

**Farmers & Merchants Bancorp, Inc.**

**Statement of Policy  
on  
Shareholder Recommendations for  
Director Nominees**

The Nominating and Corporate Governance Committee (the "Committee") will consider director candidates recommended by shareholders for inclusion on the slate of directors recommended to the Board. Shareholders wishing to recommend a candidate must submit the recommendation by a date no later than the 120<sup>th</sup> calendar day before the first anniversary of the date that the Corporation released its proxy statement to shareholders in connection with the previous year's annual meeting. Recommendations should be sent to the Chairman, 307-11 N Defiance St., Archbold, Ohio, 43502-0216.

If a shareholder recommending a candidate is not a record holder, the shareholder must provide evidence of eligibility as set forth in Exchange Act Rule 14a-8 (b)(2).

At the time the shareholder submits the recommendation, the shareholder must provide the following:

- All information about the candidate that the Corporation would be required to disclose in a proxy statement in accordance with Exchange Act rules.
- Consent of the candidate to serve on the Board of Directors, if nominated and elected.
- Agreement of the candidate to complete, upon request, questionnaire(s) customary for the Corporation directors.

The Committee will evaluate candidates recommended by stockholders on the same basis as candidates recommended by other sources, including evaluating the candidate against the standards and qualifications set out in the Corporation's Corporate Governance Guidelines and criteria approved by the Board from time to time. The Committee will determine whether to interview any candidate.