



2404 Sir Barton Way  
Lexington, KY 40509  
1-844-4-Forcht

## Truth in Savings Disclosure

### 55 Advantage Checking Account

**Account Requirements:** At the time of account opening the primary customer must be age 55 or older.

**Rate & Interest Information:** This is an interest bearing account. The interest rate and annual percentage yield (APY) is current as of the date listed; however, interest rates are subject to change at any time within Forcht Bank's discretion.

The interest rate on the account is \_\_\_\_\_% with an annual percentage yield (APY) of \_\_\_\_\_%.

**Compounding & Crediting:** Interest will be compounded monthly and credited to the account monthly. The annual percentage yield calculation assumes interest will remain on deposit. A withdrawal will reduce earnings. If you close your account before interest is credited, you will not receive the accrued interest.

**Balance Information:** A minimum deposit of \$50.00 is required to open this account. The minimum balance requirements to avoid monthly service charges are listed in the section titled "**Fees**".

**Balance Computation Method:** The daily balance method is used to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue on the business day you deposit noncash deposits (for example, checks).

**Fees:** A \$5.00 service charge will be imposed every statement cycle if the account does not satisfy the minimum account balance requirement of \$500.00 on any business day during the statement cycle. The service charge will not be imposed if the minimum account balance requirement of \$500.00 is maintained or the account holder has other deposit accounts and the aggregate deposit balance is \$5,000.00 or greater.

This account may be overdraft linked to the Forcht Friend Savings Account or Performance Money Market Account. Should the account have an overdraft created by check, in-person withdrawal, ATM created by check, in-person withdrawal, ATM withdrawal, or other electronic means, a fee of \$5.00 per transfer in increments of \$100 will occur.

Up to five (5) foreign (non-Forcht Bank) ATM fees will be refunded per statement cycle.

**Additional Features:** Free Cashier's Checks, Money Orders, Travelers Checks for 1, and Notary Services. Two boxes of checks free in a 12 month period. 10% discount on Safe Deposit Box Rental (where available).

Please refer to the enclosed Fee Schedule for a complete list of fees associated with checking/savings accounts.

**Date:** \_\_\_\_\_



DEPOSIT ACCOUNT  
DISCLOSURES

FORCHT BANK, NA

Revised April 2017 | [forchtbank.com](http://forchtbank.com) | Member FDIC

## TERMS AND 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. Please read this carefully. If you sign the signature card or open or continue to have your account with us, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us at 1-844-4-FORCHT.

This agreement is subject to applicable federal laws and the laws of the state of Kentucky (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. 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 disclosures of some of our policies to which you may be entitled or in which you may be interested.

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

As used in this document the words “we,” “our,” and “us” mean the financial institution and the words “you” and “your” mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

**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 (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. In the normal course of business, it is our practice to generally pay electronic transactions first and then checks high to low. However, we reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account. Also, please be aware that the order of item payment may create multiple overdrafts during a single banking day for which you will be charged our NSF fee, (for fee amount please refer to current fee schedule or ask any customer service representative), for each overdraft (paid or returned).

“You have a responsibility to maintain your checkbook in a secure location or in a secure manner, and your failure to do so which results in an unauthorized or forged check(s) being written, will be a loss born by you.”

**CHECK CASHING** – You may be required to provide positive identification when you present a check for payment. We may also limit the dollar amount of checks cashed. If we decide to cash a check for a non-customer, we reserve the right to charge a fee even if the check is drawn on us. You agree that the charging of such fee is not considered wrongful dishonor. Positive identification for a non-customer could include the non-customer’s thumbprint.

**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 of 5 PM ET/4 PM CT (unless noted otherwise) on a business day we are open, or received on a day we are not open for business, as if initiated on the next following business day that we are open.

**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 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. 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 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.

We reserve the right to prevent withdrawal from this account upon the death of any owner until all required release-of-funds procedures are completed.

#### **OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION**

– These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no 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 Account – is an account in the name of one person.

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

Joint Account –No Survivorship (As Tenants In Common) – is 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 or Pay-On-Death Account – If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the

account die, (2) the beneficiary is then living, and (3) any required release-of-funds procedures have been completed. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating either of these account types reserve the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**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.

**STOP PAYMENTS** – 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. To be effective, your stop-payment order must precisely identify the number, date and amount of the item, and the payee. You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. A release of the stop-payment request may be made only by the person who initiated the stop-payment order. Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

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

**AMENDMENTS AND TERMINATION** – We may change any term of this agreement. 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. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you.

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

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

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other 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 used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**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.

**TEMPORARY ACCOUNT AGREEMENT** – If this option is selected, this is a temporary account agreement. Each person who signs in the space designated for signature on the signature card (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**SETOFF** – We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt 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: (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 our exercise of our right of setoff.

**AUTHORIZED SIGNER (Individual Accounts only)** – A single individual is the owner. The authorized signer is merely designated to conduct transactions on the owner’s behalf. We undertake no obligation to monitor transactions to determine that they are on the owner’s behalf.

**RESTRICTIVE LEGENDS** – We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are “must be presented within 90 days” or “not valid for more than \$1,000.00.”

**ACH AND WIRE TRANSFERS** – This agreement is subject to Article 4A of the Uniform Commercial Code – Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer 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 clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. 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.

**UNLAWFUL INTERNET GAMBLING TRANSACTIONS PROHIBITED.** If you are a commercial customer, you certify that you are not now engaged in, and during the life of this Agreement

will not engage in, any activity or business that is unlawful under the Unlawful Internet Gambling Enforcement Act of 2006, 31 USC 5361, et seq., (the "UIGEA"). You may not use your Account or any other service we offer to receive any funds, transfer, credit, instrument or proceeds that arise out of a business that is unlawful under the UIGEA. You agree that if anyone asks us to process a transaction that we believe is restricted under the UIGEA, we may block the transaction and take any other action we deem to be reasonable under the UIGEA and this Agreement.

## REGULATION CC FUNDS AVAILABILITY DISCLOSURE

**IMMEDIATE AVAILABILITY:** Our policy is to make funds from the following deposits available for withdrawal on the day we receive the deposit: (1) All cash deposits made to a Forcht Bank teller, received at an OnDemand Banking Center Machine, or received at an ATM equipped with currency validation technology; (2) Electronic direct deposits (ACH credits directly to your account); and (3) The first \$200 from the total of all other deposits made on any given day. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that you have written.

**NEXT BUSINESS DAY AVAILABILITY:** Our policy is to make funds from the following deposit items available for withdrawal on the first business day after the day we receive your deposit. These checks must be payable to you and deposited to your account: (1) Checks that are drawn on Forcht Bank, N.A. "On Us"; (2) U.S. Treasury Checks; (3) U.S. Postal Money Orders; (4) Federal Reserve Bank checks; (5) Federal Home Loan Bank checks; (6) State and Local Government checks; and (7) Cashier's, Certified, and Teller's checks.

Additionally, funds received from incoming wire transfers are generally available for withdrawal on the first business day after the day we receive your deposit.

**DETERMINING THE AVAILABILITY OF A DEPOSIT:** For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit with a bank employee at one of our banking centers before 5 PM Eastern Time (ET) / 4 PM Central Time (CT), we will consider that day the day of your deposit. If you make a deposit after 5 PM ET / 4 PM CT or on a day that is not a business day, we will consider the deposit to have been made on the next business day. Availability of additional deposits types are outlined in the OTHER DEPOSITS section.

**OTHER DEPOSITS:** Funds from the following deposits are generally made available based on the policy outlined in the IMMEDIATE and NEXT

DAY AVAILABILITY sections. Further, these cut off periods apply:

DEPOSIT DESCRIPTION	EFFECTIVE DAY OF DEPOSIT (if made on a business day)	OTHERWISE POSTED...
OnDemand Banking Center Machine	Before 7 PM ET / 6 PM CT	Next Business Day
Express Drop	Before 4 PM (local time at branch)	Next Business Day
Incoming Wire Transfers	Before 4 PM ET / 3 PM CT	Next Business Day
Forcht Bank ATM	Before 3 PM ET / 2 PM CT	Next Business Day
Night Drop	When removed	No later than Next Business Day

**RESERVATION OF RIGHT TO HOLD:** In some cases, we may not make all of the funds that you deposited by check available by the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, at least the first \$200 of these deposits will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time 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 at an ATM, or if we decide to take this action after you have left the premises, we will mail you a notice by the business 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, but further review of the deposit after we receive it may still result in delayed availability.

**LONGER DELAYS MAY APPLY:** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- You deposit checks totaling more than \$5,000 on any one day;
- You redeposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six months;
- We believe a check you deposit will not be paid;
- There is an emergency, such as failure of computer or communications 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 financial institution, 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 financial institution, 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 the 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 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 of a day's total deposits of cashier's, certified, teller's, and federal, state and local government checks will generally be available on the first business day after the day of your deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a US Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from deposits of checks drawn on Forcht Bank, NA will be available on the same business day as the day of your deposit. Funds from all other check deposits will be available not later than the eleventh business day after the day of your deposit.

## REGULATION E

### ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURES

This Agreement and Disclosure is made in compliance with federal law regulating electronic funds transfer (EFT) services. Electronic funds transfers are electronically initiated transfers of money involving an account at the financial institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic funds transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we", "us" and "our" mean the financial institution. The abbreviation "PIN" or word "code" means a Personal Identification Number.

### INTERNET BANKING

**Types of transactions:** You may access certain account(s) you maintain with us by computer using your assigned user ID and password by accessing the online banking service. You may use the online

banking service to perform the following functions:

- Transfer funds between eligible accounts
- Obtain balance information on eligible accounts
- Review transactions on eligible accounts
- Obtain copy of statement
- Bill payment services

### Limitations on frequency and amount:

For security purposes, there are limits on the frequency and amount of transfers you may make using the online banking service.

**Fees and charges for online service:** Certain accounts are assessed a fee for bill payment services. Please see enclosed Fee Schedule.

### ATM CARD

**Types of transfers:** You may use the Automated Teller Machine (ATM) card and Personal Identification Number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during ATM transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the ATM Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

- Deposit funds to your checking or savings account
- Withdraw cash from your checking or savings account
- Transfer funds between your checking and savings account
- Obtain balance information on your deposit accounts
- Change your PIN

**Limitations on frequency and amount:** For security purposes, there are limits on the frequency and amount of transfers you may make using ATMs. The maximum amount of cash you may withdraw per day may vary.

**Fees and charges for ATM transactions:** We do not charge for ATM transactions at the present time. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). Refer to Fee Schedule for replacement card/PIN replacement fee.

### ATM/DEBIT

**Types of transactions/transfers:** You may use the

card and PIN issued you to pay for purchases from merchants who have agreed to accept the card at Point-of-Sale (POS) terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. POS transactions will be deducted from your Primary Account. POS transactions involving a refund will be credited to your primary account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a MasterCard® symbol.

**Fees and charges:** We do not charge for any POS transactions at this time.

### **PREAUTHORIZED TRANSFERS**

**Government or other direct deposit transfers:** You may arrange for us to complete the following preauthorized transfers to your deposit accounts:

- Accept direct deposits from the U.S. Treasury Department to your checking or savings accounts
- Accept direct deposits from your employer or other financial institutions to your checking or savings account

**Fees and charges:** We do not charge for any preauthorized EFTs. We will charge for each stop-payment order and Direct Deposit rejects. Please see enclosed Fee schedule.

**DEBIT TYPE TRANSFERS:** You may arrange for us to pay certain recurring bills from your checking or savings account.

### **24-HOUR TELLER BANKING**

**Types of audio response services:** You may access your deposit accounts by using a separate PIN assigned to you and your account number in our audio response system. At the present time you may use the system to:

- Transfer funds between your deposit accounts
- Obtain balance information on your deposit accounts
- Verify the last date and amount of your payroll deposit
- Determine if a particular check has cleared your account

**Limitations on frequency and amount:** There are no limits on the number of withdrawals you may make per day. For security purposes, there may be limits on the frequency and amount of transfers you may make using this audio response system.

**Fees and charges for audio response transactions:** We do not charge for any audio response transactions.

### **OTHER EFT TRANSACTIONS**

You may access certain account(s) you maintain with us by other EFT transaction types as described below.

**Electronic Check Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your check to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant or other payee (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. When information from your check is used to make an electronic funds transfer, funds may be withdrawn from your account as soon as the same day you make your payment. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

**Re-presented Check Transactions and Fees.** You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction, if debited as an EFT from a consumer account, is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

**The following limitations may be applicable to your accounts, except as provided by law: Liability for Unauthorized MasterCard® Point-of-Sale (POS) Debit Card Transactions.** Tell us, AT ONCE, if you believe your MasterCard® POS debit card has been lost or stolen or of any unauthorized transactions. Your liability for unauthorized use of your POS debit card with the MasterCard® logo when it is used as a MasterCard® POS debit card will not exceed (A) Zero dollars (\$0.00) if the conditions set forth below have been met, or (B) if those conditions have not been met, the lesser of five hundred dollars (\$500.00) or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. Zero liability will apply only if: (1) you can demonstrate that you have exercised reasonable care in safe-guarding your card from risk of loss or theft; and (2) upon becoming aware of such loss or theft of the card, you promptly reported the loss or theft to us. These liability limits apply only to United States issued MasterCard® branded cards. If the transaction does not meet the conditions set forth above, these limits with respect to unauthorized



transactions may be exceeded to the extent allowed under applicable law (see Liability for Unauthorized Transfers paragraph below). For specific restrictions, limitations and other details, see your Cardholder Agreement. "Unauthorized use" means the use of your POS debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and for which you receive no benefit. To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth below:

Forcht Bank Processing Center  
P. O. Box 55250  
Lexington, KY 40555  
1-844-4-FORCHT

This will help prevent unauthorized access to your account and minimize any inconvenience. MasterCard® is a registered trademark of MasterCard® International Incorporated.

**Liability for Unauthorized Transfers.** Tell us **AT ONCE** if you believe your card, ATM PIN, POS card or PIN, Audio Response PIN, or online banking PIN has been lost or stolen or if you believe that an electronic funds 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 the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your card or code, you can lose no more than \$50.00 if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card 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 at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (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 that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, please contact the Forcht Bank Processing Center at 1-844-4-FORCHT.

**Illegal Transactions.** You may not use your ATM, POS, or Debit Card, or other access device for

any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

**Business Days.** For purposes of these electronic funds transfer disclosures, our business days are Monday through Friday. Holidays are not included.

**Stop Payments on ATM, POS, or Debit Card Transactions.** You may not place a stop payment order on any ATM or Point-of-Sale transaction.

## DOCUMENTATION

**Periodic Statement.** You will get a monthly account statement from us on your checking account. For all other accounts you will get a monthly account statement from us, unless there are no transactions in those accounts in a particular month (in which case you will get a statement at least quarterly). You will get a quarterly statement from us on your savings account if this is the only account you maintain and the only possible electronic transfer to or from the account is a preauthorized deposit.

**Terminal Receipt.** You can get a receipt at the time you make any transfer to or from your account using an ATM or a POS terminal. However, receipts for transactions of \$15.00 or less may not always be available.

**Direct Deposits.** If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call the Forcht Bank Processing Center at 1-844-4-FORCHT to find out whether or not the deposit has been made.

**Our Liability for Failure to Make Transfers.** 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 will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the money in your account is subject to legal process or other claim restricting such transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer 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 transaction, despite reasonable precautions that we have taken.
- If the third party transferring a deposit to your account gives us incomplete or incorrect information.

If you are attempting to draw against funds deposited into an ATM before the amount of your deposit was manually verified by us and credited to your account. There may be other exceptions stated in our agreement with you.

**In Case of Errors or Questions About Your Electronic Transfers.** Please contact the Forcht Bank Processing Center at 1-844-4-FORCHT 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 sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- 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 ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (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 ten (10) business days, we may not credit your account. If a notice of error involves an electronic funds transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, POS debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (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.

**Confidentiality.** We will disclose information to third parties about your account or the transfers you make:

- To complete transfers as necessary;
- To verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant; or
- To comply with government agency or court orders; or
- If you give us your written permission.

**Personal Identification Number (PIN).** The ATM PIN, POS PIN or Audio Response PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN, POS PIN or Audio Response PIN available to anyone not authorized to sign on your accounts.

**Notices.** All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

**Enforcement.** In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

**Termination of ATM, POS and Audio Response Services.** You agree that we may terminate this Agreement and your use of the ATM Card, POS or Audio Response services, if:

- You or any authorized user of your ATM PIN, POS card or PIN, or Audio Response PIN breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your ATM PIN, POS card or PIN, or Audio Response PIN.

We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing.

Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

## **PREAUTHORIZED ELECTRONIC FUNDS TRANSFERS.**

**Stop Payment Rights.** If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us or write to us in time for us to receive your request three (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 fourteen (14) days after you call. There will be a charge for each stop payment order you give. Refer to Fee Schedule for charge.

**Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, ten (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.

**Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop one of these payments three (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.

**Other Provisions.** There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited at ATMs. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

**Usage Outside of United States.** ATM or ATM/Debit Card cannot be used outside of the United States.

## **IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT**

Substitute Checks and Your Rights

### **What is a substitute check?**

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### **What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us.

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by

a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: (identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check).

## **DEPOSIT RECLASSIFICATION**

Under Federal law, the Bank is required to classify deposits a certain way for regulatory reporting purposes. These regulatory reports determine the amount of reserve balances that the Bank must keep at the Federal Reserve Bank. Effective immediately, the Bank may make a change in your checking account that will not affect your available balance, interest earnings, FDIC insurance, or bank statement. The Bank will create a checking sub account and a savings sub account. The bank may periodically transfer funds between these two sub accounts. If your Account is interest bearing, your interest calculation will remain the same. Otherwise, the savings sub accounts will be non-interest bearing. The savings sub account will be governed by the rules governing our other savings accounts. This change will allow the Bank to reduce the amount of funds held at the Federal Reserve Bank and will provide more funds to the Bank for lending and investing purposes.

## **OVERDRAFT POLICY**

As a service to account holders and to help avoid the significant fees that may be charged by third parties for unpaid items, Forcht Bank NA strives to pay account holders' overdrafts when possible. It is the obligation of the Bank to operate in accordance with all safety and soundness standards. Therefore, a continual evaluation of all accounts is performed to determine if it is financially sound to honor items that may cause an overdraft situation for a particular account. The account criteria evaluated are:

- Age of account
- Deposits balances
- Deposit regularity
- Previous overdraft activity
- Account status relating to any legal or administrative order or levy
- Status of loan obligations with the institution

When an account has insufficient funds, an overdraft fee is charged for every non-sufficient fund item whether the item is paid or returned unpaid. Additional fees could occur based upon the product type. All fees, terms and conditions are outlined within the fee schedule and new account documentation according to the Rules, Acts and Regulations that provided guidance.

Overdrafts are paid at the bank's discretion. The Bank does not guarantee that any type of transaction defined as checks, preauthorized debits, or any other electronic transactions, will always be authorized and paid if the account does not contain sufficient collected and/or available funds. We will only authorize and pay ATM withdrawals and everyday debit card transactions on customers' behalf; if a request was made for the bank to do so.

It is the normal course of business/practice to generally pay electronic transactions first and then checks high to low. The bank reserves the right to change the order of payment without notice to the customer if fraud is suspected or possible illegal activity that would affect any customer's account.

Service charges assessed against items presented against the account, does not obligate the Bank to pay said request for funds, nor does it obligate the Bank to provide prior written notice of the decision to refuse payment. Should a check be submitted or a transaction made for funds exceeding what is available in the account, pursuant to the Terms and Conditions Account Agreement, the account holder is responsible for the amount of any overdraft and applicable fees immediately. It is the obligation of the account holder to keep their account in good standing with the Bank and to bring their account to a positive balance immediately should an overdraft situation occur, without notice or demand from the institution.

We also offer overdraft protection plans, such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more about these plans you may contact us at 1-844-4-FORCHT.

The Terms and Conditions Account Agreement prescribes the duties, obligations and rights of the Depositor, as well as the Authorized Signatories and the Bank's with regard to the account and supersedes the overdraft policy in any potential conflict of interests.

## NOTES



For more information visit [forchtbank.com](http://forchtbank.com). | Member FDIC