Dear Valued Customer:

Given the unprecedented severity of the human and economic crisis and tragedy that is unfolding in our nation and across the world from the Coronavirus (COVID-19) pandemic, FMBank is offering our loan customers the opportunity to request a payment deferral (interest and principal) for up to (3) payments to help alleviate some of the tremendous burdens we all face moving forward.

Going forward we will actively reassess continuation of this crisis and economic conditions. Further, we pledge to work together with you in gauging recovery progress in the communities we serve, your ongoing banking needs, and your individual situation.

As a strong well-capitalized local community bank, FMBank wants to take this proactive step in appreciation of our customers and to help lead with the recovery of our great nation.

Please see details of the COVID-19 deferral offer below:

If requested and approved, the deferral will apply to most FMBank loans with monthly payments (excluding loans that were 30 days or more past due as of March 1, 2020). After this deferral period has elapsed, your previous regularly required loan repayment schedule will resume. An accounting of the sum portion of your loan payments (including principal, interest, and any required escrow payments) designated as deferred during this period will be provided to you at your request. Deferred interest during the deferral period will be moved to the end of your loan and will be payable, along with any remaining principal balance, as a balloon payment at the earlier of your election to repay subject loan in its entirety or at loan maturity. This deferral shall not be construed as a forgiveness of debt, but represents an accommodation provided to FMBank customers to provide relief during this time of crisis. All other terms and conditions of your existing promissory note, mortgage/deed of trust and other borrowing requirements shall continue to be valid and govern.

Borrower should note that this loan deferral will have the following impacts:

• Interest on your loan will continue to accrue during the deferral period.

• If you elect to accept this deferral, principal will not be reduced during the deferral period; as a result, the amount of interest paid over the life of the loan may increase due to the deferral.

• Unless you later elect to repay the deferred loan payments and any additional interest that accrued on the deferred principal prior to the maturity of your loan, you will have a balloon payment due at maturity equal to the amount deferred plus the additional interest accrued on the deferred principal, or if your loan already has a balloon payment at maturity, that balloon payment will be increased by the sum of those amounts.

• The maturity may be changed.

- No late charges or additional loan fees will be assessed during the deferral period.
- Loan may be prepaid at any time, subject to any existing terms and conditions.

- If FMBank currently escrows for your property insurance, flood insurance and/or property taxes, payment deferral does not affect your escrow payment obligations, and your deferred escrow payments could result in a shortage or deficiency in your escrow account in the coming year. If your escrow does incur a shortage or deficiency due to the payment deferrals, your future payment obligation, after analysis, may increase.
- If your loan has credit life and/or disability insurance, the policy will expire at the original maturity of the loan and will not be covered from the time of the original maturity date and the extended maturity date.
- This payment deferral is not mandatory, and if you wish to continue making your regularly scheduled loan payments, you are free to do so.

Please click here to complete the deferral request or contact us at one of our convenient locations should you wish to take advantage of this COVID-19 deferral offer.

Thank you for choosing to do business with FMBank and may God bless you and your family during these uncertain times.

Sincerely,

John D. Haynes
President and CEO

Member
FDIC   EQUAL HOUSING LENDER

Feels
like
Family.