

Home State Privacy Notice

At Home State we understand that privacy is an important concern for our customers and we recognize our affirmative and continuing obligation to keep the information you provide to us secure and confidential. Our commitment to keep your financial and personal information private, in accordance with federal privacy regulations, is outlined in the bank's policy and guidelines that follow.

That commitment is the reason why we **do not share nonpublic personal customer information with anyone, except as specifically permitted by law and explained in this document.**

Information We Collect

In establishing and maintaining a banking relationship with you, we may collect and use nonpublic personal information about you. We may collect this information about you from the following sources:

- Information we receive from you on applications or other forms, whether completed online or in hard copy, through correspondence and communication in writing and/or by telephone;
- Information we receive from others, gathered with your permission; and
- Information we receive from consumer reporting agencies.

We may request nonpublic personal information from you at the time you apply for one of our banking products, request additional information regarding our products and services or enroll in our online banking program. We use the information you provide to optimize the financial services we offer, to service your existing accounts, to evaluate your creditworthiness and to prevent fraud.

Keeping Your Information Secure and Confidential

The Home State family of companies will safeguard the nonpublic personal information you provide, as well as your business activities and transaction information, using established security standards and procedures. We restrict access to nonpublic personal information about you to those employees who have a business purpose in knowing such information and our employees are trained to comply with our information safeguard principles. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

Sharing of Information

We recognize the importance of respecting your privacy and we want to assure you that any nonpublic personal information gathered will be used solely for our business needs. We do not disclose information learned about you except as permitted by law and stated below.

In order to conduct our business and to offer you greater convenience and the widest range of products and services, we are permitted to share information under the following circumstances:

- **With credit bureaus and similar organizations;**
- **In connection with an acquisition or sale of your account to another financial institution;**
- **When legally required or permitted.** For example, we may disclose nonpublic personal information about you in response to a subpoena, summons, garnishment or court order, in connection with a fraud investigation, regulatory requirements and to governmental entities such as providing your income statement to the Internal Revenue Service. *If we receive a subpoena or*

similar legal document requiring release of any information about you, we will attempt to notify you, unless we believe we are legally prohibited from doing so.

- **With companies that perform services for us, such as check printing, and data processing companies.** *These companies perform services on our behalf and are obligated to keep the information about you that we provide to them confidential.*
- **With companies that perform marketing services on our behalf and with other financial institutions with whom we have joint marketing agreements.** For example, we may offer insurance, stock brokerage services and credit card services through arrangements with financial service providers such as insurance companies, securities brokers and credit card issuers to enhance the financial products and services available to you. *These companies and institutions must comply with strict confidentiality provisions to assure the protection of your information and assure its use only for permitted purposes.*
- **With financial service providers within the Home State Family of Companies (“Affiliates”).** *We share information about our experiences or transactions with you or your account (such as your account balance and your payment history with us) with other companies that are related by common ownership with Home State Bank (for instance, our consumer mortgage lending company and our commercial leasing company). We also may share additional information about you or your account (such as information we receive from you in applications and information from credit reporting agencies) with our family of companies. This enables us to process your request for services faster and makes it possible for us to include you when offering products and services that may be beneficial to you. If you do not want us to share this information about you, other than our own experiences or transactions, please contact us as described in the “Contact Us” section.*
- **If you have previously indicated your consent to such disclosure.**

Important Information for California and Vermont Residents

In response to state laws, we will automatically treat accounts with Vermont and California residents as if you filled out all boxes on the Privacy Choice form and will not disclose personal information about you to nonaffiliated third parties, except as permitted by the applicable law. We will also limit the sharing of personal information about you with our affiliates to comply with the privacy state laws that apply to us. Further, we will not allow our affiliates to use your personal information to market to you. To authorize the sharing of this information, please contact us as below.

Contact Us

You may contact us to ask questions about this policy or to instruct us not to share certain information about you within the Home State family of companies by completing the Privacy Choice Form below and mailing it to us or visiting one of the Home State banking centers to complete a form.

Your request not to share this information will apply to all of your accounts with us, including any new account you open after your original request. If two or more customers jointly own an account or obtain a service, the request not to share information will apply to all owners of the account. Please note that if you choose not to receive solicitations by direct mail or telephone, you may continue to receive marketing information by mail about your existing Home State accounts or receive survey calls. Marketing information may be included in regular account mailings and statements or when you visit us online.

Thank You

Federal regulations require us to provide this notice to you on an annual basis. We reserve the right to change our privacy policies at any time and will send you a revised notice if we do so.

At the Home State family of companies, your business is very important to us, and we commit ourselves to safeguard your financial assets and personal financial information about you.

This privacy notice applies to all current and former personal customers of Home State Bank, N.A., Home State Mortgage Group and Home State Leasing, referred to as our Home State family of companies, our affiliates.

(Detach here)



Privacy Choice Form

To limit disclosures of personal information about you as described in this notice, you can fill in the boxes below to indicate your privacy choice and send the form to the address below.

- Limit the personal information about me that you share within the Home State family of companies (“affiliates”).
- Do not allow your affiliates to use my personal information to market to me.

I understand that by exercising these opt-outs that I will prohibit sharing for future solicitation or marketing of products or services that may offer a potential benefit to me by the entire Home State family of companies.

- Do not include my name in any joint marketing plans.

If you made an opt out choice in a prior year it will remain effective until you revoke it in writing as long as you continue to have a relationship with us.

Name Account #

Additional Names on the Account

Address

City

State

Zip

Please drop off this form at a Home State banking center or mail this form in a stamped envelope to:
Home State Bank, N.A.
Attn: Compliance Officer
P.O. Box 1738
Crystal Lake, IL 60039-1738

Please allow approximately 30 days from our receipt of your privacy choices for them to become effective.

June 2009