

# UNDERSTANDING YOUR DEPOSIT ACCOUNT

TERMS AND CONDITIONS

ELECTRONIC TRANSFERS

FUNDS AVAILABILITY

TRUTH IN SAVINGS

PERSONAL ACCOUNTS

## TERMS AND CONDITIONS OF YOUR ACCOUNT

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**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.

This agreement is subject to applicable federal laws and the laws of the state of Massachusetts (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.

**DEPOSITS** - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on 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 indorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

**CHAPTER 167D ACCOUNTS** - Except as indicated below, we do not intend to impose a fee, charge or other assessment against your savings or checking account if you qualify for the minor or senior citizen fee exemption under Chapter 167D of Massachusetts General Laws. You should notify us if you or your spouse qualify so that we may administer your account accordingly. Notwithstanding this exemption, we may assess you a reasonable charge when payment has been refused because of insufficient funds on any check drawn on such account.

**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 Account** - One or two of you (called trustees) may create such an account in trust for another. Payments may be made to the trustee, or if there are two trustees, to either or both of the trustees or the survivor. Upon the death of the trustee or the death of both trustees, payment may be made to the person for whom the trust was made, or that person's legal representative.

**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).

We are not obligated to accept a stop payment order on any treasurer's check, or money order. We may, at our discretion and for our own protection, decide to stop payment on these items under certain circumstances, such as if the check has been lost or stolen. If we agree to do so, we may first require you to post a surety bond, indemnify us for any potential damages, and file a declaration of loss in any form we reasonably request.

**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** - We will send you a statement for each account (except passbook accounts) showing all transactions made to the account and any interest earned during each statement period. All active accounts will receive monthly, quarterly, or semi-annually, depending on the type of account and services you have with us. Inactive accounts may receive statements quarterly. Your statements will be sent to you by regular mail. We will use the most recent address we have for you. When we place these items in the mail, they will be deemed delivered to you. If a statement is unclaimed or undeliverable because of your failure to provide adequate instructions or to notify us of a change of address, we may discontinue sending statements. You

agree to notify us of any permanent change of address. 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 signatures 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."

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

**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 payment, 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.

### South Coastal Bank

#### Personal Deposit Account Agreement

**Check Imaging.** Check imaging is a computer-generated image of the front of each check. Your statement will include images of all the checks and drafts presented for payment during your statement cycle. You authorize us to retain and copy at our expense all checks and drafts drawn on your checking account. You may obtain a copy of a check or draft upon a written request that sufficiently identifies the checks

requested at any time during the seven years after an item is deposited. You may obtain up to 25 free copies. A charge may be imposed for each additional copy. You agree that by retaining the original check or a copy, we have made the check available to you in a reasonable manner. After a reasonable period of time as determined by the Bank, the original items will be destroyed. If for any reason we cannot provide a copy of your check or satisfy your request by other means, we may be liable for no more than the face amount of the check or your actual damage, whichever is less.

## SUBSTITUTE CHECKS AND YOUR RIGHTS

As our customer we think it's important for you to know about substitute checks. As a result, we want to advise you that you may begin to see differences when you receive your account statement with copies of your checks, view your account information online, or request a copy of your original check for proof of payment. The following Substitute Check Disclosure provides information about 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 \$2,500 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 at:

South Coastal Bank  
279 Union Street  
Rockland, MA 02370  
Attn: Operations Department  
781-878-5252

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: the check number, the amount of the check, the date of the check, and the name of the person to whom you wrote the check.

**Overdrafts.** If, when a check or other item including an electronic debit is presented to us for payment, and there are not enough funds in your account to pay it, we can do one of two things. First, it may be paid. If the item is paid, then your account will be overdrawn. If your account becomes overdrawn, you will be notified promptly and told how much money you have to deposit to cover the overdraft. You agree to reimburse us for the amount of the overdraft and fee

charged, if applicable, without delay. Second, the item can be returned, or debit transaction refused, without paying it. It is solely our option whether to pay or to return the item. In either case, you will be charged an overdraft fee, which will be taken directly out of your account. Please refer to the Schedule of Fees and Services for additional information about fees.

**Overdraft Protection.** You may apply for overdraft protection for your Checking Account. If you have overdraft protection (Line of Credit), we will automatically lend you, up to prescribed limits, the amount you need to cover checks or withdrawals that would overdraw your Checking Account. Information about interest rates, terms and conditions and applications for overdraft protection (Line of Credit) are available at our branches. There is a fee associated with an Overdraft Line of Credit.

### IDENTITY THEFT

#### How to Avoid Becoming a Victim of Identity Theft

**Identity Theft.** Identity theft is the fraudulent use of a person's personal identifying information. Often, identity thieves will use another person's personal information, such as a social security number, mother's maiden name, date of birth, or account number to open fraudulent new credit card accounts, charge existing credit card accounts, write checks, open bank accounts, or obtain new loans. They may obtain this information by:

- Stealing wallets that contain personal identification information and credit cards.
- Stealing bank statements from the mail.
- Diverting mail from its intended recipients by submitting a change of address form.
- Rummaging through trash for personal data.
- Stealing personal identification information from workplace records.
- Intercepting or otherwise obtaining information transmitted electronically.

**Pretext Calling.** Pretext calling is a fraudulent means of obtaining a person's personal information. Pretext callers may contact bank employees, posing as customers, to access customers' personal account information. Information obtained from pretext calling may be sold to debt collection services, attorneys, and private investigators to use in court proceedings. Identity thieves may also engage in pretext calling to obtain personal information to create fraudulent accounts.

**Phishing.** Fraudulent emails, appearing to be from a trusted source such as your bank, or a government agency, direct you to websites. Once there, you are asked to verify personal information such as name, account and credit card numbers and passwords. These sites are often designed to look exactly like the site they are imitating.

#### Avoid Becoming A Victim of Identity Theft, Pretext Calling and Phishing.

Here are some basic steps you can take to avoid becoming a victim of identity theft, pretext calling and Phishing:

- **Do not give personal information**, such as account numbers or social security numbers, over the telephone, through the mail, or over the Internet, unless you initiated the contact or know with whom you are dealing.
- **Store personal information in a safe place** and tear up old credit card slips, ATM receipts, old account statements, and unused credit card offers before throwing them away.
- **Protect your PINs and other passwords.** Avoid using easily available information, such as your mother's maiden name, your birth date, the last four digits of your social security number, your phone number, etc.
- **Carry only the minimum amount of identifying information** and number of credit cards that you need.
- **Pay attention to billing cycles and statements.** Inquire of the bank, if you do not receive a monthly bill. It may mean that an identity thief diverted the bill.
- **Check account statements carefully** to ensure all charges, checks, or withdrawals were authorized.
- **Guard your mail from theft.** If you have the type of mailbox with a flag to signal that the box contains mail, do not leave bill payment envelopes in your mailbox with the flag up. Instead, deposit them in a post office collection box or at the local post office. Promptly remove incoming mail.
- **Order copies of your credit report** from each of the three major credit bureaus once a year to ensure that they are accurate. The law permits the credit bureaus to charge \$8.50 for a copy of the report (unless you live in a state that requires the credit bureaus to provide you with one free copy of your report annually). Massachusetts requires the credit bureaus to provide one free copy of your report annually.
- **Cyber-Defense Tactics.** If you receive an email that warns you, with little or no notice, that your account will be shut down unless you reconfirm certain information, **do not** click on the email link. Instead, use a phone number or enter the web address yourself. Clicking on a link that looks legitimate may in fact direct you to a fraudulent website where your personal information will be stolen. Remember, your bank or a government agency will never send you an alert asking you to disclose your personal information.
- **Before submitting any financial information** to a legitimate website, look for the "lock" icon on the browser status bar, or look for "https" in the web address. Both are indications that the information is secure and encrypted during transmission.

**Victim of Identity Theft.** If you believe that someone has stolen your identity, you should:

- **Contact the fraud department** of each of the three major credit bureaus to report the identity theft and request that the credit bureaus place a fraud alert and a victim's statement in your file. The fraud alert puts creditors on notice that you have been the victim of fraud, and the victim's statement asks them not to open additional accounts without first contacting you.
- The telephone numbers for the fraud departments of the three national credit bureaus:

Trans Union	1-800-680-7289
Equifax	1-800-525-6285
Experian	1-888-397-3742

You may request a free copy of your credit report. Credit bureaus must provide a free copy of your report if you have reason to believe the report is inaccurate because of fraud and you submit a request in writing.

- Review your report to make sure no additional fraudulent accounts have been opened in your name, or unauthorized charges made to your existing accounts. Also, check the section of your report that list "inquiries" and request that any inquiries from companies that opened the fraudulent accounts be removed.
- Contact any bank or other creditor where you have an account that you think may be the subject of identity theft. Advise them of the identity theft. Request that they restrict access to your account, change your account password, or close your account if there is evidence that your account has been the target of criminal activity.
- **File a report with your local police department.**
- **Contact the FTC's Identity Theft Hotline toll-free at 1-877-ID-THEFT (438-4338).** The FTC enters the information into a secure consumer fraud database and shares it with local, state, and federal law enforcement agencies.

## ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Electronic Fund Transfers Initiated By Third Parties.** You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or money market account(s).
- **Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to savings accounts.

**Telephone Transfers - types of transfers** - You may access your account by telephone 24 hours a day at 781-878-6513 using your personal identification number, a touch tone phone and your account numbers, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
- transfer funds from savings to savings
- make payments from checking to loan accounts with us
- make payments from savings to loan accounts with us

- get information about:
  - the account balance of checking account(s)
  - the account balance of savings account(s)

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to telephone transfers.

**Your Option to Limit Cash Withdrawals** - In addition to dollar amount limitations for withdrawals using your ATM or debit card and/or code that we may establish, you have the option to limit the amount of cash that can be withdrawn by your ATM or debit card and/or code to \$50.00 per day or some other amount acceptable to us.

**ATM Transfers - types of transfers and dollar limitations** - You may access your account(s) by ATM using your ATM card and personal identification number or VISA® Check Card and personal identification number, to:

- make deposits to checking account(s) and/or statement savings
- get cash withdrawals from checking account(s) and/or statement savings
  - you may withdraw no more than \$505.00 (or an amount set by the bank) per day per card or up to your available balance
- transfer funds from statement savings to checking account(s)
- transfer funds from checking to statement savings account(s)
- pay loans directly from your checking or statement savings account(s) at South Coastal Bank ATMs
- get information about:
  - the account balance of your checking and/or statement savings account(s)

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

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to ATM transfers.

**Types of Debit Card Transactions** - You may access your checking account to purchase goods (in person, by phone, by mail, or by internet) or pay for services (in person, by phone, by mail, or by internet).

**Debit Card Transactions - dollar limitations** - Using your debit card:

- we will limit the combined amounts of your purchases and ATM cash withdrawals to your available account balance or \$1,505.00 per day, whichever is less. We reserve the right to increase or reduce this limit with proper notice as required by applicable state law.

#### Limitations on Transactions:

- a. The total amount of cash you may receive during a calendar day in ATM transactions is the least of: (1) the available balance in the account from which a withdrawal is made (according to the information most recently posted in the network) or (2) \$505.00.
- b. The total amount of any POS transaction (utilizing your PIN) or VISA® Check Card purchase transactions that you may enter into any one day is the least of: (1) the available balance in the Checking Account from which a withdrawal is made (according to the information most recently posted in the network) or (2) \$1,505.00.

#### Types of Transactions:

You may use your Card (utilizing your PIN) at any network POS terminal to:

- a. Access funds in your Checking Account to pay for the retail purchase of goods and services.

You may use your VISA® Check Card for any of the transactions described above and:

- a. At any ATM displaying the VISA® logo to withdraw cash from your Checking or Statement Savings Account;
- b. At any POS terminal maintained by a merchant displaying the VISA® logo to access funds in your Checking Account to pay that merchant for the retail purchase of goods and services; and
- c. By signing a receipt for a merchant displaying the VISA® logo to access funds in your Checking Account you agree to pay that merchant for the retail purchase of goods and services. This is called a "VISA Check Card purchase transaction." In order to cover a VISA® Check Card purchase transaction, we may place a hold for the appropriate amount on your Checking Account from the date of your transaction until payment is requested from us through the VISA® system. Any funds we are holding for this purpose will not be available for withdrawal during the period the hold is in effect. The hold will be in effect for no more than three (3) business days. When payment is requested through the VISA® system, the purchase amount will be debited from your Checking Account.

Some of these transactions may not be available at all ATMs or POS terminals at all times.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to debit card transactions.

**Currency Conversion.** When you use your VISA® Check Card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date, plus 1%. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

**Advisory Against Illegal Use.** You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

**Computer Transfers - types of transfers and charges** - You may access your account(s) by computer by logging onto our website at www.southcoastbank.com and using your password and your customer numbers, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
- transfer funds from savings to savings
- make payments from checking to loan account(s) with us
- make payments from checking to third parties
  - Please refer to the Schedule of Fees and Services for information about fees.
- make payments from savings to loan account(s) with us
- get information about:
  - the account balance of checking account(s)
  - the account balance of savings account(s)

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to computer transfers.

**Limitations on frequency of transfers** - In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers from a money market account to another account or to third parties by preauthorized, automatic, telephone or computer transfer are limited to six per statement cycle with no more than three by check or similar order to third parties.

**Termination** -

- You may terminate the electronic fund transfer agreement by giving written notice at any time, but the termination of the agreement will not affect any previous transactions. Also, closing the account to which the card relates terminates the cardholder's agreement with us simultaneously.
- We may terminate the electronic fund transfer agreement by giving the customer written notice at any time.

**Minimum account balance** -

- We do not require you to maintain a minimum balance in any account as a condition of using an access device (card or code) to accomplish a transfer.

**FEES**

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized withdrawals from any type of account.

Except as indicated elsewhere, we do not charge for these electronic fund transfers.

Please refer to the Schedule of Fees and Services for additional information about fees.

**ATM Operator/Network Fees.** 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 fund transfer).

**DOCUMENTATION**

- **Terminal transfers.** You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals.
- **Preauthorized credits.** 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.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (781) 878-6513 to find out whether or not the deposit has been made.

• **Periodic statements.**

You will get a monthly account statement from us for your checking accounts.

You will get a monthly account statement from us for your statement savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

You will get a semi-annual account statement from us for your statement certificate accounts.

**PREAUTHORIZED PAYMENTS**

- **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose

instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

- **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**ADDITIONAL INFORMATION REQUIRED BY MASSACHUSETTS LAW**

- (1) Any documentation provided to you which indicates that an electronic fund transfer was made to another person shall be admissible as evidence of the transfer and shall constitute prima-facie proof that the transfer was made.
- (2) The initiation by you of certain electronic fund transfers from your account, except as otherwise provided in the agreement, will effectively eliminate your ability to stop payment of the transfer.

**Unless otherwise provided in this agreement, you (the consumer) may not stop payment of electronic fund transfers, therefore you should not employ electronic access for purchases or services unless you are satisfied that you will not need to stop payment.**

**FINANCIAL INSTITUTION'S LIABILITY**

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we 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, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (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) If the funds are subject to legal process or other encumbrance restricting such transfer.
- (7) There may be other exceptions stated in our agreement with you.

**CONFIDENTIALITY**

In order that your privacy may be protected, we will not disclose any information about you or your account to any person, organization, or agency except:

- (1) for certain routine disclosures necessary for the completion of a transfer; or
- (2) for verification of the existence and condition of your account for a credit bureau or merchant; or
- (3) to persons authorized by law in the course of their official duties; or
- (4) to our employees, auditors, service providers, attorneys or collection agents in the course of their duties; or
- (5) pursuant to a court order or lawful subpoena; or
- (6) to a consumer reporting agency as defined in Chapter 93 of Massachusetts General Laws; or
- (7) by your written authorization which shall automatically expire 45 days after our receipt of your authorization.

If an unauthorized disclosure has been made, we must inform you of the particulars of the disclosure within 3 days after we have discovered that an unauthorized disclosure has occurred.

**UNAUTHORIZED TRANSFERS**

**(a) Consumer liability.**

• *Generally.* Tell us AT ONCE if you think your card and/or code has been lost, stolen, used without your permission, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way, if any, of minimizing your possible losses. You can lose no more than \$50 if you fail to give us notice of your lost or stolen card and/or code and your card and/or code is used without your permission.

• *Additional Limit on Liability for VISA® Check Card.* Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen VISA® Check Card. This additional limit on liability does not apply to ATM transactions or to transactions using your Personal Identification Number which are not processed by VISA®.

**(b) Contact in event of unauthorized transfer.** If you think your card and/or code has been lost, stolen or that someone has transferred or may transfer money from your account without your permission, for example, by using the information from your check, call or write us at the telephone number or address listed in this brochure.

**PROTECTED CONSUMER USE**

Chapter 167B of the Massachusetts General Laws was enacted to provide a means for financial institutions, businesses, and consumers to conduct their business relations more conveniently. Transferring funds electronically will supplement the use of checks, credit, and cash and will not replace these present methods of doing business. As a consumer, you should be aware of your rights if you choose to utilize this system.

- (1) **Prohibition of compulsory use.** No person may:

- require you to use a preauthorized electronic fund transfer as a condition of the extension of credit unless the credit is being extended in connection with an overdraft checking plan, or is being extended to maintain a specified balance in your account, or
- require you either to accept a transfer service or to establish an account which is accessed electronically as conditions of employment or receipt of governmental benefit, or
- require you to pay electronically for the purchase of goods or services.

If your account is to be credited by a preauthorized transfer you may choose the financial institution to which the transfer may be made, if the institution is technically capable of receiving such preauthorized transfer.

- (2) **Waiver of rights.** No writing or agreement signed by you can waive the rights conferred to you by Chapter 167B of the Massachusetts General Laws unless you decide to waive these rights in settlement of a dispute or action.
- (3) **Refunds.** If it is the policy of a store or retail business to give cash refunds in return for an item purchased by cash, then this policy must also cover refunds for items purchased by electronic fund transfer unless it is clearly disclosed at the time the transaction is consummated that no cash or credit refunds are given for payments made by electronic fund transfers.
- (4) **Suspension of obligations.** If a person agrees to accept payment by means of an electronic fund transfer and the system malfunctions preventing such a transfer, then the consumer's obligation is suspended until the transfer can be completed, unless that person, in writing, demands payment by other means.
- (5) **Prohibited means of identification.** Your Social Security number cannot be used as the primary identification number although it can be used as secondary aid to identify you.
- (6) **Criminal liability.** Procuring or using a card, code or other means of electronic access to an account with the intent to defraud is a basis for criminal liability.

**ERROR RESOLUTION NOTICE**

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this brochure, as soon as you can, if you think your statement, passbook, or receipt is wrong or if you need more information about a transfer listed on the statement, passbook, or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared or, if the only transfer possible is a direct deposit to your passbook account no later than 60 days after the problem or error was FIRST detected in your passbook or statement.

- (1) Tell us your name and account number (if any).
- (2) 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.
- (3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (5 business days for VISA® Check Card point-of-sale transactions and 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days for VISA® Check Card point-of-sale transactions and 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three 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.

SOUTH COASTAL BANK  
CUSTOMER SERVICE  
P. O. BOX 533  
ROCKLAND, MASSACHUSETTS 02370  
Business Days: Monday through Friday  
Business Hours: Monday through Thursday 9:00 A.M. - 5:00 P.M.  
Friday 9:00 A.M. - 6:00 P.M.  
Excluding Federal Holidays  
Phone: (781) 878-5252

After regular business hours call Hotcard Service Center (800) 554-8969  
MORE DETAILED INFORMATION IS AVAILABLE  
ON REQUEST

**YOUR ABILITY TO WITHDRAW FUNDS**

Our policy is to delay the availability of funds from your check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written.

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.

**DETERMINING THE AVAILABILITY OF A DEPOSIT**

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit on a day we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open or a non-business day, we will consider that the deposit was made on the next business day we are open.

The length of the delay varies, depending on the type of check deposited, and is explained below.

**SAME DAY AVAILABILITY**

Funds from electronic direct deposits, cash deposits, wire transfers and deposits of checks drawn on us will be available on the day we receive the deposits.

**NEXT DAY AVAILABILITY**

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

- United States Treasury checks that are payable to and endorsed by you.
- State and local government checks that are payable to and endorsed by you.
- Cashier's certified, and teller's checks that are payable to and endorsed by you.
- Federal Reserve bank checks, Federal Home Loan bank checks, and postal money orders that are payable to and endorsed by you.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit or use one of our Automated Teller Machines), funds from these deposits will be delayed an additional business day, and be made available to you for withdrawal on the second business day after the day we receive your deposit.

**OTHER CHECK DEPOSITS**

To find out when funds from other check deposits will be available, look at the first four digits of the routing number on the check:

	_____20_____
Pay to the	_____
Order of _____	\$ _____
	_____dollars
Bank Name and	
Location	_____
123456789	000000000
_____Routing Number	
<b>Business Check</b>	
Name of Company	
Address, City, State	_____20_____
Pay to the	
Order of _____	\$ _____
	_____dollars
Bank Name and	
Location	_____
000000000	123456789 000000000
_____Routing Number	

Some checks are marked “payable through” and have a four or nine digit number nearby. For these checks, use this four digit number (or the first four digits of the nine digit number), NOT the routing number on the bottom of the check, to determine if these checks are local or non-local.

Once you have determined the first four digits of the routing number, the following chart will show you when the funds from the check will be available:

First four digits of Routing Numbers	When funds are Available	When funds are available, if a deposit is made on Monday
0110 - 0119, 0211 - 2119, 2211	\$100 on the First business day after the day of deposit	Tuesday
	Remaining funds on the Second business day after the day of deposit	Wednesday
All Other Numbers	\$100 on the First business day after the day of deposit	Tuesday
	Remaining funds on the Fifth business day after the day of deposit	Monday of the following week

If you deposit both categories of checks, \$100.00 from the checks will be available on the first business day after the day of deposit, NOT \$100.00 from each category of check.

#### LONGER DELAYS MAY APPLY

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

- We believe a check you deposit will not be paid.
- 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.
- 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 eighth business day after the day of deposit.

#### 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, 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 \$5,000 will be available on the eighth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the fifth business day after the day of your deposit.

#### HOLDS ON OTHER FUNDS

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 the check.

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

## TRUTH-IN-SAVINGS DISCLOSURE

### FREE CHECKING ACCOUNT

**Minimum balance to open the account** - You must deposit \$10.00 to open this account.

#### Fees:

Please refer to the Schedule of Fees and Miscellaneous Services for any other fees that may apply to this type of account.

### NOW ACCOUNT

#### Rate Information:

- **Tier 1** - If your daily balance is more than \$9.99, but less than \$2,500.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** - If your daily balance is \$2,500.00 or more, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

Your interest rate and annual percentage yield may change.

**Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every day. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$10.00 to open this account.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$10.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue on the business day you deposit noncash items (for example, checks).

#### Fees:

Please refer to the Schedule of Fees and Services for additional information about fees.

### MONEY MARKET ACCOUNT PREMIUM MONEY MARKET ACCOUNT

#### Rate Information:

- **Tier 1** - If your daily balance is \$9.99 or less, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** - If your daily balance is more than \$9.99, but less than \$2,500.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** - If your daily balance is \$2,500.00 or more, but less than \$10,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 4** - If your daily balance is \$10,000.00 or more, but less than \$25,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 5** - If your daily balance is \$25,000.00 or more, but less than \$100,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 6** - If your daily balance is \$100,000.00 or more, but less than \$250,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

- **Tier 7** - If your daily balance is \$250,000.00 or more, but less than \$500,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 8** - If your daily balance is \$500,000.00 or more, but less than \$1,000,000.00, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 9** - If your daily balance is \$1,000,000.00 or more, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

Your interest rate and annual percentage yield may change.

**Frequency of rate changes** - We may change the interest rate on your account at any time.

**Determination of rate** - At our discretion, we may change the interest rate on your account.

**Compounding and crediting frequency** - Interest will be compounded every day. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$2,500.00 to open this account.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$10.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue on the business day you deposit noncash items (for example, checks).

#### Transaction limitations:

Transfers from a Money Market account or Premium Money Market account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per statement cycle with no more than three by check, draft, or similar order to third parties.

#### Fees:

Please refer to the Schedule of Fees and Services for additional information about fees.

### PASSBOOK ACCOUNT

**Rate Information** - The interest rate on your account is \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%. Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time. **Determination of rate** - At our discretion, we may change the interest rate on your account. **Compounding and crediting frequency** - Interest will be compounded every day. Interest will be credited to your account every month. **Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest. **Minimum balance to open the account** - You must deposit \$10.00 to open this account.

**Minimum balance to avoid imposition of fees** - A service charge fee of \$ \_\_\_\_\_ will be imposed monthly if the balance in the account falls below \$ \_\_\_\_\_ any day of the cycle.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$10.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue on the business day you deposit noncash items (for example, checks).

### STATEMENT SAVINGS ACCOUNT

**Rate Information** - The interest rate on your account is \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%. Your interest rate and annual percentage yield may change. **Frequency of rate changes** - We may change the interest rate on your account at any time. **Determination of rate** - At our discretion, we may change the interest rate on your account. **Compounding and crediting frequency** - Interest will be compounded every day. Interest will be credited to your account every month.

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$10.00 to open this account.

**Minimum balance to avoid imposition of fees** - A service charge fee of \$ \_\_\_\_\_ will be imposed every statement cycle if the balance in the account

falls below \$ \_\_\_\_\_ any day of the cycle.

This monthly service fee will be waived if this account is linked to the Free Checking Account on a combined periodic statement or if you have direct deposit into this account.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$10.00 in the account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Accrual of interest on noncash deposits** - Interest begins to accrue on the business day you deposit noncash items (for example, checks).

#### Transaction limitations:

Transfers from a Statement Savings account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per statement cycle with no more than three by check, draft or similar order to third parties.

#### Fees:

Please refer to the Schedule of Fees and Miscellaneous Services for any other fees that may apply to this type of account.

#### COMMON FEATURES

The categories of transactions for which an overdraft fee may be imposed are those by any of the following means: check, in-person withdrawal, ATM withdrawal, or other electronic means.

Please refer to our separate fee schedule for additional information about charges.

#### ADDITIONAL SAVINGS ACCOUNT LIMITATIONS

We may require not less than 7 days’ notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.



# South Coastal Bank

*A Community Bank Since 1868*

**MEMBER FDIC  
MEMBER DIF**

794801-020 Rev. 11/06

© 1988, 1992, 1995 Wolters Kluwer Financial Services – Bankers Systems™  
Form AIB-TIS 8/4/95 Custom TCM-231,2as,3k,4r,5