



# Liberty Bank for Savings

## Account Terms and Conditions

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## **LIBERTY BANK FOR SAVINGS ACCOUNT TERMS AND CONDITIONS**

Welcome to Liberty Bank for Savings (Liberty). This Account Terms and Conditions brochure is provided to accountholders of Liberty.

Unless specified, it does not cover transactions or terms or conditions relating to a loan or safe deposit box relationship you may have with the Bank. The terms "we", "us", "our", "Liberty" and "Bank" refer to Liberty Bank for Savings and the terms "you", "your" and "accountholder" refer to the owner of the account. Further, the use of the singular in referencing the owner of the account is also deemed to include the plural. The headings in this document are for convenience or reference only and do not govern the interpretation of the provisions. Subject to applicable laws and regulations, these Account Terms and Conditions governing the use of accounts may be revised or amended by us at any time. If the change adversely affects you, we will give notice of such change as required by law or regulation by sending written or electronic notice at least 30 calendar days before the effective date of the change to accountholders at the most recent address indicated on our records. If the change does not adversely affect you, we will give notice of such change only if required by law or regulation. The revised or amended Account Terms and Conditions upon the effective date supersedes all prior versions and reflects the terms and conditions controlling your account.

**1. Agreement.** The signature card, these Account Terms and Conditions, the current Rate Sheet, Schedule of Service Charges, other account opening documents and any disclosures you receive (collectively the "Agreement") constitute a binding contract between you and the Bank. The Agreement will be binding upon your heirs, agents, representatives, administrators, successors, and assigns. Please read this Account Terms and Conditions brochure and retain it for future reference. By executing a signature card and opening and maintaining an account, you acknowledge that you have read and understand, and agree to be bound by, the documents comprising this Agreement, as amended from time to time, and applicable Federal and State laws and regulations. All online banking transactions are also subject to the terms of all applicable Online Banking Services agreements. All mobile banking transactions are also subject to the terms of all applicable Mobile Banking agreements. All Person to Person Payments transactions are also subject to the terms of all applicable Person to Person Payment agreements.

**2. Opening an Account.** We open savings, money market, checking, and retirement and certificate of deposit accounts subject to our ability to obtain required information and to verify your identity and address. We reserve the right to require the name of your employer and occupation and another bank where you have had an account, as well as proper identification with your photograph and signature on it. We will also request and encourage that a current e-mail address be provided at account opening so that we can reach you if needed and for verification purposes, as permitted. When you open a new account, we may obtain consumer reports or other information from consumer reporting agencies. We require a Taxpayer Identification Number for all accounts, unless presented with alternate documentation mandated by Federal regulation.

Further, we reserve the right, at our sole discretion or based on bank policy, to refuse to open any new account. Some, but not exclusive, examples of reasons for refusing to open an account are: account requests from customers not in the recognized Liberty Bank community area, negative or detrimental information received from a consumer reporting agency, accounts for speculative purposes, or inaccurate or unverifiable information or identification. For certain entity accounts, we may also ask for additional information from an owner that owns 25% or more of a business entity and for a person having significant responsibility toward the entity.

### **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, taxpayer identification number and other information that will allow us to identify you. We will also ask to see your driver's license or other identifying documents.

**3. Closing an Account.** You may close your account at any time providing:

- a) the funds in your account are considered available at the time of withdrawal;
- b) there are no restrictions that have been placed on the account that limit withdrawals; and,
- c) there are no other terms and conditions stated elsewhere in this document that would prohibit disbursing the requested funds to you.

The preferred way to close your bank account is by visiting any branch and speaking with a representative. However, if you are not in a position to come in person, you may close your account by mail bearing a valid signature of an authorized signer. For specific instructions contact any branch customer service representative. We further reserve the right, at our sole discretion, to close your account at any time. If we close your account, sufficient advance notice will be provided to you, except that any account may be closed without notice if we believe that you have engaged in fraudulent, illegal or inappropriate activities through your account or if immediate closure is necessary to prevent losses that may occur because of the nature or type of transactions being processed through the account.

Your account may also be closed if we receive any properly documented legal process that demands that the funds be remitted to an appropriate claimant.

In the event that the Bank is required to process a claim or debit transaction or there are outstanding fees and charges against the account that remain unpaid subsequent to the closing of the account, you agree that the Bank may take appropriate actions to recover any amounts you are legally obligated for including utilizing the right of setoff which is addressed elsewhere in this document.

### **Checking Accounts, Money Market Accounts and Savings Accounts**

If you close your account within 90 days after opening it, we may charge you a fee as indicated in our Schedule of Service Charges.

If the account was evidenced by a passbook, we will provide you with a temporary receipt detailing the transaction and you agree to remit your passbook to us so that the transaction may be properly entered reducing the final balance to zero.

### **Certificates of Deposit**

Unless the certificate of deposit is closed on a maturity date or within the grace period following a maturity date or unless an exception contained in the certificate of deposit applies, the penalty specified in the certificate of deposit will be assessed. If the certificate is closed in response to any properly documented legal process that would demand that the funds be remitted to the appropriate jurisdiction on a date other than the maturity date or within the grace period following a maturity date, the penalty specified in the certificate of deposit documentation will be assessed, unless prohibited by the legal process.

**4. Account Ownership Changes.** The account is for the use of the accountholder only. Any change in the account ownership may require closing the account and transferring the funds to a new account. If the ownership of a certificate account is changed prior to maturity, without the authorization of all accountholders, the appropriate certificate penalty may be assessed.

**5. Forms and Documents.** You agree to use the forms and documents approved by us.

**6. Negotiable Items.** We reserve the right to return unpaid any other form of order or any order incompletely or defectively drawn or otherwise unacceptable to us.

If you deposit a remotely created check (an unsigned, pre-authorized check) into your account, you warrant and guarantee that the remotely created check is authorized according to the terms on its face by the person identified as the drawer. You agree to indemnify us from all loss, expense and liability related to a claim that such check was not authorized by the persons on whose account it was drawn.

You agree that you will not cash or deposit Substitute Checks or Image Replacement Documents (IRD) that purport to be substitute checks and have not been previously endorsed by a bank. If you cash or deposit such an item, you give us the same warranties and indemnities that we, as a reconverting bank, would give under applicable law or regulation, and you agree to reimburse us for claims, losses, costs, and damages we may incur. 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 all claims, losses, costs, and damages we incur because the substitute check resulting from the electronic representation does not meet applicable substitute check standards or causes duplicate payment.

**7. Savings Accounts - Passbook Accounts, Statement Accounts, Certificates of Deposit and Money Market Accounts.** A passbook is evidence of a passbook savings account; Certificates of Deposit are evidence of a variety of time deposit accounts. Money Market Accounts typically require minimum transaction amounts and allow for a limited number of specified transactions. Specified accounts are subject to the following:

- a) You must present the passbook or certificate of deposit for withdrawals including when you withdraw the entire account balance.
- b) When a passbook or certificate of deposit is lost, stolen or misplaced, we will require that accountholders provide satisfactory indemnification before we will issue a new passbook or certificate of deposit for your new account or pay the balance to an accountholder.
- c) In the event a withdrawal request was previously honored without presentation of the passbook or certificate of deposit, we may refuse, and are not obligated, to honor subsequent requests without presentation of the passbook or certificate of deposit.

**8. Statements and Error Resolution.** For Retirement Accounts we will send you an annual statement. For Statement Savings Accounts we will send you a monthly statement if there is any activity during the month, otherwise you will receive a quarterly statement. For Checking Accounts and Money Market Accounts, statements reflecting account activity, related charges, and the balance in the account will be provided to you on a monthly basis. You must carefully examine statements and promptly report errors and discrepancies to us. Since there are varying legal and regulatory time frames based on the nature and type of transaction in question, we recommend that you contact us as soon as possible to preserve your rights.

You may elect to have checking and savings statements that meet our eligibility requirements appear on a combined statement which may impact your statement cycle.

**9. Charges.** You are subject to certain charges in connection with the account. We provide a Schedule of Service Charges and an Electronic Fund Transfer Disclosure to you when the account is opened. These charges may be changed from time to time by us. If the change adversely affects you, we will give notice of such change as required by law or by sending written notice at least 30 calendar days before the effective date of the change to you at the most recent address indicated on our records. If the change does not adversely affect you, we will give notice of such change only if required by law or regulation.

**10. Withdrawals.** Withdrawals can be made at any time from Savings, Checking, Money Market and Certificate of Deposit accounts subject to the terms of the Agreement; however, we do reserve the right to require 7 days' notice before making a withdrawal or transfer of any funds in the account. Premature withdrawals from Certificates of Deposit will generally be subject to penalties. We reserve the right to require proper identification (with photograph and signature), to the satisfaction of the Bank, before processing any type of banking transaction.

We reserve the right to limit the amount of cash that you may receive from a withdrawal or check cashing. If you request a large amount in cash, we may place reasonable restrictions on the time and place of your withdrawal based on security and operational considerations.

We may refuse a withdrawal request against uncollected funds. All withdrawals are subject to the provisions contained in this Account Terms and Conditions brochure and to the charges listed in the Schedule of Service Charges. All withdrawals must be made in accordance with applicable law, regulations and rules. Internal transfers from one Liberty Bank account into another Liberty Bank account are not considered electronic fund transfers and are not subject to the corresponding rules and regulations.

All ATM, Bill Pay, Person to Person Payments and Point of Sale ("POS") transactions are also subject to the terms of the Electronic Fund Transfer Disclosure. Automated Clearing House ("ACH") transactions are subject to the terms of the Electronic Fund Transfer Disclosure and the applicable National Automated Clearing House Association ("NACHA") rules.

**11. Stop Payments on Personal Checks, Business Checks and Money Orders.**

Check Drawn on a Liberty Bank Customer Account or Personal Money Orders.

At our discretion we will accept a Stop Payment Authorization from any one signatory on the customer account or from the party purchasing the Personal Money Order. The stop payment request is effective when duly recorded by us. Oral stop payment orders are effective for 14 calendar days only. If you wish to stop payment for a longer period, a written Stop Payment Authorization must be signed and submitted to Liberty Bank. Personal checks can also be stopped via Online Banking. An executed Stop Payment Authorization is only effective for six months, but you may renew it in writing.

We may pay a check or personal money order after any Stop Payment Authorization placed on it expires.

**12. Declaration of Loss and Claims for Replacement or Reimbursement of Cashier's Checks.**

You may only make a Claim for Replacement or Reimbursement of a Cashier's Check if the check is lost, stolen or destroyed. A Cashier's Check may be replaced or reimbursed based on the individual facts and circumstances regarding the request.

Details regarding liability, replacement or reimbursement of the check and related conditions are contained in the documents relating to each option.

Oral Declarations of Loss and Claims for Replacement or Reimbursement of Cashier's Checks are not accepted under these circumstances.

**13. Check Collection, Availability, and Chargebacks.** We will process all items cashed or deposited as agent for you subject to chargeback or refund if, for any reason, final payment is not received. If claim is made with respect to any item, subsequent to final payment, on the grounds that such item was altered, bore a forged or unauthorized endorsement, or was otherwise not properly payable, we may withhold the amount thereof from your account until final determination of such claim. All deposits are received and credited subject to final collection. Collected funds to cover withdrawals or orders drawn must be available on the day the withdrawal request or order is presented for payment, or payment may be refused.

**14. Set-Off.** We may, without prior notice, set off funds in your deposit account against any due and payable debt any of you owe us now or in the future regardless of whether you are primarily or secondarily liable on the obligation, or the nature, source or purpose of the obligation. This right applies even if one or more of you are not obligated to us on the debt. If this is a joint account, we may charge the debts owed to us by any or all of you against the deposits or checks we cash for any of you. You further agree that our right to set-off may be exercised at any time and without prior notice and is in addition to any other rights we may have. To the extent that you can waive by contract any limits imposed by law on our ability to set-off funds in your accounts, you waive those limits and authorize us to take funds from your accounts to set-off any obligations you owe us. We may set-off funds from your accounts prior to paying checks or other items drawn on the accounts, and we are not liable to you if this results in dishonoring items and therefore causing insufficient available funds in your accounts to pay checks and other items.

This right of setoff does not apply to your deposit account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, (b) The debtor's right of withdrawal only arises in a representative capacity, or (c) setoff is prohibited by the Military Lending Act or its implementing regulations. Some government payments may be protected from attachment, levy or other legal process under applicable law, and may impose conditions or limits on our ability to charge your account for any debt you owe us.

You also acknowledge and agree that any private or federal benefits or payments deposited to your account after a date of ineligibility must be returned to the Federal Government or other payor, as applicable, and we may set off against any of your accounts in order to recover any ineligible benefits or payments you may have received if we are obligated to return funds to the payor. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

**15. Legal Process.** Any legal process received by us, whether served by mail, in person, electronically or through other means to any office of the Bank that we believe in good faith to be valid and binding may be accepted and complied with, without liability to us. Legal process includes subpoena, garnishment, citation, attachment, levy, interpleader, court order, injunction, government agency request for information, search warrant, forfeiture or other similar order or any legal proceedings affecting your account or other relationship with us. We will give you notice of the legal process unless prohibited by law.

We will hold and turn over funds or other property to the court, a creditor, or their agent as directed by legal process. Any funds turned over as directed by any legal process are subject to our right of setoff and any security interest we may have in the account. We are not liable to you for not paying items or refusing withdrawals or debits as a result of compliance with legal process.

We may charge your account a legal processing fee according to the Schedule of Service Charges. You agree to pay our expenses for research and copying documents and administrative expenses incurred by us relative to your accounts because of our required response to legal process, including court costs and fees of attorneys employed by us, which will be charged to the account and may be deducted and reimbursed from any other account with us in which there are funds on deposit and in which you have an interest. All accountholders agree to our right of payment for the charges of any one of the joint owners of the account.

When an account becomes involved in legal proceedings the use of it may be restricted or prohibited. In the event we become party to any legal proceedings between the accountholder and third parties, or between accountholders, it is agreed that the accountholder will pay, compensate and reimburse all liabilities, costs, charges and expenses, including attorneys' fees and court costs, incurred by us as a result of such proceedings. Said liabilities, costs, charges, or expenses may be set-off or charged against any account in which you have an interest, as described above.

**16. Notice and No Mail Requests.** Notice from us to you will be made by first class postal mail. Alternatively, notice may be made by electronic mail if that method is allowable under Federal and state law and regulation and, if required, you consent to it. Either method of communication constitutes notice to all accountholders having an ownership interest in the account. If you execute a "no mail" authorization on an account, you are to maintain regular contact with us. The "no mail" request shall automatically be void when you fail to pick up notices and communications within a 6-month period. We will mail any correspondence required to be provided by Federal or state law or regulation if not picked up by you prior to any imposed regulatory deadline. It may be required by law, such as notice under right to privacy laws or Illinois state law, that notices be promptly mailed to accountholders advising them of the receipt of legal process, such as summons, subpoena, garnishment, or the possible restricted or prohibited use of the account, or the levy of funds on deposit in the account. In such event, we will mail notice of the legal demand to you regardless of the no mail request.

**17. Restrictive Legends and Check Acceptability.** We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in writing. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00". Checks presented through the Federal Reserve check clearing system are processed without regard to the date included on the check. All checks for deposit should be endorsed by all parties to whom they are made payable. You agree to hold us harmless for supplying, or

guaranteeing, your missing endorsement, or for accepting illegible or improper endorsements on items deposited into your account. At our discretion, we may refuse to honor items containing endorsements by third parties or require them to be verified or guaranteed.

**18. Facsimile Signatures.** If your items are signed with the use of any facsimile signature or other non-manual form of signature, you acknowledge that the use of such signature is solely for your benefit and convenience. You accept sole responsibility for maintaining security over any device for affixing such signature. Such signature will be effective as your signature regardless of whether the person affixing the signature was authorized to do so. Account holder agrees to indemnify and hold us harmless from all losses resulting from our honoring an item in any instance in which the item bears or purports to bear a facsimile signature resembling a facsimile signature on file with us, regardless by whom or by what means the actual or purported signature was affixed to the item.

**19. Interest Calculations.** We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the ledger balance in your account each day. The daily rate is  $1/365$  (or in a leap year  $1/366$ ) of the interest rate. During leap years, the advertised Annual Percentage Yield may vary slightly from the Annual Percentage Yield stated in a certificate due to the effects of rounding. The actual interest to be paid will not be affected.

**20. Order of Processing Items.** The order of processing ACH transactions, checks submitted to Liberty Bank and received by us on a daily basis Monday through Friday, except for recognized holidays, is as follows:

- a) Credits received through the ACH Network are posted during the morning of the settlement date and during the afternoon of the settlement date.
- b) Debits received through the ACH Network and checks and substitute checks presented for payment through the Federal Reserve System are comingled and then processed in order from the highest amount item presented to the lowest amount item presented.

Transactions initiated with one of our Liberty Bank Visa® Debit Cards are processed on an individual basis when received without regard to the order of processing for other items.

The order of processing detailed above is subject to the following conditions:

- a) In the event of a prolonged period in which customer transactions cannot be processed or posted, we reserve the right to establish emergency procedures for recording and maintaining transaction information without regard to the above order of processing.
- b) We are not liable for any customer losses or contingencies that may be incurred due to deficiencies or delays encountered by a vendor or service provider engaged by us to process transactions. Likewise, we are not liable for any necessary deviations we may make in processing and posting transactions that are conducted with reasonable care.
- c) To prevent actual or potential loss to you or to the Bank, we reserve the right, at our sole discretion, to limit or discontinue the processing of checks or other transactions in electronic format that are presented to us.

**21. Returning Items.** Should an item come through the account, regardless of amount, if the account does not have enough funds to cover the transaction(s), the item will be returned unpaid. We do not maintain a formal, automated program in determining whether to pay or return items when a decision is required; rather the decisions are made at our sole discretion on an ad hoc basis. Further, we are under no obligation to pay an item and can refuse to do so even though we may have previously paid one or several items for you. In the event an account does not contain sufficient available funds to process all items presented for payment, we at our sole discretion may determine whether to pay or return any checks, substitute checks, and ACH debits. Should the decision to pay an item result in an overdrawn balance, the bank will not charge a fee for being overdrawn.

You agree that any items you initiate, including point-of-sale transactions and transactions delayed or processed offline that we choose or are required to pay against an account with insufficient funds become an obligation you owe to us and are subject to the right of set-off contained elsewhere in this document. If an item is initiated as a point-of-sale transaction, you agree that we may immediately charge the amount of the item to your account or allow a merchant to initiate a "hold" against the available balance in your account on a point-of-sale transaction you authorize. This could result in insufficient or unavailable funds in your account to cover any items presented for payment to your account.

**22. Inactive Accounts / Abandoned or Unclaimed Property.** Our policy governs when accounts are considered inactive and state law governs when accounts are considered abandoned.

A checking account is considered inactive if there have been no customer-initiated transactions for six months. A savings account is considered inactive if there have been no customer-initiated transactions for eighteen months. Inactive accounts may be assessed an inactivity fee as disclosed in the Schedule of Service Charges.

Accounts are considered abandoned or unclaimed if there has been no customer-initiated transactions for three years and if the additional conditions contained in the Revised Uniform Unclaimed Property Act have not been met.

State law requires us to turn over abandoned or unclaimed accounts to the State of Illinois. Before we turn over an abandoned account, we may send a notice to the address we currently have on file for the account. We may not send a notice if mail that was previously sent to this address was returned. After abandoned accounts are turned over to the State of Illinois, we have no further liability to you for the funds and you must apply to the State of Illinois to reclaim your funds.

**23. Consumer Reports and Other Inquiries.** A consumer report may be obtained at our discretion for a permissible purpose. We may make additional inquiries that we consider appropriate in order to verify your identity. This may include employment verification, address verification or other reports from consumer reporting agencies.

**24. Transaction Corrections.** We may reverse or otherwise correct any transaction (both credit and debit) that we believe was posted in error to your account in accordance with our error reconciliation procedures and will provide you with appropriate notice regarding the details. If a credit adjustment is required, any funds availability holds that were placed on the account will be reviewed and, if necessary, adjusted to accurately reflect the correct number of days for which the hold is placed.



Transactions conducted at an ATM not owned by Liberty Bank for Savings are subject to the reconciliation processes of the financial institution owning the ATM and Liberty Bank for Savings is not liable for any discrepancies that may occur or the resolution of these discrepancies.

**25. Unlawful Internet Gambling Enforcement Act.** The Federal Unlawful Internet Gambling Enforcement Act of 2006 and its implementing regulation prohibit financial institutions from processing restricted transactions through your account with us.

Restricted transactions include any transactions processed through your account that involve or are associated with unlawful internet gambling. If we reasonably suspect that restricted transactions are being processed through your account, we reserve the right to close your account without notice given.

**26. Powers of Attorney.** You may wish to appoint an agent to conduct transactions on your behalf under a power of attorney ("POA") form. If you decide to appoint someone to act as your agent or Attorney-in-Fact ("agent") please note that the POA form must be satisfactory to us and we may refuse, in our sole discretion, to honor any POA that you grant to another.

The preferred POA document is the Illinois Short Form Power of Attorney. We cannot assist you in the preparation of this form. An alternate form that we believe was executed by you may be acceptable. If the form is found acceptable, we will act on instructions we receive under it without any liability to us. However, we have no duty or obligation whatsoever to monitor the application of the funds or to insure that the acts of your agent are for your benefit. You agree to reimburse us for all claims, demands, losses, damages and costs, including attorneys' fees, that we incur as a result of accepting and acting in reliance on any POA form presented by you or on your behalf that we believe you executed.

We may pay any funds in your account(s) to your agent or upon the order or direction of your agent. The authority of your agent to receive payments, transact on or otherwise make changes to your account generally terminates with your death. After acceptance of a POA, we may continue to recognize the authority of your agent to act on your behalf without question until we receive written notice of revocation from you, or actual notice of your death, and have had a reasonable time to act upon it. If we have not received such notice, we will not be liable for our actions in accordance with the most current documentation in our records.

We may require your agent to present the original POA document and refuse to act on a copy. We may require that your agent confirm in an affidavit that the POA has not been revoked or terminated. We also reserve the right to restrict or refuse any transactions your agent will be allowed to conduct that appear to extend beyond the transactional power described or implied in your POA, or due to any discrepancies in the preparation of the document that may cause it to be invalid and legally unacceptable.

**27. Changing your Personal Contact Information.** You may change your postal address, e-mail address or your telephone number through one of the following methods after appropriate verification or authentication is provided to us.

- In person
- By postal mail
- Through Online Banking

If postal mail, or electronic mail, is returned to us as "undeliverable", we reserve the right to require appropriate documentation from you regarding your new postal mail or electronic mail address before sending any further mail, including mail required by law, regulation or legal process.

Please note, your address change request will only update the address associated with your personal profile. If there are joint owners on your account, they must submit a separate address change request by postal mail, via Online Banking or by visiting a Liberty Bank office of their choice.

**28. Account Limitations.** The accounts are non-negotiable, non-transferable and non-assignable.

**29. Acts of Third Parties.** The complexity of banking operations requires that we rely on independent contractors and other third parties, such as utility providers, funds transfer and data exchange networks, computer services, equipment and software providers, and the like. We cannot be responsible for the acts of these third parties. Therefore, we will not be liable for any loss, penalty, liability, damage, expense, action, or claim which may arise, occur, or be caused, directly or indirectly, in whole or in part, by reason of any failure to perform, delay, error, or other act or omission of any third party, or other cause not within our reasonable control. These causes include, but are not limited to: erroneous or ambiguous instructions given to us, acts of or required by banking or other civil authorities, national emergency, labor disputes, adverse weather conditions or other acts of God, riot, power failure, malfunctions or errors of data processing or other computer or electronic equipment or systems, the inoperability of communications facilities or systems, or breaches of security.

**30. Gift, Bonus or Premium.** A gift, bonus, or premium given to you may constitute income under the Internal Revenue Service ("IRS") Regulations and, if required, will be properly reported.

**31. Cash Transaction Reporting.** In order to help law enforcement agencies detect money laundering and other illegal activities, all financial institutions are required by law to gather and report information on some types of cash transactions. If the information we need to complete the report is not provided, we are required to refuse to process the transaction. If you have any questions regarding these rules, you may contact any local IRS office or the Financial Crimes Enforcement Network ("FinCEN").

**32. Suspicious Account Activity.** The Bank uses various methods for detecting, monitoring and addressing alleged suspicious/unusual activity or transactions related to your account or any access devices issued by the Bank to you to conduct electronic transactions. We will utilize appropriate methods determined at our sole discretion to contact you as expediently as possible. Appropriate methods of communication include but are not limited to telephone, text message, e-mail and postal mail. Communications may be left on your voice mail or in your e-mail inbox if we are not able to immediately make contact with you.

For your protection, we may place a temporary hold on your account for a reasonable period of time or restrict your ability to utilize any access devices issued by the Bank to conduct electronic transactions until we are able to communicate with you. The Bank is not liable for any actions taken or not taken to address alleged suspicious activity prior to contacting you and may act at its sole discretion to protect your interests based on the individual circumstances of each situation.

For our protection, if we reasonably suspect that the account and any transactions are deemed to be suspicious, unusual, or illegal in any way, or may cause the Bank additional risk and/or monetary loss by keeping the account open, we reserve the right to close your account without giving advance notice.

**33. Severability.** In the event that any part of the Account Terms and Conditions is determined to be invalid or unenforceable for any reason, the remainder of the Account Terms and Conditions will not be affected and will continue in full force and effect.

**34. Security and Safekeeping.** You are expected to maintain a reasonable degree of care regarding the security of your Bank records and unused checks. A lesser degree of care may increase your potential liability should any fraudulent or unauthorized activity occur resulting in a financial loss to you.

**35. Waiver.** We may enforce, delay in enforcing or waive the enforcement of any of our rights under these Terms and Conditions in a particular instance or transaction without losing that right or any other rights in the future. The failure by us to exercise any right will not be taken as a waiver of that right.

**36. Applicable Law, Venue and Jurisdiction.** The validity, construction and interpretation of these Account Terms and Conditions, and the rights and duties of the accountholder, their agents, successors and assigns (the "accountholder") and the Bank hereto shall be governed by the laws of the State of Illinois, excluding its principles of conflict of laws. In the event of litigation arising under these Account Terms and Conditions, accountholder and Bank consent to a venue in the exclusive jurisdiction of the courts of Cook County, Illinois, and the Federal District Court for the Northern District of Illinois.

**37. Reporting of Unauthorized Signatures, Alterations or Forgeries.** It is your duty to report unauthorized signatures, alterations and forgeries. You must examine your statement of account with reasonable promptness. If you discover any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. You further agree that if you fail to report any unauthorized signatures, alterations, or forgeries in your account within 30 days of when we first send or make the statement available to you, 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.

### **AUTOMATED CLEARING HOUSE CREDITS** **Subject to the Section 4A of the Illinois Uniform Commercial Code**

By establishing an account at Liberty, you agree that the following provisions apply to ACH Credits to your account received by Liberty Bank for Savings that are subject to Section 4A of the Illinois Uniform Commercial Code.

- Credit given by Liberty to you with respect to an ACH credit entry is provisional until Liberty receives final settlement for such entry through a Federal Reserve Bank. If Liberty does not receive such final settlement, you are hereby notified and agree that Liberty is entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (for example, the originator of the entry) shall not be deemed to have paid you the amount of such entry.
- Under the operating rules of the NACHA, which are applicable to ACH transactions involving your account, Liberty is not required to give notice to you of receipt of an ACH entry and Liberty will not do so. However, Liberty will continue to notify you of the receipt of payments in the periodic statements we provide to you.
- Liberty may accept on your behalf payments to your account that have been transmitted through one or more ACH Operators and that are not subject to the Electronic Fund Transfer Act, and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of Illinois as provided by the operating rules of the NACHA, which are applicable to ACH transactions involving your account.

### **ACCOUNT AGREEMENT**

**General Agreement** - By signing the signature card you agree that the account established hereby is subject to and is to be administered in accordance with this Account Agreement, Account Terms and Conditions, Truth in Savings Disclosure, other disclosures required from time to time to be provided by law or regulation and Schedule of Service Charges, and hereby acknowledge receipt of a current copy of said documents, each of which is subject to change from time to time.

We will accept checks and other instruments for credit to your account, whether payable to one or more parties. We will not be liable in connection with collection of such items which are handled by us without negligence, and we will not be liable for the acts of our agents, subagents or others or for any casualty. Withdrawals may not be made on account of such items until collected, and any amount not collected may be charged back to your account, including expense incurred, and any outside expenses incurred relative to this account may be charged to it.

### **ACCOUNT OWNERSHIP**

**Individual** - The account ownership is in the name of an individual. Withdrawals may be made by the individual. Upon death of the individual, ownership is determined by state law.

**Joint Tenants with the Right of Survivorship** - The account ownership is in the names of two or more persons as joint tenants with the right of survivorship and not as tenants in common and not as tenants by the entirety. By holding the account as joint tenants with the right of survivorship, the signature of any one of them is necessary for withdrawals and other matters related to the account. The joint tenants agree that any funds placed in or added to the account by any one of the joint tenants are and shall be conclusively intended to be a gift and delivery at that time of such funds to the other joint tenants. You agree to notify us of the death of any joint tenant(s). We require certain documentation upon notification of the death of any joint tenant(s) prior to the account title being changed. Upon death of a joint tenant, ownership resides with the surviving joint tenant(s).



**Totten Trust Account** - A Totten Trust Account is an informal trust account, reflected on our written account records, but without a formal written trust agreement.

The account is owned by one or more trustees and held for one or more designated beneficiaries. If the Totten Trust Account is held by more than one trustee, the trustees shall hold the account as joint tenants with the right of survivorship and be subject to the rules pertaining to joint account ownership as set forth in this document. As the owner, any trustee may withdraw money from the account and, by written direction to us, change any beneficiary under the account, without the knowledge or consent of other trustees or designated beneficiaries. The beneficiaries have no right to any funds in the account during the trustee's lifetime.

Upon the death of the last surviving trustee, the account is owned by the named beneficiary as sole holder. If there is more than one surviving beneficiary, they shall hold the account in equal shares as tenants in common. If there is no surviving beneficiary upon the death of the last trustee, the account proceeds shall vest in the estate of the last surviving trustee of the account.

**P.O.D. Account** - A Payable on Death (P.O.D.) Account is an account under Illinois law, evidenced by a written account agreement with the bank. The account is owned by the holder or holders of the account during his or her lifetime and will be payable to and owned by one or more designated beneficiaries upon the death of the last surviving holder.

Subject to the bylaws and regulations of the Bank, any individual holder may deposit into or withdraw funds from the account and, by written direction to us, change any beneficiaries under the account, without the knowledge or consent of other holders or designated beneficiaries. If the P.O.D. account is held by more than one person, each holder will be subject to the rules pertaining to joint account ownership as set forth in this document.

If there is more than one surviving beneficiary, they shall hold the account in equal shares as tenants in common with no right of survivorship among the beneficiaries. If there is no surviving beneficiary upon the death of the last holder, the account proceeds shall vest in the estate of the last surviving holder of the account.

**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.

To open an account under a formal trust, the trustee(s) may supply to us a copy of the entire trust document or another document sufficient under state law to describe the trust agreement and provide the necessary information to allow opening of the account. To the extent permitted by law, we may require additional certifications, information and documentation to open the trust account or to support any change in the trust agreement or the opening of additional accounts by the trust. We will not add individuals to a trust account that have not been named in the trust agreement. Co-trustees must act and sign jointly with other co-trustees and with their full knowledge and consent, unless the trust document specifically provides for a single co-trustee to act independently in any matter.

We act only as custodian of the trust funds and are under no obligation to act as a trustee, to inquire as to the powers or duties of the trustee(s) or to follow the application of any funds withdrawn from, or deposited into, the account at the direction of any current trustee(s) acting under the trust agreement.

The trustee(s), or any person opening the Account in their individual capacity or 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 any trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the account.

**Fiduciary Account** - The account ownership is established according to documentation provided by a government agency (such as a Representative Payee for Social Security benefits) or a court of competent jurisdiction (such as a Guardian, Executor or Administrator). If more than one fiduciary is named, the signatures of all fiduciaries are necessary for withdrawals and other matters related to the account unless specific instructions to the contrary are contained in the legal documentation presented to us.

We are relieved of any liability for and have no responsibility to follow the application of funds. However, we reserve the right to refuse to honor any withdrawal or transfer requests that appear to be contrary to the terms of the arrangement.

**Account Opened and Established for a Minor, Subject to Further Order of Court**

The account ownership is in the name of a minor with any withdrawals or transfers subject to a Court Order.

**Account Opened and Established under the Illinois Uniform Transfers to Minors Act**

- a) The Custodian is the legal owner of the account while the minor beneficiary is the beneficial owner of the account.
- b) The Custodian is authorized to hold, manage, invest and reinvest the funds in their sole discretion. The gift of funds to the minor beneficiary, which includes all earnings and future additions, is irrevocable and is made in accordance with the provisions of the Illinois Uniform Transfers to Minors Act as it now appears or hereafter may be amended.
- c) We are relieved of any liability for and have no responsibility to follow the application of funds. However, we reserve the right to refuse to honor any withdrawal or transfer requests that appear to be contrary to the terms of the Illinois Uniform Transfers to Minors Act.
- d) In the event of the death, resignation, removal or legal disability of the Custodian, the individual named on the signature card as Successor Custodian shall have the powers of the original Custodian. A Successor Custodian should be named in all cases but in the event no Successor Custodian is named on the signature card, a Successor Custodian shall be appointed through operation of law.
- e) The Custodian is required to sign withdrawals or transfer documentation regardless of whether the minor has attained the age of majority specified in the Illinois Uniform Transfers to Minors Act.

**Corporation and Organization Accounts** - The account shall be opened in the name of the corporation or organization (the "Business") as indicated on the signature card. The Bank is authorized to act without further inquiry in accordance with any writings bearing the number of signatures authorized to transact business as stated on the signature card, unless and until we receive written notice deemed satisfactory to

us of any change of officers or authorized signers together with specimen signatures, required information and appropriate identification of each such officer or authorized signer. The authority of the authorized signers shall include the authority to close the account or to enter into or modify the terms of the account or other documents relating to the maintenance or administration of the account or other agreements relating to the account on behalf of the Business, as they see fit.

All officers of the Business represent and warrant to us that there exists a valid resolution, duly passed and adopted by the Business, as stated on the signature card, at a lawful meeting of the board of directors of said business, certified by the secretary or other appropriate officer. Each person signing the signature card or related account opening documents represents and agrees that they are fully authorized to execute all documents in their stated capacity and that all documents necessary to demonstrate their authority have been furnished and that the Business has taken all necessary actions to open and maintain accounts with us and that all resolutions and other documentation delivered to us in connection with the account(s) are complete, true, accurate and up-to-date and may be relied on by us under all circumstances. A Business must be in "Good Standing" with their State of incorporation. The officers further warrant that a certified copy of the resolution, will, at our option, be delivered to and deemed satisfactory by us, before any transactions may be made with respect to the account.

**Corporate Fiduciary Account** - The account shall be opened in the name of the corporation named as fiduciary (the "Fiduciary") as indicated on the signature card. Specimens of the signatures of the authorized signers to act in connection with the account shall be supplied on the signature card. We are authorized to act without further inquiry in accordance with any writings bearing the number of such signatures stated on the signature card, unless and until we receive written notice deemed satisfactory to us of any change of authorized signers, together with specimen signatures of each such authorized signers. The officers represent and warrant to us that any funds deposited are funds properly within the custody of the Fiduciary and which funds may be lawfully invested in or placed in an account in accordance with the governing instrument and authority duly vested in them as authorized signers of said fiduciary.

**Partnership Account** - The account shall be opened in the name of the Partnership as indicated on the signature card. The names of the Partners authorized to act on the account are indicated on the signature card. The Partners represent and warrant to us that they have been duly authorized to sign for withdrawals or otherwise to act in any manner with respect to the account on behalf of the partnership. We are authorized to act without further inquiry in accordance with writings bearing the number of such signatures indicated on the signature card unless and until we receive written notice satisfactory to us of any change of partners authorized to transact business on behalf of the partnership, together with specimen signatures of each such partner.

**Sole Proprietorship or DBA Account** - The account shall be opened in the name of the Accountholder in their capacity as a sole owner. Specimens of the signatures of those authorized to act in connection with the account are supplied on the signature card and we are authorized to act without further inquiry in accordance with any writings bearing any of such signatures. We may rely on the authorized signatures under all circumstances. Upon death of the individual, ownership is determined by state law. Beneficiaries and Power of Attorneys can be added upon request.

**Individual Retirement Account** - The account shall be opened in the name of the Bank as Custodian pursuant to a custodial agreement, a copy of which is provided to the participant at the time of opening the account. The account shall be administered pursuant to the terms and conditions of the custodial agreement. The accountholder ("Grantor") certifies that the funds used to establish the account, and any funds subsequently deposited, are funds properly within its custody. A specimen signature of the Grantor is shown on the signature card and we are authorized to act without further inquiry in accordance with writings bearing such signature.

**Coverdell Education Savings Account** - The account shall be administered pursuant to the terms and conditions of the custodial agreement. The Grantor certifies that the funds used to establish the account, and any funds subsequently deposited, are funds properly within its custody. A specimen signature of the Grantor and the Responsible Individual is shown on the signature card and we are authorized to act without further inquiry in accordance with writings bearing such signature.

## CHECK CASHING AGREEMENT

Check cashing is a service we only provide to Liberty Bank customers, and the limitations and restrictions stated here are intended to provide reasonable protection for all of our account holders.

1. We reserve the right to request that any check be endorsed in the presence of an employee and proper identification to the satisfaction of the Bank may be required.
2. All checks payable to cash or bearer must be endorsed by the person cashing the check.
3. Checks will be cashed only if there are collected funds in the customer's account that equal or exceed the amount of the check.
4. Checks made payable to a company, organization, business or corporation will not be cashed but will be accepted for deposit only to an account in the name of the respective payee.
5. No checks will be cashed against a mortgage, installment loan account, UTMA or retirement account.
6. Mortgage customers making a loan payment will only receive a maximum of \$100 returned in cash.
7. Government checks will be cashed only for customers who are the original payees.
8. For new accounts, Liberty will not allow cash back in accordance with the appropriate funds availability policy.
9. All foreign checks will only be accepted as collection items.

## MOBILE DEPOSIT CAPTURE

The definitions for check, electronic check, remotely created check and substitute check is defined in the Expedited Funds Availability Act as implemented by Regulation CC. You may scan and deposit checks into your Liberty checking account. However, you agree that you will not use the "Mobile Deposit Capture Service" to scan and deposit any checks described below:

- Checks payable to any person, or entity, other than you
- Checks containing alteration to any of the fields on the front of the check or item or which you know, or suspect, or should know or suspect, are fraudulent, or otherwise not authorized by the owner of the account on which the check or item is drawn
- Checks previously converted to a substitute check
- Checks drawn, or payable through, on a financial institution located outside the United States
- Checks that are remotely created checks
- Checks not payable in United States currency

- Checks that are postdated or checks that are dated more than 6 months prior to the date of deposit
- Checks that are in any way incomplete
- Checks prohibited by the Bank's current procedures relating to the Service, or which are otherwise not acceptable, under the terms of your Account Agreement
- Checks on which the numerical and written amounts are different

Deposit limits may be changed from time to time on the dollar amount, the number of items and the number of deposits made through this service. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement and we will not be obligated to allow such a deposit at other times. You will be promptly notified that the deposit is not being accepted and the reason for the action. We are not responsible for any losses incurred as a result of rejecting deposits that you have made through the Service.

#### **Business Days & Cut Offs**

Our business days are Monday through Friday. Saturday, Sunday and Federal Holidays are not included. Deposits are subject to the Bank's Funds Availability Schedule for Checking Accounts and Money Market Accounts.

If you make a deposit through Liberty Bank Mobile Deposit Capture prior to 4:00 PM (Central Time) on a business day, we will credit your account on the same business day after 8:00 PM (Central Time). If you make a deposit through the service at or after 4:00 PM (Central Time), we will credit your account on the following business day after 8:00 PM (Central Time).

#### **Endorsements**

Endorsements must be made on the back of the check within 1½ inches from the top edge, although we may accept endorsements outside this space. Your endorsement must include your signature and the wording "Liberty Bank Mobile Deposit Only" or the deposit will not be accepted. Any loss we incur from a delay, or processing error, resulting from an irregular endorsement, or other markings by you, will be your responsibility. If the check is payable to you or your joint payee, either of you can endorse it. If the check is made payable to you and your joint payee, both of you must endorse the check.

#### **Check Images**

The image of a check transmitted to the Bank, using the Service, must consist of legible images of the front and back of the check. The image that is transmitted must be of such quality that the following information can easily be read by sight review of the image:

- The amount of the check
- The payee
- The drawer's signature
- The date of the check
- The check number
- "Liberty Bank Mobile Deposit Only" is written beneath the endorsement
- Information identifying the drawer and the paying bank that is preprinted on the check in the MICR line, including the routing transit number, account number, and check number.
- Other information placed on the check, prior to the time that the image is captured, such as any required identification on the front of the check, or any endorsements contained on the back of the check.

We are not responsible for check images we do not receive or for images that are dropped, become corrupted or are illegible after transmission. The length of the delay varies depending on the type of deposit and is outlined within the Expedited Funds Availability Schedule.

Additional information about this service is contained in the Liberty Bank Mobile Deposit Capture Term and Conditions Agreement that can be accessed by signing on to the Liberty Bank app on your device.

## ELECTRONIC FUND TRANSFER DISCLOSURE

### General Information

This Electronic Fund Transfer Disclosure (Disclosure) specifies the rights and responsibilities that you have regarding Electronic Fund Transfers processed through your Liberty Bank account(s) that is maintained primarily for personal, family or household purposes.

The Electronic Fund Transfer services that are covered by this Disclosure include the following:

- Liberty Bank Visa<sup>®</sup> Debit Card
- Online Banking
- Bill Payment Service
- Mobile Banking
- Person to Person Payments
- Preauthorized Electronic Fund Transfer Credits and Debits
- Electronic Check Conversions

### Access Device

Reference to "Access Device" in this disclosure includes the following:

- A Liberty Bank Visa<sup>®</sup> Debit Card
- A Liberty Bank Visa<sup>®</sup> Debit Card and Personal Identification Number ("PIN") collectively
- The Access ID and Password collectively utilized for Online Banking and Mobile Banking

### Your Liability

Tell us at once if you believe your Access Device has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account. If you tell us within 2 business days after you learn of the loss or theft of your Access Device, you can lose no more than \$50.00 if someone used your Access Device without your permission.

If you do not tell us within 2 business days after you learn of the loss or theft of your Access Device, and we can prove we could have stopped someone from using your Access Device without your permission, if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by Debit Card or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money had you told us in time. The amount you can lose for certain point-of-sale transactions utilizing your Liberty Bank Visa<sup>®</sup> Debit Card may be different than those stated above due to Visa<sup>®</sup> liability provisions.

If a good reason (such as a long trip or a hospital stay) keeps you from telling us, we will extend the time periods.

### How to Notify Us

#### Situation

If you believe your Liberty Bank VISA<sup>®</sup> Debit Card with or without the corresponding PIN has been lost, stolen or is otherwise unavailable

#### Notification Options

- Call 800-472-3272 24 hours a day, or
- Call 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm and Saturday from 8:00 am to 1:30 pm, or
- Write to Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or
- Visit one of our offices and report the circumstances

#### Situation

If you believe that the PIN corresponding to your Liberty Bank VISA<sup>®</sup> Debit Card is lost, stolen or otherwise unavailable

#### Notification Options

- Call 800-632-3335, Fiserv EFT Card Self Service, and follow the instructions to change the PIN.

#### Situation

If you believe your Access ID or both your Access ID and Password that are utilized to access Online Banking Service, Mobile Banking Service and Bill Payment Service were lost, stolen or otherwise unavailable

#### Notification Options

- Call 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm and Saturday from 8:00 am to 1:30 pm, or
- Write to Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or
- Visit one of our offices and report the circumstances

#### Situation

In case of errors or questions about your Electronic Fund Transfers or if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt

#### Notification Options

- Call 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm and Saturday from 8:00 am to 1:30 pm, or
- Write to Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or
- Visit one of our offices and report the circumstances

#### **Situation**

If you believe that the Password utilized to access Online Banking or Mobile Banking is lost, stolen or otherwise unavailable

#### **Notification Options**

Go to the Liberty Bank website at [www.libertybank.com](http://www.libertybank.com) and follow the instructions for a forgotten password to change the password

#### **Situation**

If you believe a transfer has been made using the information from your check without your permission

#### **Notification Options**

- Call 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm and Saturday from 8:00 am to 1:30 pm, or
- Write to Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or
- Visit one of our offices and report the circumstances

#### **Business Days**

Our business days are Monday through Friday. Saturday, Sunday and Federal Holidays are not included.

#### **Types of Available Transactions**

##### Liberty Bank VISA® Debit Card

The establishment of a Checking or Statement Savings Account at Liberty Bank constitutes a request by you and subsequent agreement between you and the Bank that you will receive a Liberty Bank Visa® Debit Card and acknowledges that you received this disclosure relating to its usage. Visa® Debit Cards are not issued on any other type of account.

You may complete the following transactions with your Liberty Bank Visa® Debit Card:

- Purchase goods and services up to the assigned maximum daily limit for your card from your checking account through eligible merchants (your maximum daily limit will be provided to you with your card).
- Withdraw funds through an eligible ATM from your checking or statement savings account up to your assigned maximum daily limit (your maximum daily limit will be provided to you with your card).
- Deposit, transfer funds or take an inquiry through an eligible ATM to your checking or statement savings account.

Purchases through eligible merchants not subject to immediate processing may require the funds to be considered unavailable until actual processing of each respective transaction.

Certain types of transactions based on any one or more of the following criteria may be blocked at the sole discretion of the Bank when deemed appropriate to protect the interests of Bank customers from reported incidence of fraud.

- The country in which a transaction is initiated
- A class of merchants based on the type of business or trade they are engaged in
- A specific merchant

Transactions initiated with your Liberty Bank Visa® Debit Card will be monitored to provide additional protection from potential fraud through monitoring suspicious activity. Upon detecting potential suspicious activity, you will be contacted and asked to verify your identity and confirm whether a specified transaction or transactions were authorized. If not authorized, further details and actions will be addressed with you.

If we are not able to reach you, Liberty Bank at its sole discretion reserves the right to temporarily restrict further transactions initiated with your debit card. Every attempt will be made to communicate with you and resolve the issue in a timely manner.

Checks, cash and other items deposited at an ATM are considered accepted when received and processed by the depository Bank.

Transactions initiated after any cutoff time that is utilized by the depository Bank may be processed on the next business day. Deposits made are subject to the current Liberty Bank Account Terms and Conditions and Funds Availability Policy. Sufficient available funds must be maintained in the account and no account restrictions may be active to process withdrawal requests, transfers and debit transactions.

When a new Liberty Bank Visa Debit Card is issued to you for any reason, updated card information is generally provided to merchants who request it to process recurring transactions that you may have through an agreement with the merchant. You may opt-out and request that we not provide merchants with the updated card information by contacting Liberty Bank for Savings. If you choose to opt-out, you should notify any merchants directly who are originating your recurring payments about your new card number and expiration date.

##### Online Banking and Mobile Banking

You may complete the following transactions and functions through the Online Banking Service for eligible accounts:

- Transfer funds between eligible transaction accounts including those used to make a mortgage loan payment.
- Inquiries.
- View account histories.
- View check images.

Provided funds are available, there are no limitations on the dollar amount of your transfers except that transfers from money market accounts must be in a minimum amount of \$500.00. This service is available 24 hours a day. Sufficient available funds must be maintained in the account and no account restrictions may be active to process transfers from the account.

The following transfers from a passbook account are not permitted:

- A transfer to another passbook account
- A transfer to make a loan payment

Additional information about this service is contained in the Liberty Bank Online Banking Terms and Conditions Agreement that can be accessed by signing on to Online Banking at [www.libertybank.com](http://www.libertybank.com).

#### Bill Payment Service

You may pay designated bills and obligations from an eligible checking account through the Bill Payment Service provided you have attained the age of 18.

This service is available 24 hours a day. Sufficient available funds must be maintained in the account and no account restrictions may be active to process payments from the account. There are no limitations on the dollar amount of your payments after the account is confirmed. Except for specific references in this disclosure to the Bill Payment Service, the Liberty Bank Terms and Conditions of the Bill Payment Service govern the acceptance, rights and responsibilities associated with this Service.

Additional information is contained in the Liberty Bank Terms and Conditions of the Bill Payment Service that can be accessed by signing on to Online Banking at [www.libertybank.com](http://www.libertybank.com).

#### Person to Person Payments

You may initiate a payment to a party maintaining a deposit account at an institution within the United States or you may receive a payment from a third party provided you have attained the age of 18.

The maximum dollar amount of payments you initiate or receive is limited.

Sufficient available funds must be maintained in the account and no account restrictions may be active to process payments from the account.

Additional information about this service is contained in the Terms of Use (for Personal Payments Service) which can be accessed by signing on to Online Banking at [www.libertybank.com](http://www.libertybank.com).

#### Originating Preauthorized Electronic Fund Transfer Debits and Credits through the Automated Clearing House Network

You may use your statement savings account or checking account for originating Preauthorized Electronic Fund Transfer ("EFT") Debits or Credits upon approval of the Bank for any of the purposes listed below after executing the appropriate agreement and supporting documentation.

- Liberty Bank monthly mortgage and consumer loan payments
- Transfer of interest received on a Liberty Bank account into an account at another financial institution
- Disbursements from a Liberty Bank IRA into an account at another financial institution
- Transfer to or from a Liberty Bank account for a reason acceptable to and approved by Liberty Bank

#### Receiving Preauthorized Electronic Fund Transfer Debits and Credits through the Automated Clearing House Network

You may use your savings account or checking account for receiving Preauthorized Electronic Fund Transfer Credits and Preauthorized Electronic Fund Transfer Debits that you have authorized.

#### Electronic Check Conversions

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your blank, partially completed or fully completed check to pay for purchases or to pay bills. Provided funds are available and no account restrictions are active, there are no limitations on the number or dollar amount of Electronic Check Conversions that we process.

#### International Automated Clearing House Transactions

International Automated Clearing House Credit Transactions (IATs) are allowed although may be delayed or suspended for a reasonable period of time while the Bank conducts Office of Foreign Assets Control ("OFAC") screening and investigation. Settlement of these transactions and availability of these funds may also be affected. International Automated Clearing House Originations are not allowed by Liberty Bank for Savings.

#### **Transaction Limitations**

The Bank reserves the right to block certain transactions that exhibit characteristics of fraud, potential fraud or that may violate Anti-Money Laundering-related law or regulation.

#### **Fees**

Liberty Bank imposes no fees for the following services:

- Online Banking
- Mobile Banking
- Originating or Receiving Preauthorized Electronic Fund Transfers
- Electronic Check Conversions

Fees relating to your Liberty Bank VISA<sup>®</sup> Debit Card:

- Debit Card Replacement \$10.00
- Expedited Shipping Fee \$50.00
- VISA<sup>®</sup> International Transaction Fees
- 1% of the transaction amount for single currency transactions
- International ATM Fee \$5.00
- 1% of the transaction amount for multi-currency transactions



**Fees relating to Preauthorized Electronic Fund Transfer Debits:**

- Stop Payment Fee: \$35.00

**ATM Surcharge Fees:**

- When you use an ATM not owned by Liberty Bank, at either a domestic or foreign location, the ATM Operator may charge you a surcharge fee. You will be charged a surcharge fee for a balance inquiry, even if you do not complete another transaction.
- For each ATM transaction conducted outside of the MoneyPass® or PLUS Network: \$3.00

**Other Surcharge Fees:**

- Visa® may also charge a surcharge fee for its custom payment services at foreign locations.

**Fees relating to Bill Payment Service:**

- Payment Account does not contain sufficient available funds to complete the payments authorized: \$35.00
- Stop payment request for check or ACH transaction related to Bill Payment Service: \$35.00
- Request for same day processing of a Bill Payment as an ACH transaction: \$14.95
- Request for next day processing of a Bill Payment by Check: \$19.95

**We will Disclose Information to Third Parties about Your Account or the Transfers You Make**

- When it is necessary for completing transfers, or
- In order to verify the existence and condition of your account for a third party in accordance with established procedures, or
- In order to comply with government agency or court orders, or
- If you give us your written permission

**Documentation of Electronic Fund Transfers**

**For all applicable transactions:**

- You will receive a monthly statement for your account containing your completed electronic funds transfers as well as your other account activity.
- When you present your passbook, it will be updated to reflect any unrecorded transactions, including electronic funds transfers, since the last time you brought in your passbook.

**For transactions initiated with your Liberty Bank VISA® Debit Card:**

- If the amount of the transaction is more than \$15.00, you will get a receipt at the time you complete any transaction to or from your account using an ATM or a point-of-sale terminal.

**For Electronic Fund Transfer Credits or Debits through your account:**

- You may call Liberty Bank at 773-384-2030 (Customer Service) Monday through Friday from 7:30 am to 6:00 pm (Central Time) and Saturday from 8:00 am to 1:30 pm (Central Time) to confirm receipt of a Preauthorized Electronic Fund Transfer Credit.

For Preauthorized Electronic Fund Transfer Debits processed through a passbook account, a notice detailing the transaction will be mailed to you.

For Electronic Check Conversions that you initiated or authorized, you will receive a monthly statement for your checking account containing your completed electronic fund transfers as well as your other account activity.

**Stop Payment on Preauthorized Electronic Fund Transfer Debits**

If we are receiving regular debits from your account, you can stop any of those debits by following this procedure:

Call us at 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm (Central Time) or Saturday from 8:00 am to 1:30 pm (Central Time) or write to us at Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or visit one of our offices in time for us to receive your request 3 business days or more before the debit is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 calendar days after you call. If you order us to stop one of these debits 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**Stop Payment Requests Associated with Bill Payment Service**

Follow the procedure contained in the Liberty Bank for Savings Terms and Conditions of the Bill Payment Service.

**Stop Payment Requests Associated with Person to Person Payments Service**

Follow the procedure contained in the Terms of Use for Person to Person Payments Service.

**Revocation of a Preauthorized Transfer Originated by Liberty Bank**

Any revocation must be received at least three business days prior to the date of processing. A transaction may be completed if the revocation is received less than three business days prior to the date of processing.

**Notice of Varying Amounts**

If Preauthorized Electronic Fund Transfer debits vary in amount from the previous transfer under the same authorization or from the preauthorized amount, the authorization executed contains language regarding the required notice and, if applicable, a range of amounts affecting the issuance of a notice.

**Liability Disclosure**

If we do not complete an Electronic Fund Transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages.

We will be liable for your losses and damages except as follows:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the ATM you are utilizing does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.

There may be other exceptions stated in our agreement with you.

#### **Error Resolution**

In case of errors or questions about your Electronic Fund Transfers or if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

- Call 773-384-2030 Monday through Friday from 7:30 am to 6:00 pm (Central Time) and Saturday from 8:00 am to 1:30 pm (Central Time), or
- Write to Liberty Bank for Savings, Retail Services, 2392 N. Milwaukee Avenue, Chicago, Illinois 60647-2951, or
- Visit one of our offices and report the circumstances
- Tell us your name and account number.
- Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing, and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

#### **Additional Information**

Additional information on these services and the corresponding accounts may be available in the terms and conditions for each respective service, the current Liberty Bank Account Terms and Conditions, current Schedule of Service Charges, and other disclosures provided at account opening and subsequently.

#### **Closing an Account**

Liberty Bank reserves the right to request notice of 2 business days before you may close an account accessible with your Liberty Bank Visa® Debit Card.

#### **Amendment**

We may amend this Disclosure at any time. However we will give you at least 30 calendar days' notice if any amendment results in greater costs or liability to you or otherwise reduces access to your accounts, unless an immediate change in terms or conditions is necessary to maintain or restore the security of the system or your account(s). This notice will be sent to the most recent postal or e-mail address appearing on the records of the Bank.

#### **TRUTH-IN-SAVINGS ACCOUNT DISCLOSURE FOR CHECKING ACCOUNTS AND MONEY MARKET ACCOUNTS**

This Truth-in-Savings disclosure describes various features and terms of our Checking Accounts and Money Market Accounts. Liberty Bank for Savings does reserve the right to discontinue offering any of these products at any time.

The service charges listed herein, and in our separate Schedule of Service Charges, are subject to change. We shall give notice of any such changes by sending written or electronic notice to you at least 30 calendar days before the effective date if they adversely affect you.

The account you are opening is to be administered in accordance with the Account Agreement that consists collectively of the signature card, the Account Terms and Conditions, Rate Sheet, Schedule of Service Charges, other required disclosures, and this disclosure.

The maximum amount of an initial deposit to any deposit account is \$100,000.00 for all new customers. A new customer is a consumer or entity that has no existing account relationship with Liberty Bank at the time of account opening.

The minimum age to open a checking account is 18 years of age with the exception of the following:

- A "Silver-Star" checking may be opened by an individual 62 years of age or older.
- Any other checking account may be opened by an individual between 16 –17 years of age as long as a parent or legal guardian 18 years or older is a joint tenant on the checking account.

You may contact one of our Personal Financial Service Representatives for specific information on the above criteria. While our representatives cannot offer legal or tax advice regarding account ownership, they can provide you with details regarding the above criteria.

#### Liberty Checking Account

- A Liberty Checking Account offers all the features of a checking account with no per check charges.

- This account does not earn interest.
- The minimum balance to open an account is \$300.00.
- There is no minimum balance required to maintain the account.
- \$10.00 – Monthly fee will be imposed unless one of the following requirements is met:
  - The average daily balance in the account is \$200.00 or greater for the monthly statement period, or
  - A recurring direct deposit is established, or
  - An account holder maintains a balance of \$5,000.00 or more in deposit accounts at Liberty Bank.
- Checks written on the account will not be included in the monthly statement.
- The following fees are applicable against the account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
- Fees for other services are listed separately in our Schedule of Service Charges.
- This account must be established for personal, family or household purposes.

#### Libby® eChecking Basics Account

- A Libby® eChecking Basics account is available for individuals under the age of 25. The minimum age to open this account is 18 years of age with the exception of the following: If an individual is between 16 –17 years of age, the individual may establish a Libby® eChecking Basics account as long as a parent or legal guardian 18 years or older is a joint tenant on the checking account. Upon reaching the age of 25 the Libby® eChecking Basics account will automatically be converted to a core checking account product. Notification and applicable disclosures will be provided at least 30 calendar days prior to the product conversion.
- A Libby® eChecking Basics account offers all the features of a basic checking account with no per check charges.
- There is no minimum balance required to maintain the account.
- This account does not earn interest.
- The minimum balance to open an account is \$25.
- A Libby® Visa® debit card with chip technology is issued upon request, and no activation or monthly activity fees are assessed.
- Enrollment in e-statement service is required to avoid a \$5 monthly paper statement fee.
- Fees for other services are listed separately in our Schedule of Service Charges.
- This account must be established for personal, family, or household purposes.

#### Affinity Checking Account

- An Affinity Checking Account offers all the features of a checking account with interest and no per-check charges.
- The interest rate and annual percentage yield (APY) may change. At our discretion, we may change the interest rate on the account daily. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$300.00.
- There is no minimum balance required to maintain the account.
- Interest will be earned on any day that the balance in the account is \$1,000.00 or more. You must maintain a daily minimum balance of \$1,000.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- The following tiers have been established for the Affinity Checking Account:
 

\$0.00	– \$999.99
\$1,000.00	– \$4,999.99
\$5,000.00	or more
- If your daily balance falls within one of the stated tiers, the interest rate paid on the entire balance in your account will be the rate paid for that tier.
- Checks written on the account will not be included in the monthly statement.
- Interest is compounded monthly. Interest will be credited to the account on the day the monthly statement cycle ends.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
  - \$6.00 – Monthly fee will be imposed if the average daily balance in the account is less than \$1,000.00 for the monthly statement period. The fee will be waived if an account holder maintains a combined total of \$7,500.00 in any deposit accounts with us.
- Fees for other services are listed separately in our Schedule of Service Charges.
- This account must be established for personal, family or household purposes.

#### Jumbo Checking Account

- A Jumbo Checking Account offers all the features of a checking account with higher interest for larger balances and no per check charges.
- The interest rate and annual percentage yield (APY) may change. At our discretion, we may change the interest rate on the account daily. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$1,000.00.
- There is no minimum balance required to maintain the account.
- Interest will be earned on any day that the balance in the account is \$1,000.00 or more. You must maintain a daily minimum balance of \$1,000.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- The following tiers have been established for the Jumbo Checking Account:
 

\$0.00	– \$999.99
\$1,000.00	– \$4,999.99
\$5,000.00	– \$19,999.99
\$20,000.00	– \$49,999.99
\$50,000.00	– \$99,999.99
\$100,000.00	or more

- If your daily balance falls within one of the stated tiers, the interest rate paid on the entire balance in your account will be the rate paid for that tier.
- Checks written on the account will not be included in the monthly statement.
- Interest is compounded monthly. Interest will be credited to the account on the day the monthly statement cycle ends.
- Interest begins to accrue no later than the day you deposit non-cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
  - \$6.00 – Monthly fee will be imposed if the balance in the account falls below \$1,000.00 any day of the monthly statement period.
- Fees for other services are listed separately in our Schedule of Service Charges.
- This account must be established for personal, family or household purposes.

#### Silver-Star Checking Account

- For customers age 62 and older, this is a basic checking account with no charges per check written and no monthly fee.
- This account does not earn interest.
- The minimum balance to open an account is \$100.00 or a recurring direct deposit must be established.
- There is no minimum balance required to maintain the account.
- Checks written on the account will not be included in the monthly statement.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
- Fees for other services are listed separately in our Schedule of Service Charges.
- This account must be established for personal, family or household purposes.

#### Non-Profit Organization Account

- A checking account with no charges per check written and no monthly fee for non-profit organizations.
- The interest rate and annual percentage yield ("APY") may change. At our discretion, we may change the interest rate on the account daily. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$300.00.
- There is no minimum balance required to maintain the account.
- You must maintain a minimum balance of \$500.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- The following tiers have been established for the Non-Profit Organization Checking Account:
 

\$0.00	– \$499.99
\$500.00	– \$4,999.99
\$5,000.00	or more
- If your daily balance falls within one of the stated tiers, the interest rate paid on the entire balance in your account will be the rate paid for that tier.
- Checks written on the account will not be included in the monthly statement.
- Interest is compounded monthly. Interest will be credited to the account on the day the monthly statement cycle ends.
- Interest begins to accrue no later than the day you deposit non-cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
- Fees for other services are listed separately in our Schedule of Service Charges.

#### Business Checking Account

- A checking account for businesses with a monthly fee and charge per check written.
- This account does not earn interest.
- The minimum balance to open an account is \$300.00.
- There is no minimum balance required to maintain the account.
- Checks written on the account will not be included in the monthly statement.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
  - \$7.50 – Monthly maintenance fee.
  - \$0.20 – Per check written.
- Fees for other services are listed separately in our Schedule of Service Charges.

#### Money Market Account

- This account has limited check writing privileges.
- The interest rate and annual percentage yield (APY) may change. At our discretion, we may change the interest rate on the account daily. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$2,500.00.
- There is no minimum balance required to maintain the account.
- You must maintain a daily minimum balance of \$2,500.00 to obtain the disclosed APY.
- We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- The following tiers have been established for the Money Market Account:
 

\$0.00	– \$999.99
\$1,000.00	– \$2,499.99
\$2,500.00	or more

- If your daily balance falls within one of the stated tiers, the interest rate paid on the entire balance in your account will be the rate paid for that tier.
- Additional deposits can be made at any time. Minimum amount for deposits is \$100.00.
- Interest is compounded monthly. Interest will be credited to the account on the day the monthly statement cycle ends.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- The minimum amount that you may withdraw or write a check for is \$500.00.
- Checks written on the account will not be included in the monthly statement.
- The following fees are applicable against your account:
  - Cost of checks – Cost for check printing varies depending on style and number of checks ordered.
  - \$10.00 – Monthly fee will be assessed if the balance in the account falls below \$2,500.00 any day of the monthly statement period.
  - \$15.00 – Each check presented not meeting the withdrawal minimum.
- Fees for other services are listed separately in our Schedule of Service Charges.

## **FUNDS AVAILABILITY SCHEDULE FOR CHECKING ACCOUNTS AND MONEY MARKET ACCOUNTS**

Under Federal law, financial institutions are required to set certain schedules for the availability of funds deposited in your Checking or Money Market Account. There is some flexibility built into the law and Liberty has chosen a schedule which affords a good balance of protection of your deposits and timely availability of your funds to you.

Liberty Bank will send a notice to you at least 30 calendar days prior to implementing a change to the Funds Availability Schedule, except for a change that expedites the availability of funds, which may be disclosed to you no later than 30 calendar days after the effective date. Our schedule provides for the availability of certain funds that you deposit in your account according to the schedules explained in this disclosure. Prior to availability, you may not withdraw the funds in cash, and we may not use the funds to pay checks that you have written.

### **Determining the Availability of a Deposit**

For determining the availability of your deposits, our business days are Monday through Friday. Saturday, Sunday and Federal Holidays are not included.

#### Check Deposits at a Branch

If you make a deposit to an employee at a branch, we will consider that day to be the day of your deposit.

#### Deposits at a Liberty Bank Night Depository

If you make a deposit at a Liberty Bank Night Depository, we will consider that the deposit was made on the next business day we are open.

#### Deposits through Liberty Bank Mobile Deposit Capture

If you make a deposit through Liberty Bank Mobile Deposit Capture prior to 4:00 PM (Central Time) on a business day, we will credit your account on the same business day after 8:00 PM (Central Time). If you make a deposit through Liberty Bank Mobile Deposit Capture at or after 4:00 PM (Central Time), we will credit your account on the following business day after 8:00 PM (Central Time).

#### Deposits at Automated Teller Machines

If you make a deposit before 2:00 PM (Central Time) at an (ATM), we will consider that day to be the day of your deposit. If you make a deposit at an ATM after 2:00 PM (Central Time) Monday through Friday or all day Saturday, Sunday, or on a Federal holiday, we will consider that the deposit was made on the next business day we are open.

Funds from any deposits (cash or checks) made at non-proprietary ATMs will be available on the fifth business day after the day of the deposit.

Proprietary ATMs are those owned and operated by Liberty Bank and are identified as such.

For deposits made at a proprietary ATM by Liberty Bank customers, the deposit is considered made subject to the cut-off times listed above and the funds are made available subject to the funds availability schedule detailed below based on the type of items deposited.

### **Same Day Availability**

Funds from the following deposits are available on the day of your deposit:

- Cash if you made your deposit in person to one of our employees.
- Wire transfers.
- Electronic credits.
- Checks drawn on Liberty Bank that are payable to you.

### **Next Day and Second Day Availability**

Funds from the following deposits are available on the first business day after the day of your deposit:

- The first \$5,525.00 of U.S. Treasury Checks that are payable to you.

Funds from the following deposits are available on the first business day after the day of your deposit (if you make your deposit in person to one of our employees) or on the second business day after the day of your deposit (if you do not make your deposit in person to one of our employees).

- State and local government checks that are payable to you.
- Cashier's Checks, Certified Checks, Traveler's Checks and Tellers Checks that are payable to you.
- Federal Reserve Bank Checks, Federal Home Loan Bank Checks, and U.S. Postal Money Orders that are payable to you.

The excess over \$5,525.00 from all check deposits will be available on the seventh business day of your deposit.

### **Local Check Deposits**

The delay for local checks is based on the following availability schedule.

The first \$225.00 from a deposit of local checks will be available on the first business day after the day of your deposit for cash withdrawals and to pay checks you may have written to others. The remainder generally will be available on the second business day after the day of your deposit.

For example, if you deposit a local check of \$700.00 on a Monday, \$225.00 of the deposit is available on Tuesday to pay checks to others and to withdraw in cash. The remaining \$475.00 is available on Wednesday for cash withdrawals and to pay checks you may have written to others.



**Longer Delays May Apply**

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You redeposit a check that has been returned unpaid.
- Repeated overdrafts
- There is an emergency, such as a failure of communications or computer equipment.

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

**Holds on Other Funds (Check Cashing)**

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

**Holds on Other Funds (Other Account)**

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

**Special Rules for New Accounts**

If you are a new customer, the following special rules will apply during the first 30 calendar days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit.

Funds from deposits of cash, wire transfers, and the first \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions.

For example, the checks must be payable to you. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525.00 will not be available until the second business day after the day of your deposit.

The excess over \$5,525.00 and funds from all other check deposits will be available on the ninth business day after the day of your deposit.

## **TRUTH-IN-SAVINGS ACCOUNT DISCLOSURE FOR SAVINGS ACCOUNTS AND CERTIFICATES OF DEPOSIT**

This Truth-in-Savings disclosure describes various features and terms of our Savings Accounts and Certificates of Deposit. Liberty Bank for Savings reserves the right to discontinue offering any of these products at any time.

The service charges listed herein, and in our separate Schedule of Service Charges, are subject to change. We shall give notice of any such changes by sending written or electronic notice to you at least 30 calendar days before the effective date if they adversely affect you.

The account you are opening is to be administered in accordance with the Account Agreement that consists collectively of the signature card, the Account Terms and Conditions, Rate Sheet, Schedule of Service Charges, other required disclosures and this disclosure.

The maximum amount of an initial deposit to any deposit account is \$100,000.00 for all new customers. A new customer is a consumer or entity that has no existing account relationship with Liberty Bank at the time of account opening.

The minimum age for a minor to establish a savings account varies and is based on the following criteria:

1. The age of the minor
2. The type of ownership for the account
3. The type of account to be opened
4. If applicable, the relationship of any adults who will also be owners on the account
5. Bank Policy regarding the type of ownership requested

You may contact one of our Personal Financial Service Representatives for specific information on the above criteria. While our representatives cannot offer legal or tax advice regarding account ownership, they can provide you with details regarding the above criteria.

**Regular Savings Account**

- A passbook savings account is a financial instrument that records all of your transactions in one convenient document.
- A statement savings account is a financial instrument that recaps all your transactions in a statement.
- The interest rates and annual percentage yields (APY) for the stated balance tiers may change. At our discretion, we may change the interest rates on the account daily. (See separate Rate Sheet for current rates.)
- The minimum balance to open an account is \$500.00.
- The minimum balance to maintain an account is \$150.00.
- You must maintain a daily minimum balance of \$500.00 to obtain the disclosed APY.
- The following tiers have been established for savings accounts:

\$0.00	– \$499.99
\$500.00	– \$4,999.99
\$5,000.00	– \$19,999.99
\$20,000.00	– \$49,999.99
\$50,000.00 or more	

- If your daily balance falls within one of the stated tiers, the interest rate paid on the entire balance in your account will be the rate paid for that tier.
- We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- Interest is compounded daily. Interest will be credited to the account quarterly on a passbook account. Interest will be credited to the account monthly on a statement savings account.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- Charges for various services are listed separately in our Schedule of Service Charges.

#### All Stars Youth Savings Account

- A passbook savings account for qualifying minors under the age of 18 with lower minimum balance requirements. Upon reaching the age of 18, a minor will no longer qualify for membership in the All Stars Youth Club and all terms and conditions of the respective account will revert to the status of a regular savings account.
- The interest rate and APY may change. At our discretion, we may change the interest rate on the account daily. (See separate Rate Sheet for current rate.)
- The minimum balance to open and maintain an account is \$10.00.
- You must maintain a daily minimum balance of \$10.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- Interest is compounded daily. Interest will be credited to the account quarterly.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- Charges for various services are listed separately in our Schedule of Service Charges.

#### Certificates of Deposit - Various Terms

- These accounts are designed to pay higher interest on investments of various terms.
- Certificates of Deposit are offered in various terms of 6 months (182 days), 1,1½, 2, 3, 4, or 5 years.
- The available interest rate and annual percentage yield (APY) for certificates of deposit may change. At our discretion, we may change the interest rate offered on new accounts daily.
- The rate that you receive on your certificate will be fixed for the initial term of the account. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$5,000.00.
- Additional deposits are not permitted into your account until the maturity date.
- You must maintain a daily minimum balance of \$5,000.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- Interest is compounded daily.
- Interest will be credited to the account on the maturity date on the 6-month certificate.
- Interest will be credited to the account quarterly on all terms longer than 6 months.
- You may elect to originate a monthly or quarterly transfer to another account. If you choose to originate a monthly or quarterly transfer, the account will not obtain the disclosed APY.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to date of withdrawal.
- If you withdraw any principal prior to the maturity date on a 6-month certificate, a penalty equal to 6 months interest, whether earned or not, will be assessed. The penalty for early withdrawal of principal from a certificate account with a term longer than 6 months will be equal to 12 months interest, whether earned or not. A withdrawal that reduces the account balance below the minimum balance requirement of \$5,000.00 will be considered as a closing of the account and the penalty will be calculated on the entire balance.
- The 6-month certificate account will mature 182 days after it is opened. All other certificates will mature upon completion of the term selected.
- These accounts shall renew automatically on the initial maturity date or on the maturity date of any renewal term. The rate at maturity will be the rate we are paying at that time for the term of your account. If you choose to, you may make additional deposits or withdraw funds without penalty on your maturity date, or within 7 calendar days thereafter.
- These accounts renew automatically unless withdrawn within 7 calendar days after maturity, or at least 15 days prior to any maturity date where the Bank gives written notice to the Accountholder that the account will not be renewed under the same terms and conditions. In such latter event, upon maturity the account will be renewed at such interest rate and such different term as set forth in said written notice or will be converted to a regular savings account and receive interest at the rate then paid on regular savings accounts. The interest rate, frequency of compounding and minimum balance requirements shall be at the rate and terms applicable to the type of account into which the account is renewed, at the time of renewal.
- Charges for various services are listed separately in our Schedule of Service Charges.

#### Retirement Certificates of Deposit of 1 and 1 ½ Year Terms

- This is a statement account owned by an individual, and only that person can withdraw funds. These accounts are considered individual retirement accounts and are subject to all relevant IRS Rules and Regulations. These accounts are also subject to the separate retirement agreements and disclosures provided to you when you opened the account.
- These accounts are designed to pay higher interest on investments of longer terms.
- The available interest rate and Annual Percentage Yield for these certificates may change. At our discretion, we may change the interest rate offered on new accounts daily.
- The rate that you receive on your certificate will be fixed for the initial term of the account. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$500.00.
- Additional deposits of \$50.00 or more can be made to the account at any time. Deposits do not extend the term of the account.
- You must maintain a daily minimum balance of \$500.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

- Interest is compounded daily. Interest will be credited to the account quarterly. If you withdraw any interest, the account will not obtain the disclosed APY.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- If you withdraw any principal prior to the maturity dates a penalty equal to 12 months interest, whether earned or not, will be assessed. A withdrawal that reduces the account balance below the minimum balance requirement of \$500.00 will be considered as a closing of the account and the penalty will be calculated on the entire balance. Under certain circumstances, the penalty may be waived when you reach age 59½. (Please refer to separate IRA Disclosure Statement and Rules of Class for details.)
- These accounts will mature upon completion of the term selected.
- These accounts shall renew automatically on the initial maturity date or on the maturity date of any renewal term. The rate at maturity will be the rate we are paying at that time for the term of your account. If you choose to, you may make additional deposits or withdraw funds without penalty on your maturity date, or within 7 calendar days thereafter.
- These accounts renew automatically unless withdrawn within 7 calendar days after maturity, or at least 15 days prior to any maturity date where the Bank gives written notice to the accountholder that the account will not be renewed under the same terms and conditions. In such latter event, upon maturity the account will be renewed at such interest rate and such different term as set forth in said written notice, or will be converted to a regular savings account and receive interest at the rate then paid on regular savings accounts. The interest rate, frequency of compounding and minimum balance requirements shall be at the rate and terms applicable to the type of account into which the account is renewed, at the time of renewal.
- Charges for various services are listed separately in our Schedule of Service Charges.

#### Retirement Certificates of Deposit of 3, 5 and 7 Year Terms

- This is a statement account owned by an individual, and only that person can withdraw funds. These accounts are considered individual retirement accounts and are subject to all relevant IRS Rules and Regulations. These accounts are also subject to the separate retirement agreements and disclosures provided to you when you opened the account.
- These accounts are designed to pay higher interest on investments of longer terms.
- The available interest rate and Annual Percentage Yield for these certificates of deposit may change. At our discretion, we may change the interest rate offered on new accounts daily.
- The rate that you receive on your certificate will be fixed for the initial term of the account. (See separate Rate Sheet for current rate.)
- The minimum balance to open an account is \$500.00.
- Additional deposits are not permitted into your account until the maturity date.
- You must maintain a daily minimum balance of \$500.00 to obtain the disclosed APY. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- Interest is compounded daily. Interest will be credited to the account quarterly. If you withdraw any interest, the account will not obtain the disclosed APY.
- Interest begins to accrue no later than the day you deposit non- cash items (for example, checks). Interest is earned from day of deposit to day of withdrawal.
- If you withdraw any principal prior to the maturity date a penalty equal to 12 months interest, whether earned or not, will be assessed. A withdrawal that reduces the account balance below the minimum balance requirement of \$500.00 will be considered as a closing of the account and the penalty will be calculated on the entire balance. Under certain circumstances, the penalty may be waived when you reach age 59½. (Please refer to separate IRA Disclosure Statement and Rules of Class for details.)
- These accounts will mature upon completion of the term selected.
- These accounts shall renew automatically on the initial maturity date or on the maturity date of any renewal term. The rate at maturity will be the rate we are paying at that time for the term of your account. If you choose to, you may make additional deposits or withdraw funds without penalty on your maturity date, or within 7 calendar days thereafter.
- These accounts renew automatically unless withdrawn within 7 calendar days after maturity, or at least 15 days prior to any maturity date the Bank gives written notice to the Accountholder that the account will not be renewed under the same terms and conditions. In such latter event, upon maturity the account will be renewed at such interest rate and such different term as set forth in said written notice or will be converted to a regular savings account and receive interest at the rate then paid on regular savings accounts. The interest rate, frequency of compounding and minimum balance requirements shall be at the rate and terms applicable to the type of account into which the account is renewed, at the time of renewal.
- Charges for various services are listed separately in our Schedule of Service Charges.

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