

Agreement for Deposit PERSONAL ACCOUNTS



Effective October 2020 | Member FDIC |  Equal Housing Lender
[1stsource.com](https://www.1stsource.com)

WELCOME TO 1ST SOURCE BANK

Thank you for choosing to bank with us.

This *Agreement for Deposit – Personal Accounts* outlines the terms of your consumer deposit accounts with 1st Source Bank, including checking accounts, savings accounts, money market accounts, and certificates of deposit. We recommend that you read this information and keep it with your other account documents.

The *Agreement for Deposit* and your other account documents, along with any changes we may later make to them, serve as our contract with you, which governs your deposit accounts. You accept and agree to the terms of this Agreement when you sign account opening forms and/or a signature card, or otherwise maintain an account or conduct a transaction with us.

This Agreement:

- Outlines the rules and regulations which all banks must follow in certain circumstances
- Describes your rights and responsibilities under these regulations
- Provides important information on electronic transfers, internet gambling, and our funds availability policy.

Please contact us if you have questions. In person, over the phone, online or by email – we are pleased to help.

Find a convenient banking center: 1stsource.com/locations

1st Source Customer Service Center: 800-513-2360

Live Online Chat: 1stsource.com

Email us: 1stsource@1stsource.com

Please do not include confidential or sensitive information such as account numbers, passwords, PINs, or personal information in your email or chat.

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1. DEFINITIONS

In this Agreement, terms such as **WE, US, OUR** and **THE BANK** refer to 1st Source Bank, its parent company and its subsidiaries. **YOU** and **YOUR** refer to the depositor or, where applicable, co-depositors.

Account: Any account the Depositor maintains with the Bank including checking, savings, and certificate of deposit accounts.

Annual Percentage Yield (APY): The effective rate your money will earn if it remains on deposit for a full year at the same annual interest rate and if all interest is left in the deposit account.

Yield is the critical measure of how much interest you can expect to earn based on the interest rate and the frequency with which interest is added to your account (compounding) for a 365- or 366- (leap year) day period. Because your interest earns interest if left in the account, the APY may be greater than the annual interest rate. If you withdraw funds from the account, the amount of interest earned will be reduced.

Annual Percentage Yield Earned (APYE): APYE represents the Annual Percentage Yield that was actually earned during the cycle period. This will appear on your account statement. The calculation reflects the relationship between the interest actually earned during the statement period and the balance in the account. If the account has multiple interest rate tiers, this method will produce a single composite APYE figure.

Automated Teller Machine (ATM): An electronic device at which a person may make deposits to an account by cash or check and perform other account transactions.

Average Daily Balance: The average daily balance is calculated by adding the principal in the account each day of the period and dividing that figure by the number of days in the period (usually a statement cycle). We may use the average daily balance method to calculate interest or determine service charges on your account. This interest calculation method applies a periodic rate to the average daily balance in the account for the period.

Average Monthly Balance: The average monthly balance is calculated by adding the Average Daily Balance for each month that the account was open during the year and dividing the figure

by the number of months the account was open. Partial months are included and count as full months for this calculation. We use the average monthly balance to determine eligibility for bonus interest rates available on certain savings accounts.

Business Day: For electronic funds transfer and funds availability purposes, our business days are Monday through Friday except for federal public holidays. For all other purposes in this Agreement, our business days include Monday through Friday on days that we are open. We may close for federal public holidays, either on the date of the holiday or near the date of the holiday, or for other reasons.

Principal Balance (Collected Balance): The balance for the account, less the portion of funds deposited for which we have not received credit based on our funds availability schedule. All interest-bearing deposit accounts accrue interest daily on the “collected balance” in the account.

Consumer Deposit Account: Any deposit account primarily for personal, family, or household purposes. These accounts are usually owned by one or more individuals, or in trust for one or more individuals, or for the benefit of one or more individuals.

Daily Balance Method: We may use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the “Collected Balance” in the account each day.

Depositor: Any person who signs the Bank’s deposit account signature card. This includes each and every owner of the account and anyone else with authority to exercise control over the funds in the account.

Item: Any instrument for the payment, transfer, or withdrawal of funds from an account, even though it may not be negotiable. Examples include checks, electronic transactions such as ACH and ATM withdrawals, drafts, automatic transfers, and online banking transfers. References to an “Item” include, without limitation, situations where a check or electronic transaction is re-presented or re-submitted (as well as situations where a check is converted into an electronic transaction and submitted for payment). This means one authorized check, electronic transaction, or other item could result in multiple fees if such Item is presented or submitted for payment multiple times.

Minimum Daily Balance: The lowest balance that we determine is in the account during a statement cycle. We may use the minimum daily balance to determine service charges on your account.

State: A U.S. state, the District of Columbia, Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the U.S. Virgin Islands, the Trust Territory of the Pacific Islands and all other U.S. territories are states (for purpose of placing funds holds).

United States (U.S.): All states, including the District of Columbia, the U.S. Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and Puerto Rico.

Variable Rate: The interest rate and the Annual Percentage Yield (APY) may change after the account is opened at any time, at the discretion of the Bank.

2. ACCOUNTS COVERED BY THIS AGREEMENT

This Agreement covers all types of consumer deposit accounts offered by the Bank now or in the future. These include all accounts listed on our *Fee Schedule for Personal Accounts* and any other

consumer checking accounts, money market and savings accounts, and certificate of deposit accounts. This Agreement also includes the terms of our Overdraft Transfer Service, an optional service that you may select.

Certificates of deposit, while governed in part by this Agreement, are also governed by special provisions set forth on the certificate of deposit receipt. Savings accounts and certificates of deposit held in Individual Retirement Accounts (IRAs) and Education Savings Accounts (ESAs) are also governed both by this Agreement and by separate agreement. This Agreement does not cover safe deposit boxes, trust services, credit cards, discount brokerage services, business deposit accounts, other deposit products that are governed by special rules such as KEOGH plans and sweep accounts, or our CareFree Line of Credit.

3. IMPORTANT NOTICES & TERMS OF YOUR ACCOUNT

Please retain this Agreement. Feel free to ask any questions you may have by calling the 1st Source Customer Service Center at 800-513-2360, visiting any one of our banking centers or directing your questions in writing to: 1st Source Bank, Branch Administration, P.O. Box 1602, South Bend, IN 46634.

You may also email us at 1stsource@1stsource.com. Do not include confidential or sensitive information such as account numbers, passwords, PINs, or personal information in your email.

Contractual Agreement

When you sign the signature card for your deposit account and make a deposit to your account, you are entering into a formal agreement (contract) with the Bank. In doing so, you agree to:

- the terms outlined in this Agreement for all deposit accounts;
- the terms of any agreement for specific services such as checking, savings, certificates of deposit, and electronic banking;
- the terms of the *Fee Schedule for Personal Accounts*; and,
- the terms of any additional schedules of fees or information you may receive from time to time.

Together, these terms make up your "Account Agreement."

Effective Date

These terms apply to all current and new deposit account relationships as of the date you enter into an account relationship with the Bank.

Account Opening & Identification

Federal law requires us to obtain, verify, and record information that identifies each person who opens an account. In compliance with the USA Patriot Act, when you apply to open an account, we may ask you for your name, address, date of birth, and other identifying information. We will ask to see each person's unexpired driver's license, state identification card, unexpired passport, or other federally accepted identifying documents.

To open an account with the Bank you must complete the proper forms and provide us with any other documents, information or items that we require. If we are not able to verify your identity, we will not open your account, or we may close your account if it was already opened.

We may also use a credit reporting agency to verify your identity and review your account history

with other financial institutions. We will inform you in writing if we decline to open your account based on information from this third-party service.

Consumer-Purpose Accounts

Consumer deposit accounts cannot be used for business-purpose transactions. We reserve the right to close your account if you use it to process business transactions. We may, in our discretion, refuse to honor items presented that are payable to a business and accompanied by a request to cash the item or deposit it into a consumer deposit account.

Non-Personal Accounts

If any depositor on an account is an entity acting in any capacity other than an individual capacity, then each depositor on the account represents that they are authorized to execute all documents and complete all requirements, have provided all information or documents necessary to demonstrate that authority, and will provide any documents or information or complete any requirements as we may require from time to time related to the account ownership and authority. We may refuse any documentation that appears to be incomplete, improperly executed, or does not meet our reasonable requirements.

Change in Terms

We may change the terms of your Account Agreement from time to time. We may make changes without prior notice unless otherwise required by law. When we change your Account Agreement, the new version supersedes all prior versions and governs your account. If you keep the account open, you accept and agree to the change. If you do not agree with a change, you may close the account.

Right of Waiver

The Bank reserves the right to waive the enforcement of any of the terms of this Account Agreement with respect to any transaction or series of transactions. Any such waiver will not affect our right to enforce any of the terms with respect to other customers or to enforce any terms with respect to later transactions involving the same depositor.

Right to Close Account

You may close your checking, money market, or savings account at any time without advance notice to us, except that we may choose to require seven (7) days advance notice if you want to close a savings, money market, or interest-bearing checking account by withdrawing the account funds. We may permit you, at our discretion, to close your certificate of deposit account either before maturity or after the grace period. A penalty may apply; refer to the *Fee Schedule for Personal Accounts* for additional information. Closing your account does not release you from the payment of fees owed or liability for any checks in process.

We may close your account at any time. Before closing your account, we will give you any notice required by law. After deducting applicable fees and charges, we will send the balance on deposit to the most recent address shown on our records. We are not liable for not honoring, or for any loss that may result from not honoring, any checks or other withdrawal orders presented after your account is closed.

Effect of Closing an Interest-Bearing Account

All interest that has accrued but not yet credited to an account will be added to the principal

balance at the time of closing. If we have not been informed of your intent to close your account (i.e., you merely withdraw the principal balance) the accrued interest will be added to your account on the statement cycle date.

Zero Balance Account Closure Policy

We may restrict your access to your savings or money market account if you have a zero balance in the account. We may restrict your access to your checking account if you maintain a zero balance for five (5) consecutive business days. You may reactivate access to an account by making a deposit into the account. We may close an account without notice after 31 consecutive days at a zero balance; you may not re-open the same account once it's been closed. We do not apply this policy to Health Savings Accounts. Holiday Savings Accounts will be closed without notice after 60 consecutive days at a zero balance.

Laws Governing Your Account

Each of your accounts is governed by the laws of the state in which the banking center holding the account is located, the laws of the United States, the rules and regulations of the Federal Reserve Board and the Federal Deposit Insurance Corporation (FDIC) and all other applicable laws and regulations.

Fees and Service Charges

You agree to pay service fees, maintenance charges, and penalties in accordance with the applicable fee schedules including without limitation, the *Fee Schedule for Personal Accounts*, established by the Bank from time to time. We will provide you with prior notice of changes in the fee schedule as may be required by applicable law. All service fees, maintenance charges, and penalties will be automatically deducted from your account without prior notice to you. The Bank may charge your account or may deduct from the proceeds of electronic funds transfers that it receives for your account, its customary fees for electronic funds transfers. The Bank may incur costs in connection with court or administrative orders, subpoenas, summonses, tax levies, or other legal processes relating to you or your account and you agree to pay us for such costs, which may include our charges for research and the copying of documents and reasonable attorneys' fees.

Multiple Party Accounts

A multiple party account is an account that you open for one or more parties. We offer one or more of the following types of multiple party accounts according to the following terms:

Joint Accounts

Unless our account records indicate that a joint depositor is a fiduciary or beneficiary, an account that you open with one or more joint depositors will be a joint account with right of survivorship. This means that upon the death of one of the joint owners of the account, all proceeds in the account transfer to the surviving owner(s), subject to the Bank's right of "setoff"

When the account title on a joint account separates the owners by the word "or," the account is payable to any one of you. Any joint owner of a deposit account may withdraw, by any means the Bank makes available, any or all of the funds on deposit, close the account, enter into special agreements regarding the account, stop payment on any item drawn on the account, create an overdraft or authorize a telephone transfer of funds between related accounts.

Each joint owner guarantees the signatures of the others and authorizes the others to endorse checks for deposit if they are payable to any of the joint owners. Each joint owner is jointly and severally liable to us for all fees, charges, costs, losses, and liabilities, and any other amounts owed to us under this Account Agreement or related to the account. Each joint owner authorizes the Bank to exercise setoff and enforce its security interest in the entire joint account, even though only one of the joint owners is the defaulting debtor; these rights exist irrespective of who contributed funds in the joint account. Similarly, the Bank can enforce overdraft liability in the joint account against any joint owner individually, even though the joint owner did not benefit from or sign the check that caused the overdraft. Garnishments against any or all joint owners are subject to the Bank's right of setoff and security interest. Notice provided by the Bank to any joint owner is notice to all.

If you establish an account that requires two (2) or more signatures on any item drawn on the account or limits the maximum amount for which any person can sign an item, then you acknowledge that any such requirements are solely for your own internal control purposes. You agree that the Bank will not be liable for paying any item lacking the required number of signatures or in an amount exceeding the maximum limit assigned to the signer.

We may, at our discretion, allow a joint owner to resign from a joint account. Resignation will not affect the liability of a joint owner prior to the date of resignation.

"In Trust For" Accounts

An "in trust for" account is one that is opened in the name of one or more depositors, known as "trustees," in trust for the benefit of one or more persons, known as "beneficiaries." The account is not governed by a separate trust agreement or trust. The beneficiary will have no interest in the account during the lifetime of the trustee or the survivor of joint trustees.

The Bank may make payments or withdrawals from the account or take action on the instructions of the trustee or any one of the joint trustees. We will have no liability or responsibility to the beneficiary or anyone else if we do so. On the death of the trustee or the survivor of the trustees, the account is payable to the beneficiary.

Pay-on-Death Accounts

An account that is payable on the death of the depositor, or the survivor of joint depositors, to a named person, known as a "payee," is a pay-on-death account. If you open one of these accounts, the payee will have no interest in the account during your lifetime. If the account is a joint account, the payee will have no interest in it during the lifetime of the survivor of either of you.

Uniform Transfers/Gifts to Minors Act Accounts

Gifts or transfers made to minor children under the applicable law of the state in which the banking center holding the account is located are controlled by a custodian or successor custodian until the minor reaches the statutory age of majority. Such accounts may have only one custodian at any given time (e.g., one parent or grandparent).

Transferring Account Ownership

A deposit account is not transferable, except on our books and records. If ownership is proposed to be transferred, we may require that the account be closed and a new account opened in the name of the transferee.

Tax Identification Number Certification

Treasury Regulations require that we obtain a completed and signed Form W-8 or W-9. This is to certify the Tax Identification Number(s) (TIN) of the owner(s) of the account.

Until we have received the completed and signed form we may, at our discretion, either not pay interest or pay interest and comply with the backup withholding requirements of the Internal Revenue Service (IRS).

Change of Address or Other Information

You agree to notify us promptly of any changes of physical, postal or email address, telephone number or other relevant information for the Bank's records. Notification may be made in-person at a banking center, by phone by calling the 1st Source Customer Service Center at 800-513-2360, by emailing us at 1stsource@1stsource.com, or in writing to 1st Source Bank, Branch Administration, P.O. Box 1602, South Bend, IN 46634. Please include the account name and account number with written requests. If notifying us by email, do not include your full account number, password, PIN, or other confidential or sensitive information. We may require additional information or documentation to reasonably verify the identity of the person requesting the change.

Notices and Other Mail

Any notices, statements, or other correspondence that we send you regarding any of your accounts may be sent by ordinary mail or other means to the last address you have given us pursuant to the Change of Address or Other Information paragraph above and will be effective upon sending to such address. Notices or correspondence regarding any of your accounts that you send to the Bank must be in writing and sent to 1st Source Bank, Branch Administration, P.O. Box 1602, South Bend, IN 46634. Such notices or correspondence shall be effective when the Bank actually receives them and has had a reasonable time to act upon them.

If there is more than one Depositor on any of your accounts, we may send correspondence to any one of you.

Online/Mobile Banking

We may allow you to access your checking, money market, or savings account online and make deposits and withdrawals through our online or mobile banking services. These optional services are governed by your Account Agreement as well as the separate agreement provided at the time you sign up for the service. Additional fees may apply for such services.

Consent to Telephone Communication

If you provide us with your telephone number or call us, you authorize us, our affiliates, and our service providers to place telephone calls and initiate text messages to you at that number. For example, we may notify you about fraud alerts or collect amounts that you owe us. You agree we may use automatic dialing systems and artificial, text or pre-recorded messages to contact you regarding your account. You agree we may also monitor and record telephone conversations that you have with us and we may do so regardless of whether you or the Bank initiated the call. We will notify you prior to the call (or at the beginning of the call) if specifically required by applicable law to do so. You agree to provide us with accurate contact information that belongs to you.

Account Statements

We will provide periodic account statements and other information pertaining to activity in your

account. We will rely on the physical, postal, or email address in our records for you. You are responsible for notifying us of any change of postal or email address, telephone number or other relevant information for the Bank's records. You agree to promptly review your account information and any accompanying items and notify the Bank of any dispute or discrepancy, including unauthorized transfers, electronic funds transfers, withdrawals or other transactions, transactions involving substitute checks, unauthorized or forged signatures or endorsements, alterations or other irregularities.

In case of errors or questions about an electronic funds transfer, refer to the Electronic Funds Transfer Notice of Disclosure section of this Agreement. You must report any other dispute or discrepancy in writing to 1st Source Bank, Branch Administration, P.O. Box 1602, South Bend, IN 46634 within fourteen (14) days of the date of the earliest account statement describing such irregularities, unless law or regulation allows additional time. If the dispute or discrepancy involves a substitute check, your claim must include 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 and/or sufficient information to help us identify the substitute check.

Unless law or regulation allows additional time, if you fail to report any such dispute or discrepancy within the fourteen (14) day period, we will assume that you have accepted the stated balance as being correct and you will be precluded from seeking redress against the Bank for all transactions or matters covered by the account information. The Bank is relieved of any potential liability for multiple unauthorized signatures or alterations by the same wrongdoer if you do not notify the Bank within the fourteen (14) day period of such irregularities. Furthermore, the Bank will not be liable for any item forged or altered so cleverly that the fraud could not be detected by a reasonable financial institution. From time to time, the Bank may make available to you, products and services designed to detect or prevent fraud on your accounts, and the Bank strongly encourages you to take advantage of these products and services.

CAUTION – YOU ARE IN THE BEST POSITION TO DETECT AN UNAUTHORIZED SIGNATURE OR TRANSACTION, OR A MATERIAL ALTERATION. IF YOU USE A THIRD PARTY TO MANAGE YOUR ACCOUNTS, IT IS YOUR RESPONSIBILITY TO VERIFY YOUR ACCOUNT STATEMENTS.

Right of Setoff – Security Interest

You grant us a security interest in your accounts to secure all amounts which you may owe to the Bank now or in the future. The security interest granted by this Account Agreement is consensual and is in addition to the Bank's right of set off. It is important you understand that we have the right of setoff. We may charge any of your accounts for any obligations, liabilities debts, costs and expenses (including attorneys' fees), fees or other amounts you owe us. We may exercise our right of setoff at any time and for any reason as allowed by law. If there is more than one owner of an account, this includes the debts and liabilities of any owner. We will not be liable for the dishonor or any check when the dishonor occurs because we setoff a debt against this account. We may exercise the right of setoff even if it results in a penalty for early withdrawal from a certificate of deposit account.

This provision does not apply to an account if: (a) it is an IRA or other tax-deferred retirement account (KEOGH); or, (b) the debt is created by a consumer credit transaction under a credit

card plan; or, (c) the debtor's right of withdrawal arises only in a representative capacity; or, (d) is an HSA or other account in which the bank also serves as custodian or trustee.

Power of Attorney

Once we accept a power of attorney, we may continue to recognize the authority of your attorney-in-fact until we receive written notice of revocation or termination and have had a reasonable time to act upon it. We may require the attorney-in-fact to present the original power of attorney and other evidence satisfactory to us before conducting any transaction.

Government Levy (Unpaid Taxes)

The IRS or state taxing authorities can issue a "Notice of Levy" attaching money on deposit in any deposit account as of the date the levy is received except for IRAs or other qualified retirement plans. In the event that we receive a levy on one of your accounts, we will mail a copy of the levy, in addition to our instruction letter, to the address that we have on file for your account.

Legal Attachment

An order from a court or other government authority could require us to hold or deliver funds in your account or any other property we are keeping for you. If we must comply with such an order, we will subtract a fee from your account.

If we must comply with a subpoena or other legal process that forces us to provide information about your account, or about some other financial relationship you have with us, the party that had the subpoena issued normally will be assessed the charge for compliance with the subpoena.

Dormant Accounts

Deposit accounts are reclassified from active to dormant status when:

- there has been no customer-generated activity on a checking account for one year;
- there has been no customer-generated activity on a savings or money market account for three (3) years.

Electronic statements are terminated if a deposit account is classified as dormant. If electronic statements are terminated, accounts with a paper statement fee will be charged the fee. Statements will be discontinued after six (6) consecutive months of dormancy. All accounts classified as dormant will normally be charged a dormant account fee. Refer to the *Fee Schedule for Personal Accounts* for fee details.

Unclaimed Property

State laws require that we turn over your dormant checking, time deposit, money market, or savings accounts to the state if you have not done any of the following:

- made a deposit or withdrawal within the time period specified by state law;
- corresponded in writing with us concerning the dormant status of your account within the time period specified by state law.

For a non-auto renewal time deposit that funds have been issued or returned, the funds will be escheated.

To recover your funds, you must file a claim with the applicable state agency.

Disclosure of Account Information

Our privacy policy is described in our *Privacy Notice*, which you receive when you open an

account with us. It is also available at 1stsource.com/disclosures. Our Wealth Advisory Services division maintains its own notice, which is available by contacting your banker. These notices explain our general practices for disclosing information as well as your opportunity to opt out of certain information sharing with affiliates. The *Privacy Notice* governs in the event of a conflict between the terms of this section and the terms of the notice.

We will disclose information about your account or electronic fund transfers that you make under the following circumstances: (a) where it is necessary to complete any electronic fund transfer or other transactions; (b) to verify the existence and status of your account for other creditors or credit bureaus; (c) to report our experience regarding your account to financial institutions and credit reporting agencies; (d) to comply with a request from a government agency, a court order or other legal process; (e) to enforce our rights; (f) as necessary to be used in our normal course of business; (g) subject to your right to opt out for marketing purposes; or (h) if you give written permission.

In addition, we may disclose information about your account to a consumer reporting agency if we close your account. We generally report your name, address, TIN, driver's license number, and the date and reason we closed your account. The consumer reporting agency may share this information with others and this may impact your ability to open an account at another financial institution for up to five (5) years from our report.

Death/Incompetence of a Depositor

Your death or the adjudication that you are legally incompetent does not end our authority until we receive written notice of your death or adjudication incompetence. Even after receipt of notice, we can pay checks drawn by you prior to your death or adjudication of incompetence as permitted under applicable law.

We may require the surviving owner(s) to provide proof of your death or incompetence and, in certain situations, tax releases or other documents or consents required by the Bank or government authorities. In some states all existing accounts belonging to the deceased may be frozen pending release.

The Bank will not be liable if it continues to accept, pay, or collect items until the Bank knows of the fact of death or a judgment of incompetence by court order and has a reasonable opportunity to act on it. In some cases, deposits received through a preauthorized credit, electronic funds transfer (EFT) or Automated Clearing House (ACH) may be returned if the Bank is so instructed to do so by the person or government agency depositing the funds.

Currency Transaction Reporting

The Bank Secrecy Act, a federal law, requires all financial institutions to report large currency transactions to the IRS.

The Bank will prepare a Currency Transaction Report at the time the transaction occurs and forward it to the IRS. In order to complete the report, we are required to obtain certain information about the individual presenting the transaction as well as the individual for whom the transaction is being conducted.

How We Calculate Interest on Interest-Bearing Accounts

We use the Daily Balance Method to calculate the interest on interest-bearing accounts. The

daily rate is 1/365 – in a leap year we may use 1/366 – of the interest rate on the account. The daily rate that we pay on certain accounts depends on the tier into which the account balance falls. In a tiered-rate account, the account balance earns the interest rate and APY in effect for the tier associated with the collected balance each day.

If you have an interest-bearing checking, money market, or savings account, then your funds earn a variable rate. At our discretion, we may change the interest rate at any time without notice to you. We compound and credit interest to your account monthly for checking and money market accounts, quarterly for savings accounts, and yearly for the Holiday Savings Account.

Funds in a certificate of deposit account earn interest during the term of the account at a fixed interest rate. Fixed rate means that the interest rate does not change during the term of the account. For terms of less than one (1) year, we compound and credit interest to your account at maturity. For terms of one (1) year or more, we compound and credit interest to your account annually and at maturity. Alternatively, you may choose to receive the interest sooner (e.g., monthly or quarterly) by having it deposited into a 1st Source Bank checking, money market, or savings account or requesting that the interest be paid by check. The APY for your account assumes that interest remains on deposit until maturity; interest withdrawals will reduce your account earnings.

We may offer interest rate bonuses and other special promotions based on your relationship, location, or other factors. Bonuses and promotions may not apply to all accounts. You can obtain current rates for your account by visiting a banking center or calling the 1st Source Customer Service Center at 800-513-2360.

Deposits and Withdrawals

Subject to our right to require notice before withdrawals and any account transaction limitations, you may make deposits to and withdrawals from your account at any time that we are open to transact business. Refer to Section 3(c), Additional Certificate of Deposit Account Terms, in this Agreement for additional information. You may make deposits and withdrawals in person, by authorized agent, by mail, by automated teller machine (ATM), or by any other methods the Bank makes available.

All deposits are subject to the Bank's right to review the cash, checks, or other items deposited to confirm the amount of the deposit and that all checks and other items are properly payable. We can correct any errors we find. If funds are deposited or transferred into your account by mistake or otherwise, we may correct the error and deduct any interest paid without prior notice to you. If the balance in your account at that time is insufficient to cover the correction, your account may become overdrawn and we may charge an overdraft fee. Refer to the *Fee Schedule for Personal Accounts* for fee details.

Unless otherwise agreed in writing, the Bank is authorized to accept a deposit to your account from anyone, made in any manner, at any time. We reserve the right to refuse to accept any check or item to be deposited. When we credit your account for a check or other non-cash item you deposit, the credit is conditional. We can revoke a credit for any reason permitted under applicable law.

The Bank has the right to supply any missing endorsement needed to facilitate our status as a "holder" of the check that you deposit. You agree to reimburse the Bank for any loss we may incur because an item was not endorsed exactly as drawn.

Unless we specifically permit you to do so by written agreement, you may not deposit any substitute check that has not previously been handled by a bank in the U.S. collections process. This means that you cannot deposit a substitute check that you create, or one that is created by another person, without a written agreement with us.

Federal Deposit Insurance

Each depositor's funds are insured by the FDIC for a maximum of \$250,000 which applies to the total of a person's funds in checking, savings deposits, and certificates of deposit for which our Bank is liable. In addition to this coverage, funds in an IRA are insured up to \$250,000. Information defining your coverage in detail is available at any 1st Source banking center.

Resolution of Disputes

With respect to any disputes between the parties, any proceeding by the Bank against you may be brought by the Bank in a court of competent jurisdiction located in the County of St. Joseph, State of Indiana (which court shall have jurisdiction to hear such matters), and you hereby irrevocably consent and submit to jurisdiction in any such court. You consent to service of process by first-class mail or messenger directed to you and the last address you have provided to the Bank. Nothing herein affects or limits the rights of Bank to serve legal process in any other manner permitted by law or the rights of Bank to bring any action or proceeding against you in courts of any other jurisdiction. Due to the complexity, high cost and time involved in litigation before a jury, you and the Bank each knowingly, voluntarily, irrevocably, without coercion, waive any and all rights to trial by jury of any disputes between them and further waive any right to consolidate, by counterclaim or otherwise, any action or proceeding concerning any dispute between them with any other action or proceeding in which there is a trial by jury or in which a jury trial cannot be or has not been waived. Nothing herein shall affect Bank's right before, during or after commencing proceedings for court enforcement of its rights hereunder to exercise self-help remedies, such as setoff under applicable law, including Bank's right to bring an action in any court of competent jurisdiction for the purpose of enforcing any self-help remedies.

3(a) ADDITIONAL CHECKING ACCOUNT TERMS

Minor Accounts

We may open personal checking accounts for depositors as young as 13 years old and will require a parent or legal guardian to be a joint account holder.

Acceptable Form of Checks

The Bank has a variety of check styles on approved forms available to you. We may refuse to pay any check drawn on your account unless it is presented to us on a form we have provided or approved.

Automated Account Processing

As a result of automated account processing, we will pay all postdated checks that you have written, unless you give the Bank notice that you do not want an item paid. It is entirely at the option of the Bank to pay or dishonor any check more than six (6) months old. This may be done without prior notice to you. You agree to hold us harmless for paying any stale-dated or postdated check and agree to reimburse us for any loss we might suffer because of such payment made in good faith.

In a similar fashion, we are also prevented from looking at the signatures on every check. However, in order to exercise reasonable care in the processing of checks, the Bank has established a dollar value of a check above which we will examine signatures. You acknowledge that the establishment of a cutoff level will not by itself constitute a failure to exercise ordinary care and that the establishment of a cutoff level is a commercially reasonable practice. In addition, the Bank reserves the right to change the cutoff level as needed.

Special Instructions on Checks

The Bank's automatic check-processing equipment does not identify data written or printed on your check, other than the information that appears on the MICR line – drawee bank number, account number, check number, and the amount of the check.

Thus, we may pay your checks even though special instructions were noted, such as “void if not paid in 30 days” or “not good in excess of \$100” We are not liable for payment of any check contrary to special instructions, a restrictive legend, or other limitation contained in or on the item unless we have specifically agreed, in writing, to the instructions, restrictions, or limitations.

Facsimile or Mechanical Signatures

You agree that if you use an automatic check writing service, employ the use of a personal computer, employ the use of a facsimile signature or do not otherwise provide your personal signature on a check (collectively “facsimile signature”), you agree you shall have the sole responsibility for maintaining security of any such method or device by which your signature or authorization is affixed and that you shall bear the entire risk for the unauthorized use thereof whether or not you are negligent. The Bank may honor any check or other signed instruction that bears or appears to bear your facsimile signature regardless of by whom or by what means the actual or purported facsimile signature thereon may have been affixed to it. The Bank may refuse any item bearing a facsimile signature if you have not provided us a facsimile signature for checks and other items. You accept sole responsibility for safeguarding your checks and maintaining security over any device for affixing a signature. You also agree to review promptly your account information for unauthorized use of facsimile signatures.

Check Safekeeping/Imaging

We may provide the item number, amount and date of payment on your account statement for items paid against your account and may provide images of checks paid against your account in lieu of returning the original items to you. We may retain or destroy the original items. If destroyed, we will maintain images for the period required by law.

Preauthorized Drafts

If you voluntarily give information regarding your account to a third party selling you goods or services, that act authorizes the recipient to initiate debits to your account even though a particular transaction may not have been authorized.

Overdrafts

The Bank may pay or return any item that is drawn against insufficient funds. Honoring past overdrafts does not obligate the Bank to honor them in the future. Overdraft fees may apply when overdrafts are created by checks, in person withdrawals, or electronic means.

You agree to deposit sufficient funds to cover the overdraft and any fees promptly upon notice. You also agree to reimburse the Bank for any costs that we incur collecting the overdraft from you, including, without limitation, reasonable attorneys' fees and the cost of litigation, to the extent permitted by law. All such fees and costs may be charged to your account. Additionally, you will not hold us accountable for refusing to honor your checks because of insufficient funds caused by these charges.

We are not required to send prior notice of checks returned for insufficient funds.

Any overdraft paid by the Bank is in anticipation of your making a deposit to cover the negative balance as soon as possible. This deposit can come from an automated source, such as payroll or other direct deposit, or you may choose to pay the negative balance, which includes any overdraft fee, by stopping by any 1st Source banking center. You agree we may use subsequent deposits, including direct deposits of Social Security or other government benefits, to cover overdrafts and overdraft fees.

You may have the option to choose whether or not to allow your checking account to become overdrawn when using your Resource Plus[®] debit card under our Overdraft Choice program. This choice, sometimes referred to as opting-out or opting-in, can be made by contacting your nearest banking center or by calling customer service during normal business hours.

Additionally, if you want to limit your overdraft usage and expenses associated with it, the Bank offers products and services such as Carefree Line of Credit (subject to approval), Overdraft Transfer Service, Online Banking, Text Alerts, and more. If you have a Carefree Line of Credit, the available amount on your line will be considered during a card authorization that would otherwise be declined without the Carefree Line of Credit. For Overdraft Transfer Service, you will need to opt in to the Overdraft Choice program (if available to you) if you prefer this overdraft protection service be used for one-time debit card and ATM transactions. If you do not opt in, we may decline certain debit card transactions that would overdraw your account. Even if you do opt in and have available funds in a Carefree Line of Credit or linked savings account, we may still decline debit card transactions, at our discretion.

Health Savings Accounts (HSAs) may not be overdrawn with a check or debit card transaction. Overdrafts in such accounts are considered prohibited transactions according to the IRS.

Stop Payment Orders

The Bank may charge a fee for each stop payment order. We will not stop payment on treasurer's checks or one-time debit card transactions. You may stop payment on any of your checks, including checks drawn on a joint account, provided we receive your stop payment order in a manner and at a time that gives us a reasonable opportunity to act. Your stop payment order on a check will be too late if it is not received within a reasonable time before any of the actions described in Uniform Commercial Code section 4-303 are taken.

In general, these actions include:

- accepting the check
- paying the check in cash
- settling for the check as part of the collection process
- becoming accountable for the amount of the check
- passing of the next banking day after the banking day on which the Bank received the check

A stop payment order for a check will be in effect for six (6) months. However, if you inform us orally to stop payment, we may, at our discretion, remove the stop payment order after fourteen (14) days if we have not received a signed stop payment order. You may renew your order in writing every six (6) months. We may pay any of your checks after your stop payment order has expired.

For checks, your order to stop payment must contain your name and account number, the name to whom the check is made out (the payee), and the number and amount of the check. We will have no liability to you if any of the information you provide in your stop payment order is incorrect and we pay the check.

Any person authorized to write checks against your account can stop payment, even though that person may not have written the check.

To stop payment on a preauthorized electronic fund transfer, you must notify us at least three (3) business days before the scheduled transfer date. We may require written confirmation of an oral stop payment order. If you do not provide written confirmation within fourteen (14) days, your oral stop payment order may cease to be binding.

Postdated Items

The Bank may accept or pay a postdated item drawn on your account and received by the Bank on a date which is prior to the date of the item or contrary to special instructions identified on the item, unless the Bank receives notice and agrees in writing to be bound by such date or special instructions. Such notice must provide the same information and be provided in the same time frame as stop payment orders. The notice will be effective for the same time periods as for stop payment orders. If the Bank re-credits your account after paying a postdated item over a valid and timely notice, you agree to transfer to the Bank all of your rights against the payee or other holder of the item, and to assist the Bank in legal action taken against that person.

Account Fees

The Bank may collect fees and charges on your account in accordance with our *Fee Schedule for Personal Accounts* and other terms of your Account Agreement. Fees and charges may be deducted from your account during a statement period other than the one in which it was incurred. You will not hold us accountable for refusing to pay checks because of insufficient funds as a result of these fees and charges.

In addition to checking, money market, savings, and certificate of deposit accounts, we may offer other services – such as treasurer’s checks and savings bond redemption. Separate fees and agreements may apply to each of these services. We may change these fees at any time without notice unless otherwise required by law. We may list some of these fees in our *Fee Schedule for Personal Accounts*. You can get current information about all of these services and fees by calling the 1st Source Customer Service Center at 800-513-2360, visiting any one of our banking centers, or requesting this information in writing to: 1st Source Bank, Branch Administration, P.O. Box 1602, South Bend, IN 46634.

The Check 21 Act

Check 21 is a law enacted to simplify the way checks are processed in the United States. This law created a document called a “substitute check” which legally replaces the original paper check.

What Is a Substitute Check

It is the legal equivalent of the original paper check. It is a picture of our original paper check, turned into an electronic image – similar in size with a slightly reduced image. The front of the check states, “This is a legal copy of your check. You can use it the same way you would use the original check.”

A substitute check is the equivalent of the original paper check with all of the rights and obligations of the original check it replaces. Some or all of the checks that you receive back from us may be substitute checks. This notice describes the 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 if There Is an Error Involving a Substitute Check

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 of money 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 from 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, overdraft fees).

The amount of refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also 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 laws.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we receive your claim and the remainder (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 was posted to your account, please call us at 800-513-2360 or write us at 1st Source Bank, Research Department, P.O. Box 1602, South Bend, IN 46634.

You must contact us within forty (40) days of the date we mailed (or otherwise delivered by 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 period of time 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 is incorrect)
- An estimate of the amount of your loss

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- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss
 - A copy of the substitute check and the following information to help us identify the substitute check: check number, payee, and the amount of the check

3(b) ADDITIONAL SAVINGS & MONEY MARKET ACCOUNT TERMS

Savings & Money Market Accounts

Savings accounts and money market accounts are defined as accounts that are not payable on a specified date or at the expiration of a specified time. Savings accounts are governed by federal regulations pertaining to amount limitations, interest rates, manner of withdrawal, penalties, and other conditions. Your account is also governed by the terms of this Account Agreement.

Right to Require Notice

The Bank has the right to require seven (7) days prior written notice of any withdrawal you may make from your account. If you close your account, you will be responsible for making sure that there is enough money in your account to cover all outstanding withdrawals.

Transaction Limitations

Withdrawal transactions are limited by us and by federal regulation. See Section 5 of this Agreement and the *Fee Schedule for Personal Accounts* for more information about these limitations.

3(c) ADDITIONAL CERTIFICATE OF DEPOSIT ACCOUNT TERMS

Time Deposits/Certificates of Deposit

Time deposits include deposits that are payable either on a specified date or at the expiration of a specified time no less than seven (7) days after the date of deposit. We refer to a time deposit account as a certificate of deposit or CD. This Agreement applies to all consumer CDs, including those opened under your IRA or ESA. See the account agreements and associated disclosures for additional terms of these accounts.

Your certificate of deposit is governed by federal regulations pertaining to amount limitations, interest rates, manner of withdrawal, penalties, and other conditions. It is also governed by the terms of this Account Agreement and the terms of any certificate of deposit document or receipt you receive.

Tax Penalty for Early Distribution

If your certificate of deposit is in a retirement account, there may be a tax penalty for early distribution under IRS regulations. You should consult a qualified, independent tax advisor for advice.

Withdrawal of interest or principal prior to maturity may be permitted only in accordance with laws and regulations and the Bank's rules in effect.

Grace Period

We offer a grace period upon maturity of your CD. During the grace period, a CD may be redeemed without penalty, or it may be renewed retroactive to its maturity date. If you add funds to a CD IRA during the grace period, we pay interest on the new balance effective the date the additional funds were deposited. Interest is not earned during the grace period if the CD is redeemed.

- CDs with an original term of 31 days or less have a three (3) calendar day grace period.
- CDs with an original term greater than 31 days have a ten (10) calendar day grace period.

Automatic Renewal

Your CD will automatically renew at maturity for a time period equal to the original term unless we notify you otherwise, in writing. The interest rate and APY for each renewal term will be the standard interest rate and APY currently offered on the maturity date unless we notify you otherwise, in writing.

Transaction Limitations

You may make additional deposits to a CD IRA during the grace period. You may not otherwise make deposits until maturity. If a withdrawal reduces the balance below the minimum deposit requirement, it may be necessary to redeem the entire CD.

Early Withdrawals

You agree to keep your funds on deposit for the stated term of the account. At our discretion, we may allow you to withdraw all or part of your funds at times other than your grace period. When we permit you to make an early withdrawal, we may charge you an early withdrawal penalty. See the *Fee Schedule for Personal Accounts* for details. We may waive the penalty in limited circumstances, such as death of the owner of the CD or for certain IRA distributions. Interest compounded and credited during the term of a CD may be withdrawn without penalty prior to the maturity of the CD. Early withdrawals from an IRA may be subject to IRS penalties or taxes. If we are required to pay an amount from your time deposit (e.g., a levy or court order), we may charge you an early withdrawal penalty based on the amount withdrawn from the account.

4. OVERDRAFT TRANSFER SERVICE TERMS

Overdraft Transfer Service is an optional service that allows automatic transfer of available funds from a savings account to a checking account to cover an overdraft. Funds are transferred once per day in \$50.00 increments to cover the overdrawn amount including the fee. If the savings account does not have an available balance sufficient to cover the overdrawn amount, including the fee, the balance of the savings account will transfer to cover as many items as possible. If the savings account does not have an available balance sufficient to cover any overdraft items and the fee, no transfer will take place.

Savings account transaction limitations apply to this service. Only one savings account can be connected to Overdraft Transfer Service per personal checking account. Overdraft Transfer Service is not available for checking accounts linked to Carefree Line of Credit. Records of transfers from savings to checking are included on your account statement and viewable in Online/Mobile Banking. See Fee Schedule for Personal Accounts for details regarding the fee for this service.

5. TRANSACTION LIMITATIONS FOR SAVINGS & MONEY MARKET ACCOUNTS

For savings account products, you are allowed four (4) withdrawal transactions from your savings account per statement cycle (or month if you have a quarterly statement cycle) before we charge a per-withdrawal Excessive Withdrawal Fee. For money market accounts, you are allowed six (6) withdrawal transactions per statement cycle (or month if you have a quarterly statement cycle) before we charge you the per-withdrawal Excessive Withdrawal Fee. The Excessive Withdrawal

Fee applies to all withdrawal transactions after the fourth withdrawal transaction for savings accounts and all withdrawal transactions after the sixth withdrawal for money market accounts. See the *Fee Schedule for Personal Accounts* for details.

In addition, certain types of withdrawals and transfers from a savings account may be limited to six (6) per statement cycle (or month if you have a quarterly statement cycle) as outlined in Regulation D and as permitted by Bank policy. These transaction limits apply to all consumer savings accounts; withdrawals in excess of these limits may result in account closure.

Types of transactions limited by Regulation D:

- Pre-authorized, automatic scheduled or recurring withdrawals or transfers from a savings account to another account, also known as “EFT” or “ACH” transactions (including transfers for overdraft protection).
- Online or mobile banking transfers.
- Transfers conducted on InfoSource®, our automated telephone account information line, or by speaking with a banker on the phone.
- Overdraft Transfer Service transactions
- Transfers by checks, drafts, or similar transactions if allowed on your savings account.

Federal transaction limits do not apply to transfers you make at one of our banking centers, by mail, or at an ATM.

6. ELECTRONIC FUNDS TRANSFER NOTICE OF DISCLOSURE (REGULATION E)

Electronic Funds Transfer (EFT)

The Bank provides various EFT services for its customers. EFT means a transfer of funds through an electronic terminal, by telephone (InfoSource®), by Internet (Online Banking and Mobile Banking), or the conversion of a check electronically. EFTs include, but are not limited to, automated teller machine (ATM) transactions, direct deposit or withdrawal of funds, transfers by telephone or computer, and debit card transactions, including those not involving an electronic terminal at the time of the transaction. The Bank may limit the availability of these services.

This disclosure outlines the basic rights, liabilities and responsibilities stated in the Electronic Funds Transfer Act, Regulation E.

Fees

The Bank reserves the right to deduct from your account any fees or service charges incurred for EFT services. You will not hold the Bank responsible for refusing to pay checks because of insufficient funds as a result of these fees or service charges. For fee information, you may obtain a copy of the Bank's *Fee Schedule for Personal Accounts* at any 1st Source banking center or at 1stsource.com/disclosures.

Resource® Card/Resource Plus® Card

The Bank, upon request and credit approval, may issue a Resource® card/Resource Plus® card and Personal Identification Number (PIN). These may allow you to:

- obtain checking and savings account balance information
- make deposits or withdrawals from your checking and savings accounts

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- transfer funds between your checking, savings and Home Equity Line of Credit accounts
 - make payments
 - pay for various purchases
 - access our InfoSource® automated 24/7 telephone banking

Some of these services may not be available at all terminals.

Terminating Card Privileges

The Bank may terminate your card privileges at any time WITHOUT written notice to you.

You may terminate your card privileges at any time by calling the 1st Source Customer Service Center at 800-513-2360, visiting any 1st Source banking center and requesting card termination, or by sending the Bank written notice to: 1st Source Bank, Resource® Card, P.O. Box 1602, South Bend, IN 46634.

Business Days

For the purpose of this disclosure, the Bank's business days are Monday through Friday, exclusive of Federal holidays. When and where we are open on Saturdays, Sundays or holidays, we will accept transactions for posting on the next business day.

Limitation on Debit and ATM Card Withdrawals

Cash withdrawals from our network of 24-hour ATMs using your Resource® card or Resource Plus® card are limited to a standard daily limit of \$1,000. (Program Card ATM Daily Limits are \$300 – Culver Students, \$500 – Health Savings, \$1,500 – Private Banking.) Purchases made using your Resource® card or Resource Plus® card are limited to a separate standard daily limit of \$4,000 when using your Personal Identification Number (PIN) and/or signing for your purchases. (Program Card Daily Purchase Limits are \$1,000 – Culver, \$2,000 – Health Savings, \$7,500 – Private Banking.)

Digital Wallet Terms and Conditions

Additional terms and conditions apply when you choose to add your Resource Plus® card to a digital wallet service. A full copy of the 1st Source Digital Wallet Terms and Conditions is available at 1stsource.com/disclosures or you may request a copy at any one of our banking centers. By adding your card to a wallet service or by clicking on "Agree" during the initial provisioning of the card into the wallet service you agree to the digital wallet service terms. If you do not agree to all of the terms, do not accept the terms. You will then not be provided use of the service.

To Report Losses or Errors

If your Resource® card/Resource Plus® card has been lost or stolen, or you believe an unauthorized transfer or error has occurred or may occur, please contact us AT ONCE by calling 800-513-2360. After regular business hours, call 800-472-3272 as soon as possible. If out of the country, call collect: 973-682-2652. You may also write to us at 1st Source Bank, P.O. Box 1602, South Bend, Indiana 46634.

An "unauthorized transfer" is a transfer that does not benefit you, by a person who does not have your actual permission. If you give authorization to another person, their authority does not cease until you notify the Bank or close the card. A transfer by the joint owner or other person with authority to transact business on your account is not an unauthorized transfer.

Customer Liability

Prompt action is crucial in the event of a lost or stolen Resource® card/Resource Plus® card or if you believe that an electronic fund transfer has been made without your permission using information from your check. If you believe an error has occurred or someone has used your card without your permission and you contact us within two (2) business days of discovery, your loss will be no more than \$50.

You may be eligible for the Mastercard® Worldwide Zero Liability Protection for unauthorized signature and PIN transactions placed on your consumer card if you meet certain conditions, such as reasonable care and reporting. Check with us to find out more information.

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card without your permission if you had told us, you could lose as much as \$500.

Also, if your account 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 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.

Right to Receive Documentation

You will receive a memo receipt at the time you make any transfer greater than \$15 from your account using one of our Resource® Centers (ATMs), or at any Cirrus® Mastercard® or Accel terminals. You will receive a monthly checking account statement reflecting your transfers during the month. For savings accounts, if there are preauthorized debits and/or Resource® Center (ATM) transactions posted to the account during the month, you will receive a monthly account statement; otherwise you may receive quarterly account statements. You may call us at 800-513-2360 to verify the receipt of a preauthorized credit.

You may call our InfoSource® automated 24/7 telephone banking at 800-235-2557 to obtain information on the status of your account. You may also access your account through Online Banking at 1stsource.com.

Types of Electronic Funds Transfers

You may use your Resource® card/Resource Plus® card to initiate the following transactions: (a) withdraw cash from your checking or savings account; (b) transfer funds between your checking, savings and Home Equity Line of Credit accounts in the amount you request; (c) deposit cash or checks in your checking or savings account; (d) obtain checking and/or savings account balance information; (e) pay for various purchases. 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: (a) pay for purchases, (b) pay bills.

YOUR CARD IS THE PROPERTY OF THE BANK AND WE MAY TERMINATE YOUR CARD PRIVILEGES AT ANY TIME WITHOUT WRITTEN NOTICE TO YOU.

DO NOT WRITE YOUR PERSONAL IDENTIFICATION NUMBER ON YOUR CARD. KEEP YOUR PIN SEPARATE FROM YOUR CARD.

Your Resource[®] card/Resource Plus[®] card can be used at thousands of ATMs nationwide which display the Mastercard[®] (Cirrus/Maestro) or Accel[®] logos. When using any non-1st Source Bank ATM, there may be a fee per transaction from the ATM operator or any network used. You will be notified of this fee prior to completing the transaction. This fee will be charged to the account you have accessed. You may be charged a fee by the ATM operator for a balance inquiry even if you do not complete a funds transfer. You understand and agree that the ATM operator may charge you multiple fees for multiple transactions (for example, a fee for a balance inquiry and a fee for a withdrawal) during the same ATM session.

You may use your Resource[®] card/Resource Plus[®] card at any Mastercard[®] (Cirrus/Maestro) or Accel[®] terminals to initiate the following transactions:* (a) cash withdrawal from your checking and/or savings account; (b) obtain checking and/or savings account balance information.

*Note: Some of these services may not be available. The specific transactions you can perform depend upon the accounts you have previously designated for access by your Resource[®] card/Resource Plus[®] card.

Resource Plus[®] and Resource[®] Card Purchases

The Resource Plus[®] (debit Mastercard[®]) may be used instead of a check to pay for goods or services at millions of locations worldwide.

The Resource[®] card may be used with your Personal Identification Number (PIN) for purchases anywhere the Accel[®] or Mastercard[®] (Cirrus/Maestro) logo is displayed. Monthly transaction limits on your account may apply.

Automated Clearing House (ACH) Transactions

All ACH transactions are governed by the applicable operating rules and procedures. Credit given by a receiving bank to its customer for payment from your account is pending until final settlement has been made or until payment is considered received under applicable law.

If the Bank does not receive final settlement or payment for a credit made to your account, the Bank will be entitled to reimbursement from you for the amount of the credit.

Chip Card Technology

The preferred method for purchases using your Resource Plus[®] card is through the use of the processing chip embedded in the card. When available, you should attempt or request the transaction to be authorized using this method. The use of the processing chip for authorizations provides for a more secure transaction experience.

Termination of Electronic Transfer

Either the Bank or you may terminate an electronic transfer service. The Bank may terminate your right to receive electronic fund transfers and your card privileges at any time by sending you notice in writing to the last address the Bank has on record for you.

You may terminate electronic transfers by calling us at 800-513-2360 or writing us at 1st Source Bank, Card Services, P.O. Box 1602, South Bend, Indiana 46634.

Preauthorized Credits

You must specifically authorize a person, organization or government agency to deposit funds electronically to your account. If you have arranged to have direct deposits made to your account

at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money.

Additionally, you may contact us to find out whether an electronic payment has been credited to your account. You may contact the Bank at 800-513-2360; call InfoSource® at 800-235-2557; log on to your online banking account and correspond with our Customer Service Department through our secure online service request form; or write to us at 1st Source Bank, Deposit Services, P.O. Box 1602, South Bend, Indiana 46634.

Electronic payment credit is provisional until the Bank receives final settlement or payment. If final settlement or payment is not received, the Bank is entitled to a refund of the credit. At the direction of the person, organization or government agency which deposited the funds, the Bank may return the funds from your account without notice to you. The Bank is required by law to post any preauthorized credit to your consumer account as of the effective date of the deposit or the day the Bank receives it.

Preauthorized Debits

Preauthorized electronic fund transfers from your account may be authorized in writing and signed or similarly authenticated by you. The person that obtains the authorization shall provide a copy to you.

Mastercard Billing Updater

Debit cards are automatically enrolled in the Mastercard® Automated Billing Updater (ABU) Service when updated information occurs on your new card (expiration date, card number, etc.). This service provides updates to participating merchants who maintain your card information when a recurring payment occurs. You may opt-out of this service by completing an opt-out form.

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:

- (1) If, through no fault of ours, the available balance in your account is insufficient to make the transfer.
- (2) If the transfer would go over the credit limit on your overdraft line.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

Right to Stop Payment and Procedures for Doing So

If you have advised us in advance to make regular payments out of your account, you can stop any of these payments. Call us at 800-513-2360 or write to us at: 1st Source Bank, P.O. Box 1602, South Bend, Indiana 46634. You must call or write 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. We will charge you a fee, as disclosed in our *Fee Schedule for Personal Accounts*, for each stop-payment order you give. If you request 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 actual losses or damages.

If your regular payments vary in amount, the recipient of the payments will notify you ten (10) days in advance of the amount and the date of each payment.

In Case of Errors or Questions about Your Electronic Transfers

In case of errors or questions regarding electronic transfers, call us at 800-513-2360. You may also write to us at: 1st Source Bank, P.O. Box 1602, South Bend, Indiana 46634 or email us at 1stsource@1stsource.com. If you think a transaction listed on your memo receipt or account statement is wrong, or if you need more information about a transaction listed on either, please contact us at once. Remember, we must hear from you no later than 60 days after we send you the first statement on which the problem or error appeared.

When you call or write to us, please provide the following information: (a) your name and account number; (b) description of the error or the transfer you are unsure about. (Please explain as clearly as you can why you believe it is an error or why you need more information); (c) the dollar amount and date of the suspected error.

If you call us to report the error, we may require that you send us your complaint or question in writing within ten (10) business days after we hear from you. We will investigate whether an error occurred within ten (10) business days of hearing from you and will correct any error promptly. If we need more time to complete the investigation, we may take up to 45 days to investigate your complaint or question (or up to 90 days if it is a new account, point of sale or foreign transaction).

If we require the additional time, we will provisionally credit your account within ten (10) business days of the date we were notified (20 business days, if a new account) for the amount you think is in error, so you have use of those funds during 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 provisionally credit your account.

We will notify you of the results within three (3) business days after we finish 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.

Disclosure of Account Information

The Bank respects your right of privacy. We will only disclose information about your account or electronic fund transfers you make under the following circumstances: (a) where it is necessary to complete any electronic fund transfer or other transactions; (b) to verify the existence and status of your account for creditors or credit bureaus; (c) to report our experience regarding your account to financial institutions and credit reporting agencies; (d) to comply with a request from a government agency, a court order, or other legal proceeding; (e) to enforce our rights; or (f) as necessary to be used in our normal course of business; (g) subject to your right to opt out for marketing purposes; or (h) if you give written permission.

In addition, we may disclose information about your account to an account verification service if we close your account.

7. INTERNET GAMBLING NOTICE (REGULATION GG)

The Bank has designed its policies and procedures for identifying and blocking or otherwise preventing or prohibiting Resource Plus® card restricted transactions to comply with the requirements of the Internet gambling regulations issued by the U.S. Department of Treasury and the Board of Governors of the Federal Reserve System.

8. FUNDS AVAILABILITY POLICY & COLLECTION OF CHECKS (REGULATION CC)

The Expedited Funds Availability Act, implemented by Regulation CC, was enacted to ensure prompt availability and use of the funds you deposit with banks. It also operates to expedite the collection and return of unpaid checks through the national payments mechanism.

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

The Bank's Funds Availability Policy does not apply to deposits of items payable in a medium other than United States funds or to deposits of checks drawn on a bank office located outside the United States. The availability of funds from these types of deposits may be delayed.

Determining the Availability of a Deposit

For determining the availability of your deposits, every day is a business day, except Saturday, Sunday, and federal holidays. If you make a deposit before the posted closing time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the posted closing 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.

If you make a deposit in a Bank Resource Center ATM **AFTER** 6:00 p.m. or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

If you make a deposit in a Bank night depository **AFTER** 4:00 p.m. or the cutoff time otherwise posted, or on a business day we are not open, we may consider that the deposit was made on the next business day we are open.

The Bank may refuse any item to be deposited.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

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

- cash
- wire transfer
- United States checks payable to the depositor

Longer Delays May Apply

In some cases, we will not make all the funds you deposit by check available to you on 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, the first \$225 of your deposit will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day after the day of your deposit, 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 if we decide it is necessary to take this action after you have left the premises, we will mail you the notice by the day after we received your deposit, or on the business day we learn of the reason requiring the delay.

If you need funds from a deposit immediately, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period of time under the following circumstances:

- if we believe a check you deposit will not be paid
- when you deposit checks totaling more than \$5,525 on any one (1) day
- when you redeposit a check that has been returned unpaid
- when you have overdrawn your account repeatedly in the last six (6) months
- if 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.

Holds on Other Funds (Check Cashing)

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

Special Rules for New Accounts

If you are a new customer, the following special rules could apply during the first thirty (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 \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions – for example, the checks must be payable to you. The excess over \$5,525 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 \$5,525 will not be available until the second business day after the day of your deposit. Funds from all other check deposits less than \$5,525 will be available on the fifth business day after the day of your deposit.

Check Endorsement Standards

Check endorsements are to be wholly contained on the back of the check confined to the area within 1/2" from each item's trailing edge; i.e., the left edge of an item as you are looking at it

from the front. Failure to comply with these endorsement standards may make you responsible for loss resulting from a delay in return caused by endorsements that are not legible due to placement of endorsement, or due to other printed or written text or numbers appearing on the back of the check.

Collection of Checks Policy

You appoint the Bank as your agent for the collection of checks, drafts, and other orders for the payment of money, including orders for payment in clearinghouse funds and wire transfers that the customer deposits with us. We will make the proceeds of these items available to the customer in accordance with our availability policy currently in effect.

All credits for non-cash items received for deposit are provisional subject to final settlement. The Bank or any of its correspondents, as your agent for the customer, may accept the draft or credit of any bank or other payor in lieu of cash.

The Bank will exercise ordinary care in the handling of items of deposit and withdrawal per the standards and procedures established for the transaction involved.

Deposited Check Returns

The Bank can charge back to your account any item deposited that is returned unpaid. We may do this even if you have made withdrawals against those deposited checks.

We may, at our discretion, send checks for collection one or more times when they have been deposited to your account and returned unpaid. We have no liability for resubmitting these checks without notice to you. See *Fee Schedule for Personal Accounts* for details regarding the fee for this service.



Effective October 2020 | Member FDIC |  Equal Housing Lender
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