

Merger Frequently Asked Questions

Merger FAQs – General Questions

- Who is acquiring Peoples Bank and State Bank?

First Bank & Trust, the bank that will merge with Peoples Bank and State Bank, is a community bank based out of Brookings, South Dakota. With assets of \$1.3 billion, First Bank & Trust currently has locations in 12 towns in eastern South Dakota and southwestern Minnesota as well as a history that dates back more than 135 years. First Bank & Trust is family- and employee-owned and has a strong commitment to community banking.

- Why is my bank merging with First Bank & Trust?

Duke Financial Group, the corporation that owns both Peoples Bank and State Bank, decided to merge with First Bank & Trust in order to extend the geographic footprint of both banks while also expanding their product and service lines. This will allow both banks to better meet the needs of customers.

- Will my bank's name be changing?

Yes. Upon completion of the merger in December 2017, both Peoples Bank and State Bank will go by the name First Bank & Trust and become affiliates of 23 First Bank & Trust locations in communities throughout the region.

- When will the merger occur?

This announcement is just the first step in the process. The next step will involve seeking shareholder and regulatory approval. We project that the transaction will close on December 1, 2017. Until then, the banks will continue to operate as separate organizations. Therefore, for now it is "business as usual" while we work together on the plan to merge the financial institutions to make it as seamless as possible for our customers.

- What changes will I see in the coming months?

Prior to the merger, customers can expect to receive information about any changes affecting their accounts, which may include a new account number, a new routing number, updated terms and conditions, new online and mobile banking capabilities, and more. First Bank & Trust is determined to minimize any inconvenience to customers while maximizing value through better account offerings. Staff will be available to answer questions and provide assistance as needed.

- What does this merger mean to me?

Customers will benefit from the combined bank in many different ways. This strategic partnership will expand resources to our customers and will allow the bank to continue to create superior, lasting banking relationships with the primary purpose of making customers more successful. This merger will also expand bank deposit and lending capabilities, allowing us to be more competitive in our market.

- Will this change affect my account and the way I conduct my banking?

For now, you should continue banking as you have. You will receive a letter with important information that will be mailed to you by the end of November 2017, which will detail any account changes and new terms and conditions. Please keep it handy for the merger.

- Will the website change?

Yes. After the merger you will go to www.bankeasy.com to access Online Banking, as well as to find information about bank products, services, and more.

- Will I be able to work with the same staff?

Yes. The same friendly, knowledgeable staff will continue to serve you. Now and in the future, you can count on responsive service with a focus on your financial goals.

- Will any of the Peoples Bank or State Bank locations or hours change?

No. All branches will continue to be open with the same convenient hours.

- How do I know that First Bank & Trust is financially sound?

First Bank & Trust's roots extend back for more than a century, and, despite the many economic challenges faced by the banking industry since then, has remained a leader in capital strength among its peers. Its strong capital base significantly exceeds regulatory requirements.

- Will my deposits still be insured by the FDIC?

Yes. The FDIC will continue to provide deposit account insurance up to \$250,000 per depositor, for each of your account ownership categories.

- How will I know when the merger takes place?

You will be receiving written correspondence from us with information and instructions about any actions you need to take regarding your account options in advance of the merger.

- Will further information about the merger be provided?

We will continue to update these FAQs, as well as other information found on the welcome center: www.bankeasy.com/welcome-center.

- What does this merger mean for our communities?

First Bank & Trust, Peoples Bank, and State Bank each have a long history of community support and will remain committed to making local decisions and supporting business development and charitable organizations that improve our communities.

Merger FAQs – Deposit Accounts

- How will my account change following the merger?

We are currently comparing the account offerings at Peoples Bank and State Bank with those offered by First Bank & Trust in order to determine which accounts to consolidate. You will be notified in writing in advance of the merger if any of the terms and conditions associated with your account are changing and will have the opportunity to select an option that best fits your needs. We are confident that our account options will remain competitive to those currently offered by each bank and elsewhere in each market.

- What account options will I have at First Bank & Trust?

First Bank & Trust has a broad range of products and services, which you may review on our website: www.bankeasy.com. We are pleased to be bringing Wealth Management Services and Insurance product offerings, which are currently unavailable at Peoples Bank and State Bank.

- Will this merger affect my checks and deposit slips?

Yes. However, checks that were written prior to the merger will continue to clear your account. After December 1, 2017, new checks and deposit slips should be ordered and used immediately.

- Will my direct deposit and other automatic payments stay in place?

Electronic transactions will still occur. First Bank & Trust will send out Notification of Change information regarding the new routing number (and account number, if applicable). We encourage you to contact your payees directly to change this information when possible.

- How will this change affect my ATM/debit card?

Each customer will receive a new First Bank & Trust debit card with a letter explaining when to activate and begin using the new card.

- Will my account or routing number change?

Yes. The routing number will change. It is possible your account number could change as well. If this is the case, you will be notified in advance and be provided further instructions.

- Will I have access to overdraft protection options offered by First Bank & Trust?

First Bank & Trust provides a variety of options for overdraft protection, including overdraft lines of credit, savings sweeps, and more. To find out more, please visit www.bankeasy.com or meet with your personal banker to see which option best fits your needs.

[Merger FAQs – Online/Mobile Banking](#)

- Will I have mobile banking at First Bank & Trust?

Yes. Mobile Banking at First Bank & Trust allows you to bank on the go, including free options like Mobile Deposit, Person-to-Person Payments (P2P), and more.

- Will I still be able to remotely deposit my checks using my mobile device?

Yes. Mobile Deposit is available through our mobile banking app and is available for iPhone®/iPad® and Android™ smartphones.

Merger FAQs – Credit/Debit Cards

- Will my debit card still work?

Yes, for now. However, you will be issued a new debit card to be used following the merger. Specific dates will be communicated in advance of the expected merger date of December 1, 2017.

- Which ATMs can I use?

Debit cards will work at any ATM, but to avoid paying ATM fees, use any First Bank & Trust ATM or any MoneyPass® ATM location. Click [here](#) to find a MoneyPass ATM location near you.

- How can I avoid paying ATM fees?

You can avoid paying ATM fees by using any First Bank & Trust or MoneyPass location. Or you may choose First Bank & Trust's easyGROW Checking™ account that offers ATM fee refunds worldwide when you meet simple qualifications (terms and conditions apply; visit [easyGROWchecking.com](#)).

- Will my debit card PIN change?

Yes. You will receive a new PIN in the mail close to December 1, 2017. Around that time, you will also receive your First Bank & Trust debit card.

- Are custom image debit cards still an option?

Yes. Please visit [bankeasy.com/personal/checking/debit-cards/custom-image-debit-cards](#). If you currently have a custom image debit card, you

will receive additional information with instructions for how to get a First Bank & Trust debit card with your image.

- Will I have a chip in my debit card? How about my credit card?

Yes. All First Bank & Trust Visa® Debit and Credit Cards are chip-enabled.

Merger FAQs – Loans

- Will my loan account number change?

We are still determining whether the loan numbers will change. We will update these FAQs as we have this information.

- Does my interest rate change?

No. The rate on your loan will remain the same.

- Does my payment due date change?

No. Your payment due date will remain the same.

- Where do I send my payments?

Beginning in December 2017, please submit your loan payments to First Bank & Trust, P.O. Box 5057, Brookings, SD 57006.

- May I make loan payments online?

Yes, we are pleased to offer simple online payments at bankeasy.com or through Online Banking with your First Bank & Trust deposit account.

- Can I still view my loan account online?

Yes, you will be able to view your loan account online at bankeasy.com or through Online Banking.

- Who will be servicing my loan?

We are still determining which loans will be serviced by First Bank & Trust, based on the way they were established. We will communicate any changes to customers prior to our December 1, 2017, merger date.

- My loan payment is automatically deducted from my deposit account; will that continue?

Yes. You don't need to take any action, as your automatic payment will transfer with the system conversion.

- Can I still use my current loan payment coupons?

We are working on a solution to be able to accept your current loan payment coupons, and we will communicate any changes to you, if applicable.

Merger FAQs – Business Banking

- Will I need to get new checks and deposit slips for my business account?

Yes. However, checks that were written prior to the merger will continue to clear your account. After December 1, 2017, new checks and deposit slips should be ordered and used immediately.

- What online tools does First Bank & Trust have for businesses?

First Bank & Trust offers a broad range of online tools for businesses including Remote Deposit Capture, Cash Management, Merchant Services, and more.

- Will my online username and password change?

We are currently working to identify what information will transfer over.

- Will I still be able to deposit checks remotely?

Yes. First bank & Trust offers Remote Deposit Capture, branded “e-Deposit™,” which will allow you to continue to scan and deposit checks remotely. You will be able to use the same scanner equipment you currently have installed.

- Will I still be able to have multiple users securely access my accounts in Cash Management?

Yes. You may establish multiple users with custom control and account access.

- What security controls are in place or available to protect my Online Banking access?

All online accounts are ID and password protected. There is also multilayered authentication with security questions and secure images. Cash Management customers with ACH and Wires require multifactor authentication with the use of a token at log-in. Dual control and other fraud prevention and detection services are offered as well.

- Will I be able to enroll in alerts that notify me of various activity related to my account through Cash Management?

Yes. There are many event, balance, and custom alerts for which any Cash Management user can enroll.

- Will the cutoff time change for submitting my ACH payments (like direct deposit payroll) through Cash Management?

First Bank & Trust's cutoff time is 4:00 PM Central Time in order to be effective the next business day.

- Will I be able to continue using the scanner I have to remotely deposit checks?

Yes. Your existing scanner will be compatible.

- Will I need to sign new agreements or agree to new terms and conditions?

Yes. We will provide you a complete set of terms and conditions, letting you know of any changes that affect your accounts.

[Merger FAQs – Miscellaneous](#)

- Whom will my year-end tax information come from?

Your year-end tax information will come from First Bank & Trust and will be postmarked by the required date of January 31, 2018.