



## NOTICE DEPOSITORS

Community Bank  
208 10<sup>th</sup> Street  
Alton, IA 51003

Customers of Community Bank:

We are pleased to announce that on or after July 20, 2015, American State Bank of Sioux Center, Iowa will acquire by merger Community Bank of Alton, Iowa which has its main office at 208 10<sup>th</sup> Street, Alton, Iowa 51003, and a branch office at 901 8<sup>th</sup> Street, SE, Orange City, Iowa 51041.

After completion of the merger the locations in Alton and Orange City will be reestablished as branches of American State Bank. All hours of operation will remain the same.

We know that you have had a lot of questions and possibly concerns over the past 60 days since the announcement. We apologize for our perceived absence but we promise it was not intentional, more a part of the process. Now that things are approved and finalized you will receive more communication.

Our goal during the merger is to reduce the impact on you, our customer, to as little as possible. In an effort to do so we will provide the following:

- Free initial checks
- New debit card
- Majority of account numbers will be unchanged, anticipate 4% of customers effected
- All current CD/IRA's will be honored as they exist today
- All borrowings will be honored as they exist today
- Online banking will remain the same initially

We also now have a tentative timeline of events. It is as follows:

- July 20 – Community Bank becomes American State Bank
- September – begin receiving new American State Bank checks and debit/ATM cards
- September 22 - begin all newly issues American State Bank checks and debit/ATM cards

As a result of this transaction your account(s) at Community Bank will automatically become accounts at American State Bank. As you may be aware, FDIC insurance generally covers a depositor's account in any bank up to \$250,000. Therefore, if, as a result of the transaction, you will have funds on deposit at American State Bank in excess of \$250,000, you should pay particular attention to this paragraph. In accordance with Section 8(q) of the Federal Deposit Insurance Act, in a transaction such as this, where the deposits of one financial institution are transferred to another financial institution, separate insurance on the transferred deposits will continue for six months after





the date of transfer or, in the case of time deposits, the earliest maturity date after the expiration of the six month period.

In other words, if the transfer of deposits from the Community Bank to American State Bank causes your deposits at Successor Bank to exceed \$250,000, your excess deposits will be insured by the FDIC for six months from the date the transaction takes effect, or, in the case of time deposits, the earliest maturity date after the six month period.

If you have any questions please call us during regular business hours at 712.722.4846 and ask for a New Accounts Representative. They would be more than happy to assist you in any way possible.

We are very excited to have you as a customer and we cannot wait to share our products with you. We will be following up with a letter and booklet shortly that will provide more in-depth information about both American State Bank and the impact of the merger on you. Thank you so much for your patience.

Sincerely,  
Stanley W. Speer, President