



Commerce Bank

P.O. Box 419248
Kansas City, MO 64141-6248
(816) 234-2000

**POLICY OF COMMERCE BANK, N.A. WITH RESPECT TO
FEDERAL FUNDS PURCHASED FROM
CORRESPONDENT BANKS AND SAVINGS AND LOANS**

Commerce Bank, N.A. purchases Federal Funds from correspondent banks and savings and loan institutions as principal. In this capacity, we are the primary purchaser, the end recipient of these funds, and it is our unqualified responsibility to return said funds to the selling bank or savings and loan, on demand, within such daily time limits as are set forth by Commerce Bank, N.A. This time limit is commonly referred to as Commerce Bank's cut-off time for Federal Funds transactions. Interest shall be credited to your account with us on a daily basis, as agreed upon between us.

When required by law, we secure these funds, over and above the loan limit of the selling bank, with collateral owned by Commerce Bank, N.A., in sufficient amounts to adequately secure the seller. This collateral is not pledged to any individual bank, but is pledged to the "Federal Funds Pool". The collateral used is as follows:

1. Direct obligations of the Federal Government;
2. Federal Government Agency obligations;
3. Public Housing Authority obligations; and
4. Federal Housing Authority guaranteed loans.

Any employee of our Money Management Department is authorized to accept your request to either increase or decrease your investment in Federal Funds. Commerce Bank, N.A. shall not incur any liability in acting upon telephone instructions which a designated Officer or employee of Commerce Bank, N.A. believed, in good faith, to have been given by a duly authorized person.

COMMERCE BANK, N.A.

By _____
Vice President

THE ABOVE POLICY IS ACCEPTED:

Date: _____

Bank: _____

BY: _____