

## **TERMS AND CONDITIONS**

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This document contains the rules and regulations that control your deposit accounts at Community State Bank. Everyone who signs the signature card, opens or continues to have an account with CSB agrees that the Deposit Account Agreement, Electronic Funds Transfer Agreement, Funds Availability Schedule and all applicable state and federal regulations govern such accounts. These instruments, along with the Signature Card Agreement and terms described in various Certificate documents and attachments for each account, shall be binding on the depositor. By signing the signature card or continuing to use your account with us, you agree to these terms and conditions. Please read this carefully. If you have any questions please contact us.

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 regulations). 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 event which the law regulates but permits variation by agreement, and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested

If any provision of this agreement is found to be unenforceable according to its terms, all remaining provisions will continue to be in effect. We may permit variations from our standard agreement but we must agree to any variations in writing either on the signature card for your account or in some other document.

## **AGREEMENT**

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You agree, for yourself (and the person or entity you represent if you sign as a representative for another) to the terms of this account and the schedule of charges. You authorized 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 (individually) 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, our reasonable attorneys' fees.

## **FACTS ABOUT OUR VARIABLE CSB INTEREST BEARING ACCOUNTS**

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- Your interest rate and annual percentage yield may change at any time. At our discretion, we may change the interest rate on your account.
- Interest begins to accrue on the business day that you deposit items.
- We use the Current Available Balance Method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- Interest is calculated on a 365/365-day basis.
- Please refer to our rate sheet for the current interest rate and Annual Percentage Yield (APY).

## **MONEY MARKET ACCOUNTS**

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- You must deposit \$2,500.00 to open this account.
- Interest will be compounded every month. Interest will be credited to your account every month.

- Interest begins to accrue on the business day that you deposit items.
- There are no monthly service charges when you maintain an average current available monthly balance of \$2,500.00.
- If your average current available balance falls below \$2,500.00 during the monthly statement cycle, a \$10.00 Money Market service charge will be imposed.
- The average current available balance is calculated using the daily balance divided by the number of days in the statement cycle.
- Transfers or withdrawals from a Money Market account are limited to six per statement cycle.
- The first six withdrawals per month are free. There is a \$10.00 excessive withdrawal fee charge for each additional withdrawal.
- If you close your account before interest is credited, you will not receive the accrued interest.
- There is a \$10.00 charge for closing an account opened less than 90 days.

#### **REGULAR CHECKING**

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- You must deposit \$200.00 to open this account unless you are a minor under the age of 18 in which case the initial deposit may be waived.
- There are no monthly maintenance fees.
- You must maintain a minimum balance of \$1 to keep the account open.
- Your account activity is listed on your monthly statement.
- ATM cards or Debit Card cards are available to qualified customers.
- There is a \$10.00 charge for closing an account opened less than 90 days.

#### **NOW ACCOUNT**

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- You must deposit \$1,000.00 to open this account.
- Interest will be compounded every month. Interest will be credited to your account every month.
- Interest begins to accrue on the business day that you deposit items.
- There are no monthly service charges when you maintain an average current available monthly balance of \$1,000.00.
- If your average current available balance falls below \$500.00 for the monthly statement cycle we will impose a Now account service charge fee of \$5.00 for that monthly statement cycle.
- If your average current available balance is at least \$500.00 but falls below \$1,000.00 for the monthly statement cycle we will impose a Now account service charge fee of \$3.00 for that monthly statement cycle.

- The average current available balance is calculated using the daily balance divided by the number of days in the statement cycle.
- If you close your account before interest is credited, you will not receive the accrued interest.
- There is a \$10.00 charge for closing an account opened less than 90 days.

#### **CHRISTMAS CLUB ACCOUNT**

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- The minimum account you may have is \$10.00 per week.
- There is no service charge for this account.
- There is no limit on weekly deposits but you cannot make more than 49 payments.
- If any withdrawal is made from this account before November 1<sup>st</sup> then this account may be closed. A \$10.00 fee will be imposed for closed accounts.
- If you make 49 timely deposits of the same amount to this account, then we will make the 50<sup>th</sup> deposit of that amount for you. (You choose the amount of the deposit, within any limits we may set.)
- Christmas Club accounts cannot be opened after December 31.

#### **CASH MANAGEMENT ACCOUNT ORGANIZATION**

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We have organized Cash Management Accounts in a nontraditional way. The Cash Management account consists of two subaccounts. One subaccount will not be directly accessible by you, but you agree that we may automatically, without a specific request from you, initiate individual transfers of funds between subaccounts from time to time at no cost to you. We will automatically transfer funds so you can use this account just like a regular checking account. This organization makes us more efficient and helps keep costs down.

- You must deposit \$5,000.00 to open this account.
- Anything over \$5,000.00 will be swept into the subaccount.
- Interest rate is based on the overnight Federal Funds bid rate minus a margin of 3.00%, 2.00%, or 1.00%, depending on your daily collected balance. These balances are detailed in the “Your Account” section at the end of this booklet. The Federal Funds bid rate can be found in The Wall Street Journal in the “Borrowing Benchmarks – Money Rates” section.
- Interest will be compounded every month. Interest will be credited to your account every month.
- If you close your account before interest is credited, you will not receive the accrued interest.
- Interest begins to accrue on the business day that you deposit items.
- There is a \$10.00 charge for closing an account opened less than 90 days.

#### **BUSINESS/PUBLIC FUNDS CASH MANAGEMENT**

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We have organized our Business/Public Funds Cash Management account in a nontraditional way. The Business/Public Funds Cash Management account consists of two subaccounts. One subaccount will not be directly

accessible by you, but you agree that we may automatically, without a specific request from you, initiate individual transfers of funds between subaccounts from time to time at no cost to you. We will automatically transfer funds so you can use this account just like a regular checking account. This organization makes us more efficient and helps keep costs down.

- The following monthly service charges apply as follows: Business Cash Management \$25.  
Public Funds Cash Management \$25.
- A minimum deposit of \$20,000.00 is required to open this account.
- The initial target and sweep balance will be determined by the bank at the time of account opening and the bank reserves the right to change this target and sweep balance at any time based on the amount of activity in your transactional subaccount. You will be notified of any change in the target and sweep balance before the change takes place.
- All balances over this target and sweep balance will be swept to the interest-bearing subaccount.
- The interest paid on the interest-bearing subaccount is based on the overnight Federal Funds bid rate minus a margin of 1.00%. The Federal Funds bid rate can be found in *The Wall Street Journal* in the "Borrowing Benchmarks-Money Rates" section.
- Interest will be compounded every month. Interest will be credited to your account every month.
- If you close your account before interest is credited, you will not receive the accrued interest.
- Interest begins to accrue on the business day that you deposit items.
- There is a \$10.00 charge for closing an account opened less than 90 days.

## **SAVINGS ACCOUNT**

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- You must deposit \$50.00 to open this account unless you are a minor under the age of 18 in which case the initial deposit may be waived.
- Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time.
- If a \$50 balance is not maintained we reserve the right to close the account, unless you are under the age of 18.
- Interest will be compounded every month. Interest will be credited to your account every month.
- You are limited to six (6) free withdrawals per month in person. There is a \$2 charge for each additional withdrawals made in person. If you exceed six withdrawals by telephone transfers, Internet banking transfers, ACH withdrawals, or overdraft protection during three months of any twelve-month period, your account may be changed to a checking account or closed.
- Interest begins to accrue on the business day that you deposit items.
- If you close your account before interest is credited, you will not receive the accrued interest.
- There is a \$10.00 charge for closing an account opened less than 90 days.
- Accounts closed cannot be re-opened for 90 days.

- ❑ Please examine your statement and report any discrepancies to us. If no report is made within sixty (60) days, we will assume the stated balance is correct and release us of any liability.

### **CERTIFICATES OF DEPOSIT**

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- ❑ Certificates of Deposit can be purchased for various terms with a fixed rate of interest for that term.
- ❑ You must deposit \$500.00 to open this account.
- ❑ 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 begins to accrue on the business day that you deposit items.
- ❑ You may not make deposits into the account.
- ❑ The annual percentage yield (APY) assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.
- ❑ A penalty may be imposed for withdrawals before maturity. If your account has an original maturity of one year or less, the fee we may impose will equal one month's interest on the amount withdrawn subject to penalty. If your account has an original maturity of more than one year, the fee we may impose will equal three months interest on the amount withdrawn subject to penalty.
- ❑ In certain circumstances, such as the death or incompetence of an owner of this account, the law permits, or in some cases requires the waiver of the early withdrawal penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.
- ❑ An automatically renewable time account will renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity or within any grace period mentioned below. Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time deposits on the maturity date that have the same term, minimum balance (if any) and other features as the original time deposit.
- ❑ You will have ten calendar days after maturity to withdraw the funds without a penalty.
- ❑ A non-automatically renewable time account will not automatically renew at maturity. If you do not renew the account, interest will not accrue after maturity.

### **OPENING NEW ACCOUNTS**

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**For your protection, accounts are not opened by mail, fax, Internet, or telephone. Proper identification is required before an account is opened (i.e. driver's license, social security card, etc.)**

### **FUNDS AVAILABILITY SCHEDULE**

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Our policy is to make funds from your cash and check deposits available to you on the next business day after we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before the cutoff time on a business day, we will consider that day to be the day of

your deposit. However, if you make a deposit after the cutoff time or on a day we are not open, 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 automated teller machines (ATMs) we do not own or operate will not be available until the second business day after the day of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

<b>OFFICE</b>	<b>CUTOFF TIMES</b>
GALVA	M-T-W-F 2:30 p.m. TH 11:00 a.m.
GALVA DOWNTOWN	M-T-W-F 2:00 p.m. TH 11:00 a.m.
KEWANEE TENNEY	M-T-W-F 2:00 p.m. TH 11:00 a.m.
KEWANEE MAIN ST	M-T-W-F 2:00 p.m. TH 11:00 a.m.
NEPONSET	M-T-W-F 2:00 p.m. TH 10:30 a.m.

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 is 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.

We may make funds available from the deposit of a check drawn on another bank at the time it is deposited but reserve the right to delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. We may make those funds unavailable for withdrawal for the time periods that are described elsewhere in this disclosure for the type of check you deposited.

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. See your notice of penalty for early withdrawal.

**LONGER DELAYS MAY APPLY**

In some cases, we may not make all the funds that you deposit by check available to you on the same business day we receive your deposit. Depending on certain situations and the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$200.00 of your deposit may be available on the same day. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you when you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you

have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, 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 deposit checks totaling more than \$5,000.00 on any one day.
- ◆ You have overdrawn your account repeatedly in the last six months.
- ◆ A redeposited check that has been returned unpaid.
- ◆ There is an emergency, such as 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.

**The Bank may at any time refuse to accept a check for deposit, refuse to cash any check, charge back an account based on a returned check or notice of nonpayment, or claim a refund for any credit provided to an account.**

#### **NEW ACCOUNT EXCEPTION HOLDS**

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If you are a new customer, the following special rules will apply during the first 30 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 \$5,000.00 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 check must be payable to you. The excess over \$5,000.00 will be available on the ninth business day after the day of your deposit. 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 \$5,000.00 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available within 30 business days after the day of your deposit.

#### **ELECTRONIC FUNDS TRANSFER AGREEMENT**

##### **IMPORTANT INFORMATION FOR USERS OF ELECTRONIC FUNDS TRANSFERS**

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Federal Law requires that financial institutions that provide Automatic Teller Machines (ATMs) and Electronic Funds Transfers (EFT) services publish specific information with regard to these services. The procedures disclosed in this document cover both the Customer's rights and the Bank's rights, as they are associated with EFT services. An Electronic Funds Transfer is any transfer of funds that is initiated through an electronic terminal by electronic means. These transfers authorize or instruct the bank to debit or credit an account. Electronic Funds Transfers include transactions made with the Community State Bank (CSB) ATM card, Debit card, Direct Deposit of Social Security or other government payments, and preauthorized debits or credits to or from third parties-such as

automatic payments to an insurance company or automatic payroll deposits from an employer. By applying for an Electronic Funds Transfer you agree to be bound by the terms of the following agreement.

## **TYPES OF TRANSACTIONS**

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1. You may use your CSB ATM Card or Debit Card to:
  - a) Withdraw cash from your checking or savings account.
  - b) Make deposits to your checking or savings account.
  - c) Transfer funds between your checking and savings accounts.
  - d) Obtain balance information about your checking or savings accounts or,
  - e) Authorize point of sale (POS) purchases.

Mastercard charges us a Currency Conversion fee of .2% of the dollar amount on all cross border transactions- i.e. transactions processed through the “Global Clearing Management System” or “MasterCard Debit Switch”, when the country of the merchant or machine is different than your country, as a cardholder.

**ATM:** Some of these services may not be available at all terminals or to all customers. There is a \$1.00 ATM off premise fee per transaction at ATMs we do not own or operate. There may also be a fee from the owner of the off premise ATM. **You may withdraw no more than \$200.00 per 24-hour period.** Security limitations may require us to impose other restrictions on the number and amounts transferred through terminals.

**DEBIT:** You may access your checking account(s) to purchase goods (in person or by phone), get cash from a merchant (if the merchant permits), or from a participating financial institution. **You may not exceed \$500.00 in transactions per day.** Except as indicated elsewhere, we do not charge for these electronic fund transfers.

## **2. INTERNET BANKING**

You may access your accounts with Internet Banking by using your customer ID and personal identification number (PIN) to:

- a. Obtain information on your accounts.
- b. Transfer funds between accounts.

## **3. TELEPHONE BANKING**

You may access your accounts with Telephone Banking by using your customer ID and personal identification number (PIN) to:

- a. Obtain the balance on your accounts.
- b. Obtain transaction history for last 45 days
- c. Transfer funds between accounts.
- d. Make loan payments.



#### **4. ELECTRONIC FUND TRANSFERS INITIATED BY THIRD PARTIES**

You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearinghouse (ACH) or other payments network. We will also process electronic check conversions if you provide a check to enable a merchant or other payee to capture the routing, account and serial number to initiate the transfer. Your authorization to the third party to make these transfers can occur in a number of ways. In some cases, your authorization can occur when the merchant posts a sign informing you of their policy. In all cases, the transaction will require you to provide the third party with your account number and financial institution information. This information can typically be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. ECK transactions are a type of transfer on a consumer account that may occur. You may authorize a merchant or other payee to make a one time electronic payment from your checking account using information from your check to: Pay for purchases or pay bills

#### **5. DOCUMENTATION**

- ◆ You will receive a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals.
- ◆ If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (309) 932-8181 or access your account by telephone at (877) 932-9933 to find out if the deposit has been made.
- ◆ You will get a monthly account statement from us for your checking or money market accounts. You will also receive a monthly account statement for your savings account unless there are no transfers in a particular month. In any case you will receive a statement at least quarterly.
- ◆ If you bring in your Passbook, we will record any electronic deposits that were made to your account since the last time you brought in your Passbook.

#### **6. DEPOSITS**

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). 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 we are open, or received on any day we are open for business, as if initiated on the next following business day that we are open.

#### **7. WITHDRAWALS**

Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the signature card may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to indorse 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. Even if we 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

us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

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. See your notice of penalty for early withdrawal.

## **8. BUSINESS ACCOUNTS**

Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the legal entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the legal entity.

## **9. TELEPHONE TRANSFERS**

A telephone transfer of funds from one account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

## **10. STATEMENTS**

You will receive a monthly statement listing all the transactions that occurred in your Checking and/or Savings account including deposits that were made and the checks that were written. Please examine this statement as soon as you get it. If you discover any unauthorized signatures or alterations, notify us as soon as possible. You agree that if you do not examine your statement and notify us of any discrepancies within a reasonable time period, you will have to share the loss with us, or bear the loss entirely yourself. You will have a maximum of 60 days from when the statement was first sent or made available to you to report your concerns. If you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your statement within 60 days, you will not be able to assert a claim against us on any item in the statement. Any loss that is incurred will be entirely yours.

## **11. 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.

## **12. SETOFF**

We may (without prior notice and when permitted by law) set off the funds in any 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 at the due date for which we properly accelerate under the note.

This right of setoff does not apply to the account if: (a) it is an IRA or other tax-deferred retirement account, or (b) 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 (c) 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 the exercise of our right of setoff.

### **13. RESTRICTIVE LEGENDS**

We are not required to honor any restrictive legend on checks that you write unless we have agreed to the restriction in writing. (For example: “must be presented within 90 days” or “not valid for more than \$1,000.00.”)

### **14. ACH AND WIRE TRANSFERS**

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

### **15. PREAUTHORIZED PAYMENTS**

- ◆ **Stop Payments:** You have the right to stop any electronic payments that you have preauthorized CSB to pay out of your account. You must contact the Bank, either in writing or by telephone so that we receive your request 3 business days or more before the payment 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 days after you call. Stop payment requests should be directed to the Bookkeeping Department. If you wish additional payments stopped, you should contact the party debiting your account. **Our Liability:** If you order us to stop one of these payments 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.
- ◆ **Notice of varying amounts:** If these scheduled payments vary in amount, the person you are going to pay will notify you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

### **16. LIABILITY**

Tell us AT ONCE if you believe your ATM card, Debit card, or Personal Identification Number (PIN) 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. Prompt notification will keep your losses at a minimum. If you do NOT notify us within 2 business days after you learned of the loss or theft and we can prove we could have stopped someone from using your card and/or code 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 card, code or other means, tell us IMMEDIATELY. 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 if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

**If you believe your ATM card, Debit Card, or Personal Identification Number (PIN) has been lost or stolen, call us at 309-932-8181 or SHAZAM at 1-800-383-8000 or write to Community State Bank, attn: Bookkeeping Dept., PO Box 78, Galva, IL 61434.**

**You should also call 309-932-8181 or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.**

You will not be held responsible for any unauthorized use of your card if the following conditions set forth below have been met:

1. you report the loss or theft of your card within 24 hours of discovering it lost or stolen; and
2. you can demonstrate that you have exercised reasonable care in safeguarding your card from risk of loss or theft; and
3. you have not reported two or more incidents of unauthorized use to us within the preceding 12 months; and
4. your account is in good standing.

“Unauthorized use,” means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. Remember to report your card lost or stolen or any unauthorized transactions immediately. This will help prevent unauthorized access to your account and minimize any inconvenience.

## **17. OUR LIABILITY**

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we are liable for losses and damages. However, there are some exceptions. We will not be liable, for instance:

- a) If through no fault of ours, you do not have enough money in your account to make the transfer.
- b) If the ATM where you are making the transfer does not have enough cash.
- c) If the funds are subject to legal or other official restrictions preventing the transfer.
- d) If the ATM was not working properly and you knew about the breakdown when you started the transfer.
- e) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.

## **18. ACCOUNT INFORMATION DISCLOSURE**

We will disclose information to third parties about your account or transfers you make:

- a) where it is necessary for completing transfers; or

- b) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- c) in order to comply with government agency or court orders; or
- d) if you give us written permission.

## **19. ERROR RESOLUTION NOTICE**

If an error or questions about your electronic transfers arise, notify the Bank either by calling us at 309-932-8181 or writing to us at the address listed in this brochure. To be valid, the notice must be received within 60 days after the first statement on which the alleged error appeared. If you tell us orally, we may request that you put your complaint or question in writing. The notice should include your name and the account number (if any), a description of the error or transfer you are unsure about and the reason why you believe there is an error in the account or statement, and the dollar amount of the suspected error.

An error is any one of the following:

- a) An unauthorized transfer
- b) An incorrect transfer to or from an account
- c) The omission of a transfer that should have been included in a periodic statement
- d) A computational or bookkeeping error relating to a transfer
- e) Receipt of an incorrect amount of money from an electronic terminal
- f) A transfer that is not properly identified
- g) A request for information required by Regulation E or for additional information or clarification so that a customer can determine whether an error was made.

We must investigate the transaction and advise you of the outcome and its determination or provisionally recredit your account in the amount of the error (with interest, if applicable) within 10 business days of receipt of a valid notice of error. In the latter case, for disputed ATM transactions we must notify you of the recredit within two business days and give you use of the funds during the investigation, which must, in this event, be completed within 45 days after receiving the notice. For disputes regarding ATM transactions occurring outside the United States and point of sale transactions, the investigation must be completed within 90 calendar days after receiving the notice. The time frames may be extended to 20 days for resolution or provisional recredit and to 90 days for final resolution for disputes alleged within the first 30 days after the first deposit to the account was made.

If we find that an error occurred, we will correct the error within one day of the determination and promptly notify you of the correction. If we find that no error was made, we will send you a written explanation within three business days. At your request, we will provide copies of the documents that we used in our investigation. If the account was provisionally recredited, we may debit it only after delivering notice of the amount and date of the debit to you. We will honor checks, drafts, and preauthorized transfers to third parties that would otherwise overdraw the account up to the amount of the debit for a period of five business days without charge.

If we investigate an alleged error, find no error, and you reassert it, we will not be required to investigate it again.

## 20. AMENDMENTS AND TERMINATION

We may amend this agreement at any time. Rules governing changes in interest rates are provided separately. For other changes, we will give you reasonable notice in writing or by any other method permitted by law.

## 21. CARD USAGE

You may terminate this agreement by notifying us in writing and returning your card with this notice. We may also terminate the use of your card at any time for any reason; in this case, the card must be returned for cancellation and you must terminate use of the card. We may terminate the use of your card by telephone or in writing. If there is more than one cardholder, each is jointly and severally liable for all transactions initiated by use of the card. By using the card, you agree not to make your PIN and card available to another party and the PIN will not be recorded on the card.

## BUSINESS DAYS

Business days are Monday thru Friday excluding federal holidays.

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## YOUR ACCOUNT

These are the accounts you have opened or inquired about. Further details about these accounts are inside this brochure. If the figures are not filled in, please see the insert that is with this disclosure or your periodic statement.

- Regular Checking Account
- Christmas Club Account
- NOW Account

### Rate Information:

- **Tier 1** - If your daily collected balance is \$2,499.99 or less, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** - If your daily collected balance is more than \$2,499.99, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

- Passbook Savings Account**

### Rate Information:

- **Tier 1** – If your daily collected balance is more than \$10,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** - If your daily collected balance is more than \$2,500.00, but less than or equal to \$10,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** – If your daily collected balance is \$2,500.00 or less, the interest rate paid on the entire balance will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%

- Cash Management Account**

*The benchmark rate mentioned below is the Fed Funds bid rate that can be found in the "Borrowing Benchmarks-Money Rates" section of the Wall Street Journal.*

**Rate Information:**

- **Tier 1** – If your daily collected balance is more than \$100,000.00, the interest rate paid on the entire balance in your account will be 1.00% less than the current benchmark rate of \_\_\_\_\_%, currently \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** – If your daily collected balance is more than \$50,000.00, but less than or equal to \$100,000.00, the interest rate paid on the entire balance in your account will be 2.00% less than the current benchmark rate of \_\_\_\_\_%, currently \_\_\_\_\_%, with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** – If your daily collected balance is \$50,000.00 or less, the interest rate paid on the entire balance will be 3.00% less than the current benchmark rate of \_\_\_\_\_%, currently \_\_\_\_\_%, with an annual percentage yield of \_\_\_\_\_%.

**Business/Public Funds Cash Management**

- **\$25 Monthly Maintenance Fee**

*The Fed Funds bid rate can be found in the "Borrowing Benchmarks-Money Rates" section of The Wall Street Journal.*

**Rate Information:**

- The interest rate paid on the entire balance in the interest-bearing subaccount will be 1.00% less than the overnight Federal Funds bid rate of \_\_\_\_\_%, currently \_\_\_\_\_%, with an annual percentage yield of \_\_\_\_\_%.

**Money Market Account**

**Rate Information:**

- **Tier 1** – If your daily collected balance is \$24,999.99 or less, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with any annual percentage yield of \_\_\_\_\_%.
- **Tier 2** – If your daily collected balance is more than \$24,999.99, but less than \$100,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** – If your daily collected balance is more than \$99,999.99, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

**BUSINESS HOURS**

**GALVA OFFICE**

<u>Lobby</u>		<u>Drive up</u>
Monday	8:00 to 4:00	8:00 to 5:00
Tuesday	8:00 to 4:00	8:00 to 5:00
Wednesday	8:00 to 4:00	8:00 to 5:00
Thursday	8:00 to 12:00	8:00 to 5:00
Friday	8:00 to 5:00	8:00 to 6:00
Saturday	8:00 to 12:00	8:00 to 1:00

**GALVA DOWNTOWN**

<u>Lobby</u>		<u>Drive up</u>
Monday	9:00 to 3:00	8:00 to 4:00
Tuesday	9:00 to 3:00	8:00 to 4:00
Wednesday	9:00 to 3:00	8:00 to 4:00
Thursday	9:00 to 12:00	8:00 to 12:00
Friday	9:00 to 4:00	8:00 to 4:00
Saturday	Closed	Closed

**KEWANEE TENNEY STREET OFFICE**

<u>Lobby</u>		<u>Drive up</u>
Monday	9:00 to 4:00	8:00 to 5:00
Tuesday	9:00 to 4:00	8:00 to 5:00
Wednesday	9:00 to 4:00	8:00 to 5:00
Thursday	9:00 to 12:00	8:00 to 5:00
Friday	9:00 to 5:00	8:00 to 6:00
Saturday	9:00 to 12:00	8:00 to 12:00

**KEWANEE MAIN STREET OFFICE**

<u>Lobby</u>		<u>Drive up</u>
Monday	9:00 to 4:00	8:00 to 5:00
Tuesday	9:00 to 4:00	8:00 to 5:00
Wednesday	9:00 to 4:00	8:00 to 5:00
Thursday	9:00 to 12:00	8:00 to 5:00
Friday	9:00 to 5:00	8:00 to 6:00
Saturday	9:00 to 12:00	8:00 to 12:00

**NEPONSET OFFICE**

<u>Lobby</u>	
Monday	8:00 to 3:00
Tuesday	8:00 to 3:00
Wednesday	8:00 to 3:00
Thursday	8:00 to 12:00
Friday	8:00 to 5:00
Saturday	8:00 to 12:00



## CHARGES AND FEES

**The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account.**

Automatic Transfers	\$5.00
Check Printing (fee depends on style of check ordered)	
Captured Debit Card Fee	\$15.00
ATM Card replacement	\$5.00
Debit Card replacement	\$10.00
Money Order	\$2.00
Cashier's Checks	\$4.00
Deposited checks (and other items) returned unpaid	\$7.00
A regular checking account is inactive if for 30 days you have made no deposits or withdrawals to the account.	
Inactive Account Fee	\$2.00 per month
A regular checking account is dormant if for 180 days you have made no deposits or withdrawals to the account.	
Dormant Account Fee (per month)	\$2.00 per month
Nonsufficient funds (NSF) item (each)	\$25.00
Overdraft charge item (each)	\$25.00
Continuous Overdraft Fee (charged daily beginning on the sixth continuous calendar day the account has been overdrawn)	\$5.00
This fee applies to overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means.	
Account activity printout	\$5.00
Special statement cutoff	\$5.00
Account research	\$30.00 per hour
Account balancing assistance	\$5.00 per hour
Foreign Items Deposited Fee (fee varies depending on Item)	
Stop payments	\$20.00
Wire Transfers:	
Foreign	\$75.00
Outgoing	\$20.00
Incoming	\$10.00
Indemnity Bond Fee	\$10.00
Levy/Garnishment/Citation/Lien	\$50.00



# Community State Bank

## Deposit Accounts Agreement

Terms and Conditions  
Truth in Savings  
Funds Availability  
Electronic Funds Transfers



*Your Locally Owned Independent Bank*



*Your Locally Owned Independent Bank*

### **GALVA OFFICE**

PO Box 78  
625 SE 2<sup>ND</sup> St  
Galva, IL 61434  
Phone: 309.932.8181  
Fax: 309.932.2289

### **GALVA DOWNTOWN**

300 Main St  
Galva, IL 61434  
Phone: 309.932.2147  
Fax: 309.932.2949

### **KEWANEE TENNEY ST**

PO Box 549  
409 Tenney St  
Kewanee, IL 61443  
Phone: 309.853.8182  
Fax: 309.856.8182

### **KEWANEE MAIN ST**

300 N. Main  
Kewanee, IL 61443  
Phone: 309.853.8181  
Fax: 309.853.3656

### **NEPONSET OFFICE**

PO Box 147  
120 W. Commercial St.  
Neponset, IL 61345  
Phone: 309.594.2424  
Fax: 309.594.2560

Web Site: [www.commstatebank.com](http://www.commstatebank.com)

Phone Banking: (309) 932-9933

Toll Free: (877) 932-9933

