



August 4, 2022

Dear Peoples Federal Savings & Loan Customer,

We are pleased to announce that, pending regulatory and shareholder approval, we are merging with Farmers & Merchants State Bank. The work has already begun to make this a smooth and positive transition for you. Our goal is to convert to Farmers & Merchants State Bank during the fourth quarter of 2022. More information about the conversion will be coming to you in the months leading up to the transition. While there may be some changes, there will also be many things that stay the same, including devoted personal service from the same friendly faces you already know and trust.

Farmers & Merchants State Bank operates 33 full-service offices across Northwest Ohio and Northeast Indiana. F&M is a \$2.8 billion community bank, headquartered in Archbold, Ohio. We are very excited at the opportunity to combine our strong organizations. The merger provides an excellent opportunity for Peoples Federal Savings & Loan to become part of a larger community banking organization that will allow us to offer you a wider range of financial services. F&M and Peoples share a customer first culture and community-oriented values. F&M is a logical fit for not only Peoples customers and employees, but our communities as well.

If you have any questions about the upcoming conversion, please don't hesitate to reach out to us. We will continue to keep you updated as we go through this process. You can expect to hear from us soon regarding your new F&M products and services. Updates will be mailed to you as well as found on the Peoples website, <https://peoplesfederalsandl.com>. If you would like to learn more about F&M, we encourage you to visit the F&M website at www.fm.bank. You may also call us anytime at 937.492.6129.

We are excited for this step forward for both of our organizations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lars Eller'.

Lars Eller
Farmers & Merchants State Bank
President/CEO

A handwritten signature in black ink, appearing to read 'Debra A. Geuy'.

Debra A. Geuy
Peoples Federal Savings & Loan
President/CEO