

Consumer Deposit Account Agreement

Definitions. Throughout this Agreement, these terms have the following meaning:

- “You” and “your” refer to the depositor (whether joint or individual).
- “We”, “us” and “our” refer to the financial institution.
- “Item or “items” as defined by Article 4 of the Uniform Commercial Code (UCC), means an instrument or a promise or order to pay money handled by a financial institution for collection or payment. The term includes a check but does not include a payment order governed by Article 4A of the UCC or a credit or debit card slip.
- “Debit transactions,” “debit” or “debits” refers to funds that are taken out of your account. Common types of debits may include: checks or drafts that you have written, ACH payments, wire transfers, PIN-based debit card transactions, and signature-based debit card transactions.
- “Credit transactions,” “credit” or “credits” refer to deposits of funds into your account. Common types of credits include: cash deposits, direct deposits, check deposits, and ACH and wire transfers made payable to you. Credits are generally added to your account and are made available to you in accordance with our funds availability schedule.
- “Banking Day” means any day the Bank is open, and the Federal Reserve is processing banking transactions.
- “Business Day” means Mondays through Fridays, excluding Federal Holidays.
- “Day” means all calendar days, including weekends and Federal Holidays.

General Agreement. You understand the following Account Agreement (“Agreement”) governs your account with us. Your account is also governed by other applicable documents, such as the Truth in Savings Account Disclosure and Privacy Policy, and where applicable the Funds Availability Policy and Electronic Fund Transfer Agreement (“Disclosures”), which are incorporated by reference. You understand that your account is also governed by applicable law. By providing a written or electronic signature on the Account Information document or other agreement to open your account, or by using any of our deposit account services, you and any identified account owners agree to the terms contained in this Account Agreement.

Authorization to Obtain Information. You authorize us to check or re-check your account, credit and employment history, and obtain reports from third parties, including credit and consumer reporting agencies, to verify your eligibility for the account, products and services you request and for other accounts, products, or services we may offer you or for which you may qualify.

General Rules. The following rules apply to all types of accounts:

1. Deposits. Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions initiated by mail until we actually receive and record them. We may refuse to accept particular checks or similar instruments as a deposit to your account at our discretion. Any cash deposit will be credited to your account in accordance with this Agreement. Any other item that you deposit will be handled by us in accordance with our usual collection practices. If any item you deposit is returned unpaid, we will debit your account and adjust any interest earned. You will, in any event, be liable to us for the amount of any check you deposit to your account that is returned unpaid, plus our costs and expenses associated with the collection of all or part of such amount from you, including reasonable attorney fees. You understand you may not be able to withdraw funds until we have received final settlement for any item deposited. Any deposit made on Saturdays, Sundays, Holidays, or after our cut-off hour on business days, will be credited to your account at the beginning of the next business day. Deposits to checking accounts shall be handled in accordance with our current Funds Availability Policy which will control the banking day deposits are deemed received by us and when they will be available for withdrawal. Deposits may be subject to a fee.

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

If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for

whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

3. Set Offs and Security Interest. If you ever owe us money as a borrower, guarantor, or otherwise, and it becomes due, we have the right under the law (called “set-off”) and under this Agreement (by which you grant us security interest in your deposit account and any other accounts held by you) to use your account funds to pay the debt, where permitted by law. We may set-off funds in your account and any other accounts held by you, jointly or individually, to pay any debt you may owe us; this includes an item(s) that we have cashed for you that are returned to us unpaid. If the account is a joint account, we may offset funds for the debt of anyone of the owners. Similarly, we may also set-off funds from the individual accounts of any one of the joint owners to satisfy obligations or debts in the joint account. The security interest granted by this Agreement is consensual and is in addition to our right to set-off.

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

5. Recourse Against Heirs, Successors, and Assigns. In the event that any funds deposited in the account are reclaimed by the federal government, the account holder agrees that the Bank shall have full recourse against the account holder's heirs, successors, and/or assigns. This recourse includes, but is not limited to, the right to recover any amounts reclaimed by the federal government from the account holder's estate, heirs, successors, and/or assigns. The obligations and liabilities of the account holder under this clause shall be binding upon and inure to the benefit of the account holder's heirs, successors, and/or assigns.

6. Expenses. You agree to be liable to us for any loss, costs, or expenses that we incur as a result of any dispute, attachment, garnishment, levy, or subpoena of records involving your account, including reasonable attorneys' fees whether incurred at trial, on any appeal therefrom or otherwise, to the extent permitted by law. You authorize us to deduct such loss, costs, or expenses from your account without prior notice to you. This obligation includes disputes between yourself and us involving the account and situations where we become involved in disputes between you and an authorized signer, another joint owner, or a third-party claiming an interest in the account. It also includes situations where you, an authorized signer, another joint owner, or a third-party takes action with respect to the account that causes us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

7. Dormant Accounts. You understand that if your account is dormant, you may be charged a fee specified in the Personal Fee Schedule and we may stop paying interest to the extent permitted by law. You agree that we are relieved of all responsibility if your account balance is escheated in accordance with state law.

8. Individual Account. The named party in an individual account owns the account and may withdraw all or some of the account. On the death of the party, ownership passes as part of the party's estate.

9. Financial Exploitation. As permitted by law, we may act or decline to act to prevent, stop, or mitigate financial exploitation of an adult. For example, we may (1) delay, decline, or place a hold on a transaction or disbursement involving the adult; (2) approve or deny other requests or modifications to the account, such as a transfer of funds, change in ownership, or change in beneficiaries; or (3) notify a third party of the financial exploitation. We will not be liable for the actions we take on the account if we acted in good faith and exercised reasonable care. For purposes of this section, “adult” means vulnerable adult, elder adult, senior adult, eligible adult, or other person as defined by applicable law.

10. Special Account Instructions. You may request that we facilitate certain trust, estate, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, estate, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or provide us with other protection. We may require that account changes requested by any account owner, such as adding or closing an account or service, be evidenced by a

signed document that describes the exact change to an account and accepted by us. You and any surviving owner or beneficiary agree to indemnify and hold us harmless from any claim or liability asserted against us as a result of the disposition of funds in reliance on this Agreement and any account designations of yours.

11. Joint, Trust, Fiduciary, and Custodial Accounts. You acknowledge that if your account is set up as a joint, trust, fiduciary, or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature. Specifically for conservatorships, a type of fiduciary account, we may provide the conservator access and control over the deposit funds, including but not limited to the delivery of the deposit funds to the conservator, upon receipt of an affidavit as required by law. If we receive a compliant affidavit, we may rely on the affidavit and we are not subject to liability of any nature to another person, including the account owner or any person with an ownership or interest in or right to the deposit funds or for the reliance or for providing the conservator access and control over the deposit funds.

12. Joint Account. If this is a joint account, all deposits are the property of the person(s) indicated on the account and we may release all or any part of the amount in the account to honor checks, withdrawals, orders, or other items or withdrawals or requests from any person named on this account. Any person named on the account is liable for the amount of any overdraft and overdraft fee regardless of whether he or she signed the item or benefitted from the proceeds of the item. Upon receiving written notice from any person named on the account, we may freeze the account. The account may be frozen until we receive written notice, signed by all parties named in the account, as to the disposition of funds. We may use the funds to satisfy a debt or judgment of any person named on this account if ordered to do so by a court of law. If we are uncertain of who should receive a payment under this Agreement or if we have actual knowledge of a dispute between you and any other person claiming an interest in the account, we may refuse to make a payment to you. If we do so, we will notify you and all other persons claiming an interest in writing for the basis of our refusal, and we may continue to refuse the payment until we receive consent from all interested parties or we make a payment pursuant to a court order. We will not be liable if we refuse to make a payment to you from your account.

13. Joint Account with/without Right of Survivorship. If this account is noted as a joint account with right of survivorship, on the death of one party to a joint account, all sums in the account on the death vest in and belong to the surviving party(ies) as his or her separate property and estate. However, if this account is between spouses, the funds in the account may be subject to applicable community property laws. In the event this account is designated as a joint account without right of survivorship and we receive written notice of death of any person named on the account, we may freeze the account until we have received satisfactory evidence as to the disposition of the account.

14. In Trust For or Pay on Death Account. If the account is designated as an In Trust For or Pay on Death account, then it is an account payable on request to you during your lifetime and after your death to one or more surviving designated beneficiaries, without being subject to your will. The beneficiary(ies) has no ownership rights in the account during your lifetime. All funds in this type of account constitute a voluntary trust revocable in whole or in part at any time by you. After your death, funds remaining in the account shall belong to the beneficiary absolutely, but subject to our general right of offset for any indebtedness owed by you or any beneficiary. If there is more than one surviving beneficiary, each surviving beneficiary will own an equal share of the funds remaining in the account without right of survivorship as between the beneficiaries.

An In Trust For or Pay on Death account may be combined with certain other types of accounts, in which event such other accounts' descriptions shall also apply. Where there are two or more depositors, this account will be combined with a joint account either with or without right of survivorship. If "with right of survivorship," remaining account funds are payable to the designated beneficiary(ies) only after the death of all depositors. If "without right of survivorship," remaining account funds belonging to any depositor are payable to that depositor's designated beneficiary(ies) after that depositor's death. The term "trust account" does not include deposits by trustees or other fiduciaries where the trust or fiduciary relationship is established other than by your deposit agreement. We shall be fully protected in making payment to the credit of the account in accordance with state law.

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

16. Account for Minors. We may require any account established by a minor to be a joint account with a parent or legal guardian who has reached the age of majority under state law and who is jointly and severally liable to us for any returned item,

overdraft, or unpaid amount on such account and for any related fees and charges. We may pay funds directly to the minor regardless of their age. Unless a parent or legal guardian is an account owner, the (non-owner) parent or guardian will not have access to the account. We have no duty to inquire about the use or purpose of any transaction except as required by applicable law. We may not change the account ownership when the minor reaches the age of majority unless the change is authorized in writing by all account owners.

17. Agency Account/Power of Attorney. If you wish to name an agent to act as your attorney-in-fact or agent in connection with your account, we may use the form of appointment found on the signature card or some other appropriate form. If the account is designated as an agency account, you have named an agent who will have the authority to make withdrawals from the account, endorse checks made payable to you for deposit into the account, and deposit cash or negotiable instruments into the account. An agency account may be combined with certain other types of accounts, in which event such other accounts' descriptions shall also apply. The agent has no ownership right or interest in this account. Upon your death, the agency shall terminate and any funds remaining on deposit belonging to you shall become the property of your estate or such other persons who may be entitled, depending upon the type of account. If you have designated that the agent shall continue to have power after your disability/incompetency, the agent's authority survives your disability/incompetency. The agent may act for a disabled/incompetent party until the authority of the agent is terminated. If you have noted that the agent shall not have power after your disability/incompetency, the agent's authority extinguishes upon your disability/incompetency. We are not liable for any payment or withdrawal made to or by an agent for a deceased or incompetent depositor unless we had actual knowledge of the incompetency or death at the time payment was made.

18. Death or Incompetency. Neither your death nor a legal adjudication of incompetence revokes our authority to accept, pay, or collect items until we know of the fact of death or of an adjudication of incompetence and have a reasonable opportunity to act on it. To the extent permitted by law, even with knowledge, we may for 10 days after the date of death, pay checks drawn on or before the date of death unless ordered to stop payment by a person claiming an interest in the account.

19. Corporate, Partnership and Other Organizational Account. You agree to supply us with a separate authorization informing us of the authorized signer(s) and to provide any other related documents, if requested to do so.

20. Fees, Service Charges and Balance Requirements. You agree to pay us and are responsible for any fees, charges or balance/deposit requirements as provided in the Personal Fee Schedule or Account Disclosure provided to you at the time you opened the account. Fees, charges and balance" requirements may change from time to time. We also reserve the right to impose a service charge for cashing checks and other items drawn on your account, if the person cashing the check or item is not a customer of this financial institution.

21. Non-Sufficient Funds and Overdrafts. If your account lacks sufficient collected funds to pay a check, preauthorized transfer or other debit activity, presented for payment we may return such item for non-sufficient funds or we may pay the item into overdraft. If we pay the item into overdraft, we may charge you a fee for each occurrence as provided in the Personal Fee Schedule. Please reference the *Peoples Bank Overdraft Management Service* document and *Opt-In Disclosure* for additional information on how overdraft fees are assessed at Peoples Bank, and ways to avoid them. These disclosures contain important information even if you opted out of certain overdraft protections.

22. Processing Order. Processing order can impact the fees you pay. All credit transactions will be processed before debits. Debits will be processed in ascending amount order (low to high) by category and each category will process in the following order:

Category 1	Cutoff Time ¹
In Branch Transactions Checks Negotiated in a Peoples Bank Branch ATM Transactions Transfers Person to Person Transactions	10:00 pm
Overdraft Fees from previous business day's transactions Deposit Return Items	n/a
Category 2	
Preauthorized Transactions	n/a
ACH	3:00 pm
Bill Payments	6:00 pm
Debit Card Transactions	10:00 pm
Category 3	
Checks Processed at other FI	n/a
Category 4	
Peoples Bank Fees or Service Charges	n/a

All times are Pacific Standard Time. Daylight Savings Time applies when nationally in effect. Transactions that occur prior to the cutoff time will be processed on the same business day.

The Bank uses *ledger balance minus holds* to determine whether funds are available in an account, and an overdraft may be assessed if funds are unavailable. The ledger balance is the balance in your account after all previous business day's activity has been posted. Holds are defined as any debit card holds, check holds or operational holds and will be subtracted from the ledger balance before items are posted according to the processing order above.

Please reference the *Peoples Bank Overdraft Management Service* document and *Opt-In Disclosure* for additional information on how overdraft fees are assessed at Peoples Bank, and ways to avoid them. These disclosures contain important information even if you opted out of certain overdraft protections.

23. Night Depository and Large Cash Deposits. Any of our employees may open and count any deposit that a branch banker didn't count in front of you, including night depository deposits and large cash deposits, and you agree not to dispute that employee's determination of the amount you deposited. If you use our night depository, you are responsible for any disappearance, theft, or loss of any envelope, bag, or money before we issue a written receipt for the deposit.

24. Amendments and Alterations. Except as prohibited by law, we may amend this Agreement by adding, removing, or changing terms at any time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendments. Notices will be sent to the most recent address shown on the account records. Only one notice will be given in the case of joint account holders.

25. Severability. If a court for any reason holds a provision of this Agreement to be unenforceable, the rest remains fully enforceable. All headings are intended for reference only and are not to be construed as part of the Agreement.

26. Enforcement. You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs, or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions.

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

28. Taxpayer Identification Number and Backup Withholding. You must provide a taxpayer identification number (hereinafter TIN) with your account with us. If you fail to provide your TIN within a reasonable time, we may suspend opening your account or close your account and return the balance to you, less any applicable service fees. We may withhold taxes from dividend/interest earned on your account as required by federal or state law or regulations. Your failure to furnish a correct TIN or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service a percentage of dividends/interest and certain other payments.

29. Liability. If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if, for example: (1) your account contains an insufficient available balance for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We are not responsible for a share drafts/checks that is paid by us if we acted in a commercially reasonable manner and exercised ordinary care. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.

30. Telephone and Electronic Communication. You agree that we may call or send text messages to you at the telephone numbers that you provide to us, including a cell phone number, which may result in charges to you for informational purposes regarding your account(s) with us. These calls and text messages may be made from an automatic telephone dialing system (i.e. an auto dialer) or from an artificial

or prerecorded voice message system. Additionally, you agree that we may send electronic communication to you at the email address you provide to us. You may contact us at any time if you no longer want to receive these communications from us. You also agree that we may monitor and record telephone and electronic communications that affect your account(s) with us to the extent permitted by law. We need not provide further notice to you or receive additional approval.

31. Closing Account. We may close the account at any time, with or without cause, by sending you notice, if advance notice is required by law, and a check for the balance in our possession to which you are entitled. At our discretion, we have the authority to pay an otherwise properly payable check, which is presented after the closing of your account.

32. Transfers and Assignments. We may assign or transfer any or all of our interest in this account. You cannot assign or transfer any interest in your account unless we agree in writing.

33. Effective Applicable Laws and Regulations. You understand that this Agreement is governed by the laws of the state where this account is opened except to the extent that federal law is controlling. Changes in these laws and regulations may modify the terms and conditions of your account(s). We do not have to notify you of these changes, unless required to do so by law.

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

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

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

Notice of Receipt. Under the operating rules of Nacha, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Choice of Law. We may accept on your behalf payments to your account which have been transmitted through one or more ACH transactions that are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state where this account is opened as provided by the operating rules of Nacha, which are applicable to ACH transactions involving your account.

35. Direct Deposits. We may offer direct deposit services, including preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. If your account is overdrawn, you authorize us to deduct the amount of the overdraft from any deposit, including deposits of government payments or benefits. If we are required to reimburse the U.S. government for any benefit payment directly deposited into your account, we may deduct the amount from any of your accounts, unless prohibited by law.

36. Payment of Interest. If your account is an interest-bearing account, interest will be calculated and paid in accordance with the Account Disclosure described in paragraph 33 and provided to you at the time you opened the account.

37. Stop Payments.

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

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

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

38. Checks. All negotiable paper ("checks") presented for deposit must be in a format that can be processed and/or photographed. We may refuse to accept any check that does not meet this requirement. All endorsements placed on the reverse side on any check which you deposit to your account, must be placed so that they are on the left side of the check when looking at it from the front and must be placed so they do not go beyond an area located 1 1/2 inches from the left edge of the check when looking at it from the front. We may refuse to accept any check that does not meet this requirement, and, if we do accept it, you will be completely responsible for any loss incurred by us which is premised on an endorsement not meeting this requirement, including reasonable attorney fees.

You will have the responsibility to make sure at the time you issue any check that the format is such that there will be no writing whatsoever on the reverse side of the check placed beyond an area located 1 1/2 inches from the left edge of the check when looking at it from the front. You will be completely responsible for any loss incurred by us which is premised on your violation of this requirement, including reasonable attorney fees.

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

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

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

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

43. Verifying Funds Availability for Check. You authorize us to release funds availability information about your account to individuals or merchants who represent to us that they have received a check or other item from you.

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

45. Statements. If your account is a Checking, Money Market, or Statement Savings account, we will provide you with a periodic statement showing the account activity. The last address you supply us in writing will be deemed the proper address for mailing this statement to you. The account holder who receives this statement is the agent for his/her co-account holder(s) for purposes of receiving the statement and items. You must notify us within 30 days after we mail or otherwise make the statement available to you of any discrepancies. If you fail to notify us, you will have no claim against us. Additionally, you agree that we will not be liable for any forged or unauthorized signature or any alteration on the face or back of the item as well as any unauthorized indorsement, reported to us after 60 days after we mail or otherwise make the statement or items available to you, even if we failed to exercise ordinary care. However, if the discrepancy is the result of an electronic fund transfer, the provisions of our Electronic Fund Transfer Agreement will control its resolution. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.

46. Limitation of Time to Commence Action. Any action or proceeding by you to enforce an obligation, duty or right arising under this Agreement or by law with respect to your account(s) or any product or service provided to you must be commenced within one year after the cause of action accrues.

47. Account Disclosure. If your account is considered a consumer account, at the time you opened your account, you received an Account Disclosure which provided a schedule of all fees and charges applicable to the account, the interest rate and applicable Annual Percentage Yield, minimum balance requirements, compounding and crediting of interest and other pertinent information related to the account. This information found in the disclosure may change from time to time. If the fees, charges, minimum balance requirements or other items change in a manner that would adversely affect you, we will provide you with written notice 30 days prior to the change.

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

If your items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You agree that no facsimile signature you have authorized us to honor may be considered a forgery or an unauthorized signature, and that every authorized facsimile signature shall be effective as the signatory's own original, manual signature. You accept sole responsibility for maintaining security over any device affixing the signature as such signature will be effective regardless of whether the person affixing it was authorized to do so. Your authorization notwithstanding, we are not obligated to accept or pay any items bearing facsimile signatures. Further, most checks, drafts, orders or other items are processed automatically, i.e., without individual review of each item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of checks, drafts, orders, or other items for more than one signer, you agree that we are acting within common and reasonable banking practices by automatically processing these items. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees) that you or we may suffer or incur as a result of this practice.

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

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

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

52. ARBITRATION AGREEMENT AND CLASS ACTION WAIVER. You and we agree that both of us shall attempt to informally settle any and all disputes arising out of, affecting, or relating in any way to your accounts, or the products or services that we have provided, will provide or have offered to provide to you, and/or any aspect of your relationship with us (hereafter referred to as the "Claims"). If that cannot be done, then you agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Class Action Waiver provision ("Arbitration Agreement"), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either you or us, be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in accordance with its applicable rules and procedures for consumer disputes ("Rules"), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website at www.adr.org; or a copy of the Rules can be obtained at any bank branch upon request. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN

SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT) AND YOU WILL GIVE UP YOUR RIGHT TO HAVE YOUR CLAIM DECIDED BY A JURY. This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf.

This Arbitration Agreement shall not apply to: (1) actions that are initiated in or transferred to small claims court or a comparable court of limited monetary jurisdiction, so long as they are prosecuted individually; (2) actions initiated by or against "covered borrowers" under the Military Lending Act; (3) claims involving residential mortgage secured loans covered by Regulation Z; (4) claims involving any secured consumer loans with contractually agreed upon terms and amount; and (5) any other claims where arbitration is now or may be prohibited by law.

Selection of Arbitrator. The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the arbitration forum for the resolution of the Claims.

Effective Date. This Arbitration Agreement is effective when you open an account. **Arbitration Proceedings.** The arbitration shall be conducted within 50 miles of your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The Arbitrator shall be entitled to award the same remedies that a court can award, including injunctive relief. The Arbitrator shall follow the law and shall not be entitled to make errors of law. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes, the arbitrator's award is not subject to review by the court and it cannot be appealed; provided, however, that either party may appeal to any Court with jurisdiction to the extent the arbitrator makes an error of law. We shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA (or the applicable arbitration forum). However, you will be responsible for your own attorneys' fees. The Arbitrator shall be entitled to award the prevailing party attorneys' fees and costs if provided for under applicable law. Nothing contained in this Arbitration Agreement shall prevent either you or us from applying to any court of competent jurisdiction for emergency provisional relief, such as a temporary restraining order, a temporary protective order, an attachment or any other pre-judgment remedies.

Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety shall be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.

Class Action Waiver. ANY ARBITRATION OF A CLAIM SHALL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

Severability. In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, then the remaining provisions shall remain fully enforceable.

CHECKING ACCOUNTS

In addition to the General Rules, your Checking Account will be subject to the following rules:

- 1. Withdrawals.** Deposits will be available for withdrawal consistent with the terms of our Disclosures. Withdrawals may be subject to a fee.
- 2. Withdrawal Notice Requirements.** If your account is a non-demand deposit checking account, we have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account.

MONEY MARKET ACCOUNTS

In addition to the General Rules, your Money Market Account will be subject to the following rules:

- 1. Withdrawals.** We have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account. Withdrawals may be subject to a fee.
- 2. Transaction Limitations.** Our policy allows us to restrict the number of transfers or withdrawals you can make on a Money Market Account and Savings Account, or we may allow you to make an unlimited number of transfers or withdrawals from these accounts.

SAVINGS ACCOUNTS

In addition to the General Rules, your Savings Account will be subject to the following rules:

- 1. Withdrawals.** We have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account. Withdrawals may be subject to a fee.
- 2. Passbooks.** If your account is a passbook account and you wish to make a withdrawal without your passbook, we can refuse to allow the withdrawal. If your passbook is lost or stolen, you will immediately notify us in writing.
- 3. Transaction Limitations.** Our policy allows us to restrict the number of transfers or withdrawals you can make on a Money Market Account and Savings Account, or we may allow you to make an unlimited number of transfers or withdrawals from these accounts.