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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

AFFIDAVIT

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)
Robert A. Gamble, Davis Brown Law Firm, 215 10th Street, Suite 1300, Des Moines, IA 50309 (515) 288-2500

Taxpayer Information: (name and complete address)
N/A

Return Document To: (name and complete address)
Robert A. Gamble, Davis Brown Law Firm, 215 10th Street, Suite 1300, Des Moines, IA 50309 (515) 288-2500

Grantor:
GNB Bank

Grantee:
N/A

Legal Description:
N/A

#2216420

STATE OF IOWA)
) SS:
COUNTY OF GRUNDY)

AFFIDAVIT

I, Robert L. Johanns, being first duly sworn on oath, do hereby depose and state as follows:

1. I am the duly elected President of GNB Bank, an Iowa state bank, having its principal place of business at 529 G Avenue, Grundy Center, Iowa 50638.

2. Effective July 2, 2012, First State Bank, Manchester, an Iowa state bank located at 300 E. Main Street, Manchester, Iowa 52057, was merged with and into GNB Bank, an Iowa state bank having its principal place of business at 529 G Avenue, Grundy Center, Iowa 50638 (the "Merger") with GNB Bank as the surviving bank.

3. Attached to this Affidavit, marked Exhibit "A" and by this reference made a part hereof, is a true copy of the Articles of Merger filed in the office of the Secretary of State of Iowa on the 2nd day of July, 2012.

4. As a result of the Merger, title to all property of First State Bank is by operation of law vested in GNB Bank, including, without limitation, all real property, furniture, fixtures, equipment, notes, mortgages, security agreements, financing statements, and other documents, instruments, and agreements comprising collateral for the payment of notes, all insurance policies, bonds, leases, and other contracts, and all other assets.

5. As a result of the Merger, all liabilities and obligations of First State Bank are by operation of law assumed by GNB Bank, including, without limitation, all deposit liabilities, contractual liabilities, and all other liabilities.

6. This Affidavit is given to provide information regarding the Merger for all purposes relating to the property held by, and the liabilities of, First State Bank and GNB Bank, including without limitation information relating to mortgages, real estate contracts, security interests, and other liens held by First State Bank prior to the Merger.

Dated this 20th day of June, 2012.

Robert L. Johanns
President - GNB Bank

Subscribed and sworn to before me, the undersigned, a Notary Public in and for said County and State.

NOTARIAL SEAL IOWA
STACY A FOGT
Commission No. 709323
My Commission Expires
April 9, 2013

Notary Public in and for said
County and State

#2202935

Delaware

RECD SECRETARY OF STATE IOWA 12 JUL -2 PM 3:49

Grundy

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84874-NS

APPROVED
JAMES M. SCHIPPER
SUPERINTENDENT OF BANKING

JUL 02 2012

By

ARTICLES OF MERGER

ARTICLE I

Pursuant to Iowa Code Sections 524.1401 and 524.1402, First State Bank, Manchester, Iowa is hereby merged with and into GNB Bank, Grundy Center, Iowa, with GNB Bank being the resulting state bank.

ARTICLE II

The location and post office address of the principal place of business of First State Bank is 300 E. Main Street, P.O. Box 439, Manchester, Iowa 52057. The location and post office address of the principal place of business of GNB Bank is 603 - 7th Street, P.O. Box 246, Grundy Center, Iowa.

The location and post office address of the office(s) maintained by GNB Bank are as follows:

Main Office

529 G Avenue
Grundy Center, IA 50638

Insurance, Real Estate, and Investments

603 - 7th Street
P.O. Box 248
Grundy Center, IA 50638

Marshalltown Office - Loan Production Office and Deposit Production Office

2504 S. 2nd Street
Marshalltown, IA 50158

North of Main Offices

510 F Avenue and
Grundy Center, IA 50638

Conrad Office

103 E. Center Street
P.O. Box 400
Conrad, IA 52738

Title Office

Community Title
612 -7th Street
Grundy Center, IA 50638

The location and post office address of the office(s) maintained by First State Bank are as follows:

Main Office: 300 E. Main Street
P.O. Box 439
Manchester, IA 52057

#2165020

6142111 MERG $50.00 KARE 2 7/9/12

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The location and post office address of the principal place of business of the resulting state bank is 529 G Avenue, Grundy Center, Iowa. The resulting state bank will maintain offices at the following locations:

Main Office

529 G Avenue
Grundy Center, IA 50638

Insurance, Real Estate, and Investments
Title Commitments & Operations

603 - 7th Street
P.O. Box 248
Grundy Center, IA 50638

Marshalltown Office - Loan Production Office, Deposit Production Office

2504 S. 2nd Street
Marshalltown, IA 50158

Title Office

Community Title
612 - 7th Street
Grundy Center, IA 50638

North of Main Offices

510 F Avenue and
507 G Avenue
Grundy Center, IA 50638

Conrad Office

103 E. Center Street
P.O. Box 400
Conrad, IA 52738

Manchester Office

300 E. Main Street
P.O. Box 439
Manchester, IA 52057

ARTICLE III

The plan of merger was submitted to the sole shareholders of GNB Bank at a meeting held on July 2, 2012 at 215 - 10th Street, Des Moines, Iowa. There were 35,000 shares entitled to be voted at the meeting. 35,000 shares were voted in favor of the Plan of Merger and 0 shares were voted against the Plan of Merger.

The plan of merger was submitted to the sole shareholder of First State Bank at a meeting held on July 2, 2012 at 215 - 10th Street, Des Moines, Iowa. There were 2,000 shares entitled to be voted at the meeting. 2,000 shares were voted in favor of the Plan of Merger and 0 shares were voted against the Plan of Merger.

ARTICLE IV

The number of directors constituting the Board of Directors of the Resulting Bank shall be eight (8) who shall serve as directors until the next annual meeting of the shareholders or until

their successors are elected and qualified. The names and addresses of the individuals who shall serve as directors are as follows:

Jerry L. Baker 801 - 4th Street Grundy Center, IA 50638	Michael J. Freed 23849 R Avenue Grundy Center, IA 50638	Randy G. Phelps 19563 - 235th Street Grundy Center, IA 50638
Stefanie L. Rohler 1000 Indigo Street Grundy Center, IA 50638	Kirby D. Schmidt 805 Walden Lane Grundy Center, IA 50638	Kevin J. Swalley 1201 - 13th Street Grundy Center, IA 50638
Robert L. Johanns 1002 Indigo Street Grundy Center, IA 50638	Joseph Wiewel 109 Bailey Drive Manchester, IA 50257	Mark Sexton 407 Mount Curve Blvd. St. Paul, MN 55105

ARTICLE V

The Articles of Incorporation of GNB Bank shall continue in full force and effect as the Articles of Incorporation of the resulting state bank.

ARTICLE VI

The Plan of Merger is attached hereto as Exhibit A.

ARTICLE VII

The effective date of the merger is the date these Articles of Merger are filed in the office of the Iowa Secretary of State.

The foregoing statements are verified by each party to the merger and the resulting state bank.

Dated July 2, 2012

First State Bank

By: Kevin J. Swalley, Pres
, President

By: Robert L Johnson, Sec
, Secretary

Dated July 2, 2012

GNB Bank

By: Robert L Johnson, Pres
, President

By: Kevin J. Swalley, CEO
, CEO

State of Iowa)
) SS
County of Polk)

On this 2nd day of July, 2012, before me, a Notary Public in and for the State of Iowa, personally appeared Kevin J. Swalley and Robert L Johnson, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of First State Bank, executing the within and foregoing instrument; that the seal affixed thereto is the seal of the corporation; that said instrument was signed and sealed on behalf of the corporation by the authority of its Board of Directors; and that Kevin J Swalley and Robert L Johnson as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

SEAL

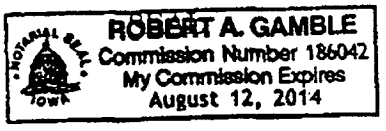
ROBERT A. GAMBLE
Commission Number 186042
My Commission Expires
August 12, 2014

Notary Public in and for said county and state

State of Iowa)
) SS
County of Polk)

On this 2nd day of July, 2012, before me, a Notary Public in and for the State of Iowa, personally appeared Robert L Johnson and Kevin J Swalley, to me personally known, who, being by me duly sworn, did say that they are the President and Chief Executive Officer, respectively, of GNB Bank, executing the within and foregoing instrument; that the seal affixed

thereto is the seal of the corporation; that said instrument was signed and sealed on behalf of the corporation by the authority of its Board of Directors; and that Robert L. Johnson and Kevin J. Swartz, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.



Notary Public in and for said county and state

Exhibit A

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (the "Plan") is made on the date of execution hereof, by and between First State Bank, an Iowa state bank, Manchester, Iowa, and GNB Bank, an Iowa state bank, Grundy Center, Iowa.

RECITALS:

A. GNB Bancorporation, an Iowa corporation, is the owner and holder of all of the issued and outstanding shares of First State Bank and GNB Bank.

B. The Boards of Directors of both First State Bank and GNB Bank consider that the merger of First State Bank with and into GNB Bank, with GNB Bank as the resulting state bank, is in the best interest of First State Bank, GNB Bank, and their respective depositors and customers, and in the best interest of GNB Bancorporation and its shareholders.

C. First State Bank and GNB Bank intend hereby to agree upon the terms and conditions of this Plan and to adopt this Plan and the Articles of Merger in the form attached to this Plan as Exhibit A.

NOW, THEREFORE, First State Bank and GNB Bank hereby agree to the following terms and adopt the following Plan and the Articles of Merger:

1. **The Merger**. Subject to the terms and conditions of this Plan and the Articles of Merger, at the Effective Time as provided in Section 2 hereof, First State Bank shall be merged with and into GNB Bank in accordance with the laws of the State of Iowa, with GNB Bank being the resulting state bank (the "Merger"), and the separate existence of First State Bank shall cease. The effect of the Merger shall be as set forth in Iowa Code Section 524.1405. Title to all real estate, contract rights, and other property owned by First State Bank is vested in GNB Bank without reversion or impairment pursuant to Iowa Code Section 524.1405(b) and GNB Bank shall thereupon by operation of law be responsible and liable for all the liabilities and obligations of First State Bank pursuant to Iowa Code Section 524.1105(c). A proceeding pending against either party to the Merger may be continued as if the Merger did not occur, or the surviving party may be substituted in the proceeding for the party whose existence ceased, as provided by Iowa Code Section 524.1105(d). The shares of First State Bank shall be canceled and the shares of GNB Bank stock held by the sole shareholder shall remain as currently outstanding. The officers of First State Bank are authorized and directed to take such action and to execute and deliver such documents, instruments and agreements as are necessary to transfer title and ownership of the assets of First State Bank to the name of GNB Bank. At the Effective Time, all offices of First State Bank shall become offices of GNB Bank.

2. **Dissenters' Rights**. GNB Bancorporation is the owner and holder of all of the outstanding shares of First State Bank and GNB Bank. Since all shares of both First State Bank and GNB Bank have been voted in favor of the Merger, dissenters' rights are not applicable.

3. **Fiduciary Rights and Obligations.** GNB Bank, as the resulting state bank, shall receive and hold all property rights, franchises, and interests, including appointments, designations, nominations, and other rights and interests, as trustee, executor, administrator custodian, guardian, conservator, assignee, receiver, and in every other fiduciary capacity, in the same manner as held by First State Bank. In its capacity as such a fiduciary, GNB Bank shall be subject to all duties and obligations of First State Bank and subject to all rights and remedies of persons for whom First State Bank has acted in a fiduciary capacity.

4. **Effective Time.** The Merger shall become effective at the time the Articles of Merger are filed in the office of the Iowa Secretary of State (the "Effective Time").

5. **Conduct of Business.** Until the Effective Time, business shall be conducted in the ordinary course as determined by the Board of Directors and management of GNB Bank and First State Bank.

6. **Articles and Bylaws.** The Articles of Incorporation and the Bylaws of GNB Bank in effect immediately prior to the Effective Time shall be the Articles of Incorporation and Bylaws of GNB Bank as the resulting state bank after the Effective Time.

7. **Cancellation of First State Bank Stock.** As of the Effective Time, by virtue of the Merger without any action on the part of the holders thereof:

(a) Each share of First State Bank stock that is issued and outstanding immediately prior to the Effective Time shall thereupon and without any further action be canceled.

(b) Any shares of First State Bank stock that are or may be held by First State Bank as treasury shares immediately prior to the Effective Time shall thereupon and without any further action be canceled.

(c) As soon as practicable after the Effective Time, GNB Bank shall cause the cancellation all share certificates representing shares of First State Bank stock on the books and records of First State Bank.

8. **Board of Directors and Officers.** At the Effective Time, the directors and officers of GNB Bank shall be the following:

Directors

Jerry L. Baker
801 - 4th Street
Grundy Center, IA 50638

Michael J. Freed
23849 R Avenue
Grundy Center, IA 50638

Randy G. Phelps
19563 - 235th Street
Grundy Center, IA 50638

Stefanie L. Rohler
1000 Indigo Street
Grundy Center, IA 50638

Kirby D. Schmidt
805 Walden Lane
Grundy Center, IA 50638

Kevin J. Swalley
1201 - 13th Street
Grundy Center, IA 50638

Robert L. Johanns 1002 Indigo Street Grundy Center, IA 50638	Joseph Wiewel 109 Bailey Drive Manchester, IA 50257	Mark Sexton 407 Mount Curve Blvd. St. Paul, MN 55105

Officers

Kevin J. Swalley, CEO
Robert L. Johanns, President
Shane Tiernan, Vice President/Chief of Lending
Evan Kooiker, CFO
Rose Curren, Cashier/Operations Officer

Such directors and officers shall hold office in accordance with the Articles of Incorporation and Bylaws of GNB Bank and applicable law.

9. **Termination**. This Plan may be terminated and the Merger abandoned by action of the Board of Directors of either First State Bank or GNB Bank, at any time prior to the Effective Time.

10. **Amendment**. This Plan of Merger may not be amended except by an instrument in writing signed at the direction of the Board of Directors of both First State Bank and GNB Bank.

11. **Governing Law**. This Plan of Merger shall be governed and construed in accordance with the laws of the State of Iowa.

IN WITNESS WHEREOF, First State Bank and GNB Bank have caused this Agreement and Plan of Merger to be executed as of this 2nd day of July, 2012.

FIRST STATE BANK

By: Kevin J. Swalley Pres
Kevin J. Swalley, President

By: Robert L. Johanns, Sec.
Robert L. Johanns, Secretary

GNB BANK

By: Robert L. Johanns, pres.
Robert L. Johanns, President

By: Kevin J. Swalley CEO
Kevin J. Swalley, CEO

Exhibit A

ARTICLES OF MERGER

ARTICLE I

Pursuant to Iowa Code Sections 524.1401 and 524.1402, First State Bank, Manchester, Iowa is hereby merged with and into GNB Bank, Grundy Center, Iowa, with GNB Bank being the resulting state bank.

ARTICLE II

The location and post office address of the principal place of business of First State Bank is 300 E. Main Street, P.O. Box 439, Manchester, Iowa 52057. The location and post office address of the principal place of business of GNB Bank is 603 - 7th Street, P.O. Box 246, Grundy Center, Iowa.

The location and post office address of the office(s) maintained by GNB Bank are as follows:

Main Office

529 G Avenue
Grundy Center, IA 50638

Insurance, Real Estate, and Investments

603 - 7th Street
P.O. Box 248
Grundy Center, IA 50638

Marshalltown Office - Loan Production Office and Deposit Production Office

2504 S. 2nd Street
Marshalltown, IA 50158

North of Main Offices

510 F Avenue and
Grundy Center, IA 50638

Conrad Office

103 E. Center Street
P.O. Box 400
Conrad, IA 52738

Title Office

Community Title
612 -7th Street
Grundy Center, IA 50638

The location and post office address of the office(s) maintained by First State Bank are as follows:

Main Office: 300 E. Main Street
P.O. Box 439
Manchester, IA 52057

The location and post office address of the principal place of business of the resulting state bank is 529 G Avenue, Grundy Center, Iowa. The resulting state bank will maintain offices at the following locations:

Main Office

529 G Avenue
Grundy Center, IA 50638

Insurance, Real Estate, and Investments
Title Commitments & Operations

603 - 7th Street
P.O. Box 248
Grundy Center, IA 50638

Marshalltown Office - Loan Production Office, Deposit Production Office

2504 S. 2nd Street
Marshalltown, IA 50158

Title Office

Community Title
612 - 7th Street
Grundy Center, IA 50638

North of Main Offices

510 F Avenue and
507 G Avenue
Grundy Center, IA 50638

Conrad Office

103 E. Center Street
P.O. Box 400
Conrad, IA 52738

Manchester Office

300 E. Main Street
P.O. Box 439
Manchester, IA 52057

ARTICLE III

The plan of merger was submitted to the sole shareholders of GNB Bank at a meeting held on July 2, 2012 at 215 - 10th Street, Des Moines, Iowa. There were 35,000 shares entitled to be voted at the meeting. 35,000 shares were voted in favor of the Plan of Merger and 0 shares were voted against the Plan of Merger.

The plan of merger was submitted to the sole shareholder of First State Bank at a meeting held on July 2, 2012 at 215 - 10th Street, Des Moines, Iowa. There were 2,000 shares entitled to be voted at the meeting. 2,000 shares were voted in favor of the Plan of Merger and 0 shares were voted against the Plan of Merger.

ARTICLE IV

The number of directors constituting the Board of Directors of the Resulting Bank shall be eight (8) who shall serve as directors until the next annual meeting of the shareholders or until

their successors are elected and qualified. The names and addresses of the individuals who shall serve as directors are as follows:

Jerry L. Baker 801 - 4th Street Grundy Center, IA 50638	Michael J. Freed 23849 R Avenue Grundy Center, IA 50638	Randy G. Phelps 19563 - 235th Street Grundy Center, IA 50638
Stefanie L. Rohler 1000 Indigo Street Grundy Center, IA 50638	Kirby D. Schmidt 805 Walden Lane Grundy Center, IA 50638	Kevin J. Swalley 1201 - 13th Street Grundy Center, IA 50638
Robert L. Johanns 1002 Indigo Street Grundy Center, IA 50638	Joseph Wiewel 109 Bailey Drive Manchester, IA 50257	Mark Sexton 407 Mount Curve Blvd. St. Paul, MN 55105

ARTICLE V

The Articles of Incorporation of GNB Bank shall continue in full force and effect as the Articles of Incorporation of the resulting state bank.

ARTICLE VI

The Plan of Merger is attached hereto as Exhibit A.

ARTICLE VII

The effective date of the merger is the date these Articles of Merger are filed in the office of the Iowa Secretary of State.

The foregoing statements are verified by each party to the merger and the resulting state bank.

Dated July 2, 2012

First State Bank

By: _____
, President

By: _____
, Secretary

Dated July 2, 2012

GNB Bank

By: _____
, President

By: _____
, CEO

State of Iowa)
) SS
County of _____)

On this 2nd day of July, 2012, before me, a Notary Public in and for the State of Iowa, personally appeared _____ and _____, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary, respectively, of First State Bank, executing the within and foregoing instrument; that the seal affixed thereto is the seal of the corporation; that said instrument was signed and sealed on behalf of the corporation by the authority of its Board of Directors; and that _____ and _____, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

SEAL

_____
Notary Public in and for said county and state

State of Iowa)
) SS
County of _____)

On this 2nd day of July, 2012, before me, a Notary Public in and for the State of Iowa, personally appeared _____ and _____, to me personally known, who, being by me duly sworn, did say that they are the President and Chief Executive Officer, respectively, of GNB Bank, executing the within and foregoing instrument; that the seal affixed

thereto is the seal of the corporation; that said instrument was signed and sealed on behalf of the corporation by the authority of its Board of Directors; and that _____ and _____, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

SEAL

_____
Notary Public in and for said county and state

Filed By: GNB BANK
529 G Avenue
Grundy Center, IA 50638

FILED
IOWA
SECRETARY OF STATE
7-2-12
3:49 pm
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