



TERMS AND CONDITIONS – Pennsylvania, Delaware, New Jersey and Florida

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 or entity who opens an account.

What this means for you: When you open an account, we will ask for your name, physical 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.

State Specific Terms and Conditions

These terms apply to all accounts, and where indicated any differences may depend upon your specific state of residence at the time of account opening.

Agreement

This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please contact us at 610-644-9400.

This agreement is subject to applicable federal laws, the laws of the states of Delaware, Pennsylvania, New Jersey and Florida, and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. For Pennsylvania, any provision that appoints us as an agent is not subject to the provisions of 20 Pa. C.S.A. Section 5601 et seq. (Chapter 56: Decedents, Estates and Fiduciaries code). By exercising any of our rights under this agreement, we do so for our sole benefit.

The purpose of this document is to:

- Summarize some laws that apply to common transactions
- Establish rules to cover transactions or events which the law does not regulate
- Establish rules for certain transactions or events which the law regulates but permits variation by agreement
- Give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document the words "we," "our," and "us" mean the financial institution, and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

New Jersey: As used in this agreement, "Party" means a person who has a present right, subject to request and appropriate identification, to payment from the account. A P.O.D. payee or beneficiary of a trust account is a party only after the account becomes payable to them by reason of their surviving the original payee or trustee. Unless the context indicates otherwise, "Party" includes a guardian, conservator, personal representative or assignee, including an attached creditor, of a party. It also includes a person identified as a trustee of an account for another whether or not a beneficiary is named, but it does not include any named beneficiary unless they have a present right of withdrawal.

If a conflict arises between oral or written information these terms and conditions furnished to you will prevail.

Liability

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

Deposits

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on-us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which is initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alterations, encoding error or other problem which in our judgement justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on the final collections in U.S. dollars. We are not responsible for transactions by mail, or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

Withdrawals

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

Postdated Checks: A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though the payment was made before the date

of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective, and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

Stale Dated Checks: A stale dated check is one that bears a date more than six months ago. We may properly pay and charge your account for a stale dated check even though the payment was made six months after the date of the check. We are not responsible if we charge an otherwise properly payable but stale dated check against your account.

Checks and Withdrawal Rules: If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitation on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any) at our discretion, we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a “substitute check” as defined by law, but for an error or defect in the time introduced in the substitute check creation process, you agree that we may pay such an item.

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

Fees

You agree to pay the service fees provided elsewhere in the fee schedule. These fees help us cover the costs of servicing your account and may be deducted directly from your account without prior notice to you.

You also agree to pay any additional fees that are reasonable which we charge you for services you may request that are not listed in the fee schedule. We will not be liable if we dishonor checks or other withdrawal orders because the deduction of such fees have left insufficient funds in your account.

Temporary Debit Authorization Hold Affects Your Account Balance

On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money, which may be more than the actual amount of your purchase. When this happens, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it may be up to three days before the adjustment is made. Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in amount greater than the funds left after the deduction of the temporary hold amount, that transaction will be a non-sufficient funds (NSF) transaction if we do not pay it or an overdraft transaction if we do pay it. You will be charged an NSF or overdraft fee according to our NSF or overdraft fee policy. You will be charged the fee even if you would have had sufficient funds in your account if the amount of the hold had been equal to the amount of the purchase.

Here is an example of how this can occur – you have \$120 in your account. You swipe your card at the card reader on a gasoline pump. Since it is unclear what the final bill will be, the gas station's processing system immediately request a hold on your account in a specified amount, for example, \$80. Our processing system authorizes a temporary hold on your account in the amount of \$80, and the gas station's processing system authorizes you to begin pumping gas. You fill your tank and the amount of gasoline you purchased is only \$50. Our processing system shows that you have \$40 in your account available for other transactions ($\$120 - \$80 = \$40$) even though you would have \$70 in your account available for other transactions if the amount of the temporary hold was equal to the amount of your purchase ($\$120 - \$50 = \$70$). Later, another transaction you have authorized is presented for payment from your account in the amount of \$60 (this could be a check you have written, another debit card transaction, an ACH debit or any other kind of payment request). This other transaction is presented before the amount of the temporary hold is adjusted to the amount of your purchase (remember, it may take up to three days for the adjustment to be made). Because the amount of this other transaction is greater than the amount our processing shows is available in your account, our payment of this transactions will result in an overdraft transaction. Because the transaction overdraws your account by \$20, your account will be assessed the NSF/Overdraft fee of \$35.00 according to our NSF/Overdraft fee policy. You may be charged this \$35 fee according to our policy even though you would have had enough money in your account to cover the \$60 transaction if your account had only been debited the amount of your purchase rather than the amount of the temporary hold or if the temporary hold had already been adjusted to the actual amount of your purchase.

Overdrafts

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

Multiple Signatures, Electronic Check Conversion, and Similar Transactions

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

Notice of Withdrawal

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

Ownership of Account and Beneficiary Designation

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

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

Florida – Single-Party Account. Such an account is owned by one party. At the death of the party, ownership passes as part of the party's estate. *Single Party Account with Pay-on-Death Designation – at the death of the party, ownership passes to the designated pay-on-death beneficiaries and is not part of the party's estate.*

New Jersey – Multiple Party Accounts (joint accounts, trust accounts, and pay-on-death accounts) – A multiple-party account is one with more than one party, or a trust or pay-on-death (P.O.D.) account. Any party to this agreement may withdraw all or any portion of the account balance unless otherwise indicated on the account records. Such accounts are subject to the Multiple Party Deposit Account Act, New Jersey Statutes Annotated (NJSA) § 17:16I-1 et seq (P.L. 1979 c. 491), and we will not be liable because of any payments made pursuant to the Act. We may make payment from this account, including payment of the entire account balance, pursuant to any statutory or common law right of setoff, levy, attachment or other valid legal process or court order, relating to the interest of any one or more of the parties, and on request to a trust in bankruptcy, receiver in any state or Federal insolvency proceeding, or other duly authorized insolvency representative of any one or more of the parties. The financial institution is not required to determine net contributions. Each party owns their net contribution to the account. In the absence of proof of net contribution, and unless the parties have specifically agreed otherwise, each party will own an equal share of this account. Ownership of a multiple-party account cannot be changed by will.

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

New Jersey – Joint Account – With survivorship (and not as Tenants in Common). This is owned by two or more parties. Upon the death of a party where there is only one surviving party, the entire account will belong to the survivor; where there are two or more surviving parties, each party will continue to own their proportionate share as joint tenants with survivorship and not as tenants in common. The portion of the account owned by the deceased party will be shared equally by the survivors.

Florida – Multiple Party Account with Right of Survivorship – Such an account is payable on request to two or more parties. At the death of party, ownership passes to the surviving party or parties. *Multiple Party Account with Right of Survivorship and Pay-on-Death Designation –* at death of last surviving party, ownership passes to the designated pay-on-death beneficiaries and is not part of the last surviving party's estate.

When we conduct business involving any joint account, we can act on the instructions of any of one or more of the joint owners. In the event of conflicting instructions by two or more of the joint tenants, we may place a temporary hold on the account until the joint tenants have resolved the dispute or we are instructed by legal process to do otherwise, or we decide to remove the hold or dispose of the funds.

Revocable Trust Account (Delaware, New Jersey – Revocation Trust or Pay-on-Death Account). If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries or P.O.D. payees cannot withdraw unless: all persons creating the account die, and the beneficiary/P.O.D. is then living, or in the case of New Jersey law we are not otherwise required to make payment to a parent, custodian or guardian. If two or more beneficiaries/P.O.D. payees are named and survive the death of all persons creating the account, such beneficiaries/P.O.D. payees will own the account in equal shares, without right of survivorship. The person(s)/party(ies) creating this account type reserve the right to change beneficiaries/P.O.D. payees, change account types, and withdraw all or part of the account funds at any time. You agree to provide us with the beneficiaries' name, tax ID number, address, and contact information so that we may adequately contact and identify them in the event of the death of all persons creating the account.

Business, Organization, and Association Accounts

You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

Stop Payments

We may accept an order to stop payment on any item from any one of you. You may do this in writing, via online banking, or by calling us by phone. You must make any stop payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop payment cutoff item. Because stop payment orders are handled by computers, to be effective, your stop payment order must precisely identify the number, date, and amount of the item, and the payee. You will be charged the applicable fee for the stop payment request at the time of the request.

You may stop payment on any item drawn on your account whether you sign the item or not. Generally, if your stop payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing for the end of the six-month period. Each renewed stop payment will be treated as a new request and another fee will be charged. If the original stop payment order was oral your stop payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop payment order expires. A release of the stop payment request may be made only by the person who initiated the stop payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop payment order.

We reserve the right to take up to 24 hours to determine whether a stop payment order can be executed on a check. The order is ineffective if, at the time of its receipt, we have already cashed the items or if we have otherwise become legally obligated for its payment.

We reserve the right to require three days notification before placing a stop payment on an ACH item. The order is ineffective, if at the time of its receipt, we have already cashed the item or if we have otherwise become legally obligated for its payment. Oral requests to stop payment must be confirmed in writing within 14 days or we may no longer honor them. In the event of a recurring payment, you need to specify if it is a one item stop of the payment or all subsequent payments are to be stopped. If it is a one-time stop, the ACH stop payment will remain in effect for six months from the date of the stop payment order, or until one payment of the debit entry has been stopped, or until you withdraw the stop payment order, whichever comes first.

If all payments are to be stopped, a Revocation of Authorization of Authorization of ACH Debit Activity must be completed.

Inactive and Dormant Accounts

A deposit account will become inactive when there has been no customer initiated activity for a period of ONE year.

A deposit account will become dormant when there has been no customer initiated activity for a period of TWO years.

Please refer to the fee schedule provided elsewhere to determine fees charged on inactive and dormant accounts.

Withholding on Your Account

Interest earned on your account may be subject to withholding for federal income tax if we receive notice from the IRS or you fail to provide us with your correct taxpayer ID number.

Telephone Transfers

A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing.

Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties to a maximum of six per month (less the number of preauthorized transfers during the month). Other account transfer restrictions may be described elsewhere.

You are automatically given access to our Star Select Telephone Banking upon account opening. You can use telephone banking to access account information, transfer funds between Malvern Bank accounts, make loan payments to Malvern Bank loans, and access general information (access to features may be limited based on product type). Your initial password will be the last four digits of your social security number; you will be prompted to change this personal identification number the first time you access this system.

Telephone Banking can be accessed by calling 800-204-7437 24/7.

Amendments and Termination.

We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender the account balance personally or by mail. Accounts that are in a deficit (negative) balance require no notice and can be closed by us at any time they are in a negative state. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it may be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

Notices

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

Statements

Your Duty to Report Unauthorized Signatures, Alterations and Forgeries. You must examine your statement of account with "reasonable promptness". If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us or bear the loss entirely yourself (depending on whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your Duty to Report Other Errors: In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error – such

as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any other problems. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, this time period shall not exceed 60 days of when we first send or make the statement available to you. This precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours.

Errors Relating to Electronic Fund Transfers or Substitute Checks (for consumer accounts only): For information on errors relating to electronic fund transfers (e.g. computer, telephone, ACH, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

Direct Deposits

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

Temporary Account Agreement

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

Setoff

We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if it is an Individual Retirement Account or similar tax-deferred account, or the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or the debtor's right of withdrawal only arises in a representative capacity, or setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

Check Processing

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

Check Cashing

We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument.

We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint, and may include contacting you for verification.

Truncation, Substitute Checks, and Other Check Images

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

Remotely Created Checks

Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collections: you have received express and verifiable authorization to create the check in the amount and to the payee that appear on the check; you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

Unlawful Internet Gambling Notice

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

ACH and Wire Transfers

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

Facsimile Signatures

We do not generally allow Facsimile Signatures. Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us and contain the required

number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

Restrictive Legends or Indorsements

The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions placed on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000". The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages or expenses that result from your placement of these restrictions or instructions on your check.

Account Transfer

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

Endorsements

We may accept for deposit any item payable to your or your order, even if they are not endorsed by you. We may give cash back to any one of you. We may supply any missing endorsement(s) for any item we accept for deposit or collection, and you warrant that all endorsements are genuine.

To ensure that your check or share draft is processed without delay, you must endorse it (sign it on the back) in a specific area. Your entire endorsement (whether a signature or a stamp) along with any endorsement information (e.g. additional endorsements, ID information, driver's license number, etc) must fall within 1 ½" of the "trailing edge" of a check. Endorsements must be made in blue or black ink, so they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all endorsement information within 1 ½" of that edge.

It is important that you confine the endorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed endorsements and information. You agree that you will indemnify, defend and hold us harmless for any loss, liability, damage or expense that occurs because your endorsement, another endorsement, or information you have printed on the back of the check obscures our endorsement. These endorsement guidelines apply to both personal and business checks.

Death or Incompetence

You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items and instructions until: we know of your death or adjudication of incompetence, and we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

Fiduciary Accounts

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

Credit Verification

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

Legal Actions Affecting Your Account

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

Security

It is your responsibility to protect the account numbers and electronic access devices (e.g. an ATM card) we provide you for your account(s). Do not discuss, compare or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfer to another person (a family member or coworker, for example), who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

Except for consumer electronic funds transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected.

Telephonic Instructions

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

Monitoring and Recording Telephone Calls and Consent to Receive Communications

We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text message or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the Federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC). Your consent is limited to this account, and as authorized by applicable laws and regulations. Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

The consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

Claim of Loss

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

Early Withdrawal Penalties (and involuntary withdrawals)

We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawal for additional information.

Address or Name Changes

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

Resolving Account Disputes

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

Waiver of Notices

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