

IMPORTANT ACCOUNT TRANSITION
INFORMATION & DISCLOSURES

About the Merger of
Gunnison Valley Bank
with



State Bank[®]
OF SOUTHERN UTAH

Answers to Questions
&
Changes to your
Consumer and Business Accounts

Member FDIC



May 2019

Welcome to State Bank of Southern Utah.

Our belief that SBSU would be a good fit for Sanpete county became reality when we merged with Gunnison Valley Bank the evening of February 8, 2019. That was just the beginning of what we believe will be many positive changes. We hope you feel at home banking under the SBSU flag.

The conversion of banking records starts the evening of Friday, July 12, 2019 and continues through the weekend. It will be completed Sunday evening, July 14.

Many items you need will be sent in the mail before the conversion. Please help this process run smoothly by contacting your branch to verify your mailing address.

We have prepared this booklet to help you become familiar with State Bank of Southern Utah and to fulfill regulatory obligations. It contains valuable information about when certain events will take place. If you read nothing else, please look through the schedule on page two.

We are excited to be a part of your community. Our priority is to serve you with the best that SBSU has to offer and we look forward to earning your continued loyalty.

Please contact the Gunnison Valley office if you have questions at (435)528-7221.

Eric Schmutz
President/CEO

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Gunnison Valley Office Phone

(435)528-7221

Schedule of July 2019 Events

- **Now through July 12:**
 - Contact the Gunnison Valley (GV) office at (435)528-7221 to verify / update your mailing address and phone number.
- **July 5 – 10 (Friday – Wednesday):**
 - SBSU debit cards will arrive in the mail for current GV cardholders. A separate PIN mailer will arrive soon after.
 - If you have not received your new SBSU debit card by July 11, contact the GV office.
 - New checks with SBSU account numbers will arrive in the mail. Begin using your new checks July 15th.
- **July 12 – 14 (Friday evening – Sunday Evening):**
 - The conversion process begins Friday evening.
 - You may activate and begin using your SBSU debit card Sunday afternoon by following the instructions attached to it.
 - Provide billers with your new card information.
 - The conversion process ends Sunday evening.
- **July 15 (Monday):**
 - Your old GVB debit cards will stop working around midnight. Please destroy your old debit cards afterwards.
 - To change your PIN, visit the Gunnison Valley office.
 - Continue to use your GVB loan payment coupons.
 - We will honor GVB checks through 2019. We prefer that you use your new SBSU checks.
 - Sign up for Internet Banking at www.sbsu.com.
 - Images of checks and statements that post after the conversion will be available online.
 - Download our Mobile Banking App to deposit checks.
 - Copies of historical statements and check images will be available at the GV office. A printing fee may apply.

Gunnison Valley Office Phone

(435)528-7221

Truth in Savings (TISA) Disclosures

Checking Conversion – Personal and Business

Your current GVB checking or Money Market account will automatically convert to the SBSU account type listed below at the close of business July 12, 2019. You do not need to do anything for this to occur, other than to keep your GVB account open and active until transition.

Check starter packs with new account numbers will arrive after July 5th. Each starter pack contains 25 check, 5 deposit slips and a \$25 coupon toward your first check order through SBSU. Begin using your new checks July 15th.

If your Gunnison Valley Checking Account is...	Your New SBSU Account will be . . .
Personal Checking	Image 300 Checking
Personal NOW Checking	Interest Checking
Personal MMDA	Personal Money Market
Non-Profit Checking	Small Business Checking
Business Checking (low volume)	Small Business Checking
Business Checking (high volume)	Commercial Business Checking
Business MMDA	Business Money Market
6-Month Money Market Certificate	6-Month CD (see page 11)
Also available at SBSU**	Big Interest Checking
	Free Checking
	Business Interest Checking

** You may switch your checking account to one of our other popular checking accounts after the conversion at no charge (a summary of these accounts appears later in this booklet). Our most popular accounts include the following:

- Big Interest Checking (consumers)
- Free Checking (consumers)
- Business Interest Checking (businesses).

Personal Checking

Account Feature	Interest Checking	Image 300 Checking	Money Market
Earns Interest	Yes	No	Yes
Free Visa ATM/Debit Card	Yes	Yes	Upon Request
SureCash Line of Credit	Available, requires application	Available, requires application	Available, requires application
ATM Access	Yes	Yes	Yes
Monthly Service Charge	\$8 if balance falls below \$500	\$8 if balance falls below \$300	\$8 if balance falls below \$2500
Withdrawal Limits	No	No	See note
Direct Deposit	Yes	Yes	Yes
24-Hour phone and Internet Banking	Yes	Yes	Yes
Check Images Returned	Yes	Yes	Yes
Free Bill Pay	Requires E-Statements	Requires E-Statements	No

Rates as of 5/17/2019

Interest Checking Account Balances			Interest Rate	APY
\$0	To	\$499.99	0.0000%	.00%
\$500	To	And Over	0.6000%	.60%

Money Market Account Balances			Interest Rate	APY
\$0	To	\$499.99	0.0000%	.00%
\$500	To	\$24,999.99	0.6000%	.60%
\$25,000	To	\$99,999.99	0.7500%	.75%
\$100,000	To	\$499,999.99	0.8500%	.85%
\$500,000	To	And Over	1.0000%	1.00%

APY = Annual Percentage Yield

Interest Checking

- Variable rate of interest. Pays monthly.
- Entire balance earns interest with \$500 or above.
- Check images are returned in the monthly statement.
- Unlimited monthly transactions.
- \$8 service fee if balance falls below \$500.

Image 300 Checking

This is a great no-hassle account.

- Check images are returned in the monthly statement.
- Unlimited monthly transactions
- \$8 service fee if the balance falls below \$300.

Personal Money Market

- Variable rate of interest. Pays monthly:
- Entire balance earns interest with \$500 or above.
- Check images are returned in the monthly statement.
- Six convenience withdrawals are allowed per month at no charge, then \$10 each. Convenience withdrawals include checks, automatic debits (ACH), transfers to cover overdrafts in other accounts and online transfers.
- Unlimited ATM or in-person withdrawals.
- \$8 monthly service charge if the balance falls below \$2500.

Other Popular Accounts (switch after conversion)

Free Checking

No accounts will be converted to Free Checking during the conversion, as there is no similar account at GVB. Switch at no charge by asking. It really is free.

- No minimum balance requirement.
- Paper statements (check images not included).
- Unlimited monthly transactions.

Big Interest Checking

No accounts will be converted to Big Interest during the conversion, as there is no similar account at GVB. You can earn CD-like rates by doing things you probably do anyway, such as the following:

- Using your debit card 12 or more times a month.
- Receiving two or more automatic withdrawals or payments.
- Enrolling in online banking and signing up for e-Statements.
- All requirements must be met to earn the highest rate.
- Variable rate of Interest. Learn more at www.sbsu.com.

Business Checking

Account Feature	Small Business Checking	Commercial Business Checking	Business Money Market
Earns Interest	No	No	When balance exceeds \$500
Monthly Service Charge	No	\$5 **	\$8 if balance falls below \$2500
Per-item Transaction Fee	500 free transactions, then 25¢ each	10¢ per debit/check, 4¢ per deposit item **	six convenience withdrawals per month with no fees
Direct Deposit	Yes	Yes	Yes
24-Hour phone and Internet Banking	Yes	Yes	Yes
Check Images Returned	Yes	Yes	Yes
Free Bill Pay	Requires E-Statements	Requires E-Statements	No

** Our Commercial Business Checking account features an earnings credit of 1% per annum of the collected balance to offset monthly service charge and per-item fees. It typically offsets these fees when an average balance of \$50,000 is maintained in the account. Unused credits do not carry over month to month.

Rates as of 5/17/2019

Money Market Account Balances			Interest Rate	APY
\$0	To	\$499.99	0.0000%	.00%
\$500	To	\$24,999.99	0.6000%	.60%
\$25,000	To	\$99,999.99	0.7500%	.75%
\$100,000	To	\$499,999.99	0.8500%	.85%
\$500,000	To	And Over	1.0000%	1.00%

APY = Annual Percentage Yield

Small Business Checking

This is the best account for most businesses. 500 transaction items per month are included at no charge, then 25¢ each. Very few businesses have more than 500 transaction items per month. There is no minimum balance requirement.

Commercial Business Checking

This is a great account for high-volume, high balance accounts. Monthly service and transaction fees may be offset by the earnings credit, which is currently 1% per annum of collected funds in the account.

Business Interest Checking

No accounts will be converted to Business Interest Checking during the conversion, as there is no similar account at GVB. This is to let you know it is available. Updates to banking regulations allow us to offer this account to any type of business entity.

- Variable rate of interest.
- Entire balance earns interest when the balance exceeds \$5000.
- 100 free transaction items, then 4¢ each.
- \$8 monthly service charge if the balance falls below \$5000.

Business Money Market

Earn a higher rate of interest with a Money Market account.

- Variable rate of interest.
- Entire balance earns interest when the balance exceeds \$500.
- Six convenience withdrawals per month at no charge, then \$10 each. Examples of convenience withdrawals include checks, online transfers out and automatic debits.
- Unlimited ATM or in-person withdrawals.
- \$8 monthly service charge if the balance falls below \$2500.

Questions about Checking and MMDA Accounts

Q	Can I continue to use my current GVB checks and deposit slips?
A	Yes. However, we will assign new account numbers and provide new checks before the conversion. While we will continue to honor your old GVB checks through 2019, we encourage you to use your new checks and deposit slips starting July 15.
Q	How do I switch to a different checking account at SBSU?
A	Contact us. We will switch your account at no charge to any of our great accounts, such as Free Checking or Big Interest.
Q	When will I receive my last GVB checking/MM statement?
A	Your last GVB checking account statement will print as of 7/12/19. If your account is interest bearing, interest will be paid through 7/14/19.
Q	When will I receive my first SBSU checking/MM statements
A	All checking statements will shift to month end. Your first SBSU statement will print as of the last business day in July and at month end thereafter. SBSU statements will also be available online.
Q	Will direct deposit payroll and pre-authorized payments post to my new account at SBSU?
A	Yes. We will translate incoming transactions to post correctly. We will also notify ACH originators to update their information with the new account and routing numbers. CAUTION: You must update your debit/credit card information with the vendor if used for automatic payments.
Q	I have recurring transfers to other accounts. Will they continue?
A	Yes. Recurring transfers to other checking, savings or loan accounts continue after the conversion.
Q	In what processing order does State Bank pay checks or other debits?
A	Deposits/credits are added first. Debits are grouped by type with pre-authorized debits posting first (e.g., ATM/POS debits), followed by other electronic debits. Checks are last. Each group starts with the smallest item first so that we pay the maximum number of debits and minimize possible OD/NSF fees. If your account does not have enough funds to pay all items, SBSU will pay as many as possible.

Update card information with billers.
Destroy GVB ATM/Debit cards after July 16, 2019

Savings

Your savings accounts at GV will transition to SBSU according to the table below. Features of our savings accounts include the following:

- Variable rate of interest
- No minimum balance required to earn interest.
- No minimum-balance fee.
- Interest accrues daily and is paid monthly.
- Statements are mailed at least quarterly. Monthly, if electronic transactions occur in the cycle.
- Six convenience withdrawals are allowed per month, then \$5 each. They include automatic debits (ACH), transfers to cover overdrafts in other accounts and electronic transfers.
- There is no limit to In-person or ATM withdrawals.

If you're looking for a higher rate of interest, open a CD or Money Market account. Ask our New Accounts representative about current rates.

If your Gunnison Valley Bank Account is...	Your New SBSU Account will be . . .
Savings – Personal	Savings
Savings – Non Personal	Savings
Savings Certificate	CD (refer to page 11)

Rates as of 5/17/2019

Savings Accounts	Interest Rate	APY
All Balances	.25	.25

APY = Average Percentage Yield

Questions about Savings Accounts:

Q	Will my GVB Savings account automatically convert to SBSU?
A	Yes, the weekend of July 12.
Q	Will it have a different account number?
A	Yes. We will tell you about the new number before the conversion.
Q	When will I receive statements?
A	Final GVB statements will print as of 7/12/19 (interest paid through 7/14/19). SBSU statement will print at least quarterly thereafter.
Q	Will my recurring transfers continue?
A	Yes. Recurring transfers will continue.

ATM/Debit Cards

Your new VISA ATM/Debit card will arrive in the mail July 5 - 10, 2019, with PIN mailers arriving a day or two later. Activate and begin using your SBSU card Sunday afternoon, July 14, 2019. Your old GVB ATM card will cease working about midnight Monday, July 15. Despite our best efforts to avoid disruptions, prepare for the unexpected by carrying alternate payment methods during the conversion (July 12-14). Your new SBSU ATM/Debit card works with Plus, NYCE, SUM and other networks. Use your ATM/Debit card instead of checks wherever VISA is accepted. The purchases will be automatically deducted from your checking account and appear on your monthly statement. Debit cards issued on the same checking account have different numbers so that all cards are not turned off if one is lost or compromised.

Questions about ATM/Debit Cards:

Q	I am planning a trip or will be moving. Will I get my card?
A	Card delivery is scheduled to occur July 5-10 with PIN mailers soon thereafter. The Post Office will <u>not</u> forward. Please contact the GV office to make other arrangements if you foresee issues.
Q	Will my PIN number change?
A	Yes, your PIN will change. A separate PIN mailer will arrive two-three days after your new card(s). To change your PIN at no cost, contact the Gunnison Valley office July 15 or after.
Q	When should I activate my new SBSU debit card?
A	Activate and begin using it Sunday afternoon, July 14 by following the instructions attached to it.
Q	What fees are associated with my SBSU card?
A	There is no fee associated with SBSU's ATM/Debit card. We do not charge a fee when our debit cards are used at our ATMs. However, other banks may charge a fee for using theirs. Avoid surcharges when traveling at ATMs with MoneyPass or SUM logos.
Q	Companies use my GVB debit card for billing. What do I do?
A	After your new SBSU debit arrives, update the card information with the business. Your old GVB cards will stop working late Monday, July 15.

Certificates of Deposit (CD)

Your converted Savings or Money Market Certificate will become a Time Deposit (CD) at SBSU. It will have the same rate of interest as your GVB account, but the term may change. We are waiving early withdrawal penalties on converted Certificates so that you may switch to any other deposit account at SBSU with no penalty during your certificate's remaining term. This offer applies only if 100% of funds are moved from your converted account to another deposit account at SBSU.

Please refer to the chart below to see how your CD from GVB will be converted. Other facts include the following:

- Interest is paid at maturity for terms 1-6 months.
- Interest is paid quarterly for terms of 12 months or more.
- A minimum opening deposit of \$500 is required.
- An early withdrawal penalty may apply after the initial term expires on your converted CD.

If the Original Term of your GVB Certificate is ...	The Product Type of your SBSU CD will be. .
6-Month Money Market Certificate	6 Months
6 Month Certificate	6 Months
182-Day Certificate	6 Months
12 Months	12 Months*
18 Months	18 Months
24 – 30 Months	24 Months**
36 Months	36 Months**
48 Months	48 Months**
60 Months or greater	60 Months**

* Additional deposits allowed throughout the term on our standard 12-month CD (non-sports CD).

** SBSU offers a one-time bump feature on CDs with a term of 2-years or greater. To encourage you to update your CD account agreement, this bump-rate feature will be offered to GVB account holders who close their converted CD and open a new CD on SBSU paperwork after the conversion.

Individual Retirement Accounts (IRA)

If your Gunnison Valley Bank Account is...	Your New SBSU Account will be . . .
IRA	IRA
SIMPLE IRA	SIMPLE IRA

SBSU became the successor custodian of your IRA plan as of February 8, 2019. During the conversion weekend, your IRA will be assigned a new account number and converted to SBSU's IRA plans, which include the following features:

- 3-Month variable-rate certificate
- Automatic renewal with interest paid quarterly.
- No annual fee and no penalty for early withdrawal.
- \$25 fee to transfer to another financial institution.
- IRAs are subject to contribution limits and/or IRS penalties for premature distributions.

Rates as of 5/17/2019

IRA Account Balances			Interest Rate	APY
\$0	To	\$24,999.99	1.99%	2.00%
\$25000	To	\$249,999.99	2.48%	2.50%
\$250,000	To	And Over	2.97%	3.00%

APY = Annual Percentage Yield

Questions about IRA Accounts

Q	What will change after the conversion?
A	Your IRA will be assigned a new account number that we will inform you about in July. It will also change to the rates in effect at SBSU at the time of the conversion.
Q	I noticed that IRAs at SBSU are in what is called a 3-Month, variable rate certificate. What does that mean?
A	It's different from normal certificates in the following ways: (a) the interest rate may change at any time, and (b) you may make contributions and take distributions at any time (taxes and/or IRS penalties may apply).
Q	Does SBSU allow online contributions or distributions?
A	Online IRA transactions are not allowed at this time. Please visit our New Accounts representatives for IRA transactions.

Overdraft Protection

SBSU offers two different types of overdraft protection as follows:

- (1) Overdraft Permit (ODP) and
- (2) SureCash.

The **Overdraft Permit (ODP)** allows SBSU to cover inadvertent overdrafts up to \$300 (Image 300 checking) and \$500 (Interest Checking) by paying the items instead of returning them to the depositor. We charge our usual overdraft fee of \$25 regardless if we pay or return items that overdraw the account. The ODP is automatically applied to qualifying accounts and costs nothing unless it is used. When the ODP is first enabled, it covers only checks and ACH debits, not ATM or Point of Sale (POS) purchases. If a one-time transaction with your debit card inadvertently causes an overdraft, the bank does not charge a fee. Recurring transactions (e.g., subscription service) however, may result in a fee.

If you enroll in our Reg E Overdraft Service, we will make the ODP available for ATM/POS withdrawals or purchases. We will also charge a fee for each one that results in an overdraft.

SureCash is a credit product that requires an application and credit approval. There is no annual fee, but there is a \$3 fee for each transfer that covers an overdraft. Advances or transfers are made in \$100 increments. If SureCash is used, a billing is generated and sent out with your checking account. The minimum payment is \$15 or 5% of your outstanding balance on the statement date, whichever is greater. You can make your payment at that time. If you wait longer than 10 days, a minimum payment will be automatically deducted from your checking account. If there are no funds available in your checking account, we may assess a late fee if your minimum payment due is not made by 20 days after your statement date. This late fee is 5% of the minimum payment due or \$15, whichever is greater.

Accounts may have either the Overdraft Permit or SureCash, but not both.

Questions about Overdraft Protection:

Q	How do I get a SureCash credit line?
A	Apply at any SBSU office or visit www.sbsu.com .
Q	How do I access SureCash if my application is approved?
A	Access it by initiating a transaction that exceeds the balance of your checking account. Money is automatically transferred, up to your credit limit. SureCash can be used to pay checks, ACH debits, ATM withdrawals and Point of Sale (POS) purchases. A \$3 fee is charged per transfer, but not our \$25 NSF/OD fee unless the value of the transaction exceeds the available SureCash credit.
Q	How do I qualify for the Overdraft Permit (ODP)?
A	The Overdraft Permit (ODP) will be applied to all converted consumer and business accounts by August 30, 2019 that (a) are not overdrawn and (b) have deposits that are larger than the dollar limit of the ODP (\$300 Image 300, \$500 Interest Checking), and (c) do not have SureCash. We will send a letter with a brochure that explains the ODP in more detail in August.
Q	Can I access the ODP with my debit card?
A	Not at first. The ODP initially covers only checks, ACH and in-person withdrawals, but not ATM or one-time Point of Sale (POS) transactions. You can change this by opting-in to our Reg E Overdraft Service. This is not a low-cost service, but it does provide an extra \$300-\$500 when you can't get to the bank. Our usual \$25 OD/NSF fee is charged for each transaction that overdraws your account. Opt-in by calling us at (435)865-2394 or returning the form that will be mailed soon.
Q	What does the ODP cover?
A	The ODP covers checks, automatic ACH debits and in-person withdrawals. If you opt-in to our Reg E Overdraft Service, it will also cover ATM and one-time POS transactions with your card.

Loans

Loans converted from GVB will retain the same account numbers, payment terms and rates. You may continue to use your GVB payment coupons to pay your loans.

If your Gunnison Valley Loan is ...	Your New SBSU Loan will be . . .
Installment (monthly payments)	Installment (monthly payments)
Commercial (various payments)	Commercial (various payments)

If you were notified of an impending payment due date by mail, you will continue to be notified by mail. A payment stub that you can use to make your payment will be attached to the notification.

Loan Options at SBSU

SBSU loans are designed to fit your personal or business needs. Many loans are available online at www.sbsu.com.

- SureCash (overdraft protection)
- Consumer installment loans
- Home Equity Line of Credit
- Mortgage Loans
- Commercial cash revolving loans
- Commercial loans
- Agriculture

Questions about Loans:

Q	May I use my old GVB loan payment coupons to make a payment?
A	Yes.
Q	I want to pay my loans online. How do I do that?
A	Start by enrolling in our Internet Banking System after conversion at www.sbsu.com .
Q	I have an automatic transfer to pay my loan from my checking or savings account. Will this continue?
A	Yes.

Safe Deposit Boxes

The same safe-deposit service that you have enjoyed at GVB will continue without interruption. At the time your box rent is due, the following schedule will apply:

Safe Deposit Box Rental Annual Cost				
3 x 5: \$15	2 x 10 \$15	2.5 x 10 \$25	3 x 10: \$30	5 x 5: \$25

Internet Banking

Enroll at www.sbsu.com from your desktop computer on or after July 15, 2019. Download and register for our mobile application after you have enrolled from a desktop computer (call us if you don't have one at (435)865-2396).

We will introduce our updated Internet/Mobile banking platform soon after the conversion. Stay tuned. Both our old and new systems include the following features for everyone:

- No fee for enrollment or usage.
- View the following:
 - Account balances (including transaction history)
 - Statements (conversion forward)
 - Images of deposits and checks (conversion forward).
- Transfer funds and make loan payments
- Bill pay is available at no charge (requires enrollment in E-statements).
- Export history to other programs.

Business users may appreciate the capabilities of our Cash Management system and the low fees. Available features include:

- Powerful ACH capabilities for payroll or collection.
- Wire transfer, domestic and international.
- Direct Connect for QuickBooks.
- Contact our specialist at (435)865-2393 for information.

Telephone Banking

Call our AnyTime Line ® to check balances, transfer funds or make loan payments at (435)865-2350 or toll free 1-800-788-8307. Voice instructions will guide you through the menus.

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Additional Disclosures

Please read the important regulatory disclosures that follow. They spell out State Bank's responsibility to you and your responsibility in managing your account(s).

- Account-specific Disclosures.
 - Checking, Money Market, Savings and HSA
 - Time Deposits (CDs)
- Electronic Funds Transfer Act Disclosures
- Terms and Conditions
- Funds Availability Policy
- Fee Schedule
- Privacy Policy
- Contact Information (back cover)

Credit Reporting

State Bank of Southern Utah complies with the Fair Credit Reporting Act (FRCA) by reporting consumer loan payment information to all three major credit bureaus: Experian, Equifax, and Transunion. Information is reported monthly based on the status of the payments as of the last day of the month. **Late payments, missed payments, or other defaults on your account may be reflected in your credit report.** The first reporting of such information will begin on July 31, 2019. Your credit history will begin to build from that point forward. No previous credit history will be reported.

FDIC Insurance

Deposits at State Bank of Southern Utah are insured by the Federal Deposit Insurance Corporation up to \$250,000 per depositor, per ownership category. Please visit www.FDIC.gov.

Checking, Money Market, Savings and HSA

- **APY** means **A**nual **P**ercentage **Y**ield.
- Interest-bearing accounts pay a variable rate of interest.
- The rate may vary based upon the account balance.
- We may change the interest rate and APY at any time.
- If the interest rate is dependent upon the balance in the account, the rate may change daily.
- Interest accrues daily and compounds monthly.
- If you close your account before the interest is paid to your account, you will not receive the interest.
- We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal balance in the account each day.
- Interest begins to accrue on the business day that SBSU receives credit. For check deposits, this means the banking day following the banking day of deposit.
- Some accounts require a minimum balance in order to obtain the APY. This applies if your account earns interest or has interest tiers.

Minimum Balance Requirements

Account	Minimum Deposit to Open	**Minimum Balance Requirement	Minimum Balance Fee
Checking (if not listed below)	\$100	\$0	\$0
Image 300	\$300	\$300	\$8
Interest Checking	\$500	\$500	\$8
Emerald Elite	\$1500	\$1500	\$8
Money Market	\$2500	\$2500	\$8
Business Interest	\$5000	\$5000	\$8
Public Funds NOW	\$500	\$500	\$8
Savings (including HSA)	\$10	\$0	\$0

- ** Maintain at least the amount shown to avoid the Minimum Balance Fee. The fee is charged once per statement cycle if the current balance in the account falls below the minimum on any day of the statement cycle.

Transactions Limits

- Savings and Money Market accounts: Convenience withdrawals are limited to six (6) per monthly cycle and include withdrawals by ACH or automatic debit, Internet or telephone transfers, and by check. They do not include In-person or ATM withdrawals, which are unlimited. Excess withdrawals may result in fees or conversion of the account to a transaction account. Refer to **Excessive Withdrawals** on the fee schedule. The fee is **per item**.
- Transactional Savings and HSA accounts: Unlimited withdrawals.
- Personal checking accounts: Unlimited withdrawals.
- Business checking accounts: Per item fees may apply. Refer to pages 6 - 7 for more information.

Multiple-Signature Indemnity:

Any multiple signature requirement (e.g., 2-signatures required) is a courtesy provided by SBSU. You agree to indemnify and hold harmless SBSU, its employees, officers, directors or assigns should an item be paid that contains less than the required signatures.

Anytime Line (Telephone Banking): Call us to enable your account at (435)865-2394. Access it within 24 hours after it is enabled at the following phone numbers: (435)865-2350 or 1-800-788-8307.

ATM/Debit Card Direct Link to Savings

This is not a standard feature. However, if your debit card is set up to directly access your savings account for Point of Sale (POS) purchases, you will be charged an excessive withdrawal fee for each debit over six (6) per month. ATM transactions do not count toward the limit.

HSA Account Information:

- **Special ATM/Debit cards** may be linked to HSA accounts for qualified medical purchases. Transactions limits do not apply.
- **Distributions (withdrawals)** are reported to you and the IRS each year on Form 1099-SA, mailed in January.
- **HSA Contributions** are report to you and the IRS each year on Form 5498-SA, mailed after April 15. This account is subject to annual contribution limitations.

Check 21 – Electronic Check Clearing: SBSU utilizes Check 21 to expedite check clearing. If a deposit item is returned to you it will be in the form of a **Substitute Check**, which is a legal copy of the original. If you suffer a loss due to a Substitute Check that incorrectly posts to your account, you may request a refund. The losses you may recover include the amount that was withdrawn from your account and fees associated with the withdrawal (overdraft fees, for example).

The amount of your refund is limited to your actual loss or the amount of the substitute check, whichever is less, including interest if your account is interest-bearing. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

You may receive up to **\$2,500** of your refund, (plus interest if your account earns interest) within **10** business days after we receive your claim and the remainder of your refund (plus interest if your account earns interest) not later than **45** calendar days after your claim. We may reverse the refund (including any interest on the refund) if we determine there was no error. You must contact us within **40** calendar days of the date that we sent the substitute check in question (address on back cover). Include the check amount, date paid and error description (for example, you think that we paid a check twice).

Internet Banking Access: Individuals who sign on the Signature card may receive full account access – including withdrawal and transfer privileges – unless reduced access is requested (e.g., “view only”).

NSF/Overdraft Fee: A non-sufficient funds (NSF) fee is imposed per item that is presented against insufficient funds, dishonored and returned to the payee. An overdraft (OD) fee is imposed when the bank covers (pays) an item that is presented against insufficient funds. An "item" may be a check, ATM/POS debit, returned deposit item, electronic withdrawal or any other type of debit initiated in your behalf.

Consumer Checking Accounts: NSF and OD fee occurrences are limited to four (4) per day for each category. ATM/POS debits that result in an overdraft do not trigger overdraft fees unless the consumer has opted in to our **Reg E Program**. We will mail a brochure in August 2019 that contains details.

Business Checking and all Money Market Accounts: NSF/OD fee occurrences are not limited. ATM/POS debits that result in an overdraft will trigger overdraft fees.

Overdraft Interest Rate: SBSU charges interest on negative account balances. It is calculated on the entire balance, including bank fees. The interest accrues each day the account is overdrawn, including weekends and holidays. It accrues daily by taking the negative balance, multiplying it by the interest rate and dividing it by 365. This interest is charged when the statement prints. Refer to the **Fee Schedule** for the current interest rate.

Sub Account: Your account may, at the bank's option, be divided into two sub-accounts in order to allow the bank to modify its reserve requirements as defined by Regulation D. Such division is strictly for internal bank purposes and will not affect the operations of your account in any way.

Statements – Combining: Attach your savings, loan, IRA or CD to your checking account to get **one** monthly statement that has information about all attached accounts. To combine your statements, contact us at (435)865-2394.

Transfer Fee: SBSU charges a fee whenever we initiate a transfer on your behalf to cover an overdraft or maintain a target balance in another account. We will attempt to transfer funds even if the “from” account does not have enough money to completely cover the overdraft item in the “to” account. On some occasions this may result in an Overdraft/NSF Charge in addition to a transfer fee. The transfer is generally described on your statement as “ODP Primary (CR) Fee” or similar. For the current fee please refer to our **Fee Schedule** and look for the fee associated with **Transfer / Overdraft Prevention**.

Example: The secondary account has \$75 available. The primary starts with \$5, but is overdrawn to a negative \$250 from four items of \$25, \$50, \$80 and \$100. The \$75 is transferred from the secondary first account to cover the \$25 and \$50 items. We charge one transfer fee for this. We also charge an NSF/OVERDRAFT fee for each of the \$80 and \$100 items the transfer did not cover.

Unlawful Internet Gambling (Applies Only to Business Accounts): Transactions that are restricted under the Unlawful Internet Gambling Enforcement Act (UIGEA) are prohibited and should not be processed through your business account.

Time Deposits (CDs)

The terms “Savings Certificate”, Time Deposit”, “Certificate” and “CD” are used interchangeably in this section. APY = Average Percentage Yield.

Determination of Term: Refer to the chart on page 11 for the mapping used in converting your GVB Savings Certificates to SBSU.

Determination of Rate: The interest rate that was originally assigned to your GVB Certificate will remain in effect until the maturity date. At maturity the CD will renew at interest rate and APY in effect.

Early Withdrawal Penalty Waived for Converted GVB Certificates:

Applies when 100% of funds are moved from your converted GVB Savings Certificate to a different deposit account at SBSU, such as:

- Sports CD. Ask us! The rate of interest increases each time your team wins (offered August of each year).
- Bump-rate CD. Ask us! (offered when your converted CD is closed and re-opened on SBSU paperwork after conversion).

Compounding and Crediting: Interest is credited and compounded according to the table below, unless you have requested a different payment method (e.g., transfer interest to a checking account). If you close your account before interest is credited, you will receive the accrued interest. However, you will not receive interest that accrues during the grace period if you close your CD.

Interest Compounding and Early Withdrawal Penalty**

CD Term	Interest Compounding	Early Withdrawal Penalty Days
1 Month	Monthly	30
3 Months	Quarterly	30
6 Months	Semi-Annually	30
12 Months	Quarterly	30
18 and 24 Months	Quarterly	90
36, 48, 60 Months	Quarterly	180

Time Deposit Withdrawals: The stated APY assumes that interest compounds (added to principal) and that funds will remain on deposit throughout the term. A withdrawal of interest or principal during the term will reduce the Annual Percentage Yield (APY).

**** Early Withdrawal Penalty:** As stated earlier, our offer to waive the penalty applies when 100% of funds are moved from your converted GVB Savings Certificate to another deposit account at SBSU.

- We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal balance in the account each day.
- Interest begins to accrue on the business day we receive your deposit.
- All CD accounts automatically renew at maturity. Automatically renewed accounts have a ten (10) day grace period from the maturity date to redeem or make changes to the certificate. Those changes may include (a) redemption, (b) add/withdraw funds, or (c) change ownership information.
- Each renewal term will be the same as the term assigned at conversion, beginning on the maturity date. The interest rate will be the rate we offer to the same type and term on the maturity date.
- Interest that is not withdrawn during or immediately after that term is added to principal for the renewal term. This is compounding.
- The rate for each renewal term will be determined by us on or just before the renewal date. You may call us on or shortly before the maturity date and we can tell you what the interest rate will be for the next renewal term. On accounts with terms of longer than one month we will remind you in advance of the renewal and tell you when the rate will be known for the renewal period.
- All CDs allow deposits during the grace period of \$100 or above.
- Only the 12-Months CD (not sports) allows deposits during the term. Deposits must be in amounts of \$100 or above.

CD Term	May funds be Added During Term?
1 – 6 Month	No
12 Months Sports	No
12 Months (standard)	Yes
18 – 60 Months	No
60 Month Special	Yes

In the following section, “We,” “our,” and “us” mean SBSU and “you” and “your” mean the depositor(s). “Account” means the original certificate of deposit as well as the deposit it evidences. “Transfer” means any change in ownership, withdrawal rights, or survivorship rights, including (but not limited to) any pledge or assignment of this account as collateral. You cannot transfer this account without our written consent.

- You agree to keep your funds with us in this account until the maturity date. (An automatic renewable account matures at regular intervals. You may not transfer this account without first obtaining our written consent.
- Deposits will be reversed or adjusted if made by any method requiring collection (such as a check that is not immediately collected in full), or payable in a foreign currency that where conversion to U.S. dollars is required.
- We may change any term of this agreement. Rules governing changes in interest rates have been provided. For other changes we will give you reasonable notice in writing or by any other method permitted by law.
- If any notice is necessary, you all agree that the notice will be sufficient if we mail it to the address listed on the signature card. You must notify us of any change.
- **Withdrawal/Transfer:** Only those of you who sign the permanent signature card may withdraw funds or request a transfer from this account (in appropriate cases, a court appointed representative, a beneficiary of a trust or pay-on-death account whose right of withdrawal has matured, or a newly appointed and authorized representative of a legal entity may also withdraw from this account). Any one of you who sign the signature card, acting alone and without the consent of any other signer, may withdraw or transfer the entire account at any time, subject to early withdrawal penalties, unless you have made other arrangements that are clearly specified on the signature card.
- **Pledges:** Any pledge of this account (to which we have agreed), must first be satisfied before the rights of any joint account survivor, pay-on-death beneficiary or trust account beneficiary become effective. For example, if one joint tenant pledges the account for payment of a debt and then dies, the surviving joint tenant's rights in this account are subject first to the payment of the debt.
- **Ownership of Account and Beneficiary Designation:** You intend these rules to apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the signature card. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.
- **Individual Account:** Such an account is owned by one person.
- **Joint Account with Survivorship (And Not As Tenants In Common):** Any account owned by two or more persons is a joint account with full rights of survivorship. Each of you agree that upon your death the balance in the account (subject to any previous pledge to which we have consented) will belong to the survivor(s). If

two or more of you survive, you will own the balance in the account as joint tenants with full rights of survivorship.

- **Revocable Trust and Pay-On-Death Account (Subject to this Agreement):** If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. Any such beneficiary may withdraw all or any part of the account balance. The person(s) creating either of these account types reserves the right to: (1) change beneficiaries; (2) change account types; and (3) withdraw all or part of the deposit at any time.
- **Trust Account Subject to Separate Agreement:** We will abide by the terms of any separate agreement which clearly pertains to this account and which you file with us. Any additional consistent terms stated on this form will also apply.
- **Set-Off:** You each agree that we may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such person's or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of set-off does not apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) the debtor's right of withdrawal arises only in a representative capacity. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set-off.
- **Certificate of Deposit Receipt:** SBSU no longer issues physical certificates that must be presented to the bank for withdrawal or redemption of CD accounts. Instead, whenever a CD account is opened a Receipt of Deposit will be provided for your records with details about your account and the opening deposit amount. This receipt is not a negotiable instrument and need not be presented to the bank for future withdrawals or redemptions.

Individual Retirement Accounts (IRA)

Variable Rate Information: The interest rate and associated annual percentage yield (APY) disclosed on your account are variable.

Frequency of Rate Changes: The interest rate and associated APY may change anytime at bank discretion.

Compounding and Crediting: Interest will be credited and compounded every three (3) months. If you close your account before the interest is credited you will not receive the accrued interest.

Minimum Balance Requirement: A minimum deposit of \$20.00 is required to open IRA accounts.

Balance Computation Method: We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal balance in the account each day.

Accrual on Non-Cash Deposits: Interest begins to accrue on the business day we receive your deposit.

Withdrawal Limitations: There are no withdrawal limits. Each withdrawal from IRA accounts will be reported to you and the IRS each year on Form 1099-R. Withdrawals may reduce the earnings on the account and may be subject to taxes or IRS penalty.

Renewal Policy: All IRA accounts automatically renew at maturity.

Renewal Term: Each renewal term will be for the same term assigned at conversion, beginning on the maturity date. The interest rate will be the same rate as other IRA deposits of the same type on the maturity date.

Transfers to Other Institutions: IRA funds that are transferred to other institutions from SBSU are subject to a transfer fee. Please refer to our **Fee Schedule**.

Additions to Your IRA:

- Contributions and are subject to IRA rules and limits.
- Contributions and rollovers are reported to you and the IRS by May 31 of each year on IRS Form 5498.
- Beneficiary IRA: Transfers to fund your account are allowed. Contributions or rollovers are not allowed.

Electronic Fund Transfers (Reg E)

To establish the rights of a customer using electronic money transfers and the obligations of SBSU (SBSU), Congress has enacted the Electronic Fund Transfer Act. Basically, the Act deals with the transfer of funds initiated through an automated teller machine, direct deposits or withdrawals of funds, point-of-sale (POS) transfers and transfers by telephone. It also includes pre-authorized electronic fund transfers that recur at regular intervals, such as Social Security payments.

Your rights and SBSU's obligations are detailed in the following disclosure, which is published in compliance with federal regulations.

Disclosure and Agreement

This Agreement covers available electronic funds transfer services provided by SBSU. In this Disclosure and Agreement, the words "you" and "your" mean any user of SBSU's electronic funds transfer services. "We" and "us" mean SBSU.

- 1. Available Services.** As a customer of our electronic funds transfer service you will have access to specifically identified automatic teller machines and other POS terminals (POS). The electronic transactions which you may initiate for savings and checking accounts are: Cash withdrawals from your checking or savings account, transfers between your savings and checking accounts whenever you request, deposits to your checking or saving account, account balance inquiries, payment for purchases at places that have agreed to accept the card, and paying bills directly by telephone from your checking account in the amounts and on the days you request. Some of these services may not be available at all terminals.
- 2. 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.
- 3. Limitations on dollar amounts of transfers.** You may withdraw up to \$510.00 from an ATM each day. You may purchase up to \$2000.00 worth of goods or services each day.
- 4. Service Charges.** There may be a charge for automated teller machine withdrawals or transactions. You will be notified as is required when charges may be imposed.

- 5. Foreign Exchange.** If you make a purchase or advance in a country that settles in a currency other than United States (US) dollars, VISA will convert the charge into US dollars. The currency conversion rate used to determine the transaction amount in US dollars is generally either a government mandated rate or the wholesale rate in effect the day before the transaction processing date, increased up to 2%. This currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. The currency conversion fee will be posted as a separate item on your account statement. We do not determine the currency conversion rate.
- 6. Confidentiality.** We will disclose information to third parties concerning your account or the transfers you make:
- a. When such disclosure is necessary to complete the transactions;
 - b. To verify that existence and condition of your account for a third party, such as a credit bureau or merchant;
 - c. To comply with court order or applicable laws or regulations;
 - d. When you give your written permission.
- 7. Right to Documentation**
- a. Terminal Transfers. You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or terminals.
 - b. Preauthorized credits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (435) 865-2330 or 1-800-662-1788 to find out whether or not the deposit has been made. You may also enroll in online banking at www.sbsu.com.
 - c. Periodic Statements. You will get a monthly account statement from us, unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

8. Preauthorized payments.

- a. Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how: Contact us at any office listed on the back cover of this booklet in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge you \$25.00 for each stop-payment order you give.
- b. Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. 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.
- c. Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

9. Health Savings Account (HSA). Some of the proceeding services are not available. The HSA debit card can be used only for signature-based POS transactions at healthcare-related merchants. Refer to the Health Saving Account Custodial Booklet for further information and limitations.

10. Financial institution's liability. 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. However, there are some exceptions. We will not be liable, for instance:

- a. If, through no fault of ours, you do not have enough money in your account to make the transfer;
- b. If the transfer would exceed your overdraft credit limit;
- c. If the automated teller machine where you are making the transfer does not have enough cash;
- d. If the terminal or system was not working properly and you know about the breakdown when you started the transfer;
- e. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite our reasonable precautions,
- f. If there are other exceptions stated in our agreement with you.

- 11. 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).
- 12. Your Liability for Unauthorized Transfers.** If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, tell us AT ONCE. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your overdraft credit limit. If you tell us within **two (2) business** days, you can lose no more than \$50.00 if someone uses your card or associated 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 Card or PIN and we can prove we could have stopped someone from using your Card or your PIN without your permission if you had told us, you could lose as much as \$500.00 instead. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.
- 13. Additional limits on liability for Visa Debit cards.** Unless you have been negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa card. This additional limit on liability does not apply to ATM transactions or to transactions using your PIN which are not processed by Visa. VISA is a registered trademark of Visa International Services Association.
- 14. Telephone Number and Address.** If you believe your card or PIN has been lost or stolen, or that your statement shows transfers that you did not make, telephone us at (435) 865-2331 / (800)662-1788. Or write us at: BankCard Department, P.O. Box 340, Cedar City UT 84721-0340
- 15. Business Days.** Our business days are Monday through Friday. Holidays are not included.
- 16. NOTICE: In Case of Errors or Questions about Your Electronic Transfers.** Telephone us at (435) 865-2331 / (800)662-1788. Or write us at: BankCard Department, P.O. Box 340, Cedar City UT 84721-0340 as soon as you can if you think your statement or receipt is wrong or if you need more

information about the transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared.

- a. Tell us your name and account number.
- b. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- c. Tell us the dollar amount of the suspected error.

If you tell us orally, we require that you send us your complaint or question in writing within ten (10) business days. We will determine whether an error occurred within 10 business days (5 business days if involving a Visa POS transaction processed by Visa or 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a POS transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days if involving a Visa POS transaction processed by Visa or 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer. We will tell you the results within 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.

Revised 10-31-17

Terms and Conditions of your Account

(1) Important Information about Opening Accounts:

To help the government fight the funding of terrorism and money-laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

(2) Agreement:

This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us. This agreement is subject to applicable federal laws, the laws of the state of Utah and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law. As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an

organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

(3) Liability:

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement. Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

(4) Deposits

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to

collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

(5) Withdrawals:

Generally - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

Postdated checks - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

Checks and withdrawal rules - If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse or **impose a fee** for any withdrawal or transfer request that (a) is on forms not approved by us, (b) is by any method we do not specifically permit, (c) exceeds the frequency permitted, or (d) is for an amount that is greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply our limitations, if any. In addition, we may place limitations on the account until we have verified your identity. Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may impose a fee, close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification. If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an

error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

A temporary debit authorization hold affects your account balance -

On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money, which may be more than the actual amount of your purchase. When this happens, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it may be up to three days before the adjustment is made. Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold.

Overdrafts - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

Multiple signatures, electronic check conversion, and similar transactions - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions, the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

Notice of withdrawal - We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit or demand deposit, or from any other savings account as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your account disclosures.

(6) Ownership Of Account And Beneficiary Designation:

These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

Individual Account - is an account in the name of one person.

Joint Account With Survivorship (And Not As Tenants In Common) - is an account in the name of two or more persons. Each of you intend that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

Joint Account - No Survivorship (As Tenants In Common) - is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the "number of signatures" necessary for withdrawal.

Revocable Trust or Pay-On-Death Account - If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without right

of survivorship. The person(s) creating either of these account types may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

(7) Business, Organization And Association Accounts: Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written change notice from the entity's governing body.

(8) Stop Payments:

Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules. We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because stop-payment orders are handled by computers, to be effective, you must precisely identify the number, date, and amount of the item, and the payee. You may stop payment on any item drawn on your account whether you sign the item or not. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop payment order was oral your stop-payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order. If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order. Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

(9) Telephone Transfers:

A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

(10) Amendments and Termination:

We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

(11) Notices:

Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Notice to any of you is notice to all of you.

(12) Statements: - Your duty to report unauthorized signatures, alterations and forgeries - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if

you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you. You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your duty to report other errors - In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours.

Errors relating to electronic fund transfers or substitute checks (consumer accounts only) - For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to page 21, **Check 21 – Electronic Check Clearing**.

(13) Direct Deposits:

If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

(14) Temporary Account Agreement:

If the account documentation indicates that this is a temporary account agreement, each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

(15) Setoff:

We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date. This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity, or (d) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

(16) Check Processing:

We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. We do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our process is consistent with general banking practice, even though we do not inspect each item. This means that if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to act upon on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item.

(17) Check Cashing

We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

(18) Truncation, Substitute Checks, and Check Images

If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

(19) Remotely Created Checks:

Like any standard check or draft, a remotely created check (sometimes called a tele-check, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line. You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

(20) Unlawful Internet Gambling Notice:

Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

(21) ACH And Wire Transfers: This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial 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. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

(22) Facsimile Signatures:

Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, 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. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

(23) Agent (Individual Accounts only):

A single individual is the owner. The agent is merely designated to conduct transactions on the owner's behalf. The owner does not give up any rights to act on the account, and the agent may not in any manner affect the rights of the owner or beneficiaries, if any, other than by withdrawing funds from the account. The owner is responsible for any

transactions of the agent. We undertake no obligation to monitor transactions to determine that they are on the owner's behalf. The owner may terminate the agency at any time, and the agency is automatically terminated by the death of the owner. However, we may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the agency, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of an agent.

(24) Restrictive Legends or Indorsements:

The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks.

(25) Account Transfer:

This account may not be transferred or assigned without our prior written consent.

(26) Indorsements:

We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine. To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 ½" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment. As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 ½" of that edge. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement. These indorsement guidelines apply to both personal and business checks.

(27) Death or Incompetence:

You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until ordered to stop payment by someone claiming an interest in the account.

(28) Fiduciary Accounts:

Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

(29) Credit Verification:

You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

(30) Legal Actions Affecting Your Account:

If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

(31) Security:

It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an

electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss). Except for consumer electronic funds transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected.

(32) Telephonic Instructions:

Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

(33) Monitoring and Recording Telephone Calls and Consent to Receive Communications:

We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation. To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their

related federal regulations and orders issued by the Federal Communications Commission (FCC).

- Your consent is limited to this account, and as authorized by applicable law and regulations.
- Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us to contact you regarding this account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us. This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device. If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

(34) Claim of Loss:

If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you. You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

(35) Early Withdrawal Penalties (and involuntary withdrawals):

We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or

other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

(36) Address or Name Changes:

You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

(37) Resolving Account Disputes:

We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

(38) Waiver of Notices:

To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

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Funds Availability Disclosure

Our policy is to make funds from your cash and check deposits 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 the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and holidays. If you make an over-the-counter deposit before 5:00 PM Monday through Friday, we will consider that day to be the day of your deposit. Deposits through other channels may have different cut off times. However, if you make a deposit after these cut-off times or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Longer Delays May Apply

In some cases, we will not make all of 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 \$200.00 of your deposits, however, may 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, 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 by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

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 \$5,000.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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 7th business day after the day of your deposit.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 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 \$5,000.00 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. The excess over \$5,000.00 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a US Treasury check) is not made in person to one of our employees, the first \$5,000.00 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 11th business day after the day of your deposit.

Other Rules for Cashed Checks

If we cash a check for you 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.

Fee Table

Fee Description	Cost
2-Signature Restriction and/or Confirmation¹ Bank calls to confirm a check that is presented without required signatures	\$10
Account Closure: Within 6 months of opening and no other account relationship exits	\$25
Bill Pay⁴ – Standard Unless qualifications are met for free bill pay service (see below)	\$5 / mo. for 15, then 50¢ each
Bill Pay⁴ – Totally Free Requires eStatement enrollment or Emerald Elite Checking	No charge
Cashier's Checks / Money Orders	\$2 each
Coin / Currency Processing Fee	\$2 / bag / \$1K
Collection Exchange SBSU exchanges NSF deposit item for good funds at another bank	\$25
Debit Card Replacement Fee (Standard / Rush)	\$5 / up to \$75
Dormant Account Per month after inactivity Period (one year for checking, three years for savings)	\$5
Excessive Withdrawals – Per item after 6 per month	
Money Market (In-person and ATM withdrawals unlimited)	\$10
Savings (In-person and ATM withdrawals unlimited)	\$5
Foreign: Canadian Check Processing² – Payable in US or Canadian funds	\$7.50 each
Foreign: Non-Canadian Check Processing² - \$250 check minimum value	\$30 per check
Foreign: Currency² – Allow time for delivery	\$25 per order
Foreign: Draft² – Allow time for delivery	\$25 per draft + \$25 handling
Foreign: Currency Buyback²	\$25 handling
Gift Cards³ – Single Load, Value \$10 - \$1,000 per card	\$5.00 each
10 or more cards	\$3.50 each
25 or more cards with custom name imprint	\$3.50 each

Fee Table continued . . .

Fee Description	Costs
IRA Transfer – Transfer IRA funds to another institution	\$25 each
Legal processing – Garnishment / Levy	\$100 / instance
Minimum Balance Fee – Monthly fee applies to specific accounts, refer to disclosures	\$8
Notary Public – Account-holders	No charge
Notary Public – Non-account holders	\$5 flat fee
NSF – Non Sufficient Funds / Returned Item ^{4 & 5} Consumer accounts limited to fee occurrence of 4 per day (separate from OD fee)	\$25 each
OVERDRAFT – OD / Paid Item ⁵ Consumer accounts limited to fee occurrence of 4 per day (separate from NSF fee)	\$25 each
Overdraft Interest Rate – Interest applied to negative account balances Charged at the end of the monthly cycle when the statement prints	18% per annum
Paper Statement fee (Big Interest Checking only)	\$2 / month
Research / Reprints / Miscellaneous	
Check or Miscellaneous Copy	\$1 per page
Fax	\$2 per page
Statement Reprint	\$3 each
Research by bank personnel	\$30 / hr.
Return Deposit Item Processing (OD charges may apply if return overdrafts account)	\$3
Return Mail / Bad Address	\$5
Stop payment	\$25
Transfer / Overdraft Prevention Bank initiated to maintain a balance or prevent overdrafts, including SureCash transfers	\$3
Teller or Employee Assisted Transfers	
Between accounts at SBSU	\$3
Convenience Transfers that involve other institutions	\$10
Wire Transfers	
Incoming	\$0
Outgoing Domestic	\$20
Outgoing International	\$50

Fee Table Notes

1. **2-Signature Accounts:** If you require us to look for two (2) signatures on your checks, your account will be charged \$10 if the balance falls below \$1000 anytime during the monthly cycle. We will also charge your account \$10 to contact you in order to confirm each check that is presented without the required signatures. 2-signature restrictions are not allowed on Free Checking or Free E Checking.
2. **Foreign Currency/Drafts:** Additional third-party fees may apply.
3. **Gift Cards:** Contact the Card Department at (435)865-2331 for more information.
4. **NSF and Bill Pay:** A \$20 NSF fee will be passed along to the accountholder if debit to fund a bill pay is returned. Bill Pay users may therefore incur \$45 in NSF fees for one bill pay; \$25 immediately from SBSU and \$20 from the provider at month end.
5. **Item:** An "item" that may trigger NSF/OD fees is generally (a) a check, (b) return deposit item, (c) ACH debit, (e) one-time ATM/POS debit to a business account, (f) one-time ATM/POS debit to a consumer account that is opted-in to our Reg E Overdraft program, or (g) recurring POS debits to any account (e.g., you provided your debit card number to a subscription service).



FACTS

What Does State Bank of Southern Utah 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 transaction history
- Account balance and payment history
- Credit history and overdraft history

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 State Bank of Southern Utah chooses to share; and whether you can limit this sharing.

Questions? Call (800)662-1788 or visit www.sbsu.com/privacy

State Bank of Southern Utah is providing this notice



Reasons we can share your personal information	Does State Bank of Southern Utah share?	Can you limit this sharing?
For our everyday business purposes -- such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes-- to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes -- information about your transactions and experience	No	No
For our affiliates' everyday business purposes -- information about your creditworthiness	No	No
For nonaffiliates to market to you	No	No



What we do

How does State Bank of Southern Utah 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 State Bank of Southern Utah collect my personal information?

We collect your personal information, for example, when you . . .

- Open an account or deposit money
- Apply for a loan or make a wire transfer
- Use your credit or debit card

We also collect your personal information from others, such as credit bureaus, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only the following:

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

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.

- *State Bank of Southern Utah has no affiliates*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *State Bank of Southern Utah does not share with nonaffiliates so they can market to you.*

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partners include Cetera Investment Services LLC/SBSU Financial Services.*

Other important information

Credit Bureaus (Equifax, TransUnion or Experian) may sell credit profiles that contains information about you. This may result in offers from other companies (e.g., credit cards, insurance). State Bank of Southern Utah cannot prevent this type of information sharing.

Branch Locations

<p><u>Cedar City (Head Office)</u> 377 N Main St PO Box 340 Cedar City UT 84721 (435)865-2300</p>	<p><u>Cedar South Interchange</u> 1322 S Interstate Dr PO Box 488 Cedar City UT 84720 (435)586-4100</p>
<p><u>Circleville</u> 125 W Main St PO Box 225 Circleville UT 84723 (435)577-2827</p>	<p><u>Fillmore</u> 310 S Main St Fillmore UT 84631 (435)743-3311</p>
<p><u>Gunnison Valley</u> 10 S Main St PO Box 220 Gunnison UT 84634 (435)528-7221</p>	<p><u>Hurricane</u> 720 W State St Hurricane UT 84737 (435)635-6300</p>
<p><u>Kanab</u> 98 W Center St Kanab UT 84741 (435)644-5828</p>	<p><u>Orderville</u> 55 E State St PO Box B Orderville UT 84758 (435)648-2216</p>
<p><u>Parowan</u> 93 N Main St PO Box 638 Parowan UT 84761 (435)477-3354</p>	<p><u>Richfield</u> 14 S Main St PO Box 850 Richfield UT 84701 (435)896-9287</p>
<p><u>Santa Clara</u> 2287 Santa Clara Dr Santa Clara UT 84765 (435)673-7360</p>	<p><u>St. George Blvd.</u> 395 E St. George Blvd St. George UT 84770 (435)674-4164</p>
<p><u>River Road</u> 1337 E 170 S St. George UT 84790 (435)652-7000</p>	<p><u>Tropic</u> 200 Main St PO Box B Tropic UT 84776 (435)679-8900</p>