standard Overdraft Policy; and, to close the account, with the disbursement of account proceeds as instructed by the joint Account Holder. Each joint Account Holder is authorized to act for the other Account Holder(s) and we may accept orders and instructions regarding the account from any joint Account Holder. If we believe there to be a dispute between joint Account Holders or we receive inconsistent instructions from the Account Holders, we may suspend or close the account, require a court order to act, and/or require that all joint Account Holders agree in writing to any transaction concerning the account.

Your obligations under the Agreement are joint and several. This means that each joint Account Holder is fully and personally obligated under the terms of the Agreement, including liability for overdrafts and debit balances as set forth above, irrespective of which joint Account Holder benefited from the withdrawal. If you establish a joint account without the signature of the other joint Account Holder(s), you agree to hold us harmless for our reliance upon your designation of the other joint Account Holder(s) listed on our documents. Further, the Account is subject to the right of setoff as set forth below.

(B) Totten Trust Account. A Totten Trust Account is an informal trust account, reflected on our records, but without a written trust agreement, where the Account is owned by the trustee. The beneficiaries have no right to any funds in the Account during the trustee's lifetime. As the owner of the Account, the trustee may withdraw money from the Account and may, by written direction to us, change the beneficiary under the Account. When the trustee dies, the Account is owned by the named beneficiary or beneficiaries. If the Totten Trust Account is held by more than one trustee, the trustees will be subject to the rules pertaining to joint account ownership as set forth above. If there is no surviving beneficiary upon the death of the last trustee, state law will determine ownership of the funds in the Account.

(C) P.O.D. Account. A Payable on Death (P.O.D.) Account is an account payable to the Account Holder during his or her lifetime. As the owner of the Account, you may withdraw money from the Account and may, by written direction to us, change the P.O.D. payee(s) under the Account. When the Account Holder dies, the Account is owned by the P.O.D. payee(s). If the P.O.D. Account is held by more than one person, each Account Holder will be subject to the rules pertaining to joint account ownership as set forth above. If there is more than one surviving P.O.D. payee, the respective interest of each shall be deemed to be in equal shares, unless otherwise stated in the Financial Institution's deposit account records and as allowed by applicable state law. If there is no surviving P.O.D. payee upon the death of the last owner, state law will determine ownership of the funds in the Account.

ADDITIONAL ACCOUNT TYPES. This section applies to other deposit account types:

(A) Formal Trust Account. A Formal Trust Account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) will supply to us a copy of any trust agreement covering the account. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any person opening the Account, in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the Account.

(B) Uniform Transfer to Minors. If you have established the account as a custodian for a minor beneficiary under our state version of the Uniform Transfers to Minors Act or the Uniform Gifts to Minors Act, your rights and duties are governed by the Act. You will not be allowed to pledge the account as collateral for any loan to you. Deposits in the account will be held by us for the exclusive right and benefit of the minor. The custodian and/or any person opening the Account, in their individual capacity, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other custodian with respect to the authority or actions taken by the custodian in handling or dealing with the Account.

(C) Representative Payee Accounts. Subject to applicable law, a Representative Payee Account is a type of fiduciary account in which a representative payee (appointed by the Social Security Administration) manages Social Security and Supplemental Security funds received on behalf of a beneficiary. Upon our request, the representative payee will provide sufficient documentation from the Social Security Administration indicating his or her appointment as a representative payee for the Account Holder. We may require additional documentation from the representative payee indicating his or her authority to act on behalf of the Account Holder. The representative payee does not have an ownership interest in funds in the Account. The representative payee does not have a right of survivorship in the Account on the death of the Account Holder. We act only as custodian of the funds and are under no obligation to act as a trustee or to inquire as to the powers or duties

of the representative payee. The representative payee agrees to indemnify, and hold us harmless from and against any and all loss, cost, damage, liability, or exposure, including reasonable attorneys' fees, we may suffer or incur arising out of any action or claim by the beneficiary, a government entity or by any other party regarding the authority or actions taken by the representative payee in handling or dealing with the Account.

(D) Agency Account. An Agency Account is an account to which funds may be deposited and withdrawals made by an Agent designated by the owner of the funds. An Agent has full authority with regard to the Account but does not have an ownership interest in the account. An Agency Account is revocable at any time by notifying us in writing. An Agency designation may be combined with one of the other forms of account ownership.

(E) Business Accounts. If the Account is not owned by a natural person (for example, it is owned by a corporation, partnership, limited liability company, sole proprietorship, unincorporated association, etc.), then the Account Holder must provide us with evidence to our satisfaction of the authority of the individuals who sign the signature card to act on behalf of the Account Holder. On any transactions involving the Account, we may act on the instructions of the person(s) authorized in the resolutions, banking agreement, or certificate of authority to act on behalf of the Account Holder. You agree to notify us in writing of any changes in the person(s) authorized or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the Account, you agree we may place a hold on the Account until such conflict or dispute is resolved to our satisfaction and we will not be liable for dishonored items as a result of such hold.

(F) Fiduciary Accounts. With respect to all fiduciary accounts, including but not limited to estate accounts, guardianship accounts, representative payee accounts, and conservatorship accounts, and any Formal Trust Account, Uniform Transfers to Minors Act Account, or Agency Account, we reserve the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the withdrawal of funds held in the Account have the authority to withdraw such funds. This applies at the time of account opening and at all times thereafter.

(G) Attorney Client Trust Subject to applicable law, an Attorney Client Trust or IOLTA Trust Account is an account set up by an attorney or law firm to hold client or third party funds in trust, separate from the attorney's or law firm's funds. Upon our request, the authorized signers for an Attorney Client Trust or IOLTA Trust Account will provide documentation required by applicable state law and applicable bar association (or similar entity) rules. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the attorney or law firm as trustee(s). The attorney, law firm, or any authorized individual on the account agrees to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or third party with respect to the authority, actions, or inaction taken by the trustee(s) or authorized individuals in handling or dealing with the account. Additional account terms are governed by a separate agreement. If this is an IOLTA Trust Account, we will not permit the lawyer or law firm to receive the interest. The interest (minus applicable fees) on an IOLTA Trust Account will be remitted to the Lawyer Trust Account Commission, pursuant to your instructions and at your request. IOLTA Trust Accounts are used to hold an attorney's or law firm's client funds that are nominal in amount or held for short periods of time.

(H) Real Estate Broker Client Trust Accounts Subject to applicable law, a real estate broker may open account(s) to hold client or third party funds in trust, separate from the broker's funds. We act only as custodian of the funds. We are under no obligation to act as a trustee or to inquire as to the powers or duties of the broker or other authorized signer(s) as trustee(s). The broker and any authorized individual on the account in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions or inaction taken by the broker or authorized signer(s) in handling or dealing with the Account. Upon our request, the authorized signer(s) for this type of account will provide to us any documents required by applicable law and /or real estate professional rules. This category of account includes IRETA Client Trust Accounts.

(I) Government/Municipal/Public Funds Accounts. This type of account is owned by a government or public entity. For this type of account, you agree to provide us with authorization document(s) (in a form acceptable to us) stating that we are designated as a depository for the funds of the government or public entity and such documentation shall state the individual(s) authorized to act on behalf of the government or public entity and the extent of their authority. We may rely upon such documentation until we receive written notice of a change and new authorization documents. We are not responsible for any transaction conducted by a previously authorized individual until we actually receive written notice that the authorized individual's authority has been revoked. Unless specifically stated otherwise in the authorization document(s), we can rely on one authorization for all accounts owned by the government or public entity. If required by law, you agree to enter into a Collateral Security Agreement regarding this type of account.

(J) Health Savings Account. A Health Savings Account (HSA) is a tax preferred account that you agree: a) you are eligible to open and maintain, b) to notify us when you are no longer eligible to maintain, c) will be used for contributions, withdrawals, and earnings for qualified medical expenses or as allowed by law, and d) you will execute and comply with the terms and conditions in the Health Savings Account Agreement. Consult your tax advisor about the tax treatment of contributions, withdrawals and earnings. .

ASSIGNABILITY. The account established under this Agreement is not assignable or transferable except with our consent. We must approve any pledge of the Account and any such pledge remains subject to any right we have under the Agreement and applicable state and federal law. If ownership is proposed to be transferred, we may require the Account be closed and a new account opened in the name of the transferee or pledgee.

FINANCIAL INSTITUTION LIABILITY. You agree that if we do not properly complete a transaction according to the Agreement, we will not be liable in any event for losses or damages in excess of the amount of the transaction, and we will not be liable if circumstances beyond our control prevent the transaction, or the funds in your Account are or may be subject to legal process or other claim. In no event will we be liable for consequential damages. In receiving items from you for withdrawal or deposit, we act only as your agent. You are responsible for the condition of a check or item when you issue it. If a check or item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the check or item, you will be responsible for any cost and liabilities associated with such return or delay. We reserve the right to refuse any item for deposit or to reverse credit for any deposited items or to charge your Account for items should they become lost in the collection process.

RIGHT OF SETOFF. Subject to applicable law, we may exercise our right of setoff or security interest against any and all of your Accounts (except IRA, HSA, Keogh plan and Trust Accounts) without notice, for any liability or debt of any of you, whether joint or individual, whether direct or contingent, whether now or hereafter existing, and whether arising from overdrafts, endorsements, guarantees, loans, attachments, garnishments, levies, attorneys' fees, or other obligations. If the Account is a joint or multiple-party account, each joint or multiple-party account holder authorizes us to exercise our right of setoff against any and all Accounts of each Account Holder. We may not exercise our right of setoff or security interest if prohibited by the Military Lending Act.

DORMANT ACCOUNTS. If you have not made a withdrawal from, or a deposit to, your Account for an extended period of time and we have been unable to contact you, your Account may be classified by us as dormant. Subject to applicable law, we may charge a dormant account fee on the Account, and the Account will be presumed to be abandoned. In accordance with state law, funds in abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds. We reserve the right not to send statements on accounts we consider dormant, subject to applicable law.

ACCOUNT STATEMENTS. You are responsible for promptly examining your statement each statement period and reporting any irregularities to us. Each account statement will be considered to correctly reflect your transactions, such as deposits, withdrawals, credits, refunds, imposition of fees, interest or dividends, and other additions and subtractions to your Account, unless you notify us in writing within certain time limits after the statement that incorrectly reflects your transactions is made available to you. We will not be liable for any check that is altered or any

signature that is forged unless you notify us within Thirty (30) calendar days after the statement and the altered or forged item(s) are made available. Also, we will not be liable for any subsequent items paid, in good faith, containing an unauthorized signature or alteration by the same wrongdoer unless you notify us within Thirty (30) calendar days after the statement and first altered or forged items were made available. You must report any other Account problem including encoding errors, and errors involving additions or subtractions (debits and credits) not otherwise covered herein, including electronic transactions not covered by the Electronic Fund Transfer Act, within Sixty (60) calendar days. If the suspected account problem involves a substitute check that you receive, you may (under some circumstances) be entitled to make a claim for an expedited refund. Such a claim may be subject to different notification timeframes. See the Substitute Check Policy Disclosure (if applicable) for further information. If you have requested us to hold your Account statements, we have the right to mail your statements if you have not claimed them within Thirty (30) calendar days. If we truncate your checks, you understand that your original checks will not be returned to you with your statement. You agree that our retention of checks does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any errors.

WHOLESALE WIRE AND ACH TRANSACTIONS. With respect to wire transfers or other transfers of funds not governed by the Electronic Funds Transfer Act, you agree to enter into and comply with our wire transfer (if applicable) agreement and to comply with our security procedures and this section. We advise you that any receiving financial institution (including us) is entitled to rely on any account or bank number you have provided even though that account or bank number may identify a party different from the person or entity you have described by name in any transfer order.

(A) Provisional Payment. Credit given by us to you with respect to an ACH credit or wholesale (wire) funds transfer entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your Account in connection with such entry, and the party (the originator of the entry) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

(B) Notice of Receipt. We will notify you of the receipt of payments in the periodic account statements we provide to you. You acknowledge that we will not give next day notice to you of receipt of an ACH or wholesale (wire) funds transfer item.

UNLAWFUL INTERNET GAMBLING TRANSACTIONS PROHIBITED. If you are a commercial customer, you certify that you are not now engaged in, and during the life of this Agreement will not engage in, any activity or business that is unlawful under the Unlawful Internet Gambling Enforcement Act of 2006, 31 USC 5361, et seq., (the "UIGEA"). You may not use your Account or any other service we offer to receive any funds, transfer, credit, instrument or proceeds that arise out of a business that is unlawful under the UIGEA. You agree that if anyone asks us to process a transaction that we believe is restricted under the UIGEA, we may block the transaction and take any other action we deem to be reasonable under the UIGEA and this Agreement.

NOTICES. The following terms apply to notices relating to your Account. **(A) Notice of Amendments.** You agree that the terms and conditions of the Agreement, including without limitation all rates, fees, and charges, may be amended by us from time to time. We will notify you of amendments as required by applicable law. Your continued use of the Account evidences your agreement to any amendment. Notices will be sent to the most recent address shown on our records for your Account. Only one notice will be given in the case of joint account holders. **(B) Account Changes.** Any account holder or person authorized to sign on an account is required to notify us in writing if any account holder or other person authorized to sign on an account dies or is declared incompetent by a court. It is your responsibility to notify us of any change in your address or name. We are required to honor items drawn only on the listed Account name. Further, we are required to attempt to communicate with you only at the most recent address provided to us.

ACCOUNT TERMINATION. You and we agree that either of us may close your Account and terminate this Agreement at any time with or without cause. We will provide written notice to you in advance if we decide to terminate your Account relationship for any reason other than abuse of the account relationship or to prevent a loss. You agree that advance written notice from us will be reasonable if it is mailed to your statement mailing address immediately upon account closure. You agree that in instances of account abuse or to prevent a loss, notice is reasonably given by us if mailed immediately upon account closure. You may close any of your accounts by notifying us in writing. We will consider your Account closed when an account has an ending balance of $0.00 for 30 consecutive days . When an interest bearing account is closed, there may be accrued interest that has not been credited to the account. In that case, we will pay you the interest UNLESS we have told you otherwise. Further, for security reasons, we may require you to close your Account and to open a new account if: there is a change in authorized signers; there has been a forgery or fraud reported or committed involving your Account; any Account checks are lost or stolen; you have too many transfers from your Account; or, any other provision of our Agreement with you is violated. After the Account is closed, we have no obligation to accept deposits or pay any outstanding checks. You agree to hold us harmless for refusing to honor any check drawn on a closed account. In the event that we close your Account, we may mail you a Cashier's Check for the applicable remaining Account balance. The termination of this Agreement and closing of an account will not release you from any fees or other obligations incurred prior to the date upon which this Agreement is terminated and an account closed, any fees assessed by us in the process of closing an account, or from your responsibility to maintain sufficient funds in an account to cover any outstanding checks or other debit items.

GOVERNING LAW. This Agreement shall be governed by and construed in accordance with all applicable federal laws and all applicable substantive laws of the State of Iowa in which we are located and where you opened your account. In addition, we are subject to certain federal and state regulations and local clearing house rules governing the subject matter of the Agreement. You understand that we must comply with these laws, regulations, and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation, or rule, the terms of the Agreement will prevail to the extent any such law, regulation, or rule may be modified by agreement.

SYSTEMS AND SOFTWARE. We shall not be responsible to you for any loss or damages suffered by you as a result of the failure of systems and software used by you to interface with our systems or systems and software utilized by you to initiate or process banking transactions whether such transactions are initiated or processed directly with our systems or through a third party service provider. You acknowledge that you are solely responsible for the adequacy of systems and software utilized by you to process banking transactions and the ability of such systems and software to do so accurately.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

CREDIT VERIFICATION. You authorize us to request and obtain one or more credit reports about you from one or more credit reporting agencies for the purposes of considering your application for the Account, reviewing or collecting any Account opened for you, or for any other legitimate business purpose. You authorize us to disclose information about your account to a credit reporting agency if your Account was closed because you have abused it.

MISCELLANEOUS PROVISIONS. If you or your Account becomes involved in any legal proceedings, your use of the Account may be restricted. You agree not to use the Account in any illegal activity. We shall be entitled to act upon any legal process served upon us which we reasonably believe to be binding, with no liability to you for doing so. You understand that supervisory personnel may randomly monitor customer service telephone conversations to ensure that you receive accurate, courteous, and fair treatment. If you ask us to follow instructions that we believe might expose us to any claim, liability, or damages, we may refuse to follow your instructions or may require a bond or other protection, including your agreement to indemnify us. You agree to be liable to us, to the extent permitted by law, for any loss, costs, or expenses that we may incur as a result of any dispute or legal proceeding involving your Account. You authorize us to deduct any such loss, costs, or expenses

from your Account without prior notice to you or to bill you separately. This obligation includes disputes between you and us involving your Account and situations where we become involved in disputes between you and an authorized signer, a joint owner, or a third party claiming an interest in your Account. It also includes situations where any action taken on your Account by you, an authorized signer, a joint owner, or a third party causes us to seek the advice of an attorney, whether or not we actually become involved in a dispute. Any action by us for reimbursement from you for any costs or expenses may also be made against your estate, heirs and legal representatives, who shall be liable for any claims made against and expenses incurred by us. If a court finds any provision of the Agreement to be invalid or unenforceable, such finding shall not make the rest of the Agreement invalid or unenforceable. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of the Agreement in all other respects shall remain valid and enforceable.

PAYMENT ORDER OF ITEMS. The law permits us to pay items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process drafts on your account. Deposits and Drafts via the ATM, Check Card, in person withdrawals, ACH debits, and loan payments will be posted in the order they are received. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. If an item is presented without sufficient funds in your account to pay it, we may, at our discretion pay the item (creating an OD Limit or Overdraft fee) or return the item (Return Overdraft Fee). The amounts of the overdraft fees are disclosed elsewhere. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without sufficient funds and incurring the resulting fees. A Return Overdraft Fee, Paid Overdraft Fee, or OD Limit Overdraft Fee applies to all overdrafts created by check, in-person withdrawals or other electronic means.

OVERDRAFT PRIVILEGE SERVICE It is Farmers State Bank's policy to comply with applicable laws, rules and regulations, and to conduct business in accordance with strict safety and soundness standards. A non-sufficient funds (overdraft/negative balance) may result from: A) The payment of checks, electronic funds transfers, or other withdrawal requests the you initiate; B) Payments authorized by you C) The return, unpaid, of items deposited by you; D) Charging your account for applicable Bank service charges and fees; E) The deposit of items to your account which, according to the Bank's Funds Availability Policy, are treated as not yet "available" or "finally paid". The Bank is not obligated to pay any item initiated for payment against your account if the account does not contain sufficient collected funds.

Rather than automatically returning, unpaid, any non-sufficient funds items that the you may have, if you are 18 years or older, and if your account "eligible account type" has been open for at least thirty (30) days and thereafter and your account is maintained in good standing, which includes at least: (A) Continuing to make deposits consistent with past practices, and depositing at least $400 or more in your account within each thirty (30) day period, (B) If you are not in default on any loan obligation to the Bank, (C) Your account is brought to a positive balance (not overdrawn) immediately or as soon as possible and at least once every thirty (30) days. You, the customer has no legal right to defer payment of your outstanding overdrafts including Bank fees, and (D) your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien, the Bank will consider, without obligation on its part, approving the reasonable overdrafts up to your assigned Overdraft Privilege limit. This discretionary* service will generally be limited to an $400 overdraft (negative) balance for eligible personal checking accounts. The Bank's normal fees and charges including, without limitation, our returned overdraft fee, paid overdraft fee, and OD Limit overdraft fees (currently $32.00 per non-sufficient funds item) as set forth in our fee schedules will be included in these limits and will be charged for each transaction presented for payment against non-sufficient funds. The Bank will charge its normal fee whether the Bank approve the item for payment or not. The Bank may, at its option, limit the total charged per day to a maximum of 6 fees if over 6 items as described in "Eligible Transactions" below are received in one day.

The Bank may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though the Bank may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds items paid or returned that you may have; however, the Bank has no obligation to notify you before the Bank pays or returns any item. The amount of any overdrafts including fees that the customer owes the Bank shall be due and payable immediately. If there is an overdraft paid by the Bank on an account with more than one (1) owner on the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts including Bank fees.

Optional Overdraft Protection Services: The Bank offers additional overdraft protection services that you may apply for which can be less costly than overdraft and returned item fees: 1. Credit Card- A FSB Credit Card can be used to make regular purchases with a variety of monthly payment options. Credit cards may also be used as overdraft protection in the event your checking account will be overdrawn, subject to credit limit. You must apply and meet credit eligibility requirements. You must sign up for overdraft protection with the credit card before advances into your checking account will take place. Interest will accrue on the outstanding balance of the credit card. 2. Linked Savings Account: A savings account is linked to your checking account. When you overdraw your checking account, we automatically transfer money from your savings account to cover the overdraft, subject to the savings account balance. Monthly maximum transaction limitations apply, and a fee will be charged for each transfer.

Ineligible Accounts and Limitations: Available only for eligible checking accounts that are maintained in good standing as defined above. Savings Type Accounts, Money Market Accounts, Public Fund/Charitable Organization Accounts, Certain Trust Accounts, and Minor Accounts not of legal age are not eligible for this service. The Bank may, in its sole option and discretion, limit the number of the customer's accounts eligible for the Overdraft Privilege to one account per household and/or one account per taxpayer identification number.

Eligible Account Types: The account types that are eligible for the Overdraft Privilege are: FSB Ultimate Checking, FSB Gold NOW Checking, FSB Loyalty Checking, FSB Green Checking, FSB Business Checking, FSB Business Ultimate, FSB Business Interest Checking & FSB Tax Exempt Checking NOW.

Eligible Transaction Types: NSF transactions initiated for payment against your checking account(s) may be approved/paid by us using, and up to, your assigned Overdraft Privilege limit, including Bank fees. The eligible transaction types will include, without limitation: Checks, ACH, ATM, POS, Home or Internet Banking Bill Payment and Transfers, and Telephone Banking Bill Payment and Transfers.

Your may choose at any time not to participate in the Overdraft Privilege by notifying one of the Bank's Service Representatives who will explain what this ("Opt Out") means, and the potential consequences for you.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you need help with financial obligations, please contact one of the Bank's Service Representatives.

This Overdraft Privilege Service does not constitute an actual or implied agreement between the Bank and you, nor does it constitute an actual or implied obligation of or by the Bank. This service represents a purely discretionary courtesy or privilege that the Bank may provide to your from time to time and which may be withdrawn or withheld by the Bank at any time without prior notice or reason or cause.

Rev. 11/2015

FACTS

WHAT DOES FARMERS STATE BANK DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- payment history and transaction history
- credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Farmers State Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Farmers State Bank share?	Can you limit this sharing?
For our everyday business purposes– such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes– to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes– information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes– information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions? Call 1-877-372-1879

What we do

How does Farmers State Bank protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Farmers State Bank collect my personal information?	We collect your personal information, for example, when you ● apply for a loan or open an account ● apply for financing or give us your contact information ● make deposits or withdrawals from your account
Why can't I limit all sharing?	Federal law gives you the right to limit only ● sharing for affiliates' everyday business purposes – information about your creditworthiness ● affiliates from using your information to market to you ● sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ● *Farmers State Bank does not share with our affiliates.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ● *Farmers State Bank does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ● *Farmers State Bank doesn't jointly market.*

Other important information

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