

The information below indicates the changes in terms for the various types of business deposit accounts offered by Farmers & Merchants Bank that will become **effective April 1, 2018**. The business deposit accounts currently offered by Farmers & Merchants Bank include: Business Checking (Non-Analyzed and Analyzed), Business Interest on Checking, Business Market Rate Money Market, Business Market Rate Savings, Bankruptcy Trustee, and State Bar/IOLTA. If you are unsure which type of business deposit account(s) you have, please review your bank statement and locate the account type above your account number. Additionally, please note that only those specific terms that are changing are in **bold** in the table below and all other terms of your deposit account remain unchanged as previously disclosed.

In addition to changes in the terms of your deposit account, the attached Business Schedule of Fees and Account Analysis Schedule of Fees are also changing **effective April 1, 2018**. Please carefully review all of the fee changes. Please see the Fee Change Legend which identifies new fees as well as the fee increases.

Business Deposit Account Type	Description of the Change	Effective April 1, 2018
Business Checking (Non-Analyzed) ¹⁻⁴	<ol style="list-style-type: none"> Minimum Balance Fee Per Check Charge Per Check/Withdrawal Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$20 will be imposed every month if the balance in the account falls below \$5,000 any day of the statement cycle. Renamed to Per Check/Withdrawal Fee A Per Check/Withdrawal Fee of \$0.40 for each debit transaction (withdrawal, check paid, automatic transfer or payment out of your account) will be imposed after the first 300 debit transactions, per statement cycle.
Business Checking (Analyzed) ¹⁻³	<ol style="list-style-type: none"> Maintenance Fee 	<ol style="list-style-type: none"> A \$25 maintenance fee per statement cycle applies for all accounts under the same analyzed group in addition to service fees according to the Account Analysis Schedule of Fees.
Business Interest on Checking ¹⁻⁴	<ol style="list-style-type: none"> Minimum Balance Fee Per Check Charge Per Check/Withdrawal Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$25 will be imposed every month if the balance in the account falls below \$6,000 any day of the statement cycle. Renamed to Per Check/Withdrawal Fee A Per Check/Withdrawal Fee of \$0.40 for each debit transaction (withdrawal, check paid, automatic transfer or payment out of your account) will be imposed after the first 300 debit transactions, per statement cycle.
Business Market Rate Money Market ¹⁻³	<ol style="list-style-type: none"> Minimum Balance Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$15 will be imposed every month if the balance in the account falls below \$4,000 any day of the statement cycle.
Business Market Rate Savings ¹⁻³	<ol style="list-style-type: none"> Minimum Balance Fee Per Check Charge Per Check/Withdrawal Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$15 will be imposed every quarter if the average daily balance for the quarter falls below \$1,000. Renamed to Per Check/Withdrawal Fee A Per Check/Withdrawal Fee of \$3 will be imposed for each debit transaction (withdrawal, check paid, automatic transfer or payment out of your account) if the balance in the account falls below \$1,000 any day of the quarter on withdrawals exceeding 6 per quarter.
Bankruptcy Trustee ¹⁻⁴	<ol style="list-style-type: none"> Minimum Balance Fee Per Check Charge Per Check/Withdrawal Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$20 will be imposed every month if the balance in the account falls below \$5,000 any day of the statement cycle. Renamed to Per Check/Withdrawal Fee A Per Check/Withdrawal Fee of \$0.40 for each debit transaction (withdrawal, check paid, automatic transfer or payment out of your account) will be imposed after the first 300 debit transactions, per statement cycle.
State Bar/IOLTA ¹⁻³	<ol style="list-style-type: none"> Minimum Balance Fee Per Check/Withdrawal Fee 	<ol style="list-style-type: none"> A minimum balance fee of \$8 will be imposed every month if the balance in the account falls below \$2,000 any day of the statement cycle. A Per Check/Withdrawal Fee of \$0.30 will be imposed for each debit transaction (withdrawal, check paid, automatic transfer or payment out of your account) if the balance in the account falls below \$2,000 any day of the statement cycle. <p>If the combined total of the Minimum Balance Fee and Per Check/Withdrawal Fee(s) exceeds the interest earned, then the fees in excess of the interest earned are waived on this account. All other charges, such as but not limited to, the cost of check printing, early closure fee, deposit stamps, overdraft/NSF charges, collection charges, wire transfers, and fees for cash management services are the responsibility of the lawyer or law firm account holder.</p>

Additional Fees as indicated by Business Deposit Account Type:

- A **\$3 Paper Statement Fee** is assessed for each paper statement when you elect to receive this account's statement by mail. To avoid this fee, you must enroll in electronic delivery of statements called "eStatements."
- A **\$30 Overdraft Fee** is assessed for each overdraft item paid. The fee applies to overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means, as applicable.
- The Early Closure Fee is **\$15**.
- Any account originally opened as non-analyzed may be subsequently analyzed at the Bank's discretion. Various fees will be imposed on analyzed accounts. Refer to the enclosed Account Analysis Schedule of Fees for a complete list of the fees.