

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Farmers Savings Bank
Colesburg, Delaware County, Iowa

Application for Consent to Merge and Establish Two Branches

ORDER AND BASIS OF APPROVAL

Pursuant to Section 18(c) and other provisions of the Federal Deposit Insurance ("FDI") Act, Farmers Savings Bank, Colesburg, Delaware County, Iowa, an insured state nonmember bank with total resources of \$240,006,000 and total deposits of \$203,937,000 as of September 30, 2024, has filed an application for the FDIC's consent to merge under its charter and title with Elgin State Bank, Elgin, Fayette County, Iowa, an insured nonmember bank with total resources of \$28,168,000 and total deposits of \$27,054,000 as of September 30, 2024, and to establish the two offices of Elgin State Bank as branches of the resultant institution. Notice of the proposed transaction, in a form approved by the FDIC, has been published pursuant to the FDI Act.

A review of available information, including the Community Reinvestment Act ("CRA") Statements of the proponents, discloses no inconsistencies with the purposes of the CRA. The resultant institution is expected to continue to meet the credit needs of its entire community, consistent with the safe and sound operation of the institution.

In connection with the application, the FDIC has taken into consideration the competitive effects of the proposed transaction, which would result in a 36 point increase in the Herfindahl-Hirschman Index for a post-merger level in the relevant geographic market of 1487, based on deposit figures as of June 30, 2024; the financial and managerial resources and future prospects of the proponent banks and the resultant bank; the convenience and needs of the community to be served; as well as the potential risks to the stability of the United States banking or financial system. The FDIC has also taken into consideration the effectiveness of the insured depository institutions involved in the proposed merger transaction in combating money laundering activities. Having found favorably on these statutory factors and having considered other relevant information, including any report on the competitive factors furnished by the Attorney General of the United States, it is the FDIC's judgment that the application should be and hereby is approved.

The transaction shall not be consummated until after the fifteenth calendar day following the date of this Order or later than six months after the date of this Order, unless such period is extended for good cause by the FDIC. You must obtain all necessary and final approvals from the appropriate State or Federal Authority before consummating the proposal. Until the proposed transaction becomes effective, the Corporation shall have the right to alter, suspend, or withdraw its approval should any interim development be deemed to warrant such action.

By Order of an Assistant Regional Director of the Kansas City Regional Office, acting pursuant to delegated authority for the Board of Directors of the FDIC.

Dated at Kansas City, Missouri, this 19th day of December, 2024.

John H. Pankratz
Assistant Regional Director