

ABC Company Benefits

Thank you for choosing to be a part of our team at ABC Company.

We are committed to providing a quality benefits package for all employees. The Benefit Program Overview for 2007 provides a brief description of the full range of employee benefits offered to all full-time and part-time employees.

We hope you find the information in this booklet to be helpful. **Keep in mind that the content is not all-inclusive and may not reflect recent changes and is not intended to be a legal document.** Consult the actual plan documents, available from our Human Resources Department, if you need the most current information on benefits that you may be entitled to receive.

If you have any questions or comments about ABC Company Benefit Programs, please contact our Human Resources Department at the appropriate numbers located on page 19 of this Benefit Overview Booklet.

Sincerely,

John Smith
President, ABC Company

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ELIGIBILITY

You must work **38** hours per week to be eligible for Employer Paid Life Insurance, AD&D, Short Term and Long Term Disability.

You must work **30** hours per week to be eligible for partially Employer Paid Medical and Dental insurance benefits.

You must work **20** hours per week to be eligible for all Voluntary benefits.

All eligible employees' coverage starts the 1st of the month following a 30 day waiting period from either your date of hire, or the date you first became eligible for benefits.

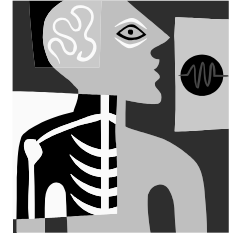
If you lose group coverage as a result of a COBRA Qualifying Event you [and/or your dependents covered on the group health plan(s)] will be eligible to continue group health coverage for 18 to 36 months depending on the type of Qualifying Event. 18-month COBRA Qualifying Events include termination, resignation, and a reduction in hours below the required number of hours to be eligible for a group health benefit. 36-month COBRA Qualifying Events include death, divorce, legal separation, dependent ineligibility, and Medicare entitlement. It is the responsibility of you and/or a covered dependents to notify the Human Resources department in writing of a 36-month Qualifying Event within 60 days of the Qualifying Event occurring or you and/or the covered dependents may not be eligible for COBRA. Also you must add any new dependents whether added to your family due to birth, adoption, placement for adoption or marriage within 30 days of the event.

All forms should be returned to Human Resources. If you have any questions regarding your benefits, please contact Human Resources at **417-555-5551** or see page 18 for more contact information.

Your portion of all insurance premiums will come out of every payroll check, including the final check.

MEDICAL

Medical coverage is with Anthem Blue Cross/Blue Shield. The medical insurance plan is Blue Preferred Plus POS 32P. The network for Southwest MO is Cox Health Systems.



For additional plan information, you should refer to the more detailed benefit description provided in your benefit packet and policy.

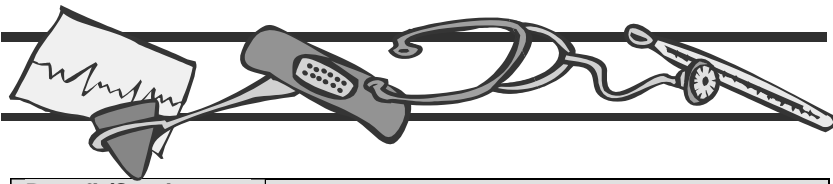


Medical premiums vary based on coverage level. All medical premiums are conveniently payroll deducted pre-tax each pay period. Premiums for the plan year 11/1/2006 through 10/31/2007 are:

Employee costs per pay period*	
Rates below show employer paying 50% of premium	
Employee	\$64.87
Employee/Spouse	\$129.74
Employee/Child(ren)	\$113.52
Family	\$178.39

*FT employees hired before 5/1/02 pay 30% of premium.

Note: Open enrollment is the month of October to make changes to your health benefits.



Benefit/Service	Blue Preferred Plus POS 32P	
	Network	Non-Network
Deductible (individual/family)	\$0/\$0	\$1,000/\$3,000
Coinsurance	70%/30%	50%/50%
Coinsurance Maximum (individual/family)	\$1,000/\$3,000	\$7,000/\$15,000
Physician Office Visit	\$25 copay	Ded+coinsurance
Specialist Office Visit	\$25 copay	Ded+coinsurance
Preventive Care	\$25 copay	Not Covered
Mammograms	Covered at 100% (\$25 copay applies to office visit charge)	Ded+coinsurance
Immunizations	\$25 copay	Not Covered
Urgent Care	\$50	Ded+coinsurance
Inpatient Hospitalization	Subject to coinsurance	Ded+coinsurance
Outpatient Hospitalization	Subject to coinsurance	Ded+coinsurance
Emergency Care	\$75 copay (waived if admitted as inpatient)	\$75 copay (waived if admitted as inpatient)
Ambulance	\$50 copay	\$50 copay
Allergy Injection	\$5 copay	Ded+coinsurance
Chiropractic Care	\$25 copay	Not Covered
Maternity Care (member and spouse only)	\$25 copay (first visit only) Hospital subject to coinsurance	Ded+coinsurance
X-Ray and Lab Services	\$25 copay or coinsurance	Ded+coinsurance
Routine Eye Exam (1 per year)	\$25 copay	Not Covered
Prescription Drugs (30 day supply)	\$8 G / \$25 PB / \$45 NPB	Ded+coinsurance, minimum \$45 (diabetic/asthma supplies not covered, except diabetic test strips)
Mail Order Drugs (90 day supply)	\$16 G / \$65 PB / \$115 NPB	Not Covered
Lifetime Maximum	Unlimited	\$1,000,000

Note: Copays (including pharmacy) do not apply towards the out of pocket maximum.

This is only a brief summary of benefits. The Certificate contains program details and will, in all cases, control over any information in this summary.



Dental insurance is administered through Guardian. Combine freedom of choice with savings of managed care. Employees save money when they go in-network - treatment is reimbursed at a higher coinsurance percentage - but they are still free to use out-of-network providers.

2 New Features with Guardian for Guaranty Bank:

- Implants are now covered under major services.
- New Maximum Rollover of unused annual max. (brochure handouts provided explain the details for both)

Guardian	In Network	Out of Network
Individual Deductible	\$0	\$50 per benefit year
Family Deductible	3 per family	
Deductible waived for...	Preventative, Basic & Major	Preventative
Individual Benefit Maximum	\$1,000 per benefit year	\$1,000 per benefit year
Coinsurance		
Preventive Dental Services	100%	100%
Basic Dental Services	90%	80%
Major Dental Services	60%	50%
Orthodontic Services	Not covered	
Claim Payment Basis	Negotiated Fee Schedule	90% Percentile of UCR
Network	DentalGuard	Any Dentist

Employee Cost Per Pay Period Rates below show employer paying 50% of premium	
Employee Only	\$5.88
Employee + Spouse	\$12.10
Employee/Child(ren)	\$10.33
Family	\$16.53

For additional plan information, you should refer to the more detailed benefit description provided in your benefit packet.

VISION

Employees have the option to purchase vision coverage through Guardian. The network is Vision Service Plan (VSP). The vision plan allows you to receive one eye exam every 12 months from any in-network Physician or Optometrist. There is also coverage for lenses and frames.

(Please note: Your medical plan covers an eye exam at an in-network provider, however the Anthem medical plan is not a vision insurance plan.)

Guardian Service	Benefit	
	In-Network	Out-of-Network
Eye Exam (every 12 months)	\$10 Copay	\$46 max. after \$10 Copay
Contact Lenses † (every 12 months)	Medically necessary: \$25 copay 100% Elective: no copay, \$120 max	Medically necessary: \$25 copay \$210 max Elective: no copay, \$120 max
Prescription Glasses		
Lenses (every 12 months)	\$25 Copay	\$25 Copay
Single Vision		\$47 max.
Lined Bi-focal		\$66 max.
Lined Tri-focal	100%	\$85 max.
Lenticular Lenses		\$125 max.
Frames (every 24 months)	\$120 Retail + 20% of balance after \$25 copay	\$47 max after copay

Note: Children can be covered up to age 20, 26 if a full-time student.

Coverage	Employee Cost Per Pay Period
Employee Only	\$7.30
Employee + Child(ren)	\$12.28
Employee + Spouse	\$12.53
Employee + Family	\$19.82

For additional plan information, you should refer to the more detailed benefit description provided in your benefit packet and policy.

FLEXSYSTEM CAFETERIA PLAN

FlexSystem is an IRS Code Section 125 Cafeteria Plan that enables employers to offer qualified employee benefits normally paid on an after-tax basis, through salary reduction, on a pre-tax basis instead. As a result you save money for your medical and dependent care expenses. Our cafeteria plan is administered by TASC and it is called FlexSystem. Qualified expenses under Guaranty Banks plan include:



- Health, Dental, and Vision premiums

2 Flexible Spending Accounts (FSA)

- Unreimbursed Medical Expenses
- Dependent Care Expenses

The FlexSystem plan allows you to set aside pre-tax dollars for funding (FSA Accounts) of certain medical expenses not paid under medical insurance (most over the counter medications are now eligible) and dependent day care expenses. The current maximum per plan year is \$3,000 for unreimbursed medical expenses and \$5,000 (\$2,500 if married filing separate) for dependent care expenses.

The ABC Company FlexSystem Plan year runs May 1st through April 30th, with annual open enrollment during the month of April. Once your elections are made for the plan year, special rules apply before changes to your election are allowed during the plan year.

ABC Company is now offering through FlexSystem a **NEW FEATURE to your Cafeteria Plan. The FlexSystem Claim Card** allows your employees efficient and direct access to their medical Flexible Spending Account (FSA) funds.

Review your FlexSystem Plan packet and enrollment materials regarding specific details.

Sample Paycheck:

Let's Compare		
	Without FlexSystem	With FlexSystem
Salary	\$1,600	\$1,600
Flex Dollars	0	400
Taxable Income	1,600	1,200
Income Tax	240	180
State Tax	128	96
Social Security	122	91
Income After Taxes	1,110	833
Medical Premium	150	
Medical Expenses	50	
Dependent Care	\$ 200	\$ 0
Take-Home Pay	\$ 710	\$ 833
Net Increase		\$ 123

*This is for illustration purposes only. Actual savings may vary. FX-9713-101805

Example List of Eligible Medical Expenses

This is only a partial list. Please refer to IRS form 502, which can be found at www.irs.gov/pub/irs-pdf/p502.pdf

- | | | |
|-------------------------------|---------------------------------------|------------------------|
| Acupuncture | Dental fees | and prescription) |
| Alcoholism | Dentures | Medical services |
| Ambulance | Diagnostic fees | Nicotine gum |
| Artificial limbs/teeth | Diabetic supplies | Nurses' fees |
| Bandages | Eyeglasses | |
| Birth Control Pills | Hearing aids | Obstetric expenses |
| Braces | Home improvements | Occlusal guards |
| Braille – books and magazines | (motivated by medical consideration), | Orthodontia |
| Blood pressure kit | Hospital bills | Orthopedic shoes |
| Chiropractor | Infertility treatments | Orthopedic inserts |
| Co-Insurance | Insulin | Over-the-counter drugs |
| Contact Lense - Solution | Laboratory fees | Oxygen |
| Contraceptives | Language training | Prosthesis |
| Copays | Lasik eye surgery | Psychiatric Care |
| Crutches | Medic Alert bracelet | Psychologist |
| Deductibles | Medication (OTC) | Radial keratotomy |
| | | Seeing-Eye Dog |

Sterilization
Transplants

Vaccines
Wheelchair

Wigs (prescribed by physician)
X-rays

RETIREMENT 401K PLAN



Your 401K is administered by John Hancock. Through payroll deductions, you can make pre-tax contributions to the 401K Plan, thus reducing your current taxable income. Available to employees working a minimum of 1,000 hours a year and have attained age 18. This can help you have the income needed after retirement. Guaranty Bank will match \$0.50 on the dollar of the employee's contribution up to 3% of the employee's annual salary.

Vesting Period	
Years of Service	Vesting Percent
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Please see Human Resources for more details.

EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

ESOP is funded 100% by the bank and contributions are invested in common stock of Guaranty Federal Bancshares, Inc. This is available for Full Time and Part Time employees who have attained the age of 21 and work a minimum of 1,000 hours after completing one year of service. You are 100% vested after 5 years of service, upon your early or normal retirement date, upon your death or disability, or

upon termination of the plan. Please see your employee handbook and/or Human Resources for more details.

COMPANY PAID HOLIDAYS

Eligible employees receive pay for the following holidays:

New Year's Day	Martin Luther King Jr.
President's Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veteran's Day
Thanksgiving Day	Christmas Day

Please see your employee handbook for more details.

PAID SICK LEAVE

Full Time Employees	5 days a year or 1.67 hours each pay period
Part Time Employees	.019 for every hour worked

Please see your employee handbook for more details.

VACATIONS

Employees are entitled to paid vacation based on the following schedule:

Length of Service*	Full Time Employees	Part Time Employees
Day 1 to 5 years	12 days a year or 4 hrs each pay period	.046 hours for every hour worked
After 5 Years	14 days a year or 4.67 hrs each pay period	.054 hours for every hour worked
After 10 Years	19 days a year or 4 hrs each pay period	.073 hours for every hour worked

*Length of service is determined by the employee's anniversary date.

Please see your employee handbook for more details.



BASIC LIFE and AD&D INSURANCE

Life insurance protection, through AUL, is now provided at no cost for full-time employees. You must, however, complete and return a Life Insurance Enrollment form to Human Resources.

Coverage	Non-officers	Bank Officers
Under age 65	\$25,000	2 X Salary, \$200,000 limit

Note: There is an age reduction schedule. Please see policy for details.



AD&D benefit is paid to your beneficiary(ies), in addition to the life amount, if death is due to an accident. AD&D also pays 50% of the above amount to the insured if there is a loss of sight in one or both eyes or severance of a hand or foot occurs due to an accident. If you lose your life due to an

accident, you will receive an additional 100% of your company paid life insurance amount.

SAMPLE

SUPPLEMENTAL LIFE & AD&D INSURANCE

You have the opportunity to purchase Voluntary Term Life through AUL. This is available to full and part time employees. Premiums are age-banded.

Coverage	Benefit
Employee Life Benefit	Increments of \$10,000 (minimum) to a max of 5X annual earnings or \$500,000.
Spouse	Increments of \$5,000 (minimum) to a max of \$250,000 or 50% of Employee Life amount
Employee Life Non-Medical Max.	\$100,000
Spouse	\$20,000
Child(ren) (birth to 6 months)	\$1,000
Child(ren) (six mos. to 19 yrs, 25 yrs if a student.)	Increments of \$2,500 (minimum) to a max of \$10,000 or 10% of Employee Life amount.
Employee AD&D Benefit	Increments of \$10,000 (minimum) to a max of 5X annual earnings or \$500,000.

Note: During open enrollment if the employee is currently enrolled they will be able to add an additional \$10,000 of coverage up to 5X annual earnings or \$500,000 on a guaranteed issued basis.

The amount of Life Insurance for a dependent will not be more than 50% of the employee Life amount. The employee must be covered for Life in order to insure dependents for Life.

Premiums are conveniently payroll deducted after-tax each pay period.

Please contact Human Resources for more details and questions.

INTEREST-SENSITIVE WHOLE LIFE INSURANCE

You have the opportunity to purchase interest-sensitive whole life insurance through UnumProvident based on your individual needs. In addition to providing death benefits, the policy builds cash value, which can be utilized during the insured's working years. The policy's accumulated cash value may also be used to buy a smaller, "paid up" policy on which no further premiums are due.

Coverage options are available for you, your spouse and/or your child(ren). An Advance Benefit Option Rider is included on all employee and spouse policies. The Advance Benefit Option Rider allows you to request up to 50% of your death benefit, up to a maximum of \$100,000, if the insured (you or your spouse) is diagnosed with a medical condition that limit life expectancy to six months or less.

Coverage is portable, which means you can take your policy with you if you retire or leave the company. Premiums are guaranteed level based on the insured's age at policy issue and do not increase due to age.

Rates are based on the amount of bi-weekly deduction you choose for your age and tobacco use. Premiums are paid after-tax through payroll deductions while you're employed by Guaranty Bank.

ACCIDENT INSURANCE



Accident Insurance offers a wide range of coverage for injuries and accident-related expenses. Coverage is through UnumProvident. The benefits are designed to help pay for high out-of-pocket costs that may not be covered by traditional health insurance.

WORKER'S COMPENSATION INSURANCE

Guaranty Bank provides a comprehensive worker's compensation insurance program at no cost to you. This program covers work related injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. The worker's compensation insurance provides benefits after a short waiting period or, if you are hospitalized, immediately.

LONG-TERM DISABILITY



Administered through AUL, Guaranty Bank pays for your protection due to prolonged disability at a rate of 60% of your monthly income. You must be a full-time employee to qualify for this benefit. Pre-existing conditions do apply.

Plan Details	
Benefit Percentage	60% of Base Salary
Maximum Monthly Benefit	\$10,000
Elimination Period	90 days
Maximum Benefit Duration	Normal Social Security Retirement Age

SHORT-TERM DISABILITY FULL TIME EMPLOYEES

If you are a full-time employee and become disabled, Guaranty Bank provides you a short term disability (STD) benefit. This benefit can help replace up to 60% of your earnings until your physician/healthcare provider releases you to return to work or the end of the selected benefit period, whichever is earlier. There is a 6 week waiting period after disability begins before the benefit will start. The plan would pay a monthly benefit directly to you in the event of a disability resulting from a covered accident or covered sickness and causing loss of income. There is a pre-existing condition limitation.

Plan Details	
Benefit Percentage	60% of Base Salary
Minimum Monthly Benefit	\$100

Maximum Monthly Benefit	\$10,000
Elimination Period (for non-work related illness or injury)	6 weeks

VOLUNTARY SHORT-TERM DISABILITY FULL TIME & PART TIME EMPLOYEES

You have the option of purchasing short-term disability insurance. The minimum monthly benefit of \$100; maximum monthly benefit of 60% or up to \$6000 of your monthly salary. This benefit is administered through AUL. The plan would pay a weekly benefit directly to you in the event of a disability resulting from a covered accident or covered sickness and causing loss of income. There is a pre-existing condition limitation. Premiums are age-banded.

Plan I Details

Benefit Percentage	60% of Base Salary
Maximum Monthly Benefit	\$6,000
Elimination Period	7 days for non-work related illness or injury
Maximum Benefit Duration	12 weeks
Partial Disability Benefits	Yes
Residual Benefits (zero day)	No

Plan II Details

Benefit Percentage	60% of Base Salary
Maximum Monthly Benefit	\$6,000
Elimination Period	30 days for non-work related illness or injury
Maximum Benefit Duration	9 weeks
Partial Disability Benefits	Yes
Residual Benefits (zero day)	Yes

CRITICAL ILLNESS

UnumProvident's Critical Illness benefit provides you and your family with a lump-sum benefit upon the diagnosis of certain critical illnesses including heart attack, stroke, major organ transplant, permanent paralysis, end stage renal failure, and coronary artery bypass surgery. An optional rider for cancer coverage is also available. Specified Critical Illness Insurance is intended to help provide protection for indirect expenses that may not be met by your basic medical insurance. These expenses may include family income replacement during recuperation, co-payments, deductibles or other out-of-pocket payments for medical treatment; and nursing or assisted living care. Approval of your application is granted at the sole discretion of the UnumProvident underwriting department.

This benefit includes an automatic Health Screening Benefit Rider which pays \$50 per calendar year per insured for covered health screening tests.

Rates are based on your age and face amount selected and payroll deducted on an after-tax basis. The policy is portable and remains with you even after you leave Guaranty Bank as long as your premiums are paid.

ADDITIONAL EMPLOYEE BENEFITS

For full details, see your employee handbook.

FULL TIME EMPLOYEES ONLY

Discounted Mortgage and Consumer Loan Program
Health Club Membership Reimbursement

ALL EMPLOYEES

Adult Continuing Educational Classes
Health Risk Screening
Influenza Shots
Cash Referral Program
Service Awards
Paid Jury Duty
Free/Discounted Financial Services
Bereavement Leave
Medical Leave
Military Leave
Unpaid Leave

YOUR ABC Company CONTACT

Jill Jones
Human Resources
417-520-0211
jjones@abcco.com

Employee Benefit Design, LLC
Account Manager
Benefit Advisor
417-889-6345



BENEFIT CARRIER CONTACTS

Anthem Blue Cross/Blue Shield (Medical)

www.anthem.com

Member Service: 1-800-555-8842

Group Number: 00123456

Guardian (Dental, Vol. Vision)

www.glic.com

Member Service: 1-800-627-4200

Group Number: 456789

FlexSystem Cafeteria Plan Administered by TASC

Questions: 1-800-422-4661

Web: www.tasconline.com or www.accesstasc.com

Email: service@tasconline.com

AUL (Basic Life and AD&D, Supp. Term Life, Short Term Disability, Long Term Disability)

Phone: 1-800-553-5318

UnumProvident (Whole Life, Accident Protection, Critical Illness)

Member Service: 1-800-635-5597

BENEFIT ELECTIONS - PER PAY PERIOD

Anthem Blue Cross/Blue Shield Medical Plan

Program: POS - Blue Preferred PLUS

Coverage: Employee Emp/Child(ren)
 Emp/Spouse Family

TOTAL FOR MEDICAL COVERAGE \$ _____

Guardian Dental Coverage

Coverage Level: Employee Emp/Child(ren)
 Emp/Spouse Family

TOTAL FOR DENTAL COVERAGE \$ _____

Guardian Vision Coverage

Coverage Level: Employee Emp/Child(ren)
 Emp/Spouse Family

TOTAL FOR VISION COVERAGE \$ _____

AUL Supplemental Life & AD&D Option

Premium amounts are subject to change based on age changes.

Employee Life Face Amount: \$ _____ \$ _____
 Spouse Life Face Amount: \$ _____ \$ _____
 Child (ren) Life Face Amount: \$ _____ \$ _____
 Employee AD&D Face Amount: \$ _____ \$ _____

TOTAL FOR Vol. LIFE & AD&D INS \$ _____

AUL Supplemental Short Term Disability Coverage

Premium amounts are subject to change based on age changes.

Plan Benefit \$ _____

TOTAL FOR SHORT TERM COVERAGE \$ _____

UNUM/PROVIDENT Accident Protection

Premium amounts are subject to change based on age changes.

Employee Face Amount: \$ _____ \$ _____

Spouse Face Amount: \$ _____ \$ _____
 Child (ren) Face Amount: \$ _____ \$ _____
TOTAL FOR ACCIDENT COVERAGE \$ _____

UNUM/PROVIDENT Critical Illness Coverage

Premium amounts are subject to change based on age changes.

Employee Face Amount: \$ _____ \$ _____
 Spouse Face Amount: \$ _____ \$ _____
 Child (ren) Face Amount: \$ _____ \$ _____

TOTAL FOR CRITICAL ILLNESS \$ _____

UNUM/PROVIDENT Voluntary Whole Life

Employee Face Amount: \$ _____ \$ _____
Total for Employee Face Amount

Riders: Waiver of Premium \$ _____
 Accidental Death \$ _____
 Child Term Rider \$ _____
\$10,000 benefit per child Total for Employee Riders

Spouse Face Amount: \$ _____ \$ _____
Total for Spouse Face Amount

Riders: Accidental Death \$ _____
 Child Term Rider \$ _____
\$10,000 benefit per child Total for Spouse Riders

Voluntary Children/Grandchildren Whole Life Option:

\$1.00/week # enrolled _____ \$ _____
 \$2.00/week # enrolled _____ \$ _____

TOTAL FOR WHOLE LIFE INS \$ _____

GRAND TOTAL FOR VOLUNTARY \$ _____

FLEXSYSTEM CAFETERIA PLAN

Dep. Care Annual Election: \$ _____ Medical Annual Election: \$ _____
 Per Pay Period Deduction: \$ _____ Per Pay Period Deduction: \$ _____