

**INSTRUCTIONS FOR SUBSCRIPTION
FOR COMMON SHARES OF
RICHWOOD BANCSHARES, INC.**

Each subscriber for Common Shares of Richwood Bancshares, Inc. must do the following:

1. Complete, sign and deliver the Subscription Agreement.
 - **Natural persons should sign page S-1**
 - **Entities should sign page S-2**
2. The completed Subscription Agreement should be delivered to the following address:

Richwood Bancshares, Inc.
28 North Franklin Street
Richwood, Ohio 43344
Attention: Deb Miller, Stockholder Relations Officer

3. Deliver payment for the Purchase Price in accordance with the check instructions set out below:

Checks: Checks should be made payable to Richwood Bancshares, Inc. and addressed to:

Richwood Bancshares, Inc.
28 North Franklin Street
Richwood, Ohio 43344
Attention: Deb Miller, Stockholder Relations Officer

Richwood Bancshares, Inc. may accept or reject subscriptions in its sole discretion. The offering is available only to residents of the State of Ohio.

SUBSCRIPTION AGREEMENT
RICHWOOD BANCSHARES, INC.
(an Ohio corporation)

THIS SUBSCRIPTION AGREEMENT (this “*Agreement*”) is entered into by and between the undersigned subscriber (the “*Subscriber*”) and Richwood Bancshares, Inc., an Ohio corporation (the “*Company*”), as of the date it is accepted by the Company.

WHEREAS, as further described in the Confidential Private Placement Memorandum dated December [•], 2018 (the “*Offering Memorandum*”), the Company has authorized the Offering of the Offered Shares (as such capitalized terms are defined in the Offering Memorandum).

WHEREAS, in reliance upon the respective representations and warranties of the Subscriber and the Company, and the terms and conditions hereinafter set forth, the Subscriber desires to purchase from the Company the Offered Shares of the Company set forth on the signature page hereto.

NOW, THEREFORE, it is agreed as follows:

1. Sale and Purchase of Offered Shares.

(a) The Company hereby agrees to sell to the Subscriber and the Subscriber hereby agrees to purchase from the Company the Offered Shares of the Company set forth on the signature page hereof. The Subscriber has delivered and paid to the Company concurrently herewith the amount in U.S. Dollars set forth on the signature page required to purchase the Offered Shares subscribed for hereunder (the “*Purchase Price*”) by wire transfer or check, subject to collection.

(b) The Subscriber understands and acknowledges that the Offering is being made on a no-minimum, “best efforts” basis. All funds for accepted subscriptions will be available for the Company’s immediate use.

(c) Promptly after the Acceptance Date (as defined below), the Offered Shares purchased by the Subscriber will be delivered by the Company to the Subscriber.

2. Representations and Warranties of Subscriber. The Subscriber represents and warrants to the Company as follows:

(a) The Subscriber is a resident of the State of Ohio and will continue to hold such residency up and until the Acceptance Date. If the Subscriber is a corporation, partnership, limited liability company or other entity, such entity is formed under the laws of the State of Ohio and is owned solely by Ohio residents.

(b) The Subscriber understands that the Offered Shares to be purchased have not been, and will not be, registered under the Securities Act of 1933, as amended (the “*Securities*”).

Act”) or the securities laws of any state by reason of a specific exemption from the registration provisions of the Securities Act and the applicable state securities laws, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Subscriber’s representations as expressed herein.

(c) Subscriber acknowledges and understands that the Offered Shares are being purchased for investment purposes and not with a view to distribution or resale, nor with the intention of selling, transferring or otherwise disposing of all or any part of the Offered Shares.

(d) The Subscriber acknowledges that the Offered Shares must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from such registration is available. The Subscriber further acknowledges that the Offered Shares cannot be resold or transferred to any non-Ohio resident or entity not owned solely by Ohio residents for a period of six months following the Acceptance Date.

(e) The Subscriber acknowledges that the Subscriber has had the opportunity to ask questions of, and receive answers from the Company or any person acting on its behalf concerning the Company and its business and to obtain any additional information, to the extent possessed by the Company (or to the extent it could have been acquired by the Company without unreasonable effort or expense) necessary to verify the accuracy of the information received by the Subscriber.

(f) The Subscriber has all requisite legal and other power and authority to execute and deliver this Subscription Agreement and to carry out and perform the Subscriber’s obligations under the terms of this Subscription Agreement. This Subscription Agreement constitutes a valid and legally binding obligation of the Subscriber.

(g) To the extent the Subscriber deems necessary, the Subscriber has reviewed with the Subscriber’s own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. The Subscriber relies solely on such advisors and not on any statements or representations of the Company or any of its agents. The Subscriber understands that the Subscriber (and not the Company) shall be responsible for the Subscriber’s own tax liability that may arise as a result of this investment or the transactions contemplated by this Subscription Agreement.

(h) The execution, delivery and performance of and compliance with this Subscription Agreement will not result in any material violation of, or conflict with, or constitute a material default under, any of Subscriber’s articles of incorporation, bylaws or other governing documents, if applicable, or any of the Subscriber’s material agreements nor result in the creation of any mortgage, pledge, lien, encumbrance or charge against any of the assets or properties of the Subscriber or the Offered Shares.

(i) Subscriber acknowledges that the Offered Shares are speculative and involve a high degree of risk and that the Subscriber can bear the economic risk of the purchase of the Offered Shares for an indefinite period of time, including a total loss of his/her/its investment. Subscriber acknowledges that he/she/it has carefully reviewed and considered the risk factors discussed in the Offering Memorandum.

(j) The Subscriber acknowledges that no federal or state agency has recommended or endorsed the purchase of the Offered Shares.

(k) Subscriber acknowledges that Subscriber has such knowledge and experience in financial and business matters that Subscriber is capable of evaluating the merits and risks of an investment in the Offered Shares and of making an informed investment decision.

(l) Subscriber represents that (i) Subscriber is able to bear the economic risks of an investment in the Offered Shares for an indefinite period of time and to afford the complete loss of the investment; and (ii) (A) Subscriber could be reasonably assumed to have the capacity to protect Subscriber's own interests in connection with this subscription; or (B) Subscriber has a pre-existing personal or business relationship with either the Company or an affiliate thereof of such duration and nature as would enable a reasonably prudent purchaser to be aware of the character, business acumen and general business and financial circumstances of the Company or such affiliate and is otherwise personally qualified to evaluate and assess the risks, nature and other aspects of this subscription.

(m) Subscriber will cooperate and consult with the Company and use commercially reasonable efforts to provide any necessary and customary information and data, to prepare and file or submit any necessary and customary documentation, to provide evidence of non-control of the Company and its wholly owned subsidiary, The Richwood Banking Company (the "**Bank**") (including, if requested, by executing and delivering to the applicable Regulatory Authorities passivity and disassociation commitments and commitments not to act in concert with respect to the Company or the Bank (the "**Commitments**") in the forms customary for transactions similar to the transaction contemplated hereby), and to effect any application, notices, petitions, filings, submissions and other documents (if any), and to obtain all necessary and customary permits, consents, orders, approvals, clearances, determinations, and authorizations of, or any exemption by, all third parties and Regulatory Authorities (if any), in each case, that the Company believes is necessary or advisable to consummate the transactions contemplated by this Agreement. Subscriber agrees to execute and deliver such further certificates, agreements, documents and other instruments and take such other actions (if any) as the Company may reasonably request to consummate or implement the purchase of the Shares contemplated hereby.

3. Representations and Warranties of the Company. The Company represents and warrants to the Subscriber as follows:

(a) The Company has been duly organized and is validly existing as a corporation under the laws of the State of Ohio.

(b) The Company has all such power and authority to enter into, deliver and perform this Subscription Agreement.

(c) At or prior to the date this Agreement is accepted by an authorized officer of the Company (the "**Acceptance Date**"), all necessary action will have been duly and validly taken by the Company to authorize the execution, delivery and performance of this Subscription Agreement by the Company, and the issuance and sale of the Offered Shares to be sold by the Company pursuant to this Subscription Agreement, and this Agreement shall have been duly and

validly authorized, executed and delivered by the Company and shall constitute the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.

4. Indemnification. The Subscriber agrees to indemnify and hold harmless the Company, the Bank, its respective officers, directors, managers, employees, shareholders, members and affiliates, and any person acting on behalf of the Company or the Bank, from and against any and all damage, loss, liability, cost and expense (including reasonable attorneys' fees) that any of them may incur by reason of the failure by the Subscriber to fulfill any of the terms and conditions of this Subscription Agreement, or by reason of any breach of the representations and warranties made by the Subscriber herein, or in any other document provided by the Subscriber to the Company or the Bank. All representations, warranties and covenants of each of the Subscriber and the Company contained herein shall survive the acceptance of this subscription.

5. Miscellaneous.

(a) The Subscriber agrees not to transfer or assign this Subscription Agreement, or any of the Subscriber's interest herein, and further agrees that the transfer or assignment of the Offered Shares acquired pursuant hereto shall be made only in accordance with all applicable laws.

(b) If required by applicable securities laws or the Company, the Subscriber will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the issue of the Offered Shares as may be required by any securities commission, stock exchange or other regulatory authority.

(c) The Subscriber agrees that the Subscriber cannot cancel, terminate, or revoke this Subscription Agreement or any agreement of the Subscriber made hereunder, and this Subscription Agreement shall survive the death or legal disability of the Subscriber and shall be binding upon the Subscriber's heirs, executors, administrators, successors, and permitted assigns.

(d) This Subscription Agreement, together with the Offering Memorandum, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and this Subscription Agreement may be amended only by a written execution by all parties.

(e) This Subscription Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the State of Ohio.

(f) This Subscription Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]