

TRUTH IN SAVINGS DISCLOSURES
THE MIDDLEFIELD BANKING COMPANY
(888) 801-1666

Sept 5, 2019

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

Interest Rates and Annual Percentage Yields will be posted on our website and in our branches.

For current rate Information call (888) 801-1666.

3-MONTH TO 5-YEAR CERTIFICATE OF DEPOSIT

Rate Information: The interest rate on your ____ month term account is ____ % with an annual percentage yield of ____ %. You will be paid this rate until the maturity date of the certificate.

Compounding frequency: Interest will be compounded every quarter.

Crediting frequency: Interest will be credited to your account every quarter.

Minimum balance to open the account: You must deposit \$500.00 to open this account.

Minimum balance to obtain the annual percentage yield disclosed: You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

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

Accrual of interest on noncash deposit: Interest begins to accrue on the business day you deposit noncash items (for example, checks).

Transaction limitations: You may not make any deposits into your account before maturity. You may not make withdrawals of principal from your account before maturity. You can withdraw interest any time during the term of crediting after it is credited to your account without penalty.

Early withdrawal penalties: We will impose a penalty if you withdraw any of the principal balance before the maturity date. The fee imposed is equal to the following:

- If your term is 3 to 11 months, the fee we may impose will equal 90 days interest on the amount withdrawn subject to penalty.
- If your term is 12 to 36 months, the fee we may impose will equal 120 days interest on the amount withdrawn subject to penalty.
- If your term is 48 to 60 months, the fee we may impose will equal 180 days interest on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of an owner, where we may waive or reduce this penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Withdrawal of interest prior to maturity: The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Automatically renewable time account: This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within any grace period mentioned below) or we receive written notice from you within any grace period mentioned below. We can prevent renewal if we mail notice to you at least ten days before maturity. If either you or we prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on the new time deposits on the maturity date which have the same term, minimum balance (if any) and other features as the original time deposit.

You will have ten calendar days after maturity to withdraw the funds without a penalty.

12-MONTH TO 5-YEAR IRA CERTIFICATE OF DEPOSIT

Rate Information: The interest rate on your ____ month term account is ____ % with an annual percentage yield of ____ %. You will be paid this rate until the maturity date of the certificate.

Compounding frequency: Interest will be compounded every day.

Crediting frequency: Interest will be credited to your account every quarter.

Minimum balance to open the account: You must deposit \$250.00 to open this account.

Minimum balance to obtain the annual percentage yield disclosed: You must maintain a minimum balance of \$250.00 in the account each day to obtain the disclosed annual percentage yield.

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

Accrual of interest on noncash deposit: Interest begins to accrue on the business day you deposit noncash items (for example, checks).

Transaction limitations: You may not make deposits into your account before maturity.

If you are under the age of 70 ½ you may not make withdrawals of principal without penalty from your account before maturity.

If you are over the age of 70 ½ you may make withdrawals of principal from your account without penalty as long as you are taking your Required Minimum Distribution (RMD).

You can withdraw interest any time during the term of crediting after it is credited to your account without penalty.

Early withdrawal penalties: We will impose a penalty if you withdraw any of the principal balance before the maturity date. The fee imposed is equal to the following:

- If your term is 12 to 36 months, the fee we may impose will equal 120 days interest on the amount withdrawn subject to penalty.
- If your term is 48 to 60 months, the fee we may impose will equal 180 days interest on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of an owner, where we may waive or reduce this penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Withdrawal of interest prior to maturity: The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

Automatically renewable time account: This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within any grace period mentioned below) or we receive written notice from you within any grace period mentioned below. We can prevent renewal if we mail notice to you at least ten days before maturity. If either you or we prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on the new time deposits on the maturity date which have the same term, minimum balance (if any) and other features as the original time deposit.

You will have ten calendar days after maturity to withdraw the funds without a penalty.

An IRA closing transfer fee of \$25.00 may be charged when this account is closed. This fee will not apply if you select another IRA product or deposit with us.

IRA SAVINGS ACCOUNT

Rate Information: Your interest rate and annual percentage yield may change.

Frequency of rate changes: We may change the interest rate on your account at any time.

Determination of rate: At our discretion, we may change the interest rate on your account.

Compounding and crediting frequency: Interest will be compounded every day. Interest will be credited to your account every quarter.

Effect of closing an account: If you close your account before interest is credited, you will receive the accrued interest.

Minimum balance to open the account: You must deposit \$100.00 to open this account.

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

Accrual of interest on noncash deposits: Interest begins to accrue on the business day you deposit noncash items (for example, checks).

Transaction limitations: During any calendar month you may not make more than six (6) withdrawals or transfers to another account of yours or to a third party by means of a preauthorized or automatic transfer or telephone order or instruction, computer transfer, or by check, draft, debit card or similar order to a third party. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Fees: An IRA closing transfer fee of \$25.00 may be charged when this account is closed. This fee will not apply if you select another IRA product or deposit with us.

Additional information: If you are under the minimum governmental required age of distribution, additional IRS penalties may apply.

Rate Information:

Tier 1 - If your daily balance is \$999.99 or less the interest rate paid on the entire balance in your account will be ____% with an annual percentage yield of ____%.

Tier 2 - If your daily balance is more than \$999.99, but less than \$2,500.00, the interest rate paid on the entire balance in your account will be ____% with an annual percentage yield of ____%.

Tier 3 - If your daily balance is more than \$2,499.99, but less than \$5,000.00, the interest rate paid on the entire balance in your account will be ____% with an annual percentage yield of ____%.

Tier 4 - If your daily balance is \$5,000.00 or more, the interest rate paid on the entire balance in your account will be ____% with an annual percentage yield of ____%.