

## TERMS AGREEMENT

Date: XX/XX/09

To: OFFICER NAME  
OFFICER TITLE  
YOUR BANK NAME  
ADDRESS  
CITY, ST ZIP

Dear Sirs:

Reference is made to the Brokerage Agreement (the "Agreement") between YOUR BANK NAME ("Issuer") and PMA Securities, Inc. ("Broker") dated DATE OF AGREEMENT, relating to offerings from time to time of Issuer's certificates of deposit ("CDs"). Capitalized terms used herein without definition have the meanings ascribed to them in the Agreement. Broker proposes an offering of CDs in accordance with both the terms set forth in the Agreement and those set forth below:

1. Term of CDs:
2. Maturity Date:
3. Interest Rate:
4. Interest Payment Frequency:
5. Interest Payment Dates:
  - (a) First Pay Date:
  - (b) Subsequent Pay Date(s): Each and thereafter, through and including the maturity date of the certificate(s)
6. Call Provision: N/A
7. Offering Period:
8. (a) Maximum Aggregate Principal Amount of CDs Offered:
  - (b) Aggregate Principal Amount of CDs Offered that Broker is hereby committed to place: Best Effort Basis
9. (a) Placement Fee:
  - (b) Price to Issuer:
  - (c) Settlement Date:

10. Interest Calculation: Actual/365 basis

11. Sales excluded in (states): N/A

By completing Item 8(b) above, Broker agrees to place the entire Aggregate Principal Amount of CDs Offered as identified in 8(b) within the Offering Period specified above and in accordance with the Agreement as modified and supplemented by this Terms Agreement. Broker's obligation to place such CDs shall be subject to the conditions that (i) there shall not have occurred any change in the condition, financial or otherwise, or in the earnings, business or operations of the Issuer and its affiliates, taken as a whole, from that set forth in the most recent publicly available information about the Issuer, that, in the judgment of Broker, is material and adverse and that makes it, in the judgment of Broker, impracticable to market the CDs on the terms and in the manner contemplated by the Agreement and this Terms Agreement and (ii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any of the Issuer's, or the Issuer's parent company's, securities by any "nationally recognized statistical rating organization," as such term is defined for purposes of Rule 436(g)(2) and the Securities Act of 1933, as amended; except in such cases described above as disclosed by the Issuer to Broker prior to entering into this Terms Agreement. If Item 8(b) above is not completed, Broker will use its best efforts to place the CDs, but is not obligated to place any amount of the CDs.

The Issuer hereby reiterates the representation made to Broker in the Agreement that as of the Settlement Date it will meet the requirements of 12 CFR Section 337.6 with respect to the acceptance of deposits from a deposit broker and represents that as of the date hereof its capital category is:

- well capitalized or
- adequately capitalized with a valid waiver from the FDIC.

This Terms Agreement shall govern only the terms of the CDs to be offered as specified herein. The Issuer and Broker further agree that all of the provisions of the Agreement, except as otherwise expressly modified, are herein incorporated by reference in their entirety and further agree that the terms and conditions of the Agreement as so modified, shall govern their obligations and rights with respect to the offering of CDs referred to herein. **As noted in Item 2(d) of the Agreement, the master CD must be delivered to DTC no later than 10:00 A.M. EST on the settlement date. Late delivery or no delivery will result in a \$1000.00 fee charged to Broker which will be charged to the Issuer.**

Failure to immediately notify Broker of objections to the terms set forth herein will be deemed acceptance by the Issuer of this Terms Agreement. This Terms Agreement may be executed in counterparts, each of which shall be deemed an acceptance by the Issuer of this Terms Agreement. This Terms Agreement may be executed in counterparts, each of which shall be deemed an original.

Very truly yours,

**PMA SECURITIES, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agreed as of the date first above written by:

**YOUR BANK NAME**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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