

# Account Disclosures



## DEPOSIT ACCOUNT AGREEMENT

**GENERAL AGREEMENT.** The terms "you" and "your" refer to the depositor (whether joint or individual) and the terms "we," "us" and "our" refer to the financial institution. The acronym "NOW" means Negotiable Order of Withdrawal. You understand the following Account Agreement ("Agreement") governs your account with us. Your account is also governed by other applicable documents, such as the Truth In Savings Account Disclosure and Privacy Policy, and where applicable, the Funds Availability Policy and Electronic Fund Transfer (Agreement and) Disclosure ("Disclosures"), which are incorporated by reference. By providing a written or electronic signature on the Account Information document or other agreement to open your account, or by using any of our deposit account services, you and any identified account owners agree to the terms contained in this Account Agreement.

**GENERAL RULES.** The following rules apply to all types of accounts:

**1. Deposits.** Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions mailed until we actually receive and record them. We may, at our sole discretion, refuse to accept particular instruments as deposits. Cash deposits are credited to your account according to this Agreement. Other items you deposit are handled by us according to our usual collection practices. If an item you deposit is returned unpaid, we will debit your account and adjust any interest earned. You are liable to us for the amount of any check you deposit to your account that is returned unpaid. In addition, you are liable to us for all costs and expenses related to the collection of any or all of that amount from you. Funds deposited to your account are available in accordance with the Disclosures.

**2. Collection of Deposited Items.** In receiving items for deposit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits. We shall have the right to forward items to correspondents including all Federal Reserve Banks, and we shall not be liable for default or neglect of said correspondents for loss in transit, nor shall any correspondent be liable except for its own negligence. You specifically authorize us or our correspondents to utilize Federal Reserve Banks to handle such items in accordance with provisions of Regulation J (12 CFR Part 210), as revised or amended from time to time by the Federal Reserve Board. In the event we are subject to local clearinghouse rules, you specifically authorize us to handle such items in accordance with the rules and regulations of the clearinghouse.

If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

**3. Set-offs and Liens.** We may set-off funds in your account and any other accounts held by you, jointly or individually, to pay any debt you may owe us; this includes any item(s) that we have cashed for you that are returned to us unpaid. If the account is a joint account, we may offset funds for the debt of any one of the owners. In addition, you grant to us a security interest in your deposit accounts to secure any debt you may owe us in any non-consumer transaction.

**4. Claims.** In response to any garnishment, attachment, restraining order, injunction, levy, citation to discover assets, judgment, reclamation, other order of court or other legal process ("Claim(s)"), we have the right to place a hold on, remove from your account(s) and/or remit to the designated third-party(ies) any amount on deposit in your account as set forth in and required by such Claim(s). If the account(s) is/are held jointly, we may place the hold, remove from the account(s) and/or remit the amounts from the account(s) arising from any Claim(s) relating to any one or more of the account holders. In addition, we may charge against your account(s) any fee authorized by law in connection with the Claim(s) or as otherwise set forth in the Disclosures.

**5. Expenses.** You agree to be liable to us for any loss, costs or expenses that we incur as a result of any dispute involving your account, including reasonable attorneys' fees to the extent permitted by law, and you authorize us to deduct such loss, costs or expenses from your account without prior notice to you.

**6. Dormant/Inactive Accounts.** You understand that if your account is dormant or inactive, you may be charged the fee specified in the Disclosures and we may stop paying interest to the extent permitted by law. You understand that your account balance may be escheated (that is, turned over to the state) in accordance with state law.

**7. Joint, Payable on Death, Fiduciary and Custodial Accounts.** You acknowledge that if your account is set up as a joint, Payable on Death, fiduciary or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature.

**8. Joint Account.** If this is a joint account, all deposits are the property of the person(s) indicated on the account and we may release all or any part of the amount in the account to honor checks, withdrawals, orders or requests from any person named on this account. Any person named on the account is liable for the amount of any overdraft regardless of whether he or she signed the item or benefited from the proceeds of the item. Upon receiving written notice from any person named on the account, we may freeze the account. The account may be frozen until we receive written notice, signed by all parties named in the account, as to the disposition of funds. We may use the funds to satisfy a debt or judgment of any person named on this account if ordered to do so by a court of law.

**9. Joint Account With/Without Right of Survivorship.** If this is a joint account with right of survivorship, on the death of one of the account holders, that person's interest in the account immediately vests in the surviving joint account holder(s) as their separate property. If this is a joint account without right of survivorship and we receive written notice of the death of a joint account holder, we may freeze the account until we receive satisfactory evidence as to the disposition of the account.

**10. Payable on Death Account.** If the account is designated as a Payable on Death account, then it is governed by the applicable North Carolina General Statute. If you own the account with one or more persons, then the account is held between you as a joint account with right of survivorship. You or any owner may withdraw funds as permitted by the Agreement. You or any account owner may change the named beneficiary or beneficiaries by a written direction to us. If only one beneficiary is living and of legal age at the death of the last surviving owner, the beneficiary shall be the owner of the account and payment by us to such owner shall be a total discharge of our obligation as to the amount paid. If two or more beneficiaries are living at the death of the last surviving owner, then they shall hold the account as a joint account with right of survivorship, and payment by us to the owners or any of the owners shall be a total discharge of our obligation as to the amount paid. If all of the beneficiaries predecease the account owners, then the account shall be treated as an individual account, in the event of one surviving account owner or as a joint account with right of survivorship, in the event of multiple surviving account owners.

**11. Custodial Account.** A custodial account is subject to applicable law as adopted by the state in which the account is opened. The documents that authorize the custodianship may be required for the account. An account opened under the Uniform Transfers/Gifts to Minors Act must be opened in the name of a custodian "as custodian for (name of minor) under the Uniform Transfer to Minors Act". There may be only one custodian and one minor as beneficiary for each minor account.

**12. Power of Attorney.** If you wish to name another person to act as your attorney in fact or agent in connection with your account, we must approve the form of appointment.

**13. Personal Agency Account.** If the account is designated as a personal agency account, then it is governed by the applicable North Carolina General Statute. Such an account allows the principal to name an agent who will have the authority to make withdrawals from the account, endorse checks made payable to the principal for deposit into the account, and to deposit cash or negotiable instruments into the account. The agent has no ownership right or interest in this account. Upon the death of the principal, there is no right of survivorship to the account, and the authority of the agent terminates. In addition, the principal may elect to extend the authority of his/her agent so that the agent may act on behalf of the principal in regard to the account notwithstanding the subsequent incapacity or mental incompetence of the principal. The agent's authority would then end at such time that the agent receives notification from a qualified guardian or duly appointed attorney-in-fact. If the principal does not elect to extend the authority of the agent, then his/her subsequent incapacity or mental incompetence will terminate the authority of the agent.

**14. Fees, Service Charges and Balance Requirements.** You agree you are responsible for any fees, charges, balance, or deposit requirements as stated in the Disclosures.

**15. Non-Sufficient Funds and Overdrafts.** If your account lacks sufficient funds to pay a check, preauthorized transfer, or other debit activity presented for payment as determined by the available balance or actual balance in your account, we may (1) return the item, or (2) pay the item at our discretion.

**Available Balance.** The available balance is the amount of funds that you have in your account to spend without incurring an overdraft fee. The available balance reflects pending credits or debits and transactions and checks that have not yet cleared your account. For example, you have \$100 in your account and spend \$25 on groceries. The \$25 may show as a pending transaction, and your available balance is \$75. If you spend more than the available balance, then you may incur an overdraft fee.

**Actual Balance.** The actual balance is the total amount of funds in your account and does not reflect any pending credits or debits, transactions, or checks that have not cleared your account. For example, you have \$100 in your account and spend \$25 on groceries. The \$25 may show as a pending transaction, but the \$100 is your actual account balance and the amount you can spend before you incur an overdraft fee.

If we return the item without paying it, we may charge you a non-sufficient funds fee. If we do pay the item on your behalf, you will be responsible to pay the overdrawn balance and an overdraft fee. If applicable, overdrafts may be covered by our standard overdraft practice that comes with your account or an overdraft protection plan, such as a link to an account or a line of credit. As part of our offered standard overdraft practice, we do not authorize and pay overdrafts on ATM or everyday debit card transactions unless you request us to do so. Our handling of these items may subject your account to a fee as disclosed in the Fee Schedule or other Disclosures. We will process checks and other debit items in the order identified in your Truth In Savings disclosure if one has been provided. Please refer to the Overdraft Services Consent Form for more information about overdrafts and our standard overdraft policies, if applicable, and refer to your Truth In Savings disclosure for more information about our overdraft privilege policy.

**16. Amendments and Alterations.** You agree that the terms and conditions governing your account may be amended by us from time to time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendments. Notices will be sent to the most recent address shown on the account records. Only one notice will be given in the case of joint account holders.

**17. Notices.** You are responsible for notifying us of any address or name changes, the death of an account holder or other information affecting your account. Notices must be in a form and manner acceptable to us with enough information to allow us to identify the account. Notice sent by you to us is not effective until we have received it and have a reasonable opportunity to act on it. Written notice sent by us to you is effective when mailed to the last address supplied.

**18. Certified Beneficial Owner Information.** If you are obligated to certify beneficial owner information at the time the account is opened, you are responsible for notifying us of any changes to the certified beneficial ownership information that was provided to us. Notice should be made to us as soon as practical upon a change to the beneficial ownership information in a form and manner acceptable to us.

**19. Telephone and Electronic Communication.** You agree that we may call or send text messages to you at the telephone numbers that you provide to us, including a cell phone number, which may result in charges to you, for informational purposes regarding your account(s) with us. These calls and text messages may be made from an automatic telephone dialing system (i.e., an autodialer) or from an artificial or prerecorded voice message system. Additionally, you agree that we may send electronic communication to you at the email addresses you provide to us. You may contact us at any time if you no longer want to receive these communications from us.

**20. Online or Mobile Services.** If you open an account or obtain a product or service from us using our online or mobile services, we may record your personal information from a scan or a copy of your driver's license or other personal identification card, or we may receive an image or make a copy of your driver's license or other personal identification card. We may store or retain this information to the extent permitted by law.

**21. Closing Account.** We may close the account at any time, with or without cause, after sending you notice if advance notice is required by law. If applicable, a notice may be sent to you that specifies when the account will be closed. At our discretion, we have the authority to pay an otherwise properly payable check, which is presented after the closing of your account.

**22. Transfers and Assignments.** You cannot assign or transfer any interest in your account unless we agree in writing.

**23. Applicable Laws and Regulations.** You understand that this Agreement is governed by the laws of the state in which the account is opened unless federal law controls. Changes in these laws may change the terms and conditions of your account. We will notify you of any changes as required by law.

**24. ACH and Wire Transfers.** This Agreement is subject to Article 4A of the Uniform Commercial Code - Funds Transfers as adopted by the state in which the account is opened. If you send or receive a wire transfer, you agree that Fedwire® Funds Service may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire® Funds Service. When you originate a funds transfer for which Fedwire® Funds Service is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. If you are a party to an Automated Clearing House ("ACH") entry, you agree that we may transmit an entry through the ACH, and you agree to be bound by the National Automated Clearing House Association ("NACHA") Operating Rules and Guidelines, the rules of any local ACH, and the rules of any other systems through which the entry is made.

**Provisional Payment.** Credit we give you is provisional until we receive final settlement for that entry. If we do not receive final settlement, you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**Notice of Receipt.** We will not provide you with notice of our receipt of the order, unless we are so requested by the transfer originator in the order. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Choice of Law.** We may accept on your behalf payments to your account which have been transmitted, that are not subject to the Electronic Fund Transfer Act, and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state where we are located.

**International ACH Transactions.** If your transaction originates from a financial agency that is outside of the territorial jurisdiction of the United States, it may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If additional review is required, the International ACH transaction will not be available to you until it passes final verification.

## 25. Stop Payments.

**Stop Payments on Checks.** If you request us to stop payment on a check you have written, you will give written or other confirmation as allowed by us within 14 days of making the request. If you fail to confirm an oral stop payment request within the 14 days, unless our policy provides otherwise, we reserve the right to cancel the request. Your stop payment request must describe the item or account with reasonable certainty and we must receive the request in a time and way that gives us a reasonable opportunity to act on it. A stop payment on a check you have written will remain in effect until the earlier of 1) six months, or 2) until we receive written revocation of the stop payment. If the item on which a Stop Payment Order has been placed has not yet cleared or been returned to you by the payee, you may renew the Stop Payment Order for an additional six months by providing a request to us in a record or writing within the time period the Stop Payment Order is in effect. Our acceptance of a stop payment request does not constitute a representation by us that the item has not already been paid or that we have had a reasonable opportunity to act on the request. We may accept a stop payment request on lost or stolen checks, whether a single check or series, unless our policy requires we open a new account for you to ensure your security. Written communication includes communication by electronic record.

**Stop Payments on ACH Debits.** A Stop Payment Order may be placed on either a one-time debit transfer or on a multiple debit entry transfer. If you request a Stop Payment Order on an Electronic Check Conversion or other one-time debit transfer, we must receive the request, orally or in a record or writing, in a period of time that provides us a reasonable opportunity to act on it prior to acting on the debit entry, otherwise the Stop Payment Order shall be of no effect. If you requested a stop payment on a multiple or future debit entry transfer, we must receive the Stop Payment Order, orally or in a record or writing, at least three business days before a scheduled debit entry. Requests to stop all future payments on an ACH debit transfer may require additional documentation to be supplied to us. Oral stop payment orders are binding on us for 14 calendar days only, unless our policy provides otherwise, and must be confirmed by you in a record or writing within that period. A Stop Payment Order on an ACH debit will remain in effect until the earlier of 1) your withdrawal of the Stop Payment Order, or 2) the return of the debit entry, or, where a Stop Payment Order is applied to more than one debit entry under a specific authorization involving a specific payee (Originator), the return of all such debits. When a stop is placed on a multiple or future debit entry transfer, we may require your confirmation in a record or writing stating that you have canceled your authorization for the transfer with the payee (a Stop Payment Order does not revoke authorization). Written communication includes communication by electronic record.

The Stop Payment Order shall be governed by the provisions of Article 4A of the Uniform Commercial Code as adopted by the state in which the account is opened, the Electronic Fund Transfer Act (Regulation E), NACHA Operating Rules, and any applicable state law. You may be charged a fee every time you request a Stop Payment Order and for each Stop Payment Order renewal you make. You understand that we may accept the stop payment request from any of the joint owners of the account regardless of who signed the check or authorized the transfer. A release of the Stop Payment Order may be made only by the person who initiated the stop payment request.

**26. Checks.** All negotiable paper ("checks") presented for deposit must be in a format that can be processed and we may refuse to accept any check that does not meet this requirement. All endorsements on the reverse side of any check deposited into your account, or on any check issued by you, must be placed on the left side of the check when looking at it from the front, and must be placed so as to not go beyond an area located 1-1/2 inches from the left edge of the check when looking at it from the front. It is your responsibility to ensure that this requirement is met. You are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

**27. Electronic Checks and Electronically-Created Items.** Pursuant to Regulation CC, electronic checks may be treated the same as paper checks for check collection and processing purposes. See the Substitute Checks section for more information. Electronically-created items ("ECI") are check-like items created in electronic form that never existed in paper form. For example, you set up automatic bill payments with us to pay your utility bill. From your account information, we create an ECI that is sent to your utility company for payment. An ECI cannot be used to create a substitute check since it never existed in paper form.

**28. Substitute Checks.** To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute check(s). An electronic check can be used to create a substitute check since the electronic image and electronic information was derived from its paper form.

**29. Remote Deposit Capture.** Remote deposit capture ("RDC") allows you to make deposits to your account from remote locations by electronically transmitting digital images of your original paper checks, which are drawn on or payable through United States financial institutions in United States dollars to us. We may then use the digital image to create an electronic check or substitute check for collection. If you use our RDC services, if applicable, we may require you to endorse the back of the paper check to indicate that it has been remotely deposited. For example, "for mobile deposit only."

**30. Stale or Postdated Checks.** We reserve the right to pay or dishonor a check more than 6 months old without prior notice to you. If you can write checks on your account, you agree not to postdate any check drawn on the account. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. We are not liable for paying any stale or postdated check. Any damages you incur that we may be liable for are limited to actual damages not to exceed the amount of the check.

**31. Check Safekeeping.** If you can write checks on your account and utilize check safekeeping or any other system offered by us for the retention of your checks, you understand that the canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. If for any reason we cannot provide you with a copy of a check, our liability will be limited to the lesser of the face amount of the check or the actual damages sustained by you. When you request a copy of a check it may be subject to a fee as defined in the Disclosures.

**32. Statements.** If your account is a Checking, NOW, Money Market, or Statement Savings account, we will provide you with a periodic statement showing the account activity. The account holder who receives this statement is the agent for his/her co-account holder(s) for purposes of receiving the statement and items. You must notify us within 30 days after we mail or otherwise make the statement available to you of any discrepancies, except for transfers governed by the Wire Transfer Agreement. If you fail to notify us, you will have no claim against us. However, if the discrepancy is the result of an electronic fund transfer, the provisions of our Disclosures will control its resolution. If you do not receive a statement from us because

you have failed to claim it, or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.

**33. Signatures.** Your signature on the Account Information form is your authorized signature. You authorize us, at any time, to charge you for all checks, drafts, or other orders for the payment of money, that are drawn on us regardless of by whom or by what means (including facsimile signature(s)) may have been affixed so long as they resemble the signature specimen in our files. For withdrawal and for other purposes relating to any account you have with us, we are authorized to recognize your signature; and we will not be liable to you for refusing to honor signed instruments or instructions if we believe in good faith that one or more of the signatures appearing on the instrument or instruction is not genuine.

If your items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You agree that no facsimile signature you have authorized us to honor may be considered a forgery or an unauthorized signature, and that every authorized facsimile signature shall be effective as the signatory's own original, manual signature. You accept sole responsibility for maintaining security over any device affixing the signature as such signature will be effective regardless of whether the person affixing it was authorized to do so. Your authorization notwithstanding, we are not obligated to accept or pay any items bearing facsimile signatures.

Further, most checks and other items are processed automatically, i.e., without individual review of each check or item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of checks or other items for more than one signer, you agree that we are acting within common and reasonable banking practices by automatically processing checks and other items, i.e., without individual review of each check or item. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees) that you or we may suffer or incur as a result of this practice.

**34. Restrictive Legends.** We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in a writing signed by an officer of the financial institution. Examples of restrictive legends are "two signatures required", "must be presented within 90 days" or "not valid for more than \$1,000.00."

**35. Our Waiver of Rights.** You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement shall affect or preclude our future exercise of that right, remedy, power or privilege.

**36. Your Waiver of Notice.** By signing the signature card/Account Information form, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your deposit account. For example, if a check that you deposited is dishonored and returned to us, we are not required to notify you of the dishonor.

**ACCOUNT SPECIFIC PROVISIONS.** In addition to the General Rules, the following rules apply to specific types of accounts:  
**CHECKING AND NOW ACCOUNTS**

**Checking Accounts.** If your account is a checking account, it will be either non-interest bearing or interest bearing as defined in the Truth in Savings Disclosure.

**Withdrawals.** Deposits will be available for withdrawal consistent with the terms of our Disclosures. Withdrawals may be subject to a service charge.

**Withdrawal Notice Requirements.** If your account is a NOW account or a non-demand deposit checking account, we have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account.

#### **MONEY MARKET AND SAVINGS ACCOUNTS**

**Withdrawals.** We have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account. Withdrawals may be subject to a service charge.

**Regulation D Transaction Limitations.** Federal regulation restricts the number of transfers or withdrawals you can make on a Money Market Account and Savings Account and requires compliance with these restrictions. You understand that we will not allow more transfers or withdrawals than the maximum number specified in the Disclosures. Certain transfers or withdrawals will count toward the transaction limitations.

**Transfers or Withdrawals Subject to Transaction Limitations.** This transaction limitation includes transfers or withdrawals made to a third party if made by: phone, fax, computer, check, debit card, ACH, bill payments, or automatic transfers. The transaction limitation also includes transfers or withdrawals made to another account that you have with us if made by: phone; fax; computer; debit card; ACH; bill payments; or automatic transfers, including transfers for overdraft protection purposes.

**Transfers or Withdrawals Not Subject to Transaction Limitations.** There is **no limit** on the number of transfers or withdrawals between the accounts you have with us if made by: mail, messenger, ATM, in person, or to repay a loan that you have with us.

If these restrictions are violated, we may be required to close your account, take away your ability to transfer funds, or convert the account to a checking or other transaction account.

#### **SAVINGS ACCOUNTS**

**Passbooks.** If your account is a passbook account and you wish to make a withdrawal without your passbook, we can refuse to allow the withdrawal. If your passbook is lost or stolen, you will immediately notify us in writing.

#### **CERTIFICATES OF DEPOSIT/TIME DEPOSIT ACCOUNTS**

**Account Terms.** The Certificate bears interest at the rate and basis as set forth on the Certificate. The terms of the Certificate, such as the interest rate(s), Annual Percentage Yield ("APY"), length of term period, renewability, and date of maturity are specified on the Certificate and in the Disclosures provided to you at the time of account opening. Interest will not be compounded unless noted and will be paid to you at the frequency and in the method noted. If interest compounds during the term of the Certificate and may be withdrawn prior to maturity, the withdrawal of interest prior to maturity will affect the APY.

**Withdrawal Prior To Maturity.** You have contracted to keep the account funds on deposit from the issue date until the maturity date. We may accept a request by you for withdrawal of some or all of the account funds prior to the maturity date at our discretion or as otherwise described in the Disclosures.

**Additional Deposits During The Term.** No additional deposits will be allowed to this account during its term unless otherwise described in the Disclosures.

**Early Withdrawal Penalty.** Unless provided otherwise in the Disclosures, we will assess an early withdrawal penalty on any withdrawal, either partial or in whole, that we allow you to make from your account prior to the account's maturity date. The method for determining that penalty is described in the Disclosures.

**Renewal.** Automatic Renewal Certificates will renew automatically on the stated maturity date of its term. Such renewal will be for a time period equal or similar to the original term and subject to these terms and conditions. Interest for that renewal term will be paid at the interest rate then in effect at this financial institution for similar accounts. If you close the Certificate within the grace period following the maturity date, we will not charge an early withdrawal penalty for that withdrawal. The grace period following a maturity date is described in the Disclosures.

**Single Maturity.** Single Maturity Certificates will not automatically renew at maturity. The Disclosures describe our policy concerning the account's status following the maturity date. To ensure a continuation of interest earning, you must arrange for a new investment of the account balance.

## **BUSINESS DEPOSIT ACCOUNT AGREEMENT**

**GENERAL AGREEMENT.** The terms "you" and "your" refer to the depositor and the terms "we", "us" and "our" refer to the financial institution. The acronym "NOW" means Negotiable Order of Withdrawal, if you are an entity eligible to open such account. You understand that the following Account Agreement ("Agreement") governs your account with us, along with any other documents applicable to your account, such as our Funds Availability Policy or Privacy Policy ("Disclosures"), which are incorporated herein by reference.

**GENERAL RULES.** The following rules apply to your account:

**1. Deposits.** Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions initiated by mail until we actually receive and record them. We may refuse to accept particular checks or similar instruments as a deposit to your account at our discretion. The terms of our Disclosures will control the determination of the banking day deposits are deemed received by us and when they will be available for withdrawal. If any check or similar instrument you deposit to your account is returned unpaid, we have the right to debit your account for the amount of such item and adjust any related interest earned. You will, in any event, be liable to us for the amount of any check or similar instrument you deposit to your account that is returned unpaid, plus our costs and expenses associated with collection of all or any part of such amount from you, including reasonable attorney fees whether incurred at trial, on any appeal therefrom or otherwise. Deposits may be subject to a service charge.

**2. Collection of Deposited Items.** In receiving items for deposit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits. We shall have the right to forward items to correspondents including all Federal Reserve Banks, and we shall not be liable for default or neglect of said correspondents for loss in transit, nor shall any correspondent be liable except for its own negligence. You specifically authorize us or our correspondents to utilize Federal Reserve Banks to handle such items in accordance with provisions of Regulation J (12 CFR Part 210), as revised or amended from time to time by the Federal Reserve Board. In the event we are subject to local clearinghouse rules, you specifically authorize us to handle such items in accordance with the rules and regulations of the clearinghouse.

If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

This provision also applies to any remotely created check that you may deposit into your account. A remotely created check, as defined in Regulation CC, means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. By having a deposit account with us, you certify that all remotely created checks deposited to your account(s) will be expressly and verifiably authorized by the payor. And we reserve the rights to refuse for deposit any such remotely created check if we have any reason to believe that the item is fraudulent in any manner, and to obtain from you the payor's express, verifiable authorization for any such item.

**3. Unlawful Internet Gambling.** Restricted transactions are prohibited from being processed through your account with us as required by the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG. A restricted transaction is a transaction or transmittal involving any credit, funds, instrument, or proceeds in connection with the participation of another person in unlawful Internet gambling.

**4. Set-offs and Liens.** We may set-off funds in your account and any other accounts held by you to pay any debt you may owe us. In addition, you grant to us a security interest in your deposit accounts to secure any debt you may owe us in any non-consumer transaction.

**5. Claims.** In response to any garnishment, attachment, restraining order, injunction, levy, citation to discover assets, judgment, reclamation, other order of court or other legal process ("Claim(s)"), we have the right to place a hold on, remove from your account(s) and/or remit to the designated third-party(ies) any amount on deposit in your account(s) as set forth in and required by such Claim(s). In addition, we may charge against your account(s) any fee authorized by law in connection with the Claim(s) or as otherwise set forth in the Fee Schedule.

**6. Expenses.** You agree to be liable to us for any loss, cost or expense that we incur as a result of any dispute, attachment, garnishment, levy or subpoena of records involving your account, including reasonable attorneys' fees whether incurred at trial, on any appeal therefrom or otherwise, to the extent permitted by law. You authorize us to deduct such loss, cost or expense from your account without prior notice to you.

**7. Dormant/Inactive Accounts.** You understand that if your account is dormant or inactive, you may be charged the fee specified in the Fee Schedule and we may stop paying interest to the extent permitted by law and your account balance may be escheated (that is, turned over to the state) in accordance with state law. If your account balance is escheated, you agree that we are relieved of all responsibility for the balance escheated.

**8. Escrow, Trust, Fiduciary and Custodial Accounts.** When your account is set up as an escrow, trust, fiduciary or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature. We have no obligation to act as trustee or to inquire into your powers or responsibilities over this account. We reserve the right to require the documentation necessary under applicable law to establish, maintain, manage, and close this account. There may be additional terms and conditions that apply to this account that are governed by a separate agreement.

**9. Additional Documents to Open Account.** You agree to supply us with a separate authorization informing us of the authorized signer(s), if requested to do so and to provide any other related document requested by us.

**10. Signatures.** Your signature on the Account Information form is your authorized signature. You authorize us, at any time, to charge you for all checks, drafts, or other orders for the payment of money, that are drawn on us regardless of by whom or by what means (including facsimile signature(s)) may have been affixed so long as they resemble the signature specimen in our files. For withdrawal and for other purposes relating to any account you have with us, we are authorized to recognize your signature; and we will not be liable to you for refusing to honor signed instruments or instructions if we believe in good faith that one or more of the signatures appearing on the instrument or instruction is not genuine.

If your items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You agree that no facsimile signature you have authorized us to honor may be considered a

forgery or an unauthorized signature, and that every authorized facsimile signature shall be effective as the signatory's own original, manual signature. You accept sole responsibility for maintaining security over any device affixing the signature as such signature will be effective regardless of whether the person affixing it was authorized to do so. Your authorization notwithstanding, we are not obligated to accept or pay any items bearing facsimile signatures.

Further, most checks and other items are processed automatically, i.e., without individual review of each check or item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of checks or other items for more than one signer, you agree that we are acting within common and reasonable banking practices by automatically processing checks and other items, i.e., without individual review of each check or item. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees whether incurred at trial, on any appeal therefrom or otherwise) that you or we may suffer or incur as a result of this practice.

**11. Restrictive Legends.** We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in a writing signed by an officer of the financial institution. Examples of restrictive legends are "two signatures required", "must be presented within 90 days" or "not valid for more than \$1,000.00."

**12. Fees, Service Charges and Balance Requirements.** You agree to pay us and are responsible for any fees, charges or balance/deposit requirements as provided in the Fee Schedule or Disclosures. We also reserve the right to impose a service charge for cashing checks drawn on your account if the person cashing the check is not a customer of this financial institution.

**13. Amendments and Alterations.** Notice will be given to you if we change the terms of this Agreement at any time by mailing notice to your address shown on our records, by posting a notice of any such changes at our main office, or by whatever notice requirements that may be required by law.

**14. Notice.** You are responsible for notifying us of any address change or other information affecting your account. Notices must be in a form and manner acceptable to us with enough information to allow us to identify the account. Notice sent by you to us is not effective until we have received it and have a reasonable opportunity to act on it. Written notice sent by us to you is effective when mailed to the last address supplied to us.

**15. Certified Beneficial Owner Information.** If you are obligated to certify beneficial owner information at the time the account is opened, you are responsible for notifying us of any changes to the certified beneficial ownership information that was provided to us. Notice should be made to us as soon as practical upon a change to the beneficial ownership information in a form and manner acceptable to us.

**16. Telephone and Electronic Communication.** You agree that we may call or send text messages to you at the telephone numbers that you provide to us, including a cell phone number, which may result in charges to you, for informational purposes regarding your account(s) with us. These calls and text messages may be made from an automatic telephone dialing system (i.e., an autodialer) or from an artificial or prerecorded voice message system. Additionally, you agree that we may send electronic communication to you at the email addresses you provide to us. You may contact us at any time if you no longer want to receive these communications from us.

**17. Closing Account.** We may close the account at any time, with or without cause, after sending you notice if advance notice is required by law. If applicable, a notice may be sent to you that specifies when the account will be closed. At our discretion, we have the authority to pay an otherwise properly payable check, which is presented after the closing of your account.

**18. Transfers and Assignments.** You cannot assign or transfer any interest in your account unless we agree in writing.

**19. Effective Applicable Laws and Regulations.** You understand that this Agreement is governed by the laws of the state where this account is opened except to the extent that federal law is controlling and includes, but is not limited to, Article 4A of the Uniform Commercial Code. Changes in these laws and regulations may modify the terms and conditions of your account. We do not have to notify you of these changes, unless required to do so by law. If any of the terms of this Agreement conflict with applicable law and are declared to be invalid or unenforceable, those terms will be ineffective to the extent of the conflict and the applicable law will govern. The remaining provisions will remain unaffected.

**20. ACH and Wire Transfers.** This Agreement is subject to Article 4A of the Uniform Commercial Code - Funds Transfers as adopted by the state in which the account is opened. If you send or receive a wire transfer, you agree that Fedwire® Funds Service may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire® Funds Service. When you originate a funds transfer for which Fedwire® Funds Service is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. If you are a party to an Automated Clearing House ("ACH") entry, you agree that we may transmit an entry through the ACH, and you agree to be bound by the National Automated Clearing House Association ("NACHA") Operating Rules and Guidelines, the rules of any local ACH, and the rules of any other systems through which the entry is made.

**Provisional Payment.** Credit we give you is provisional until we receive final settlement for that entry. If we do not receive final settlement, you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**Notice of Receipt.** We will not provide you with notice of our receipt of the order, unless we are so requested by the transfer originator in the order. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Choice of Law.** We may accept on your behalf payments to your account which have been transmitted, that are not subject to the Electronic Fund Transfer Act, and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state where we are located.

**International ACH Transactions.** If your transaction originates from a financial agency that is outside of the territorial jurisdiction of the United States, it may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If additional review is required, the International ACH transaction will not be available to you until it passes final verification.

**21. Checks.** All negotiable paper ("checks") presented for deposit must be in a format that can be processed and we may refuse to accept any check that does not meet this requirement. All endorsements on the reverse side of any check

deposited into your account must be placed on the left side of the check when looking at it from the front, and the endorsement must be placed so as to not go beyond an area located 1-1/2 inches from the left edge of the check when looking at it from the front. It is your responsibility to ensure that these requirements are met and you are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

**22. Electronic Checks and Electronically-Created Items.** Pursuant to Regulation CC, electronic checks may be treated the same as paper checks for check collection and processing purposes. See the Substitute Checks section for more information. Electronically-created items ("ECI") are check-like items created in electronic form that never existed in paper form. For example, you set up automatic bill payments with us to pay your utility bill. From your account information, we create an ECI that is sent to your utility company for payment. An ECI cannot be used to create a substitute check since it never existed in paper form.

**23. Substitute Checks.** To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute check(s). An electronic check can be used to create a substitute check since the electronic image and electronic information was derived from its paper form.

**24. Remote Deposit Capture.** Remote deposit capture ("RDC") allows you to make deposits to your account from remote locations by electronically transmitting digital images of your original paper checks, which are drawn on or payable through United States financial institutions in United States dollars to us. We may then use the digital image to create an electronic check or substitute check for collection. If you use our RDC services, if applicable, we may require you to endorse the back of the paper check to indicate that it has been remotely deposited. For example, "for mobile deposit only."

**25. Preauthorized Checks or Drafts.** You should guard information about your account (such as our routing number and your account number) as carefully as you would guard blank checks. If you voluntarily give such information about your account to a party which is seeking to sell you goods or services, without physically delivering a check to it, any debit to or withdrawal from your account it initiates will be deemed authorized by you.

**26. Non-Sufficient Funds and Overdrafts.** If your account lacks sufficient funds to pay a check, preauthorized transfer, or other debit activity presented for payment as determined by the available balance or actual balance in your account, we may (1) return the item, or (2) pay the item at our discretion.

**Available Balance.** The available balance is the amount of funds that you have in your account to spend without incurring an overdraft fee. The available balance reflects pending credits or debits and transactions and checks that have not yet cleared your account. For example, you have \$100 in your account and spend \$25 on groceries. The \$25 may show as a pending transaction, and your available balance is \$75. If you spend more than the available balance, then you may incur an overdraft fee.

**Actual Balance.** The actual balance is the total amount of funds in your account and does not reflect any pending credits or debits, transactions, or checks that have not cleared your account. For example, you have \$100 in your account and spend \$25 on groceries. The \$25 may show as a pending transaction, but the \$100 is your actual account balance and the amount you can spend before you incur an overdraft fee.

If we return the item without paying it, we may charge you a non-sufficient funds fee. If we do pay the item on your behalf, you will be responsible to pay the overdrawn balance and an overdraft fee. Our handling of these items may subject your account to a fee as disclosed in the Fee Schedule or other Disclosures. Unless we advise you otherwise, we will process checks and other debit items in an order determined in our sole discretion.

**27. Stop Payments.**

**Stop Payments on Checks.** If you request us to stop payment on a check you have written, you will give written or other confirmation as allowed by us within 14 days of making the request. If you fail to confirm an oral stop payment request within the 14 days, unless our policy provides otherwise, we reserve the right to cancel the request. Your stop payment request must describe the item or account with reasonable certainty and we must receive the request in a time and way that gives us a reasonable opportunity to act on it. A stop payment on a check you have written will remain in effect until the earlier of 1) six months, or 2) until we receive written revocation of the stop payment. If the item on which a Stop Payment Order has been placed has not yet cleared or been returned to you by the payee, you may renew the Stop Payment Order for an additional six months by providing a request to us in a record or writing within the time period the Stop Payment Order is in effect. Our acceptance of a stop payment request does not constitute a representation by us that the item has not already been paid or that we have had a reasonable opportunity to act on the request. We may accept a stop payment request on lost or stolen checks, whether a single check or series, unless our policy requires we open a new account for you to ensure your security. Written communication includes communication by electronic record.

**Stop Payments on ACH Debits.** A Stop Payment Order may be placed on either a one-time debit transfer or on a multiple debit entry transfer. If you request a Stop Payment Order on an Electronic Check Conversion or other one-time debit transfer, we must receive the request, orally or in a record or writing, in a period of time that provides us a reasonable opportunity to act on it prior to acting on the debit entry, otherwise the Stop Payment Order shall be of no effect. If you requested a stop payment on a multiple or future debit entry transfer, we must receive the Stop Payment Order, orally or in a record or writing, at least three business days before a scheduled debit entry. Requests to stop all future payments on an ACH debit transfer may require additional documentation to be supplied to us. Oral stop payment orders are binding on us for 14 calendar days only, unless our policy provides otherwise, and must be confirmed by you in a record or writing within that period. A Stop Payment Order on an ACH debit remains in effect until the earlier of 1) your withdrawal of the Stop Payment Order, 2) the return of the debit entry, or, where a Stop Payment Order is applied to more than one debit entry under a specific authorization involving a specific payee (Originator), the return of all such debits, or 3) six months from the date of the Stop Payment Order, unless you renew the Stop Payment Order. You may renew the Stop Payment Order for an additional six months to prevent the transfer from being paid by providing a request to us within the time period the Stop Payment Order is in effect. When a stop is placed on a multiple or future debit entry transfer, we may require your confirmation in a record or writing stating that you have canceled your authorization for the transfer with the payee (a Stop Payment Order does not revoke authorization). Written communication includes communication by electronic record.

The Stop Payment Order shall be governed by the provisions of Article 4A of the Uniform Commercial Code as adopted by the state in which the account is opened, the Electronic Fund Transfer Act (Regulation E), NACHA Operating Rules, and any

applicable state law. You may be charged a fee every time you request a Stop Payment Order and for each Stop Payment Order renewal you make. You understand that we may accept the stop payment request from any of the joint owners of the account regardless of who signed the check or authorized the transfer. A release of the Stop Payment Order may be made only by the person who initiated the stop payment request.

**28. Statements.** We will provide you with a periodic statement showing the account activity. You must notify us within 30 days after we mail or otherwise make the statement available to you of any discrepancies, except for transfers governed by the Wire Transfer Agreement. If you fail to notify us, you will have no claim against us. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.

**29. Stale or Postdated Checks.** We reserve the right to pay or dishonor a check more than 6 months old without prior notice to you. You agree not to postdate any check drawn on the account. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. We are not liable to you for paying any stale or postdated check, and you agree to reimburse us for any loss we might suffer as long as we acted in good faith or exercised ordinary care. Any damages that you incur, and which we may be liable for, are limited to actual damages not to exceed the amount of the check.

**30. Check Safekeeping.** If you can write checks on your account and utilize check safekeeping or any other system offered by us for the retention of your checks, you understand that the canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. If for any reason we cannot provide you with a copy of a check, our liability will be limited to the lesser of the face amount of the check or the actual damages sustained by you. When you request a copy of a check it may be subject to a fee as defined in the Fee Schedule.

**31. Our Waiver of Rights.** You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement shall affect or preclude our future exercise of that right, remedy, power or privilege.

**32. Your Waiver of Notice.** By signing the Account Information form, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your deposit account. For example, if a check that you deposited is dishonored and returned to us, we are not required to notify you of the dishonor.

**ACCOUNT SPECIFIC PROVISIONS.** In addition to the General Rules, the following rules apply to specific types of accounts:

**CHECKING AND NOW ACCOUNTS**

**Checking Accounts.** If your account is a checking account, it will be either non-interest bearing or interest bearing as defined in the account opening documents.

**Withdrawals.** Deposits will be available for withdrawal consistent with the terms of our Disclosures. Withdrawals may be subject to a service charge.

**Withdrawal Notice Requirements.** If your account is a NOW account or a non-demand deposit checking account, we have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account.

**MONEY MARKET AND SAVINGS ACCOUNTS**

**Withdrawals.** We have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account. Withdrawals may be subject to a service charge.

**Regulation D Transaction Limitations.** Federal regulation restricts the number of transfers or withdrawals you can make on a Money Market Account and Savings Account and requires compliance with these restrictions. You understand that we will not allow more transfers or withdrawals than the maximum number specified in the Disclosures. Certain transfers or withdrawals will count toward the transaction limitations.

**Transfers or Withdrawals Subject to Transaction Limitations.** This transaction limitation includes transfers or withdrawals made to a third party if made by: phone, fax, computer, check, debit card, ACH, bill payments, or automatic transfers. The transaction limitation also includes transfers or withdrawals made to another account that you have with us if made by: phone; fax; computer; debit card; ACH; bill payments; or automatic transfers, including transfers for overdraft protection purposes.

**Transfers or Withdrawals Not Subject to Transaction Limitations.** There is **no limit** on the number of transfers or withdrawals between the accounts you have with us if made by: mail, messenger, ATM, in person, or to repay a loan that you have with us.

If these restrictions are violated, we may be required to close your account, take away your ability to transfer funds, or convert the account to a checking or other transaction account.

**CERTIFICATES OF DEPOSIT/TIME DEPOSIT ACCOUNTS**

**Account Terms.** The Certificate bears interest at the rate and basis as set forth on the Certificate. The terms of the Certificate, such as the interest rate(s), Annual Percentage Yield ("APY"), length of term period, renewability, and date of maturity are specified on the Certificate and as indicated at the time of account opening. Interest will not be compounded unless noted and will be paid to you at the frequency and in the method noted. If interest compounds during the term of the Certificate and may be withdrawn prior to maturity, the withdrawal of interest prior to maturity will affect the APY.

**Withdrawal Prior To Maturity.** You have contracted to keep the account funds on deposit from the issue date until the maturity date. We may accept a request by you for withdrawal of some or all of the account funds prior to the maturity date at our discretion.

**Additional Deposits During The Term.** No additional deposits will be allowed to this account during its term unless indicated at the time of account opening.

**Early Withdrawal Penalty.** We may assess an early withdrawal penalty on any withdrawal, either partial or in whole, that we allow you to make from your account prior to the account's maturity date as indicated at account opening.

**Renewal.** Automatic Renewal Certificates will renew automatically on the stated maturity date of its term. Such renewal will be for a time period equal or similar to the original term and subject to these terms and conditions. Interest for that renewal term will be paid at the interest rate then in effect at this financial institution for similar accounts. If you close the Certificate within the grace period following the maturity date, we will not charge an early withdrawal penalty for that withdrawal.

**Single Maturity.** Single Maturity Certificates will not automatically renew at maturity. To ensure a continuation of interest earning, you must arrange for a new investment of the account balance.

**FACTS WHAT DOES SELECT BANK & TRUST DO WITH YOUR PERSONAL INFORMATION?**

**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:  
 - Social Security number and account balances  
 - Payment history and transaction history  
 - Account transactions and checking account information  
 When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Select Bank & Trust chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Select Bank & Trust share?	Can you limit this sharing?
<b>For our everyday business purposes--</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes--</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes--</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes--</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

**Questions?** Call toll-free 1-877-610-7315 or go to [www.selectbank.com](http://www.selectbank.com)

Who we are	
Who is providing this notice?	Select Bank & Trust
What we do	
How does Select Bank & Trust protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Select Bank & Trust collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>- Open an account or apply for a loan</li> <li>- Provide employment information or give us your contact information</li> <li>- Show your government issued ID</li> </ul> We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>- sharing for affiliates' everyday business purposes - information about your creditworthiness</li> <li>- affiliates from using your information to market to you</li> <li>- sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>- <i>Select Bank &amp; Trust does not share with our affiliates.</i></li> </ul>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>- <i>Select Bank &amp; Trust does not share with nonaffiliates so they can market to you.</i></li> </ul>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>- <i>Select Bank &amp; Trust doesn't jointly market.</i></li> </ul>

## NO BOUNCE OVERDRAFT PRIVILEGE DISCLOSURE



www.selectbank.com | 877-610-7315

### What is No Bounce Overdraft Privilege?

At times, unanticipated expenses or unforeseen problems can leave you with too little cash in your checking account. Having a check returned due to insufficient funds can be costly, inconvenient and potentially embarrassing experience. Select Bank & Trust does not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional fees and embarrassment that might result if a check is returned. That's why we provide No Bounce, a special overdraft privilege for Select Bank & Trust customers.

No Bounce Overdraft Privilege is a discretionary overdraft service requiring no action on your part that provides you a safety net up to an automatically assigned overdraft limit of \$500.00.

Your No Bounce Overdraft Privilege will become available to you 30 days after you open your account – provided you have met the following conditions:

1. You have made one or more deposits(s) totaling \$1,000.00 or more since opening the account;
2. You have had no more than 4 non-sufficient fund (NSF) items since opening the account; and
3. Your account has not been overdrawn more than 2 days since opening the account.

As long as you maintain your account in “good standing”, your No Bounce Overdraft Privilege limit may be available for checks and other transactions (automatic bill payments and recurring debit card payments) made using your checking account number. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

For overdraft privilege consideration, your account is in “good standing” if you:

1. Make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all Bank fees and charges);
2. Avoid excessive overdrafts suggesting the use of No Bounce Overdraft Privilege as a continuing line of credit; and
3. Have no legal orders, levies or liens against your account.

### What does my No Bounce Overdraft Privilege cost?

There is no additional cost associated with this privilege unless you use it. You will be charged our overdraft fee of \$39.00\* for each overdrawn item created by a traditional paper-based check, a teller withdrawal, an automatic payment (ACH) transaction, or a recurring debit card payment. Also, if you have requested us to do so, we may authorize and cover ATM transfers or withdrawals and everyday debit card purchases.

The order in which items are presented may affect the total fees assessed to your account. To avoid the imposition of excessive overdraft fees, your account transactions will be processed in the following order: ATM withdrawals; debit card transactions; checks drawn on your account that are presented for payment at one of our branches; checks drawn on your account payable to Select Bank & Trust; electronic items such as ACH debits; automatic transfers, telephone-initiated transfers; other electronic transfers; other checks drawn on your account will be paid in lowest to highest amount.

To help you manage your account, the total fees you have been assessed for items (both paid and returned) during the current month and year-to-date will be reflected on your monthly checking account statement.

**How do I know when I use the No Bounce Overdraft Privilege limit?**

You will receive an overdraft notice each time items and fees are paid. You will need to subtract the total fees when balancing your checkbook.

Please note that the amount of the overdraft plus our Overdraft fee of \$39.00\* for each item will be deducted from your overdraft limit. If the item is returned, the NSF fee of \$39.00\* will be deducted from your account. No interest will be charged on the overdraft balance.

**What if I go beyond my No Bounce Overdraft Privilege limit?**

Overdrafts above and beyond your established No Bounce Overdraft Privilege limit may result in checks or other items being returned to the payee. An NSF fee of \$39.00\* will be charged per item and assessed to your account. An NSF notice will be sent to notify you of items paid and/or returned.

**How quickly must I repay my No Bounce Overdraft Privilege?**

You should make every attempt to bring your account to a positive end-of-day balance as soon as possible, and must do so within 30 calendar days. If you are not able to do so, you will receive a letter from us informing you that your No Bounce Overdraft Privilege limit has been suspended and additional items will be returned. Unless we advise you differently or you request this service be removed from your account, your limit will be available to cover overdrafts again the first business day after you bring your account to a positive end-of-day balance. Social Security or other recurring payments may be used to pay your overdrafts unless you request that this service be removed from your account.

**What are some of the ways I can access my No Bounce Overdraft Privilege? Will my No Bounce Overdraft Privilege limit be reflected in the balance I receive?**

The chart below shows the different ways you can access your No Bounce Overdraft Privilege limit and indicates whether or not this limit will be reflected in the balance provided.

<b>Access Points</b>	<b>Is my Overdraft Privilege available?</b>	<b>Does the balance reflect my overdraft privilege limit?</b>
Teller	Yes	No
Writing a Check	Yes	N/A
Debit Card (recurring)	Yes	N/A
Debit Card (everyday)	No**	N/A
ATM Withdrawal	No**	No
ACH-Auto Debit	Yes	N/A
Online Banking	Yes	No
Bill Pay	Yes	N/A
Telephone Banking	Yes	No

*\*\*No Bounce Overdraft Privilege will be made available for ATM or everyday debit card transaction upon your request. Call us at 877-610-7315 or visit one of our branches.*

**What are some other ways I can cover overdrafts at Select Bank & Trust?**

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawal in your check register, reconcile your check book regularly and manage your finances responsibly. However, if a mistake occurs, Select Bank & Trust offers additional ways to cover overdrafts in addition to No Bounce Overdraft Privilege.

**Ways to cover Overdrafts at**

**Select Bank & Trust**

- Good account management
- Transfer from a savings or checking account
- Select Line (subject to approval)
- Select Line Plus (subject to approval)
- No Bounce Overdraft Privilege

**Example of Associated Fees\***

- \$0
- \$5.00\* transfer fee
- 18% APR\*
- 8% to 12% APR\*
- Overdraft fee of \$39.00\* for each item

*\*Fees and APRs quoted are subject to change; consult a Bank representative or the Schedule of Fees for current fee and rate information.*

**What if I do not want to have No Bounce Overdraft Privilege on my account?**

You may opt out of No Bounce Overdraft Privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount assigned to your account. So as not to exceed your limit, please note that the amount of the overdraft plus the Bank’s overdraft fee of \$39.00\* per item will be deducted from the overdraft limit.

If you would like to have this service removed from your account, you may contact us at 877-610-7315 or visit one of our branches.



## FEE SCHEDULE



www.selectbank.com | 877-610-7315

**FEES AND CHARGES.** The following fees and charges may be assessed against your account:

### ACCOUNT SERVICES

Chargeback Items	\$7.00
Collection Items (plus expenses)	\$25.00
Deposit Correction	\$5.00
Dormant Account (1 year checking/2 year savings) per month	\$10.00
Early Account Closing Fee (if closed in 6 months)	\$25.00
Escheatment Fee	\$25.00
Interim/Duplicate Statement	\$10.00
IRA Closure/Transfer	\$35.00
Legal Processing Fee	\$100.00
Maximum Daily NSF/Overdraft Charge (7 per day)	\$273.00
Insufficient Funds Charge- created by check, in-person withdrawal, ATM Withdrawal or other electronic means	\$39.00
Overdraft Item Fee	\$39.00
Paper Statement	\$3.00
Continuous Overdraft Charge Per day (after 4 or more days)	\$5.00
Research (per hour; \$25.00 minimum)	\$25.00
Stop Payment Order in Branch	\$39.00
Stop Payment Online	\$32.00
Insufficient Address Fee (monthly)	\$5.00

### ELECTRONIC BANKING SERVICES

Debit Card Replacement by Standard Mail	\$5.00
Instant Issue Replacement Card in Branch	\$10.00
Instant Issue Expedited Card to Branch by mail	\$25.00
Instant Issue Replacement Expedited Card	\$35.00
<i>Instant Issue Cards where available</i>	

### EXPRESS PAYMENTS IN BILL PAY

Overnight	\$19.95
2-Day Paper	\$14.95
2-Day Electronic	\$4.95
Mobile Banking/ Online Banking No Charge	\$0.00

### WIRE SERVICES

#### Domestic

Incoming	\$15.00
Outgoing	\$20.00

#### International

Incoming	\$30.00
Outgoing	\$40.00

### SAFE DEPOSIT BOXES

3 x 5 Box or 5 x 5 Box	\$40.00
3 x 10 Box	\$60.00
5 x 10 Box	\$85.00
10 x 10 Box	\$110.00
**Annual Rental discount, if auto debit	\$10.00
Drilling Box (plus expenses)	\$150.00
Late Fee	\$10.00
Key Replacement (plus expenses)	\$50.00

Effective Date July 12, 2017

**FEE SCHEDULE**



www.selectbank.com | 877-610-7315

**FEES AND CHARGES.** The following fees and charges may be assessed against your account:

**ACCOUNT SERVICES**

CD Imaged Statements and Checks (per CD/month)	\$25.00
Chargeback Items	\$7.00
Coins: Per Roll Supplied	\$0.10
Collection Items (plus expenses)	\$25.00
Currency: Per \$1,000 Deposited or Supplied	\$1.50
Deposit Corrections	\$5.00
Dormant Account (1 year checking, 2 years savings) per month	\$10.00
Early Account Closing Fee (if closed in 6 months)	\$25.00
Escheatment Fee	\$25.00
Insufficient Address Fee (monthly)	\$5.00
Interim/ Duplicate Statement	\$10.00
Legal Processing	\$100.00
Night Deposit Service (per drop)	\$2.00
Insufficient Funds Charge - created by check, in-person withdrawal, ATM Withdrawal or other electronic means	\$39.00
Overdraft Item Fee	\$39.00
Continuous Overdraft Charge Per day (after 4 or more days)	\$5.00
Paper Statement	\$5.00
Research (per hour; \$25.00 minimum)	\$25.00
Stop Payment Order In Branch	\$39.00
Stop Payment Order Online	\$32.00
Sweep Account (per month)	\$75.00
Uncollected Funds (Prime + 3%)	
Zero Balance Account (per month)	\$20.00

**ELECTRONIC BANKING SERVICES**

Mobile Banking/Online Banking/Bill Pay (no charge)	
Express Bill Payments	
Overnight	\$19.95
2-Day Paper	\$14.95
2-Day Electronic	\$4.95
Security Tokens (for customers with online ACH and Wire Transfer Services)	
1 - 3 Users (no charge)	
Replacement/Additional	\$12.00

**ACH Services**

ACH Monthly Maintenance Fee	\$30.00
Batch File (per batch)	\$5.00
ACH Items Originated (per item)	\$0.12
Returned Item	\$5.00
Bank Assisted ACH Batch Reversal	\$20.00

**Electronic Data Interchange (EDI)**

EDI Information Reporting	\$25.00
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**Wire Transfer Services**

Domestic	
- Incoming	\$15.00
- Outgoing (In-Branch)	\$20.00
- Outgoing (Online)	\$15.00
International	
- Incoming	\$30.00
- Outgoing (plus expenses)	\$40.00

**Remote Deposit Capture**

Per Scanner/Month - Multi-feed	\$50.00
Per Scanner/Month - Single-feed	\$25.00
Implementation Fee (per scanner location)	\$25.00

**Fraud Prevention Services**

Check Positive Pay (per account/month)	\$25.00
Check Reverse Pos Pay (per account/month)	\$15.00
ACH Positive Pay (per account/month)	\$25.00
ACH Blocks & Filters (per account/month)	\$15.00

**DEBIT CARD SERVICES**

Debit Card Replacement by Standard Mail	\$5.00
Instant Issue Replacement Card in Branch	\$10.00
Instant Issue Expedited Card to Branch by Mail	\$25.00
Instant Issue Replacement Expedited Card	\$35.00
Current Branches with Instant Issue Cards	
- Check your local branch for availability	

Revised July 12, 2017

**ELECTRONIC FUND TRANSFER DISCLOSURE**

www.selectbank.com | 877-610-7315

For purposes of this disclosure the terms "we", "us" and "our" refer to Select Bank & Trust. The terms "you" and "your" refer to the recipient of this disclosure.

The Electronic Fund Transfer Act and Regulation E require institutions to provide certain information to customers regarding electronic fund transfers (EFTs). This disclosure applies to any EFT service you receive from us related to an account established primarily for personal, family or household purposes. Examples of EFT services include direct deposits to your account, automatic regular payments made from your account to a third party and one-time electronic payments from your account using information from your check to pay for purchases or to pay bills. This disclosure also applies to the use of your Select Bank & Trust Debit Card (hereinafter referred to collectively as "Debit Card") at automated teller machines (ATMs) and any networks described below.

This disclosure contains important information about your use of EFT services provided by Select Bank & Trust in relation to accounts established primarily for personal, family or household purposes. Please read this document carefully and retain it for future reference.

**DEFINITION OF BUSINESS DAY.** Business days are Monday through Friday excluding holidays.

**DEBIT CARD SERVICES.** The services available through use of your debit card are described below.

**SELECT BANK & TRUST DEBIT CARD SERVICES:**

- You may withdraw cash from your checking account(s), savings account(s), and money market account(s).
- You may make deposits into your checking account(s), savings account(s), and money market account(s).
- You may transfer funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).
- You may use your card at any merchant that accepts Visa® debit cards for the purchase of goods and services.

**SELECT BANK & TRUST ATM SERVICES.**

**NETWORK.** Your ability to perform the transactions or access the accounts set forth above depends on the location and type of ATM you are using and the network through which the transaction is being performed. A specific ATM or network may not perform or permit all of the above transactions.

Besides being able to use your Debit Card at our Select Bank & Trust ATM terminals, you may access your accounts through the following network(s): Star

**ATM FEES.** When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

**POINT OF SALE TRANSACTIONS.** Listed below is the card you may use to purchase goods and services from merchants that have arranged to accept your card as a means of payment (these merchants are referred to as "Participating Merchants"). Some Participating Merchants may permit you to receive cash back as part of your purchase. Purchases made with your card, including any purchase where you receive cash, are referred to as "Point of Sale" transactions and will cause your "designated account" to be debited for the amount of the purchase. We have the right to return any check or other item drawn against your account to ensure there are funds available to pay for any Point of Sale transaction. We may, but do not have to, allow transactions which exceed your available account balance or, if applicable, your available overdraft protection. If we do, you agree to pay an amount equal to the overdrawn balance plus any overdraft fees.

The following card and the corresponding designated account(s) may be used for Point of Sale transactions:

- Select Bank & Trust Debit Card: Checking and Savings Accounts.

Your Debit card may also be used to obtain cash from your designated account(s) at participating financial institutions when so authorized under the terms of your Account Agreement.

**CURRENCY CONVERSION - Visa®.** When you use your card with the Visa® logo at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is a rate selected by Visa® from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa® itself receives, or the government-mandated rate in

effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by the issuer. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or the posting date.

**SERVICES PROVIDED THROUGH USE OF TELEPHONE BANKING.** You may perform the following functions through use of Telephone Banking:

- You may initiate transfers of funds between your checking and savings accounts, checking and money market accounts, savings and money market accounts, and Loan account information.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).
- You may make payments on consumer loans, home equity loans, and cash reserve loans that you have with us.

**PREAUTHORIZED TRANSFER SERVICES.**

- You may arrange for the preauthorized automatic deposit of funds to your checking account(s), savings account(s), and money market account(s).
- You may arrange for the preauthorized automatic payments or other transfers from your checking account(s), savings account(s), and money market account(s).

**SERVICES PROVIDED THROUGH USE OF ONLINE BANKING AND MOBILE BANKING.** Select Bank & Trust offers its customers use of our Online Banking and Mobile Banking service.

You may access your account(s) by computer and mobile device\* at [www.selectbank.com](http://www.selectbank.com) and using your User ID and password to:

- \*Transfer funds from checking to savings; Transfer from savings to checking
- \*Transfer funds from checking to checking; Transfer from savings to savings
- \*Make payments from checking and savings to loans
- \*Get checking, savings and loan information
- \*Access Bill Payment

You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

**ELECTRONIC CHECK CONVERSION.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or to pay bills.

**LIMITATIONS ON TRANSACTIONS**

**TRANSACTION LIMITATIONS - SELECT BANK & TRUST DEBIT CARD.**

**CASH WITHDRAWAL LIMITATIONS.** You may withdraw up to \$609.00 through use of ATMs in any one day.

There is a daily limit for all ATM withdrawal transactions. For security reasons, specific dollar limits are disclosed at the time the Debit Card is issued. Select Bank & Trust reserves the right to change dollar amount limits at any time upon prior notification.

**POINT OF SALE LIMITATIONS.** You may buy up to \$2,500.00 worth of goods or services in any one day through use of our Point of Sale service.

**OTHER LIMITATIONS.**

- The terms of your account(s) may limit the number of withdrawals you may make each month. Restrictions disclosed at the time you opened your account(s), or sent to you subsequently will also apply to your electronic withdrawals and electronic payments unless specified otherwise.
- We reserve the right to impose limitations for security purposes at any time.

**LIMITS ON TRANSFERS FROM CERTAIN ACCOUNTS.** Federal regulation limits the number of checks, telephone transfers, online transfers, and preauthorized electronic transfers to an account you have with us and to third parties (including Point of Sale transactions) from money market and savings type accounts. You are limited to six (6) such transactions from each money market and/or savings type account(s) you have each statement period for purposes of making a payment to a third party or by use of a telephone or computer.

**NOTICE OF RIGHTS AND RESPONSIBILITIES**

The use of any electronic fund transfer services described in this document creates certain rights and responsibilities regarding these services as described below.

**RIGHT TO RECEIVE DOCUMENTATION OF YOUR TRANSFERS.**

**TRANSACTION RECEIPTS.** Depending on the location of an ATM, you may not be given the option to receive a receipt if your transaction is \$15.00 or less. Upon completing a transaction of more than \$15.00, you will receive a printed receipt documenting the transaction (unless you choose not to get a paper receipt). These receipts (or the transaction number given in place of the paper receipt) should be retained to verify that a transaction was performed. A receipt will be provided for any transaction of more than \$15.00 made with your Debit Card at a Participating Merchant. If the transaction is \$15.00 or less, the Participating Merchant is not required to provide a receipt.

**PERIODIC STATEMENTS.** If your account is subject to receiving a monthly statement, all EFT transactions will be reported on it. If your account is subject to receiving a statement less frequently than monthly, then you will continue to receive your statement on that cycle, unless there are EFT transactions, in which case you will receive a monthly statement. In any case you will receive your statement at least quarterly.

**PREAUTHORIZED DEPOSITS.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company:

**USING YOUR CARD AND PERSONAL IDENTIFICATION NUMBER ("PIN").** In order to assist us in maintaining the security of your account and the terminals, the Debit Card remains our property and may be revoked or canceled at any time without giving you prior notice. You agree not to use your Debit Card for a transaction that would cause your account balance to go below zero, or to access an account that is no longer available or lacks sufficient funds to complete the transaction, including any available line of credit. We will not be required to complete any such transaction, but if we do, we may, at our sole discretion, charge or credit the transaction to another account; you agree to pay us the amount of the improper withdrawal or transfer upon request.

Certain transactions involving your Debit Card require use of your PIN. Your PIN is used to identify you as an authorized user. Because the PIN is used for identification purposes, you agree to notify Select Bank & Trust immediately if your Debit Card is lost or if the secrecy of your PIN is compromised. You also agree not to reveal your PIN to any person not authorized by you to use your Debit Card or to write your PIN on your Debit Card or on any other item kept with your Debit Card. We have the right to refuse a transaction on your account when your Debit Card or PIN has been reported lost or stolen or when we reasonably believe there is unusual activity on your account.

The security of your account depends upon your maintaining possession of your Debit Card and the secrecy of your PIN. You may change your PIN if you feel that the secrecy of your PIN has been compromised. You may change your PIN at our ATM or via the telephone.

**RIGHTS REGARDING PREAUTHORIZED TRANSFERS.**

**RIGHTS AND PROCEDURES TO STOP PAYMENTS.** If you have instructed us to make regular preauthorized transfers out of your account, you may stop any of the payments. To stop a payment,

- call us at: (877)610-7315
- or
- write to: Select Bank & Trust  
Deposit Support Services  
861 Tilghman Drive, Suite 101  
Dunn NC 28334

We must receive your call or written request at least three (3) business days prior to the scheduled payment. If you call, please have the following information ready: your account number, the date the transfer is to take place, to whom the transfer is being made and the amount of the scheduled transfer. If you call, we will require you to put your request in writing and deliver it to us within fourteen (14) days after you call.

**NOTICE OF VARYING AMOUNTS.** If you have arranged for automatic periodic payments to be deducted from your checking or savings account and these payments vary in amount, you will be notified by the person or company you are going to pay ten days prior to the payment date of the amount to be deducted. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

**OUR LIABILITY FOR FAILURE TO STOP PREAUTHORIZED TRANSFER PAYMENTS.** If you order us to stop one of the payments and have provided us with the information we need at least three (3) business days prior to the scheduled transfer, and we do not stop the transfer, we will be liable for your losses or damages.

**YOUR RESPONSIBILITY TO NOTIFY US OF LOSS OR THEFT.** If you believe your Debit Card or PIN or internet banking access code has been lost or stolen,

- call us at: (877)610-7315 (24/7)

or  
write to: Select Bank & Trust  
Deposit Support Services  
861 Tilghman Drive, Suite 101  
Dunn NC 28334

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

**CONSUMER LIABILITY.** Tell us AT ONCE if you believe your Debit Card or PIN or internet banking access code has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit, if applicable). If you tell us within two (2) business days after you learn of the loss or theft of your Debit Card or PIN you can lose no more than fifty dollars (\$50) if someone used your Debit Card or PIN without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Debit Card or PIN and we can prove we could have stopped someone from using your Debit Card or PIN without your permission if you had given us notice, you can lose as much as five hundred dollars (\$500).

Also, if your statement shows transfers you did not make, including those made by card, code, or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was transmitted to you, you may not receive back any money you lost after the sixty (60) days, and therefore, you may not get back any money in your account (including your maximum overdraft line of credit, if applicable), if we can prove that we could have stopped someone from taking the money had you given us notice in time. If a good reason (such as a long trip or hospital stay) keeps you from giving the notice, we will extend the time periods.

**CONSUMER LIABILITY FOR UNAUTHORIZED TRANSACTIONS INVOLVING SELECT BANK & TRUST DEBIT CARD.** The limitations on your liability for unauthorized transactions described above generally apply to all electronic fund transfers. However, different limitations apply to certain transactions involving your card with the Visa® logo. These limits apply to unauthorized transactions processed on the Visa® or Plus Network.

If you notify us about an unauthorized transaction involving your card with the Visa® logo and the unauthorized transaction took place on the Visa® or Plus Network, zero liability will be imposed on you for the unauthorized transaction. We may increase the limit of your liability for such unauthorized transactions to the amounts described under "Consumer Liability" above if we reasonably determine, based on substantial evidence, that you were negligent or fraudulent in the handling of your account or your card with the Visa® logo. The zero liability provisions do not apply to PIN-based debit transactions not processed by the Visa® or Plus Network, including ATM transactions outside of the United States.

Your liability for unauthorized transactions with your card with the Visa® logo that involve PIN-based debit transactions not processed by the Visa® or Plus Network, including ATM transactions, are described under "Consumer Liability" above.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS.** In case of errors or questions about your electronic fund transfers,

call us at: (877)610-7315  
or  
write to: Deposit Support Services  
861 Tilghman Drive, Suite 101  
Dunn NC 28334  
or  
email us at: [electronicbanking@selectbank.com](mailto:electronicbanking@selectbank.com)  
or  
use the current information on your most recent account statement.

Notification should be made as soon as possible if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. You must contact Select Bank & Trust no later than 60 days after we sent you the first statement on which the problem or error appears. You must be prepared to provide the following information:

- Your name and account number.
- A description of the error or transaction you are unsure about along with an explanation as to why you believe it is an error or why you need more information.
- The dollar amount of the suspected error.

If you provide oral notice, you will be required to send in your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days (twenty (20) business days for new accounts) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (ninety (90) days for new accounts and foreign initiated or Point of Sale transfers) to investigate your complaint or question. If we decide

to do this, we will credit your account within ten (10) business days (twenty (20) business days for new accounts) for the amount which you think is in error, so that you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. The extended time periods for new accounts apply to all electronic fund transfers that occur within the first thirty (30) days after the first deposit to the account is made, including those for foreign initiated or Point of Sale transactions. Visa's® cardholder protection policy requires that we provide provisional credit for losses from unauthorized Visa® Check Card use within five (5) business days of notification of the loss.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

**LIABILITY FOR FAILURE TO COMPLETE TRANSACTION.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages as provided by law. However, there are some exceptions. We will NOT be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would result in your exceeding the credit limit on your line of credit, if you have one.
- If the electronic terminal was not working properly and you knew about the breakdown before you started the transfer.
- If circumstances beyond our control (such as fire or flood, computer or machine breakdown, or failure or interruption of communications facilities) prevent the transfer, despite reasonable precautions we have taken.
- If we have terminated our Agreement with you.
- When your Debit Card has been reported lost or stolen or we have reason to believe that something is wrong with a transaction.
- If we receive inaccurate or incomplete information needed to complete a transaction.
- In the case of preauthorized transfers, we will not be liable where there is a breakdown of the system which would normally handle the transfer.
- If the funds in the account are subject to legal action preventing a transfer to or from your account.
- If the electronic terminal does not have enough cash to complete the transaction.

There may be other exceptions provided by applicable law.

**CHARGES FOR TRANSFERS OR THE RIGHT TO MAKE TRANSFERS.** We reserve the right to impose a fee and to change fees upon notice to you.

Network charges and ATM surcharges may apply from other institutions or transfer agents.

**DISCLOSURE OF ACCOUNT INFORMATION.** We will disclose information to third parties about your account or electronic fund transfers made to your account:

1. Where necessary to complete a transfer or to investigate and resolve errors involving the transfer(s); or
2. In order to verify the existence and condition of your account for a third party such as a credit bureau or merchant; or
3. In order to comply with government agency or court orders; or
4. If you give us your permission in a record or writing.

**SAFETY PRECAUTIONS FOR ATM TERMINAL USAGE.** Please keep in mind the following basic safety tips whenever you use an ATM:

- Have your Debit Card ready to use when you reach the ATM. Have all of your forms ready before you get to the machine. Keep some extra forms (envelopes) at home for this purpose.
- If you are new to ATM usage, use machines close to or inside a financial institution until you become comfortable and can conduct your usage quickly.
- If using an ATM in an isolated area, take someone else with you if possible. Have them watch from the car as you conduct your transaction.
- Do not use ATMs at night unless the area and machine are well-lighted. If the lights are out, go to a different location.
- If someone else is using the machine you want to use, stand back or stay in your car until the machine is free. Watch out for suspicious people lurking around ATMs, especially during the times that few people are around.
- When using the machine, stand so you block anyone else's view from behind.
- If anything suspicious occurs when you are using a machine, cancel what you are doing and leave immediately. If going to your car, lock your doors.
- Do not stand at the ATM counting cash. Check that you received the right amount later in a secure place, and reconcile it to your receipt then.

- Keep your receipts and verify transactions on your account statement. Report errors immediately. Do not leave receipts at an ATM location.



## ADDITIONAL PROVISIONS

### **Visa Account Updater Notice of Right to Opt Out**

Your Select Bank & Trust Debit Card will be automatically enrolled in the free Visa Account Updater.(VAU) service. With VAU, your account files will be updated when information changes because of a product upgrade, card expiration, loss or theft, account closure or other changes. A participating merchant can access that updated card information before requesting a payment. Since not all merchants participate, you should also contact the merchants directly if your card information changes. You are entitled to opt out of this service. You may opt out at any time.

If you want to opt out, email us at [electronicbanking@selectbank.com](mailto:electronicbanking@selectbank.com), notify us through our website at [selectbank.com](http://selectbank.com) or mail us notice of your intention to opt out. If you wish to mail us your request to opt out, mail to Select Bank & Trust, Deposit Services, 861 Tilghman Drive, Suite 101, Dunn NC 28334. If you opt out, you may opt back in if you decide you want the Visa Account Updater service in the future. You may opt in the same way(s) that you can opt out.

### **Funds Availability Policy**

This policy statement applies to "transaction" accounts only. Generally, transaction accounts are accounts which allow an unlimited number of payments to third parties by check, draft or similar order, or transfers to another account by preauthorized, automatic or telephone transfer. Checking accounts are the most common type of transaction account. Please ask us if you are not sure whether any of your accounts are subject to this policy.

#### **Our General Policy**

Our general policy is to make funds from your cash deposit available on the day we receive the deposit. Check deposits will be available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks you have written.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day except Saturdays, Sundays and federal holidays. Since Saturday is not a business day, deposits made on Saturday will be considered being made on the next business day. If you make a deposit before 5:00 pm Monday – Thursday or 6:00 pm Friday, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 pm Monday – Thursday or 6:00 pm Friday or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

#### **ATM Deposits**

If a deposit is made at the ATM after 3:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day. Cash deposits and the first \$200 of a check deposit will be available the next business day. The remaining check deposit up to \$5,000.00 will be available on the second business day. Any deposited check amount in excess of \$5,000.00 will be available on the seventh business day.

#### **Longer Delays May Apply**

In some cases, we will not make all the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, will be available on the first business day. If we are not going to make all of the funds from your deposit available on the first business day following your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice no later than the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds would be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 during any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications of computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

#### **Special Rules for New Accounts**

If you are a new customer, the following special rules may apply during the first thirty (30) days your account is open:

- Funds from electronic direct deposits to your account will be available on the day we receive the deposit.
- Funds from deposits of cash, wire transfers and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.
- Funds from all other check deposits will be available on the seventh business day after the day of your deposit.



### Holds on Other Funds

If we cash a check that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

## SUBSTITUTE CHECK POLICY DISCLOSURE



www.selectbank.com | 877-610-7315

### IMPORTANT INFORMATION ABOUT YOUR ACCOUNT

#### Substitute Checks and Your Rights

**WHAT IS A SUBSTITUTE CHECK?** To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

**WHAT ARE MY RIGHTS REGARDING SUBSTITUTE CHECKS?** In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

**HOW DO I MAKE A CLAIM FOR A REFUND?** If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us by:

Phone at: (877)610-7315 or  
Mail at: Select Bank & Trust  
Deposit Support Services  
861 Tilghman Drive, Suite 101  
Dunn NC 28334

Email at: DepositServices@SelectBank.com

You must contact us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check such as the check number, the name of the person to whom you wrote the check, the amount of the check.





