



## Alliance Association Financial Services

(888) 734-4567 • [info@aafin.com](mailto:info@aafin.com) • [www.AAFIN.com](http://www.AAFIN.com)

### Deposit Account Agreement and Disclosure

**INTRODUCTION:** In this Deposit Account Agreement and Disclosure, each and all of the depositors are referred to as “customer”, “you” and “your.” The Financial institution is referred to as “we,” “our,” and “us.” The Financial Institution includes Alliance Association Financial Services, a division of Bank of Nevada, and each affiliate bank owned by Western Alliance Bancorporation (each an “Affiliate”) with which you have a deposit account. This Deposit Account Agreement contains the terms and conditions governing certain of your deposit accounts with us. As used in this document, the term “Agreement” means this document, the signature card, a rate and fee schedule (which may be in the form of a Rate Chart, Fee Schedule, Time Certificate of Deposit, or Confirmation of Time Deposit, hereinafter called the “Schedule”), Truth in Savings disclosures, a Funds Availability Policy disclosure, and an Electronic Funds Transfer Agreement and Disclosure, if applicable. Each of you signing the signature card for a deposit account acknowledges receipt of this Agreement, and agrees to the terms set forth in the Agreement, as amended from time to time. You agree that we may waive, in our sole discretion, any fee, charge, term, or condition set forth in this Agreement at the time the account is opened or subsequent thereto, on a one-time basis or for any period or duration, without changing the terms of the Agreement or your obligation to be bound by the Agreement, and we are not obligated to provide similar waivers in the future or waive our rights to enforce the terms of this Agreement.

All future changes to the Deposit Account Agreement will be made in accordance with this Agreement and will be posted on the Alliance Association Financial Services (AAFS) website at: [www.aafin.com](http://www.aafin.com).

**DEPOSIT ACCOUNTS:** From time to time, we may offer or you may open a variety of deposit accounts. Each such account (the “Account”) is subject to the general terms and conditions and any specific terms and conditions relating to that type of account that may be set forth in this Agreement. If you open multiple accounts, you may receive Schedule information for each account, but this Agreement will cover all your accounts with us. Each of you will be jointly and severally liable to us for debit balances in the account, including without limitation overdrafts and account charges, and jointly and severally promise to pay, upon demand, any and all debit balances, all fees and charges, and our reasonable attorneys’ fees and costs and expenses of collection, including but not limited to those incurred at trial and on any appeal.

**DATE ACCOUNT OPENED:** If you open an account with us after 5:00 p.m. on a business day that we are open, we will consider that the transaction was made at the opening of the next business day for account opening, effective date, and issue date purposes.

**AFFILIATE BANKS:** You may conduct your banking at Affiliate banks owned by Western Alliance Bancorporation (each an affiliate). The Affiliate has the right to accept or decline transactions at the time of presentment. If transactions are performed at Affiliates, there may be at least one (1) day delay in the posting, availability, and or interest accrual of your transaction. Any such Affiliate will not be considered a branch of the Financial Institution, but will be considered an “agent” of the Financial Institution.

**INTEREST:** If your account earns interest, the following information applies:

(A) Payment of Interest: We will pay interest at the annual rate specified on the Schedule, which does not reflect compounding (“Interest Rate”). The Schedule also sets forth the frequency of interest payments, the frequency of any compounding and crediting, the interest accrual basis, the balance on which interest will be paid, and any minimum balance requirements.

(B) Minimum Balance Requirements: The Schedule may specify a minimum balance that you are required to maintain in your account. If the minimum balance is not maintained during a specified period, we, at our option, may not pay interest on your account and/or may charge a fee for that period. You should review any minimum balance requirements on the Schedule.

(C) Initial Interest Rate: The initial interest rate is the current annual rate of interest that we will pay on the specified balance in your account. We may pay interest at different rates, depending on the amount deposited and the type of depositor (individual, business, non-profit organization, etc.).

(D) Interest Compounding and Crediting: The schedule will indicate the interest compounding and crediting frequency for your account (if any). Compounding generally means that interest is being accrued on earned interest. Interest may be compounded more frequently than interest is credited to your account.

(E) Interest Accrual: We may accrue interest on your account more frequently than we pay or credit interest. The interest that has been calculated, but not paid to the account, is called accrued unpaid interest.

(F) Changes: We have the right to change the rates and fees in accordance with the terms of the Schedule. We also reserve the right to change any other term of this Agreement at our sole discretion.

**FEES AND CHARGES:** Subject to applicable law, you agree to pay us the fees and charges shown in the Schedules as are applicable to your account or for other services performed by us. You agree the fees and charges may be changed by us from time to time and authorize us to charge your account for their payment whether or not each charge results in an overdraft of your account. Existing and future charges may be based upon the overall costs of providing account services and may or may not be based upon the direct cost or expense

associated with providing the particular service involved. The charges may be based on consideration of profit, competitive position, deterrence of misuse of account privileges by customers, and the safety and soundness of the Financial Institution. We will notify you of the changes, to the extent required by law. Alliance Association Services fee schedule is as follows:

- \$10.00 returned deposited item
- \$30.00 to \$35.00 overdraft fee per day (varies by market)
- \$10.00 to send electronic statement to board member
- \$50.00 year-end CD Rom of statements

**BALANCE METHODS:** As used in this Agreement, the “average daily balance” method means “the application of a periodic rate to the average daily balance in the account for the period, determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period.” The “daily balance” method means “the application of a daily periodic rate to the full amount of principal in the account each day.”

**DEPOSIT RULES:** The following terms apply to deposits made to your account:

(A) **Endorsements:** You authorize us to accept transfers, checks, and other items for deposit to your account if they are made payable to, or to the order of, any one or more of you, whether or not they are endorsed by you. You authorize us to supply missing endorsements, and you warrant that all endorsements are genuine. All checks and other items deposited to your account should be endorsed payable to the order of us for deposit only, followed by your signature and account number. All endorsements must appear on the back of the check or other item within the first 1-1/2 inches from the left side of the item when looking at it from the front. Endorsements should be in black ink. While we may accept non-conforming endorsements, you will be responsible for any loss incurred by us due to the delay in processing or returning the item for payment.

(B) **Final Payment:** All non-cash items (for example, checks) deposited to your account are posted subject to our receipt of final payment by the payor bank. Upon receipt of final payment, the item becomes a collected item. If final payment is not received or if any item you have deposited or cashed is charged back to us for any reason, you authorize us to charge any of your accounts, without prior notice and at any time, for the amount of the returned item, our returned item fee, any interest paid on that item, and any other fee we pay or incur. If an item to be charged back is lost in the process of collection or unavailable for return, we may rely upon a photocopy of the item or upon any other generally accepted notification of return of the item, in charging you or any of your accounts for the amount of the returned item. We reserve the right to refuse any item for deposit into your account.

(C) **Checks Sent for Collection:** We may refuse to accept a check for immediate credit that you wish to negotiate either at the time of transaction or before we send it for payment. Reasons for the possible refusal include but are not limited to items that have been previously dishonored, are irregular in any respect, or are drawn in a foreign currency. At your option, we may send the check for collection or return to you without presenting it to the financial institution on which it is drawn. When sending a check on collection, it means that we would not use normal check clearing procedures, and must specially handle the item. If payment is received, we will credit your account with the amount received once credit is received by us. Payment of fee amount received may include the collection fee deducted by the other financial institution. In some instances, the other financial institution may require their collection fee accompany the collection request. These fees are in addition to the standard fee charged by Alliance Association Financial Services and will be charged to you accordingly.

(D) **Direct Deposits:** If we offer direct deposit services for automatic preauthorized deposits to your account of social security payments or automatic transfers from your other accounts with us, you must notify us at least 30 days prior to the next scheduled direct deposit or preauthorized transfer if you wish to cancel the direct deposit or transfer service. If any amount deposited must be returned to the government for any reason, you authorize us to deduct the amount from your account as provided in the Final Payment paragraph above.

(E) **Crediting of Deposits:** If you make a deposit before 5:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open. The Funds Availability Policy Disclosure provided to you reflects our policies relating to the availability of deposited funds.

(F) **Substitute Check and Electronic Files Pertaining to Original Checks:** If you deposit a “substitute check” [as defined in Regulation CC, Section 229.2 (aaa)] or a purposed substitute check into your account, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the item not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the substitute check resulting from the electronic representation not meeting applicable substitute check standards and/or from duplicate payments associated with the item.

(G) **Deposit of Remotely Created Checks:** A remotely created check is a check created by someone other than the person whose account the check is drawn, and is typically created when the owner of a checking account, either over the phone or online, authorizes a telemarketer or billing company to draw a check made payable to them on the owner’s account without the owner actually signing the check. In place of the owner’s signature, the remotely created check usually bears the statement that the owner authorized the check or bears the owner’s printed or typed name. If you are in the business of depositing remotely created checks based on the authorization of others, you must obtain the Financial Institution’s prior express written consent to deposit those checks in your account.

(H) **Notice of Stop Payment, Legal Process or Setoff:** A check received by us before the close of the banking day may be subject to any stop payment order received, legal process served upon, or setoff exercised by us prior to 5:00 p.m. of the next business day. Any knowledge, notice, stop payment order, legal process, or setoff comes too late to affect our right or duty to pay a check if it is received after that time. Additional limitations regarding stop payment orders, the right of setoff, or other legal process may be found elsewhere in this document.

**WITHDRAWAL RULES:** The following terms apply to withdrawals from your account:

(A) **Manner of Withdrawal:** You may make withdrawals from your account in any manner that is permitted by us for the type of account that you have opened. Withdrawals by mail will be posted to your account as of the day the transaction is processed by us. We may refuse to accept any check other than standard checks provided by us or approved by us in advance. Withdrawals and transfers from your account may be restricted as provided in the Agreement, or in the Schedule, or by applicable law.

(B) **Withdrawal Restrictions and Overdrafts:** We do not have to allow you to make a withdrawal from your account if you do not have sufficient funds available in the account to cover the full amount of the withdrawal. If there are available funds to pay some, but not all, of the withdrawals or other debits on a single business day, we will post checks, at our sole discretion, in either ascending check number order, the lowest check number being presented first, or in order of ascending amounts, the check for the smallest sum being presented first. Non Sufficient Funds (NSF) fees (may) apply to overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means. Service charges related to overdrafts will be posted as overdraft occurs. We may pay or withdrawals or debit items (such as charges) prior to paying any checks and the method of payment for the other withdrawals and debit items may be in any order and at our sole discretion. If there are insufficient available funds to cover some of the withdrawals and debit items presented against your account such items will be handled in accordance with our overdraft procedures or in accordance with any other agreement you may have with us (such as an overdraft protection program). Even if we choose to pay one or more overdrafts, we are not obligated to cover any future overdrafts. We may determine the balance of your account in connection with determining whether payment of an item will create an overdraft at any time we receive the item and the deadline for us to take action on the item. We are not required to determine your account balance for more than one (1) time during this period. A service charge may be assessed on any item that will overdraw the available account balance, regardless of whether we pay or dishonor (return) the item. You agree, immediately upon notice from us, to deposit funds sufficient to cover any overdraft plus service charges, if required. We will not be liable for the dishonor of any item when the dishonor occurs because we setoff a debit against your account. We also may refuse to allow a withdrawal if there is a dispute about the account (unless a court has ordered us to allow the withdrawal), the account is garnished or attached, the account has been pledged as collateral for a debt, the availability of the funds on deposit cannot be verified, any required documentation has not been presented, or you fail to repay an obligation to us on time.

(C) **Notice Requirements:** Federal regulations require us to retain the right to require you to give at least seven (7) days notice in writing prior to any intended withdrawal from a savings, negotiable order of withdrawal ("NOW"), or money market account. Although we usually pay withdrawals or checks without notice on these accounts, doing so does not mean that we give up this right.

(D) **Postdated Items:** You agree that when you write a check, you will not date the check in the future. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. You agree that if we pay the check, the check will be posted to your account on the date we pay the check, even though the posting date is prior to the date of the check. You further agree that we are not responsible for any loss to you in doing so. We will not honor a postdated check if we receive advance notice from you at such a time and in such a manner as to afford us reasonable opportunity to act. The notice must be in writing, and it must specify the date, amount, and number of the check, along with the name of the payee. Notices are effective for the time periods stated under Stop Payment Orders. You agree that we may return a postdated check to the presenter.

(E) **Power of Attorney:** The person executing a power of attorney will be referred to as the principal and the person acting for the principal as the agent. We may refuse to comply with a power of attorney for reasonable cause, or until we receive an affidavit from the agent stating that the power of attorney presented is a true copy and that, to the best of the agent's knowledge, the principal is alive and that the relevant powers of the agent have not been altered or terminated.

(F) **Signatures:** You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items at the lowest possible cost to our customers. We will not enforce multiple signature requirements. In light of this, you agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of items with a face amount below an amount specified by us from time to time. You authorize us to store and use signature card information in any reasonable form we deem necessary, including any digitized signature capture process. If you use a facsimile signature or other form of mechanically reproduced signature (such as, but not limited to, desktop publishing, digitized, or computer software generated signature), you agree you shall have the sole responsibility for maintaining security of the facsimile or mechanically reproduced signature and the device by which the facsimile or mechanically reproduced signature is affixed and you shall bear the entire risk for unauthorized use thereof whether or not you are negligent. You agree that no facsimile or mechanically reproduced signature we have been authorized to honor may be considered a forgery or an unauthorized signature, but that such facsimile or mechanically reproduced signature shall be effective as your signature or endorsement whether or not you have been negligent. You further agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure (including reasonable attorney's fees) we or you may suffer or incur as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile or mechanically reproduced signature or the device by which it is affixed. If you use any form of facsimile or mechanically reproduced signature device, you agree to deliver a sample to us if we request it.

(G) **Preauthorized Drafts:** If you voluntarily give information about your account (such as our routing number and your account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a check to the party, any debit to your account initiated by the party to whom you gave the information is deemed authorized by you.

(H) **Electronic Check Conversion:** You may authorize a merchant to use your check as a source of account information to initiate an electronic withdrawal from your account. The merchant uses the check information, along with the transaction amount, to initiate an Automated Clearing House (ACH) debit transaction. The transaction is electronically transferred through the ACH system and the funds will be debited directly from your account and deposited automatically into the merchant's account. After the information is gathered from the check, the merchant should mark it void and return it to you. You should sign and receive a receipt documenting the transaction. This type of transaction generally results in funds being removed from your account faster than a normal check transaction. A description of the transaction will appear on your statement from us. Checks used in these types of transactions will not be returned with your statement. This type of electronic funds transfer from a consumer account is governed by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosure(s).

(I) **Re-Presented Checks:** If a merchant electronically re-presents a check returned due to insufficient or uncollected funds, that transaction

is not cover by the Electronic Funds Transfer Act. Checks involved in this type of transaction will not be included with your statement. You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check. If a merchant electronically collected a fee associated with the re-presentation of a check, the fee transaction is covered by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosures if the fee is debited as an electronic funds transfer from a consumer account. A description of the transaction will appear on your statement.

**(J) Withdrawal by Remotely Created Checks:** A remotely created check is a check created by someone other than the person on whose account the check is drawn, and is typically created when the owner of a checking account, either over the phone or online, authorizes a telemarketer or billing company to draw a check made payable to them on the owner's account without the owner actually signing the check. In place of the owner's signature, the remotely created check usually bears the statement that the owner authorized the check or bear's the owner's printed or typed name. If you authorize a third party to draw a remotely created check against your account, you may not later change your mind and try to revoke your authorization or rescind payment by claiming the check was unauthorized. The Financial Institution will not be required to re-credit your account, and may charge against your account, any remotely created checks for which the third party has proof of your authorization.

As a service to you, the Financial Institution will pay remotely created checks when they are presented for payment against your account. You should review your account statement carefully to verify that any remotely created checks charged against your account are accurate and authorized. Notify us promptly of any unauthorized remotely created checks charged against your account.

**(K) Check Legends:** We may disregard information on any check or item other than the signature of the drawer, the identification of the drawee financial institution and payee, the amount, the endorsements, and any other information that appears on the MICR line. In addition, we are not responsible to take action on, or for failure to notify you of restrictive language placed on checks or other items, including but not limited to terms such as "Void after 90 Days," "paid in full," "two signatures required," "void over \$100" or similar statements. In accordance with reasonable banking standards, most checks and other items are processed through automated processing and, except in limited circumstances and at our discretion, most items are not individually examined. You agree that we act within reasonable banking standards by processing most checks and other items through automated processing systems. We will not honor restrictive or other legends unless we have agreed in writing to do so.

**(L) Non-Customer Check Cashing Identification:** If a person who is not a deposit customer of ours presents a check drawn against one of your accounts for payment over the counter, we may require identification that meets our standards including a thumbprint or fingerprint from the person. You agree that if the person refuses to comply with our identification standards, we may dishonor the check and we have no liability to you for refusing to cash the check.

**(M) Stale Checks:** We reserve the right to pay or dishonor a check more than six (6) months old without prior notice to you.

**CHECKING ACCOUNTS:** If your account is a checking account, the following terms may apply:

- (A) No interest will be paid on any demand deposit checking account with us.
- (B) If we offer NOW (interest bearing checking) accounts, the account must consist solely of funds in which the entire beneficial interest is held by one or more individuals in an individual capacity, a sole proprietor, or a governmental unit, but not professional corporations or business partnerships. A NOW account may also be held by a for profit organization serving in a fiduciary or trustee capacity for an entity that is itself permitted to hold a NOW account. Otherwise, an organization may hold a NOW account only if it is operated primarily for religious, philanthropic, charitable, educational, or other similar purpose.

**Checking Sub-Accounts:** If you have a checking account or interest checking (NOW) account, your account consists of a transaction sub-account and a savings sub-account. This structure will not affect your available balance, service charges, FDIC insurance, interest earnings, your statement or any other feature of your account. Funds not routinely needed to pay debits may be periodically transferred to the savings sub-account. A transfer from the savings sub-account back to the transaction sub-account will fund items in excess of the balance in the transaction sub-account. The remainder of your balance will be maintained in the transaction sub-account. If interest is paid on your account balance, the interest calculation will be the same for both the savings sub-account and the transaction sub-account. If interest is not paid on your account balance, the savings sub-account will be non-interest bearing.

**SAVINGS ACCOUNTS:** If your account is an interest bearing account and is not a now account or time deposit, the following terms may apply:

**(A) Transfers and Withdrawals:** If your account is a savings or money market deposit account, federal law requires that an account holder may make no more than six (6) transfers and/or withdrawals during any one (1) calendar month or statement cycle (the period from one statement to the next) or similar period of at least four weeks, to another of your accounts with us or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, or similar order made by you and payable to third parties. If you exceed more than three (3) such transfers, we need not honor the item. A "preauthorized transfer" includes any arrangement by us to pay a third party from your account upon written or oral instruction [including an order received through an automated clearing house (ACH)] or any arrangement by us to pay a third party from your account at a predetermined time or on a fixed schedule.

**(B) Excess Transactions:** In accordance with federal law, if you have more than the allowable preauthorized transfers or preauthorized checks or drafts (for money market accounts) in any one period, your account may be subject to closure by us and the funds placed in another account that you are eligible to maintain, or we may take away the transfer and draft capabilities of the account. In addition to the above preauthorized transfers, you may make unlimited withdrawals (payments directly to you or transfers of funds from your account to any of your other deposit accounts or loan accounts with us), either in person at our locations, by mail, messenger, telephone (via check mailed to you), or use of an ATM card (if applicable).

**TIME DEPOSIT:** If your account is a time deposit, you have agreed to keep the funds on deposit until the maturity of your account. If your account has not matured, any withdrawal of all or part of the funds from your account may result in an early withdrawal penalty. We will

consider requests for early withdrawal and, if granted, the penalty provided in the schedule will apply.

(A) **Penalty:** The early withdrawal penalty is calculated as a forfeiture of part of the accrued interest that has or would be earned on the account. If your account has not yet earned enough interest so that the penalty can be deducted from earned interest, or if the interest already has been paid, the difference will be deducted from the principal amount of your account. For fixed rate accounts, we will use the rate in effect for your deposit.

(B) **Exceptions:** We may let you withdraw money from your account before the maturity date without an early withdrawal penalty:

- (1) When one or more of you dies or is determined legally incompetent by a court or other administrative body of competent jurisdiction; or
- (2) When the account is an Individual Retirement Account (IRA) established in accordance with 26 USC § 408 and the money is paid within seven (7) days after the account is opened; or
- (3) When the account is a Keogh Plan, if you forfeit at least the interest earned on the withdrawn funds; or
- (4) If the time deposit is an IRA or Keogh Plan established pursuant to 26 USC § 408 or 26 USC § 401, when you reach age 59-1/2 or become disabled; or
- (5) Within an applicable grace period (if any).

**CHECK IMAGING:** We may provide you with an image of your canceled checks instead of returning the checks to you in your account statement. Check imaging is a process of capturing, indexing, storing and retrieving electronic images of checks. Imaging systems replace the handling, distribution and storage of checks with electronic images. The images are retained by the Financial Institution for a period of seven years from the date of the posting.

By opening or using your account, you agree to this procedure and authorize us to destroy the original items and checks. You agree to allow an imaged document to serve as an original item for any and all purposes, including charging your account or determining the validity of any signatures or otherwise.

Upon request by you, we will provide you, without charge, with legible copies of five (5) checks (front and back) from each account statement per month. Additional copies of canceled checks may be subject to a service charge. You can make a request for these copies by telephoning us at (888) 734-4567.

You agree that if you arrange for the printing of your own checks, and the form, encoding or format do not follow our check specification requirements and are not approved by us in advance, we will not be liable to you if the check image is less than legible.

You further agree to use only dark blue or black ink when filling in your checks. You agree that we will not be liable to you if an imaged document reproduces improperly due to the fact that you have used an ink color other than dark blue or black to fill in a check's payee, amount, maker's signature or other information.

**STOP PAYMENT ORDERS:** Subject to certain limitations, you may order us to stop payment on any check or other item payable from your account, whether drawn by you or any other account holder. The stop payment request will be effective if we receive the order at such time and in such manner as to afford us a reasonable opportunity to act upon the order. The stop payment order is effective for six (6) months, but it lapses after fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that period. A stop payment order may be renewed for additional six (6) month periods if renewed during a period within which the stop payment order is effective. We will require you to provide the date, the exact amount, and the number of the item, together with the name of the payee. If you give us incorrect information, we will not be liable for failing to stop payment on the item. Our acceptance of a stop payment order will not constitute a representation that the item has not already been paid or that we have a reasonable opportunity to act upon the order. You may not stop payment on an official, certified, cashier's, or teller's check issued by us, or request us to stop payment if we have otherwise become accountable for the item. In addition, you may not stop payment on checks governed by separate agreement, such as a check guaranty agreement. Further, you may not stop payment on an item after acceptance of the item by us.

**ACCOUNT OWNERSHIP:** Based upon the type of account ownership that you have designated, the following terms and conditions apply:

**Single-Party Accounts:** An individual ("Single-Party") account is an account in the name of one depositor only. Only that person may write checks against the account or withdraw money, regardless of who actually owns the funds.

**Multiple-Party Accounts:** This section pertains to multiple party accounts. Unless there is clear and convincing evidence to a different intent, the parties ("Account Holder") own the Account in proportion to their net contributions. As between account holders married to each other, in the absence of proof otherwise, the net contribution of each is presumed to be an equal amount.

(A) **Joint Account Ownership:** An account with two or more account holders is a joint account. Unless you designate otherwise on the signature card, joint account holders will be considered joint tenants with right of survivorship.

(1) **Joint Tenants With Right of Survivorship:** If your account is a joint account with right of survivorship, upon the death of one of the joint account holders, that person's ownership interest in the account will immediately pass to the other joint account holder(s).

(2) **Joint Without Right of Survivorship:** If your account is a joint account with no right of survivorship (Joint as Tenants in Common), upon the death of one of the joint account holders, that person's proportionate ownership interest will pass to the estate of the deceased account holder.

(3) **Community Property Account:** If your account is a community property account, the funds in your account are specified to be the community property of the named parties who are husband and wife. The ownership during the lifetime and after the death of a spouse is determined by state community property law and may be affected by a will. (This type of account is applicable only in those states recognizing community property law).

Each joint account holder, without the consent of any other account holder, may, and hereby is authorized by every other joint account holder, to make any transaction permitted under the Agreement, including without limitation:

- (1) to withdraw all or any part of the account funds;
- (2) to pledge the account funds as collateral to us for any obligation, whether that of one or more account holders or of a third party;
- (3) to endorse and deposit checks and other items payable to any joint account holder;
- (4) to give stop payment orders on any check or item, whether drawn by that account holder or not; and
- (5) to close the account, with the disbursement of account proceeds as instructed by the joint account holder.

Each joint account holder is authorized to act for the other account holder(s) and we may accept orders and instructions regarding the account from any joint account holder. If we believe there to be a dispute between joint account holders or we receive inconsistent instructions from the account holders, we may suspend or close the account, require a court order to act, and/or require that all joint account holders agree in writing to any transaction concerning the account.

Your obligations under the Agreement are joint and several. This means that each joint account holder is fully and personally obligated under the terms of the Agreement, including liability for overdrafts and debit balances as set forth above, irrespective of which joint account holder benefited from the withdrawal. If you establish a joint account with the signature of the other joint account holder(s), you agree to hold us harmless for our reliance upon your designation of the other joint account holder(s) listed on our documents. Further, the account is subject to the right of setoff as set forth below.

(B) **Totten Trust Account:** A Totten Trust Account is an informal trust account, reflected on our records, but without a written trust agreement, where the account is owned by the trustee. The beneficiaries have no right to any funds in the account during the trustee's lifetime. As the owner of the account, the trustee may withdraw money from the account and may, by written direction to us, change the beneficiary under the account. When the trustee dies, the account is owned by the named beneficiary or beneficiaries. If the Totten Trust Account is held by more than one trustee, the trustees will be subject to rules pertaining to joint account ownership as set forth above. If there is no surviving beneficiary upon the death of the last trustee, state law will determine ownership of the funds in the account.

(C) **P.O.D. Account:** A Payable on Death (P.O.D.) Account is an account payable to the account holder during his or her lifetime. As the owner of the account, you may withdraw money from the account and may, by written direction to us, change the P.O.D. payee(s) under the account. When the account holder dies, the account is owned by the P.O.D. payee(s). If the P.O.D. Account is held by more than one person, each account holder will be subject to the rules pertaining to joint account ownership as set forth above. If there is more than one surviving P.O.D. payee, the respective interest of each shall be deemed to be in equal shares, unless otherwise stated in the financial institution's deposit account records and as allowed by applicable state law. If there is no surviving P.O.D. payee upon the death of the last owner, state law will determine ownership of the funds in the account.

#### **Additional Account Types**

This section applies to other deposit account types:

(A) **Formal Trust Account:** A Formal trust Account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) will supply to us a copy of any trust agreement covering the account. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any person opening the account, in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the account.

(B) **Uniform Transfers to Minors:** If you have established the account as a custodian for a minor beneficiary under our state version of the Uniform Transfers to Minors Act or the Uniform Gifts to Minors Act, your rights and duties are governed by the Act(s). You will not be allowed to pledge the account as collateral for any loan to you. Deposits in the account will be held by us for the exclusive right and benefit of the minor. The custodian and/or any person opening the account, in their individual capacity, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other custodian with respect to the authority or actions taken by the custodian in handling or dealing with the account.

(C) **Agency Account:** An Agency Account is an account to which funds may be deposited and withdrawals made by an agent designated by the owner of the funds. An Agent has full authority with regard to the account but does not have an ownership interest in the account. An Agency Account is revocable at any time by notifying us in writing. An Agency designation may be combined with one of the other forms of account ownership.

(D) **Business Accounts:** If the account is not owned by a natural person (for example, it is owned by a corporation, partnership, limited liability company, sole proprietorship, unincorporated association, etc.), then the account holder must provide us with evidence to our satisfaction of the authority of the individuals who sign the signature card to act on behalf of the account holder. On any transactions involving the account, we may act on the instructions of the person(s) authorized in the resolutions, banking agreement, or certificate of authority to act on behalf of the account holder. You agree to notify us in writing of any changes in the person(s) authorized or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the account, you agree we may place a hold on the account until such conflict or dispute is resolved to our satisfaction and we will not be liable for dishonored items as a result of such hold.

(E) **Fiduciary Account:** With respect to all fiduciary accounts, including but not limited to estate accounts, guardianship accounts, representative payee accounts, and conservatorship accounts, and any Formal Trust Account, Uniform Transfers to Minors Act account, or Agency Account, we reserve the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the withdrawal of funds held in the account have the authority to withdraw such funds. This applies at the time of account opening and at all times thereafter.

(F) **Attorney Client Trust:** Subject to applicable law, an Attorney Client Trust or IOLTA Trust Account is an account set up by an attorney or

law firm to hold client or third party funds in trust, separate from the attorney's or law firm's funds. Upon our request, the authorized signers for an Attorney Client Trust or IOLTA Trust Account will provide documentation required by applicable state law and applicable bar association (or similar entity) rules. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the attorney or law firm as trustee(s). The attorney, law firm, or any authorized individual on the account agrees to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or third party with respect to the authority, actions, or inaction taken by the trustee(s) or authorized individuals in handling or dealing with the account. Additional account terms are governed by a separate agreement. If this is an IOLTA Trust Account, we will not permit the lawyer or law firm to receive the interest. The interest (minus applicable fees) on an IOLTA trust Account will be remitted to the appropriate State Bar organization, pursuant to your instructions and at your request. IOLTA Trust Accounts are used to hold an attorney's or law firm's client funds that are nominal in amount or held for short periods of time.

**(G) Real Estate Broker Client Trust Accounts:** Subject to applicable law, a real estate broker may open account(s) to hold client or third party funds in trust, separate from the broker's funds. We act only as custodian of the funds. We are under no obligation to act as a trustee or to inquire as to the powers or duties of the broker or other authorized signer(s) as trustee(s). The broker and any authorized individual on the account in the individual capacity and jointly and severally agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions or inactions taken by the broker or authorized signer(s) in handling or dealing with the account. Upon our request, the authorized signer(s) for this type of account will provide to us any documents required by applicable law and/or real estate professional rules.

**(H) Government/Municipal/Public Funds accounts:** This type of account is owned by a government or public entity. For this type of account, you agree to provide us with authorization document(s) (in a form acceptable to us) stating that we are designated as a depository for the funds of the government or public entity and such documentation shall state that individual(s) authorized to act on behalf of the government or public entity and the extent of their authority. We may rely upon such documentation until we receive written notice of a change and new authorization documents. We are not responsible for any transaction conducted by a previously authorized individual until we actually receive written notice that the authorized individual's authority has been revoked. Unless specifically stated otherwise in the authorization document(s), we can rely on one authorization for all accounts owned by the government of public entity. If required by law, you agree to enter into a collateral security Agreement regarding this type of account.

**ASSIGNABILITY:** The account established under this Agreement is not assignable or transferable except with our consent. We must approve any pledge of the account and any such pledge remains subject to any right we have under the Agreement and applicable state and federal law. If ownership is proposed to be transferred, we may require the account be closed and a new account opened in the name of the transferee or pledgee.

**FINANCIAL INSTITUTION LIABILITY:** You agree that if we do not properly complete a transaction according to this Agreement, we will not be liable in any event for losses or damages in excess of the amount of the transaction, and we will not be liable if circumstances beyond our control prevent the transaction, or the funds in your account are or may be subject to legal process or other claim. In no event will we be liable for consequential damages. In receiving items from you for withdrawal or deposit, we act only as your agent. You are responsible for the condition of a check or item when you issue it. If a check or item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the check or item, you will be responsible for any cost and liabilities associated with such return or delay. We reserve the right to refuse any item for deposit or to reverse credit for any deposited items or to charge your account for items should they become lost in the collection process.

**RIGHT OF SETOFF:** Subject to applicable law, we may exercise our right of setoff or security interest against any and all of your accounts (except IRA, Keogh plan and Trust Accounts) without notice, for any liability or debt of any of you, whether joint or individual, whether direct or contingent, whether now or hereafter existing, and whether arising from overdrafts, endorsements, guarantees, loans, attachments, garnishments, levies, attorneys' fees, or other obligations. If the account is a joint or multiple-party account, each joint or multiple-party account holder authorizes us to exercise our right of setoff against any and all accounts of each account holder.

**DORMANT ACCOUNTS:** If there has been no deposit or withdrawal activity in your account for an extended period of time and we have been unable to contact you, your account may be classified by us as dormant. In accordance with state law, funds in abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds. To the extent permitted by law and our agreement with you, we may assess a service charge for maintaining the account and providing unclaimed account notices. We reserve the right not to mail statements on accounts which are dormant or on which previous statements have been returned undelivered. If you have not been receiving statements disclosures or tax notices on your account, you should contact us to make sure we have your current address.

**ACCOUNT STATEMENTS:** You are responsible for promptly examining your statement each statement period and reporting any irregularities to us. The periodic statement will be considered correct for all purposes and we will not be liable for any payment made and charged to your account unless you notify us in writing within certain time limits after the statement and checks are made available to you. We will not be liable for any check that is altered or any signature that is forged unless you notify us within thirty (30) calendar days after the statement and the altered or forged item(s) are made available. Also, we will not be liable for any subsequent items paid, in good faith, containing an unauthorized signature or alteration by the same wrongdoer unless you notify us with ten (10) calendar days after the statement and first altered or forged items were made available. Except for transactions covered by the Electronic Fund Transfer Act, you must also report any other account problem within sixty (60) calendar days or lose your right to assert the problem against us. If the suspected account problem involves a substitute check you receive, you may (under some circumstances) be entitled to make a claim for an expedited refund. Such a claim may be subject to different notification time frames. See the substitute check policy Disclosure (if applicable) for further information. If you have requested us to hold your account statement, we have the right to mail your statements if you have not claimed them within thirty (30) calendar days. If we truncate your checks, you understand that your original checks will not be returned to you with your statement. You agree that our retention of checks does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any errors.

**WHOLESALE WIRE AND ACH TRANSACTIONS:** With respect to wire transfers or other transfers of funds not governed by the Electronic Funds Transfer Act, you agree to enter into and comply with our wire transfer (if applicable) agreement and to comply with our security procedures and this section. We advise you that any receiving financial institution (including us) is entitled to rely on any account or bank number you have provided even though that account or bank number may identify a party different from the person or entity you have described by name in any transfer order.

(A) **Provisional Payment:** Credit given by us to you with respect to an ACH credit or wholesale (wire) funds transfer entry is provisional until we receive final settlement for such entry through a Federal Reserve Financial Institution. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your account in connection with such entry, and the party (the originator of the entry) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

(B) **Notice of Receipt:** We will notify you of the receipt of payments in the period account statements we provide to you. You acknowledge that we will not give next day notice to you of receipt of an ACH or wholesale (wire) funds transfer item.

#### **NOTICES**

The following terms apply to notices relating to your account:

(A) **Notice of amendments:** You agree that the terms and conditions of the Agreement, including without limitation all rates, fees, and charges, may be amended by us from time to time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendment. Notices will be sent to the most recent address shown on our records for your account. Only one (1) notice will be given in the case of joint or multiple-party account holders.

(B) **Account Changes:** Any account holder or person authorized to sign on an account is required to notify us in writing if any account holder or other person authorized to sign on an account dies or is declared incompetent by a court. It is your responsibility to notify us of any change in your address or name. We are required to honor items drawn only on the listed account name. Further, we are required to attempt to communicate with you only at the most recent address provided to us.

**ACCOUNT TERMINATION:** You and we agree that either of us may close your account and terminate this Agreement at any time with or without cause. We will provide written notice to you in advance if we decide to terminate your account relationship for any reason other than abuse of the account relationship or to prevent a loss. You agree that advance written notice from us will be reasonable if it is mailed to your statement mailing address immediately upon account closure. You agree that in instances of account abuse or to prevent a loss, notice is reasonably given by us if mailed immediately upon account closure. You may close any of your accounts by notifying us in writing. When an interest bearing account is closed, there may be accrued interest that has not been credited to the account. In that case, we will not pay you the interest unless we have told you otherwise. Further, for security reasons, we may require you to close your account and to open a new account if:

- (1) There is a change in authorized signers;
- (2) There has been a forgery or fraud reported or committed involving your account;
- (3) Any account checks are lost or stolen;
- (4) You have too many transfers from your account; or
- (5) Any other provision of our Agreement with you is violated.

After the account is closed, we have no obligation to accept deposits or pay any outstanding checks. You agree to hold us harmless for refusing to honor any check drawn on a closed account. In the event that we close your account, we may mail you a cashier's check for the applicable remaining account balance. The termination of this Agreement and closing of an account will not release you from any fees or other obligations incurred prior to the date upon which this Agreement is terminated and an account closed, any fees assessed by us in the process of closing an account, or from your responsibility to maintain sufficient funds in an account to cover any outstanding checks or other debit items.

**DEATH OR INCOMPETENCE:** You agree to notify us promptly of the death or court declared incompetency of any owner or authorized signer on your account. Until we are given written notice of such death or incompetence by you or a court, we may continue to honor checks, items and instructions by those authorized on the account. We may also freeze, refuse or reverse deposits and transactions and/or return governmental benefit payments made to the account holder if we become aware of the death or incompetence of an owner or authorized signer.

**SYSTEMS AND SOFTWARE:** We shall not be responsible to you for any loss or damages suffered by you as a result of the failure of systems and software used by you to interface with our systems or systems and software utilized by you to initiate or process banking transactions whether such transactions are initiated or processed directly with our systems or through a third party service provider. You acknowledge that you are solely responsible for the adequacy of systems and software utilized by you to process banking transactions and the ability of such systems and software to do so accurately.

**GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with all applicable federal laws and all applicable laws of the state in which the Affiliate that opened your account is located. In addition, we are subject to certain federal and state regulations and local clearinghouse rules governing the subject matter of the Agreement. You understand that we must comply with these laws, regulations, and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation or rule, the terms of the Agreement will prevail to the extent any such law, regulation or rule may be modified by agreement.

**Important Information About Procedures for Opening a New Account:** 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.

**Credit Verification:** You authorize us to request and obtain one or more credit reports about you from one or more credit reporting agencies for the purposes of considering your application for the account, reviewing or collecting any account opened for you, or for any other legitimate business purpose. You authorize us to disclose information about your account to a credit reporting agency if your account was closed because you have abused it.

**RESOLVING DISPUTES (ARBITRATION & VENUE):** In most cases, we will resolve disputes over the telephone or within your branch. Unresolved disputes are subject to arbitration pursuant to the following provisions, and as allowed by applicable state law:

1. Arbitration is final and binding on the parties and subject to only very limited review by a court.
2. In arbitration, the parties are waiving their right to litigate in court, including their right to a jury trial.
3. Discovery in arbitration is more limited than discovery in court.
4. Arbitrators are not required to include factual findings or legal reasoning in their awards. The right to appeal or to seek modification of arbitrators' rulings is very limited.
5. A panel of arbitrators might include an arbitrator who is or was affiliated with the banking industry.
6. Arbitration will apply to all disputes between the parties, not just those concerning this Agreement.
7. If you have questions about arbitration, consult your attorney or the American Arbitration Association.

You agree that proper jurisdiction and venue for any arbitration or litigation regarding your account will be in the county of the headquarters of the Affiliate that is responsible for your account. In the event of any controversy, dispute, or claim between you and us (including our employees, agents or assigns) arising from any agreement, provision or procedure relating to any account you have with us under this Agreement, any such controversies or claims will, at the election of either you or us, be settled by arbitration in accordance with the Federal Arbitration Act.

- A. Arbitration proceedings will be administered by the American Arbitration Association and will be subject to its commercial rules of arbitration.
- B. For purposes of the application of the statute of limitations, the filing of arbitration pursuant to this paragraph is the equivalent of the filing of a lawsuit, and any claim or controversy which may be arbitrated under this paragraph is subject to any applicable statute of limitations. The arbitrators will have the authority to decide whether any such claim or controversy is barred by the statute of limitations, and if so, to dismiss the arbitration on that basis.
- C. If there is a dispute as to whether an issue is arbitrable, the arbitrators will have the authority to resolve any such dispute.
- D. The decision that results from an arbitration proceeding may be submitted to an authorized court of law in an effort to confirm, modify, vacate or enforce an award.
- E. This provision does not limit either your right or our right to:
  - a. Exercise self-help remedies, such as setoff or
  - b. Act in a court of law, before, during or after the arbitration proceeding to obtain:
    - i. A provisional or interim remedy, and/or
    - ii. Additional or supplementary remedies.
- F. The pursuit of, or a successful action for provisional, interim, additional or supplementary remedies, or the filing of a court action, does not constitute a waiver of either your right or our right to submit the controversy or claim to arbitration if the other party contests the lawsuit.

Judgment upon an arbitration award may be entered in a court having jurisdiction subject to the following limitation: the arbitration award is binding up on the parties only if the amount does not exceed \$4 million. If the award exceeds that limit, either party may commence legal action for a court trial de novo. Such legal action must be filed within 30 days following the date of the arbitration award; if such legal action is not filed within that time period, the amount of the arbitration award shall be binding. The arbitrator(s), or a court of law, as the case may be, shall award to the prevailing party in recovery all costs and fees (including reasonable attorneys fees and costs, arbitration administration or court fees and costs, and arbitrator's fees).

**Miscellaneous Provisions:** If you or your account becomes involved in any legal proceedings, your use of the account may be restricted. You agree not to use the account in any illegal activity, including but not limited to internet gambling. We may block or refuse any transaction we believe may violate this provision. We shall be entitled to act upon any legal process served upon us which we reasonably believe to be binding, with no liability to you for doing so. You understand that supervisory personnel may randomly monitor customer service telephone conversations to ensure that you receive accurate, courteous, and fair treatment. If you ask us to follow instructions that we believe might expose us to any claim, liability, or damages, we may refuse to follow your instructions or may require a bond or other protection, including your agreement to indemnify us. In the event of any adverse or conflicting claims or demands being made in connection with your account, or in the event that we in good faith are in doubt as to what action we should take regarding your account, we may (A) place a hold on funds in your account until such time as we receive an appropriate court order or other assurance reasonably satisfactory to us as to the disposition of funds in the account, and/or (B) commence an interpleader action in a court of competent jurisdiction to determine the respective rights and obligations of the parties' with respect to such funds and your account. Upon placing such a hold or commencing such an action, we will be relieved of any liability with respect to such funds and your account. You agree to be liable to us, to the extent permitted by law, for any loss, costs, or expenses (including attorneys' fees) that we may incur as a result of any dispute or legal proceeding involving your account. You authorize us to deduct any such loss, costs, or expenses from your account without prior notice to you or to bill you separately. This obligation includes disputes between you and us involving your account and situations where we become involved in disputes between you and an authorized signer, a joint owner, or a third party claiming an interest in your account. It also includes situations where any action taken on your account by you, an authorized signer, a joint owner, or a third party causes us to seek the advice of an attorney, whether or not we actually become involved in a dispute. Any action by us for reimbursement from you for any costs or expenses may also be made against your estate, heirs and legal representatives, who shall be liable for any claims made against and expenses incurred by us. If a court finds any provision of the agreement to be invalid or unenforceable, such finding shall not make the rest of the Agreement invalid or unenforceable. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of the

Agreement in all other respects shall remain valid and enforceable.