

# Terms & Conditions of Your Account

**AGREEMENT:** This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. By signing the signature card or opening or continuing to have your account with Allied First Bank, you agree to be bound by these rules. This agreement is subject to applicable federal laws and the laws of the state of Illinois (except to the extent that this agreement can and does vary such rules or laws). The purpose of this document is to (1) summarize some laws that apply to common transactions; (2) establish rules to cover transactions or events which the law does not regulate; (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and (4) give you disclosure of some of the bank's policies to which you may be entitled or in which you may be interested. If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from the standard agreement, but must agree to any such variation in writing. As used in this document the words "we," "our," and "us" refer to Allied First Bank and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account.

**LIABILITY:** You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement. Each of you also agrees to be jointly and severally liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit, including, to the extent permitted by law, any reasonable attorneys' fees.

**DEPOSITS:** We will give only provisional credit until collection is final for any items, other than cash, that we accept for deposit (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day that we are open, or received on a day that we are not open for business, as if initiated on the next business day that we are open.

**WITHDRAWALS:** Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs the signature card may withdraw or transfer all or any part of the account balance at any time. Each of you (unless we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Though we may honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by use (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor a withdrawal request that overdraws the available account balance does not obligate us to do so later. We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by

Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION:** These rules apply to any account opened, depending on the form of ownership and beneficiary designation, if any, indicated on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**INDIVIDUAL ACCOUNTS:** An account in the name of one person.

**JOINT ACCOUNT - WITH SURVIVORSHIP (Not as Tenants in Common):** An account in the name of two or more persons. Each of you intend that when you die, the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

**JOINT OWNER - NO SURVIVORSHIP (Tenants in Common):** Owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the number of signatures necessary for withdrawal.

**REVOCABLE TRUST / PAY-ON-DEATH ACCOUNT:** If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating either of these account types may: (1) change beneficiaries; (2) change account types; and (3) withdraw all or part of the account funds at any time.

**STOP PAYMENTS:** Unless otherwise provided, the rules in this section cover stopping payments of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law, and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. When you place your stop-payment order you must provide us with complete information regarding the item. If your information is inaccurate, the stop-payment order may be ineffective and we will not be responsible for failure to comply with your request. You may stop payment on any item drawn on your account whether you sign the item or not, providing that you have an equal or greater right to withdraw from this account than the person who signed the item. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order may lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop-payment order was verbal your stop payment order may lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

**TRANSFER LIMITATIONS:** For savings and money market accounts you may make up to six transfers or withdrawals by means of a preauthorized, automatic, or telephonic transfer to another account of yours or to a third party during any calendar month (or statement cycle of at least four weeks). Of these six, you may make no more than three transfers to a third party by check, debit card, or similar order. A preauthorized transfer includes any arrangement with us to pay a third party from your account at (1) a predetermined time; (2) on a fixed schedule or (3) upon oral or written orders including orders received through the automated clearing house (ACH). If the transfer or withdrawal is initiated in person, by mail, or at an ATM then there is no limit on the number of payments that may be made directly to you, directly to us for amounts you owe us, or transfers to other accounts you have with us. Withdrawals by phone are also unlimited if you are requesting that a check be mailed to you.

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**AMENDMENTS AND TERMINATION:** We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. We may close this account at any time upon reasonable notice to you and tender the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close the account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends upon surrounding circumstances, and in some cases it may be reasonable for us to give you notice after the change or account closure becomes effective. You agree to keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

**STATEMENTS:** You have some responsibilities in connection with your statement. If you should discover any unauthorized alterations or activity on your account statement, you must promptly notify us of the relevant facts. As between you and us, if you fail to notify us of any such inaccuracies, you must bear the loss entirely yourself or share the loss with us (depending upon whether we used ordinary care or substantially contributed to the loss). The loss you may bear, in whole or in part, could be not only with respect to items on the statement, but also other items with unauthorized signatures or alterations. You agree that the time you have to examine your statement and report to us will depend upon the circumstances, but you will not, in any circumstance, have a total of more than 30 days from when we first send or make the statement available to you. You further agree that if you fail to report any unauthorized activity or errors in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we exercised ordinary care. You should contact us if you do not receive your regular statement.

**ACCOUNT TRANSFER:** This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS:** If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**SETOFF:** We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note. This right of setoff does not apply to this account if: (1) it is an IRA or other tax-deferred retirement account, or (2) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (3) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

**RESTRICTIVE LEGENDS:** The automated processing of the large volume of checks we receive prevents us from inspecting or looking for special instructions or "restrictive legends" on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

**STALE-DATED CHECKS:** We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check.

**FDIC INSURANCE:** Funds in your account(s) with us are insured by the Federal Deposit Insurance Corporation (FDIC) and backed by the full faith and credit of the United States government. The amount of insurance coverage you have depends upon the number of accounts you have with us and the ownership of those accounts. If you want additional information, you may ask us or contact the local office of the FDIC.

**BACKUP WITHHOLDING/TIN CERTIFICATION:** Federal tax law requires us to report interest payments we make to you of \$10 or more in a year, and to include your taxpayer identification number (TIN) on the report (the taxpayer identification number is your social security number if you are an individual). Interest includes dividends, interest, and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. In some circumstances, federal law requires us to withhold and pay to the IRS 31% of the interest that is earned on funds in your accounts. This is known as backup withholding. We will not have to withhold interest payments when you open your account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. (There are special rules if you do not have a TIN but have applied for one, if you are a foreign person, or if you are exempt from the reporting requirements.) We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income.

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

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT:** If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**EARLY WITHDRAWAL PENALTIES / INVOLUNTARY WITHDRAWALS:** We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal.

**ADDRESS AND NAME CHANGES:** You are responsible for notifying us of any change in your address or name. Unless we agree otherwise, changes of address or name must be made in writing by one of the authorized account holders.

**TELEPHONE MONITORING:** We may monitor or record phone calls for security reasons and to ensure that you receive courteous and efficient service. You consent in advance to any such recording.