

TERMS AND CONDITIONS OF YOUR ACCOUNTS

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THIS DOCUMENT CONTAINS REQUIRED DISCLOSURES AND OUR ACCOUNT AGREEMENT WITH YOU.

- 1) **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 deposit account agreement or open or continue to have your account with us, you agree to these rules. A schedule of qualifying balances and fees is included later in this document. Interest rates and annual percentage yields will be disclosed separately. If you have any questions, please call us at **1-877-255-2265**.

This agreement is subject to applicable federal laws and the laws of the State of Illinois (except to the extent that this agreement can and does vary from 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:

- summarize some laws that apply to common transactions;
- establish rules to cover transactions or events which the law does not regulate;
- establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- provide 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 deposit account agreement for your account or in some other document.

As used in this document the words “we”, “our” and “us” mean Modern Woodmen Bank (the “Bank”), and the words “you” and “your” mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. 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.

- 2) **CREDIT REPORTS** - You authorize MWABank to obtain a copy of your credit bureau report(s) for permissible business purposes such as an application for credit, checking account, regular savings account, debit card, etc. MWABank does not consider an applicant's age, race, color, religion, national origin, gender, marital status, familial status, handicap status, the fact that all or part of applicant's income derives from any public assistance program, or that the applicant has in good faith exercised any right under the Consumer Credit Protection Act in making a credit decision. If you meet the underwriting guidelines for the type of product(s) or service(s) requested based on the Bank's established policies and underwriting guidelines, we will advise you that your application has been approved. If you do not meet the established underwriting guidelines for the type of product(s) or service(s) requested based on the Bank's established policies and underwriting guidelines, we will notify you of this decision and the basis for the decision.
- 3) **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 agreement and the services and/or activity fees. You authorize us to deduct these fees directly from the account balance as accrued. You will pay any additional reasonable fees 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 fees or overdrafts, whether caused by you or another with access to this account (In Louisiana, this liability is referred to as “in solido”). 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 fee or overdraft. This includes liability for our costs to collect the deficit including, and to the extent permitted by law, our reasonable attorneys’ fees.

4) **BUSINESS DAYS AND CUTOFF TIMES FOR PROCESSING** – Business days are Monday through Friday, excluding most federal holidays. Cutoff times are specified within each section of the Terms and Conditions, if applicable.

5) **DEPOSITS** - We will give only provisional credit until collection is final for any non-cash items we accept for deposit (including items drawn “on us”). Before settlement of any item becomes final, we act only as your agent, regardless of the form of endorsement or lack of endorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned unpaid. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them.

We will treat and record all transactions received after our “daily cutoff time” of 5:00 PM Central Time (CT) on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party endorsers to verify or guarantee their endorsements, or endorse in our presence.

Direct Deposits if in connection with a direct deposit plan, we deposit any amount into 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 remedies to recover the amount of our liability.

6) **WITHDRAWALS - Generally** - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the deposit account agreement 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 deposit account agreement to endorse any item payable to you or your order for deposit to this account or any other transaction with us.

Postdated checks - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay a postdated 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. The notice must include the post date, payee, check number and amount of the check. We are not liable for paying a postdated item, and you agree to reimburse us for any loss we might suffer as long as we acted in good faith or exercised ordinary care. Any liability to you or us is limited to the actual damages not to exceed the amount of the check.

Restrictive legends - We are not required to honor any restrictive legend on checks you write unless you have provided written notice which includes the payee, check number, amount, provide us sufficient time to act, and we agree in writing to the restriction. Examples of restrictive legends are “must be presented within ninety (90) days” or “not valid for more than \$1,000.00”.

Checks and withdrawal rules - We may refuse any withdrawal or transfer request which you attempt by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. See the Funds Availability Policy disclosure provided elsewhere for information about when you can withdraw funds you deposit. For those accounts to 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.

Waivers - Even if we honor a nonconforming request for withdrawal, we are not required to do so later. We may treat continued abuse of the stated limitations (if any) as your act of closing the account, or we may, at our option, reclassify your account as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later.

Notice of withdrawal - We may require not less than seven (7) days’ notice, in writing, before each withdrawal from an interest-bearing account (other than a time deposit). At the present time, we do not require such notice. If we do require such notice at some time in the future, we will apply that requirement to all such accounts. Withdrawals from a time deposit account prior to maturity are restricted and may be subject to penalty. See the early withdrawal penalty information located in the Truth-In-Savings Disclosure.

Clearing policy - Each business day your account has transaction activity presented to the Bank; we record credits (deposits) in your account before consideration of debits (withdrawals). Electronic debit transactions are then recorded such as debit card ATM or point-of-sale transactions, ACH debits, bill pay debits, as well as, returned checks that you may have deposited. Checks are paid each business day, as they are presented or received in sequential number order. The exception to checks clearing by number order will be for checks that are cashed or handled over the counter at our facility; these checks will be paid first. If your account does not have sufficient funds for all of the checks presented, we may return checks to the payee, by returning the checks in the reverse order as they are received. The Bank retains absolute discretion in the payment and/or payment order of checks, and Bank policies may change without notice to you.

Transaction activity displayed in online and mobile banking are not reflective of the actual order transactions are posted in the banks permanent system of record as described above. Online and mobile banking transaction activity is shown in descending order with credits listed first and debits listed second.

7) **WIRE TRANSFERS** - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the State of Illinois. If you originate a funds 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 information provided by you to make payment. We may rely on the information even if it identifies a financial institution, person or account other than the one named. If we receive a credit to an account you have with us by wire, we are not required to give you any notice of the payment order or credit.

8) **ACH** - You agree to be bound by automated clearinghouse association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank, through a funds-transfer system, or 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 ACH, we are not required to give you any notice of the payment order or credit.

9) **ONLINE EXTERNAL TRANSFERS** - You may use Modern Woodmen Bank's Online External Transfer Service to transfer funds into and out of your accounts held at Modern Woodmen Bank, respectively from and to your accounts held at other institutions. For any time period listed in days, these are calendar days, unless specified otherwise.

- Transfer Limits - The standard transfer limit is \$2,000.00 per transaction, per day and \$5,000.00 per rolling thirty (30) day period. All transfers made within the last thirty (30) days are subtracted from the thirty (30) day period transfer limit to determine available funds. You may request an increase to your transfer limits by contacting Modern Woodmen Bank at 1-877-255-2265 or behind sign on within online banking.
- Eligible Accounts - Accounts eligible for External Transfers are active checking and savings accounts which includes health savings accounts. Accounts not eligible for External Transfers are individual retirement accounts (IRAs), custodial and/or trust accounts, business accounts for which more than one person has check-writing privileges, certificate of deposits (CDs), and loan accounts (including credit card and home equity accounts).
- Account Ownership - Accounts owned by someone else (3rd party accounts) may only be used to receive transfers from Modern Woodmen Bank accounts. Since only outbound transfers to 3rd party accounts are allowed, these accounts do not go through the verification process.
- Account Verification - Owned accounts at other financial institutions must be verified before they are enabled for the External Transfer Service. Account verifications are safeguards used to authenticate the rightful owner(s) of the external account.
- External Transfer Execution - All transfers from your account at another financial institution to your account at Modern Woodmen Bank are considered Standard and may take up to three (3) business days to credit to your Modern Woodmen Bank account. All transfers from your Modern Woodmen Bank account to an account at another financial institution may take two (2) business days to settle. A transfer request submitted prior to the 3:00 PM Central Time (CT) cutoff will be deducted from the source account on the same business day. Transfer requests submitted after the cutoff time of 3:00 PM CT will be deducted the next business day. All transfers requested during weekends and holidays will be deducted from the source account the next business day. Scheduled and Recurring Transfers are processed through the ACH system on their Send Date. Depending upon the financial institution, it may take an additional business day for the transfer to be reflected in the account balance of the destination account.

10) **ONLINE DYNAMIC TRANSFERS** - Dynamic Transfers allow you to establish relationships between two or more owned accounts to automatically transfer funds whenever it is needed as overdraft protection. The primary account can be set to zero, a minimum amount, an exact amount or any incremental balance you wish to sweep funds in order to maintain the primary account. You can establish more than one secondary account for overdraft protection. This relationship will stay in effect until the expiration date or if you choose to cancel or modify the relationship.

11) **ONLINE TRANSFERS** - The Transfer service allows you to transfer funds between accounts that you own. You can choose when the transfer will settle and even schedule recurring transfers that will transfer funds automatically.

Funds can be transferred from your checking, savings, credit cards, or home equity lines of credit. You may not transfer from certificates of deposit, retirement accounts, closed-end home equity or mortgage loans.

Funds may be transferred to checking, savings, credit cards, home equity lines of credit, closed-end home equity or mortgage loans. You may not transfer to certificates of deposit or retirement accounts.

12) **ONLINE INTERNAL TRANSFERS** - The Transfer service allows you to transfer funds to other MWABank online banking customers. Prior set up to utilize this service is required. You must have the customers' name and account number. You can choose when the transfer will settle and even schedule recurring transfers that will transfer funds automatically. Funds can be transferred from your checking, savings or credit card accounts. Funds may be transferred to checking and savings accounts. You may not transfer to certificates of deposit or retirement accounts.

13) **WITHDRAWAL RIGHTS, OWNERSHIP OF ACCOUNT, AND BENEFICIARY DESIGNATION** - The following rules apply to your account(s) depending on the type of account(s) you have selected and beneficiary designation, if any, specified on the account records.

There are two primary issues that these rules control. The first is "withdrawal rights" and the second is "ownership". By "withdrawal rights" we mean designating who has access to the funds in the account for all purposes, including but not limited to, transfers to and from the account, transfers to and from third persons (not party to the account), deposit rights, and against whom we have setoff rights. These withdrawal rights will control our duty to pay the funds to the person or persons designated on the account records. These withdrawal rights do not control who actually owns the funds, as between multiple parties to the accounts. These withdrawal rights generally absolve us as long as we pay funds according to the instructions of the person or persons who have these rights, regardless of who actually owns the funds.

By "ownership" we generally mean who owns the funds in the accounts. When there is more than one person who has access to the account, this ownership right is between the parties (you) and does not affect our rights and responsibilities. If you create a type of account, you retain the right to change or close the account to the extent of the withdrawal rights you retain.

You cannot change the "withdrawal rights" sections of the following account descriptions with us. If you wish to change these rules, you will be required to withdraw the funds in the account (assuming you have the necessary withdrawal rights) and open another account. The actual owner of the funds assumes the risk and gives you the right to do so by granting you the withdrawal rights on the account.

The written descriptions contained herein with respect to "ownership" rights represent the usual ownership rights intended by parties to multiple party accounts, and will generally control under Illinois state law unless you take affirmative additional steps to amend these ownership rights. 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. You must consult with your own attorney and financial advisor as to whether and how to effect any change in actual ownership of funds in the account including but not limited to whether you give us notice of such changes in actual ownership. **Any notice of a claim or change of actual ownership will not affect the withdrawal rights to an account.**

INDIVIDUAL ACCOUNT - An account designated as individual is in the name of one person. Such an account is also referred to as a "single ownership" account.

Withdrawal Rights - The holder of such an account is the only person who has the right to withdraw from the account unless we permit the holder to designate an agent, attorney in fact, or "convenience signer" to the account. See section below titled "ATTORNEY IN FACT".

Ownership - The holder of such an account is presumed to be the owner. Holding such an account, by itself, creates no additional ownership rights or survivorship rights (nor does such type of ownership create or extinguish any community property rights).

JOINT ACCOUNT - WITH SURVIVORSHIP (AND NOT AS TENANTS IN COMMON) - An account designated as joint with right of survivorship is in the name of two or more persons who intend and agree to the following:

Withdrawal Rights - Each joint tenant has complete and separate access to the funds and withdrawal rights, and each authorizes the other(s) to endorse for deposit any item payable to the joint tenant. Upon the death of any joint tenant, any surviving joint tenant will have complete withdrawal rights to the balance of the account. If there is more than one surviving joint tenant, such survivors remain as joint tenants with right of survivorship (and not as tenants in common) with the same withdrawal rights incidents provided in this section.

Ownership Rights - Each joint tenant is presumed to “own” the funds in proportion to that person’s net contribution to the account. Each joint tenant intends upon his or her death that the funds owned by such person will be owned by the survivor. If there is more than one survivor, the “ownership” of the decedent’s funds will be shared equally with such survivors.

Other titles - This type of account is sometimes referred to as a “multiple party account with survivorship”.

UTMA/UGMA ACCOUNTS - Under the Uniform Transfers to Minors Act, the funds in the account are owned by the child who has unconditional use of the account when he or she reaches the legal age limit (18 to 21 depending on the state and whether it is an UGMA or an UTMA). Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the custodian (or successor custodian) are for the child’s benefit. For this type of account, the child’s SSN/TIN is used for the Backup Withholding Certification.

A few states have not adopted the Uniform Transfers to Minors Act. These few states have, for our purposes, an equivalent statute known as the Uniform Gifts to Minors Act, which has the same incidents as those described in the first paragraph of this section.

Withdrawal Rights - As provided above, the custodian has exclusive withdrawal rights until the minor reaches the legal age limit. At that time, the child (now adult) has exclusive withdrawal rights.

Ownership - The child is at all times the owner of the funds in such an account.

REVOCABLE TRUST - This is an account where one or more persons create the account and name one or more living persons as beneficiaries.

Withdrawal Rights - The person who creates this type of account retains complete withdrawal rights in such an account during his or her lifetime. The named beneficiaries have no withdrawal rights to the account during the lifetime of the creator (also known as a settlor or grantor) of the account. On the death of the creator of the account, the beneficiary (on proof of death of the creator and identity as the named survivor) can withdraw the entire account balance.

If there is more than one beneficiary who is named and survives the creator, the survivors can withdraw (acting alone) only an equal share with the other surviving beneficiaries. Multiple surviving beneficiaries have no survivorship rights between them.

If more than one person creates such an account, then such creators have complete and separate withdrawal rights between them during their joint lives, and the survivor of them will have complete withdrawal rights upon the death of the other creator. Named beneficiaries can withdraw a share of the account balance only upon the death of the last creator and only if such beneficiaries are then alive (and upon proof the deaths of the creators and their own identity as the named beneficiaries).

The creator(s) of such an account retain the right to make changes or close the account during his or her lifetime; including but not limited to changing beneficiaries. Notice for such changes must be in writing.

Ownership Rights - The creator of a revocable trust is presumed to own the funds during his or her lifetime and intends that ownership to pass to the beneficiary only upon his or her death and only if the named beneficiary survives him or her. If there is more than one creator, the ownership between such creators is the same as that between joint tenants with right of survivorship, with the same incidents upon the death of a joint tenant.

If there is more than one beneficiary who is named and survives the creator(s), the creators intend his, her or their ownership rights to pass to the then surviving beneficiaries in equal shares, with no survivorship rights between them.

Other titles - This type of account has other names such as “tentative trust”, “Totten Trust”, and an “in trust for” account. A “pay on death” account is the exact same account with the same incidents, except for the name attributed to the account.

PAY ON DEATH ACCOUNT - This type of account is identical to the revocable trust account described above, except for its title. Ownership and withdrawal rights are described therein.

14) ACCOUNT TRANSFER OF OWNERSHIP - No account may be transferred or assigned without our prior written consent.

15) ATTORNEY IN FACT - For some types of accounts we may permit you to designate another person to conduct transactions (withdrawals and deposits) on your behalf. By designating an attorney in fact, you do not thereby create any ownership or survivorship rights in the account or the funds for the benefit of the person designated. We will not allow an attorney in fact on an account where there is more than one person with withdrawal rights. We make no effort to monitor transactions to insure the attorney in fact is acting on your behalf. You must sign a separate form to confer the power mentioned in this paragraph. “Attorney in fact” is just one of numerous titles given to such a person. “Authorized signer”, “agent”, “convenience signer”, “authorized signatory”, and variations of these, or others. We will use a “power of attorney” form and refer to the person designated as an “attorney in fact”.

- 16) **STOP PAYMENTS** - Unless otherwise provided, the rules in this section cover stopping payment of items, such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, are described in our Electronic Funds Transfer policy statement below.

We may accept an order to stop payment on any item, from any owner. You must make a stop payment order in the manner required by law and the stop payment order must be received in time to provide a reasonable opportunity for us to act on it. The stop payment order must precisely identify the number, date, amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you signed the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. Generally, if your stop payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop payment order was verbal; your stop payment order will lapse after fourteen (14) calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop payment order expires. A release of the stop payment request may be made only by the person who initiated the stop payment order and must be in writing.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item.

You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop payment order.

- 17) **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 your account(s) (other than time deposits) 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, except when we are required by law to send notice to each of you. Your accounts will remain in full force and effect until Modern Woodmen Bank (i) closes your account or (ii) receives written notice of change or cancellation from you.

- 18) **TEMPORARY DEPOSIT ACCOUNT AGREEMENT** - If less than all of the persons you intend to have withdrawal rights sign the deposit account agreement you return; we will treat this as a temporary agreement. Those who do sign will have the withdrawal rights to the account as shown. However, we may at some time in the future restrict or prohibit further use of this account, or retitle the account, if you fail to comply with the requirements we impose within a reasonable time.

- 19) **SETOFF** - We may (without prior notice and when permitted by law) setoff 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 person's 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 setoff, 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, (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), (c) the debtor's right of withdrawal only arises in a representative capacity, or (d) if any of you are domiciled in the state of New York and Social Security or Supplemental Security Income payments or Federal benefit payments are deposited directly (electronically) into the account.

We will not be liable for the dishonor of any check when the dishonor occurs because we setoff 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.

- 20) **ACCOUNT RECLASSIFICATION** -The bank may from time to time choose to reclassify your account for internal banking purposes. This change would be strictly for internal bank purposes and would not affect the operation of your account in any way. Your monthly statement will not be affected. This change would allow the bank to modify its reserve requirements by Regulation D through the use of sub-accounts and internal transfers between these accounts. The maintenance of the sub-accounts is for the purpose of improving our efficiency and will have no effect on your account and your ability to use it. We will maintain separate information on each sub-account for regulatory reporting purposes, but all information reported to you will be consolidated. The reclassification of your account would be at the bank's sole discretion.

- 21) **STATEMENTS** - You must examine your statement of account with "reasonable promptness". If you discover any unauthorized signatures or alterations, you must notify us within thirty (30) days of when the statement was first sent or made available. If you fail to notify us in a timely manner you may be liable for, the loss entirely (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). This risk extends to items on the statement and other items signed or altered by the same wrongdoer. The section assumes we acted in good faith.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account (excluding, under this paragraph, Electronic Funds Transfers) within one year of when we first send or make the statement available, you may not have recourse to assert a claim against us on any items or transaction in that statement, and as between you and us, the loss may be entirely yours. This 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.

- 22) **ELECTRONIC FUND TRANSFERS - YOUR RIGHTS AND RESPONSIBILITIES** - **Indicated below are the types of Electronic Fund Transfers (EFT) we permit. 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 Funds Transfers Initiated by Third Parties - You may authorize a third party to initiate EFT's between your account and the third party's account. These transfers may be one time occurrences or recur as directed by you. These transfers use the payments network systems for funds movement. Examples of these transfers include, but are not limited to:

Preauthorized credits - You may make arrangements for certain direct deposits to be credited to your deposit account(s), as directed by you, at Modern Woodmen Bank.

Preauthorized payments - You may make arrangements to pay certain recurring bills from your checking, savings, or other account(s), within transaction limits.

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.

Modern Woodmen Bank Telephone Transfer Types - You may access your account information, 24 hours a day, seven (7) days a week, using our telephone banking system. Please call **1-877-255-2265** and follow the prompts. The system will require you to input your social security number, personal identification number, and your account number(s) in order to:

- transfer funds between your savings and checking accounts (the movement of funds between your MWABank authorized accounts);
- obtain information about:
 - the balance of checking, savings, or loans account(s);
 - history on your account(s) since your last statement(s).

ELECTRONIC/ATM Transfers - Cirrus® and MasterCard® Networks - Transfer Types and Dollar Limitations - You may access your checking and savings account(s) by ATM using your Modern Woodmen Bank MasterCard debit card and personal identification number to:

- deposit funds to your checking or savings accounts (where accepted). The amount of a deposit at a single ATM per day is limited.
- withdraw cash from your checking or savings account(s).
 - you may withdraw no more than \$500.00 cash per day, per card;
- transfer funds between your savings and checking account(s);
- perform a balance inquiry on your checking and savings account(s).

The above mentioned services may not be available at all ATM terminals.

Types of Modern Woodmen Bank MasterCard® Debit Card Point-of-Sale Transactions (Electronic/POS) - You may access your checking account(s) to purchase goods (in person, by phone, or over the internet), pay for services (in person, by phone, or over the internet), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that you can do with a credit card (that a participating merchant will accept with a credit card).

Point-of-Sale Transactions (Electronic/POS) - Dollar Limitations - Using your card:

- you may not exceed \$1,000.00 in purchase and/or point-of-sale transactions per day, per card;

Modern Woodmen Bank Online Banking Internet Transfers - Transfer Types - You may access all of your account(s) by computer at modernwoodmenbank.com. You are not automatically enrolled for online banking when you establish an account. You must enroll for online banking and set up your credentials.

Types of Transactions

- Transfer funds between your checking, savings, credit cards, or home equity line of credit (HELOC) accounts.
- Make payments from checking or savings to loans with us.
- Obtain the account balance of your checking, savings, CD's, credit cards, first mortgage, home equity loans, and HELOC's;
- Obtain the last 18 months of transaction history on your checking, savings, and certificates of deposit; credit cards, first mortgage, home equity loans, and HELOC's.
- Obtain the last 12 months of electronic statements.
- Transfer funds to and from your accounts at other financial institutions (External Transfers).

Other Electronic Payment Options

- Modern Woodmen Bank Online Bill Payment Service Agreement is located online at modernwoodmenbank.com. This agreement is online and updated as necessary. This agreement has a print option.
- Modern Woodmen Bank People Pay Agreement (P2P) is located online at modernwoodmenbank.com. This agreement is online and updated as necessary. This agreement has a print option.

Online External Transfers-

Internet Access to your Account - Modern Woodmen Bank may disable internet access to your account if your account remains inactive for a period of three (3) months.

Fees - We have no explicit charge for electronic fund transfers.

ATM 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. Modern Woodmen Bank will rebate all fees charged for ATM cash withdrawals per statement cycle.

DOCUMENTATION

Terminal transfers - You can get a receipt at the time you make any transfer to or from your account using an automated teller machine or point-of-sale terminal. In some states, the machine receipt provided to you by the terminal is admissible as evidence in any legal action and shall constitute prima facie proof of the transaction evidenced by the receipt. If a transaction occurs at an automated teller machine or point-of-sale terminal and is an amount equal to or less than \$15.00,

no receipt is required. The lack of a customer receipt for transactions equal to or less than \$15.00 at electronics terminals does not affect your right to claim an error under Regulation E.

Preauthorized credits - If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at 1-877-255-2265 to find out whether or not the deposit has been made. You can also use the Internet banking site at modernwoodmenbank.com to verify such a deposit.

Periodic statements - You will receive a monthly account statement from us for your checking accounts. You will obtain a monthly account statement or electronic statement from us for your savings account(s) if you have had an electronic fund transfer to or from your savings account(s). In any case, you will receive a statement at least quarterly.

PREAUTHORIZED PAYMENTS – STOP PAYMENT

Right to stop payment and procedure for doing so - If you arranged for us to make regular payments out of your account (preauthorized withdrawals) you can stop any of these payments. Instructions for stopping payment are listed below:

Call us at the telephone number or write us at the address listed at the end of this in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. We may also require you to put your request in writing and return to us within fourteen (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, ten (10) days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

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

OUR LIABILITY

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 with the following exceptions.

We will not be liable:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If you have an overdraft line and the transfer would go over the credit limit.
- If the ATM terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer despite reasonable precautions that we have taken.

There may be other exceptions stated in a separate agreement with you.

CONFIDENTIALITY - At Modern Woodmen Bank, we recognize the importance of safeguarding the customer information we collect. We have established privacy policies that are described in a separate notice provided to each of our customers. This notice is also published on our website. This privacy policy may change from time to time, and we will communicate any changes in our policy to our customers.

We will disclose information to third parties about your account or the transfer you made:

- Where it is necessary for completing transfers, or
- In order to verify the existence and conditions of your account for a third party, such as a credit bureau or merchant, or
- In order to comply with a government agency or court order, or
- If you give us your permission.

UNAUTHORIZED TRANSFERS – Consumer Liability - Generally. Notify us AT ONCE if you believe your card, code or internet password has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Contacting us via telephone is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum HELOC and credit card). If you tell us within two (2) business days after you learn of the loss or theft of your card, code or Internet password you can lose no more than \$50.00 if someone used your card, code, or password without your permission.

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card, code, or password, and we can prove we could have stopped someone from using your card, code, or password without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may be liable for the full amount. If there were extenuating circumstances in which prevented you from reviewing your statement within sixty (60) days (such as a long trip or a hospital stay) and from informing us, we may extend the time periods.

Additional Limit on Liability for Modern Woodmen Bank MasterCard® debit card. MasterCard “Zero Liability” under the following conditions: a.) You exercise reasonable care in safeguarding your card from loss or theft; and b.) Promptly report the loss or theft upon becoming aware of such loss or theft.

Contact in event of unauthorized transfer - If you believe your card, code, or password has been lost or stolen call: 1-877-255-2265 or write: Modern Woodmen Bank, 1701 1st Avenue, Rock Island, IL 61201.

You should also call the number or write the address listed above if you believe a transfer has been made using the information from your check without your permission.

Business Days - For purposes of these disclosures, our business days are Monday through Friday, excluding most holidays.

ERROR RESOLUTION NOTICE - In Case of Errors or Questions About Your Electronic Transfers: If you believe your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt, call or write to us using the contact information listed above or throughout this brochure as soon as you can. Terminals that do not provide a receipt for ATM or POS transactions of \$15.00 or less, is not considered an error. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number.
- (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 dispute or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days, five (5) business days for MasterCard point-of-sale (POS) transactions, and up to twenty (20) business days if the transfer involved a new account. Any errors will be corrected promptly. If we need more time to investigate, we may take up to forty-five (45) days, or ninety (90) days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer, to investigate your dispute of a transaction or question. If we decide to do this, we will credit your account within ten (10) business days, five (5) business days for MasterCard point-of-sale transactions (electronic/POS) and twenty (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 dispute of a transaction or question in writing and we do not receive it within ten (10) business days, we may not provisionally credit your account, or, if we have provisionally credited it, we may reverse the provisional credit to your account. An account is considered a new account for thirty (30) days after the first deposit is made if you are a new customer.

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.

TERMINATION

- We may terminate this electronic funds transfer agreement at any time by closing your account with us.
- You may terminate this electronic funds transfer agreement at any time by closing your account with us.
- We do not require you to maintain a minimum balance in your account in order to use a debit card or internet access device.

SAFETY - As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

- Prepare for your transactions at home (for instance, by filling out a deposit account form) to minimize your time at the ATM or night deposit facility.
- Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
- Compare your records with the account statements you receive.
- Don't lend your ATM/Debit card to anyone.
- Remember; do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
- If you lose your ATM/Debit card or it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
- Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM/Debit card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM/Debit card or PIN over the telephone. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
- Prevent others from seeing you enter your PIN by using your body to shield their view.
- Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
- When you make a transaction, be alert to your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. Defer your transaction if circumstances cause you to be apprehensive for your safety. You might consider using another ATM or night deposit facility.
- If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
- Please be sure to close any entry door completely upon entering and exiting the ATM or night deposit facility. Do not permit any unknown persons to enter the facility after regular banking hours.
- Don't display your cash; place withdrawn cash securely upon your person before exiting the ATM. Count the cash later when you are in the safety of your own car, home, or other secure surrounding.
- We want the ATM and night deposit facility to be safe and convenient for you. The activity of the automated teller machine facility may be recorded by a surveillance camera or cameras. Please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please use the nearest available public telephone to call the police if emergency assistance is needed. Direct complaints concerning ATM facility security to us at the phone number listed in this brochure. (For ATM's in New York, you may also call the New York Banking Department Consumer Services Hotline at 1-888-NYS-ATMI (1-888-697-2861).

CHECK CONVERSION AUTHORIZATION - Your check can result in an electronic funds transfer. This can happen in several ways. For example: You can purchase goods or pay for services and authorize a merchant or service provider to convert your check into an electronic funds transfer. At the time you offer a check to a merchant or service provider, you may be asked to authorize the merchant or service provider to electronically collect a charge in the event the check is returned for insufficient funds. Paying such a fee electronically is an electronic transfer. Your authorization to make these types of electronic funds transfers may be expressed in writing or implied through the posting of a sign.

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
- Pay bills

23) EXPRESS DEPOSIT AND MOBILE EXPRESS DEPOSIT AGREEMENT - This Agreement contains the terms and conditions for the use of Modern Woodmen Bank's Express Deposit and Mobile Express Deposit remote deposit capture services ("Services"). By using Express Deposit and Mobile Express Deposit you are agreeing to the terms of this Agreement which you agreed to and received at account opening by accepting The Terms and Conditions of Your Accounts. Use of the Services, also, supplements the Online Banking Agreement.

This Agreement is subject to change from time to time. We will notify you of any material change by e-mail or on our website by providing a link to the revised Agreement. Your continued use of the Services will indicate your acceptance of the revised Agreement.

Express Deposit and Mobile Express Deposit allows you to make deposits to your checking or savings accounts from home or other remote locations by scanning checks and delivering the electronic check and required deposit information to Modern Woodmen Bank. Some of the Services have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We also reserve the right to change, suspend, or discontinue the Services in whole or in part, or your individual use of the Services, at any time without prior notice to you.

You can access your Modern Woodmen Bank accounts through Express Deposit and Mobile Express Deposit 24 hours a day, seven (7) days a week. However, at certain times, some or all of Modern Woodmen Bank Express Deposit and Mobile Express Deposit may not be available due to system maintenance. You may be notified online when this occurs.

A deposit initiated through Modern Woodmen Bank Express Deposit and Mobile Express Deposit before 3:00 PM Central Time (CT) on a business day is posted to your account the same day. All deposits completed after 3:00 PM CT on a business day or on a Saturday, Sunday or banking holiday, will be posted on the next business day. Our business days are Monday through Friday. Saturday, Sunday and Federal holidays are not included as a business day.

Modern Woodmen Bank will make funds available as described in these Terms and Conditions. Generally, funds deposited using the Service will have same day availability subject to exception hold, case-by-case holds, or the new account rules. Please refer to the Funds Availability section.

You agree to scan and deposit only checks as defined in Regulation CC. You agree that you will not use the Services to scan and deposit any of the following checks or other items:

- Checks or items payable to any person or entity other than you.
- Checks or items containing obvious alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- Checks or items previously converted to a substitute check, as defined in Regulation CC.
- Checks or items drawn on a financial institution located outside the United States.
- Checks or items that are remotely created checks, as defined in Regulation CC.
- United States Treasury checks or Travelers Checks.
- Checks or items not payable in United States currency.
- Checks or items dated more than 6 months prior to the date of deposit.
- Checks or items prohibited by Modern Woodmen Bank's current procedures relating to the Services or which are otherwise not acceptable under the terms of the Online Banking Agreement
- Checks or items stamped with a non-negotiable watermark.

You warrant to Modern Woodmen Bank with respect to each electronic check that:

- Each electronic check transmitted to us is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer or person on whose account the original check is drawn, has no defense against payment of the original check;
- The person on whose account the original check is drawn authorized the issuance of the original check in the amount stated on the original check and to the payee stated on the original check;
- You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item; and
- You will not deposit or otherwise endorse to a third party the original check and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original check, or a paper or electronic representation of the original check) such that the drawer or person on whose account the original check is drawn, will be asked to make payment based on an item it has already paid.

The electronic check transmitted to Modern Woodmen Bank using the Services must be legible. Regulation CC specifies elements that must be legible for an electronic check to be considered an accurate representation of the original.

The electronic check must meet standards for electronic check quality established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association.

You agree to sign and restrictively endorse, preferably in black ink or black ink endorsement stamp, any item transmitted through the Services as "Remote Deposit Only at MWABank", or as otherwise instructed by Modern Woodmen Bank.

You agree to follow any and all other procedures and instructions for use of the Services as Modern Woodmen Bank may establish from time to time.

We reserve the right to reject any item transmitted through the Services, at our discretion, without liability to you. We are not responsible for electronic checks we do not receive or for electronic checks that are dropped during transmission. An electronic check shall be deemed received when you receive a confirmation from Modern Woodmen Bank that we have received the electronic check.. Receipt of such confirmation does not mean that the transmission was error free or completed.

Modern Woodmen Bank will provide confirmation of your transmitted electronic check of an item at which time you agree to prominently mark the item as "Processed", "Remotely Presented" or "VOID" to ensure that it is not represented for payment. Properly dispose of the item after thirty (30) days, but not more than ninety (90) days, or for any longer period of time during which any dispute concerning such original check may exist. You will be responsible if any person receives presentment or return of, or otherwise is charged for, the original check or a paper or electronic representation of the original check such that the person will be asked to make a payment based on an original check that it already has paid. To reduce the risk of a second presentment, you will use a commercially reasonable method (e.g., shredding) to destroy original checks promptly after your retention period has expired. You acknowledge that the electronic check thereafter will be the sole evidence of the original check. You acknowledge that if electronic checks are dishonored and returned unpaid for any reason, we may charge back the returned electronic check to your account(s). You will notify us immediately by telephone with written confirmation if you learn of any loss or theft of original checks that were previously deposited through the Services.

You, also, agree never to represent the item. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to Modern Woodmen Bank as requested to aid in the clearing and collection process, and to resolve claims by third parties with respect to any item.

We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Services and to modify such limits from time to time.

In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by Modern Woodmen Bank from time to time. Modern Woodmen Bank is not responsible for any third party software you may need to use the Services. Any such software is accepted by you as is, and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

Your wireless carrier may access you fees for data or text messaging services. Please consult your wireless plan or provider for details.

You agree to notify Modern Woodmen Bank of any suspected errors regarding electronic checks deposited through the Services immediately, and in no event later than sixty (60) days after the applicable account statement is sent. Unless you notify Modern Woodmen Bank within sixty (60) days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against Modern Woodmen Bank for such alleged error. The manner in which the items are cleared, presented for payment, and collected shall be in Modern Woodmen Bank's sole discretion subject to the Online Banking Agreement and this Terms and Conditions Agreements of Your Accounts, which you agreed to and received at account opening.

You agree that Modern Woodmen Bank retains all ownership and proprietary rights in the Service, associated content, technology, and website. Your use of the Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to Modern Woodmen Bank's business interest, or (iii) to Modern Woodmen Bank's actual or potential economic disadvantage in any aspect. You may use the Services only for personal use in accordance with this Agreement. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.

DISCLAIMER OF WARRANTIES.

YOU AGREE YOUR USE OF THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

LIMITATION OF LIABILITY.

YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICES, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF MODERN WOODMEN BANK HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

You understand that, while Modern Woodmen Bank and our service providers have established certain security procedures, such as firewalls, codes and data encryption designed to prevent unauthorized access to your accounts or transactions, there can be no assurance that inquiries or transaction activity will be completely secure. You also understand that access to the Service will not be free from delays, malfunctions, or other inconveniences generally associated with this electronic medium. You agree that we are not responsible for any such unauthorized access, delays or malfunctions, and we are not responsible for the acts of third parties.

Any security procedures required in connection with the Express Deposit and Mobile Express Deposit are strictly confidential. You are responsible to ensure the safety and integrity of deposited items from the time of receipt until the time of destruction of the original checks. You will take reasonable measures to safeguard your computer systems or mobile devices.

If warranted in Modern Woodmen Bank's reasonable judgment, Modern Woodmen Bank reserves the right to monitor you, and you agree to cooperate with Modern Woodmen Bank to permit such monitoring, to confirm that you have satisfied your obligations. You are responsible for keeping all user names and passwords secret and confidential, and for any communications or transactions that are made using your user names and passwords and any other obligation which may result from such use. You are responsible for requesting a new user name and password if you believe that any of your user names or passwords have been stolen or might otherwise be misused. You shall take appropriate actions to address incidents of unauthorized access to information concerning original checks and electronic checks maintained by you, including notifying Modern Woodmen Bank as soon as possible of any such incident and fully informing Modern Woodmen Bank of the details of any such incident. You will report any breach of confidentiality promptly to Modern Woodmen Bank.

When using the Services by mobile device, you understand that electronic checks captured using your mobile device are stored on the device only until the associated deposit has been successfully submitted. You agree to promptly complete each deposit. In the event that you are unable to promptly complete your deposit, you agree to ensure that your mobile device remains securely in your possession until the deposit has been completed or to delete the associated electronic checks from the software application or mobile device.

COMPLIANCE WITH LAW - You agree to comply with all laws, rules and regulations that apply to banking transactions, including the rules of the National Automated Clearing House for ACH transactions. You will agree to use the Express Deposit and Mobile Express Deposit for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit electronic checks that are acceptable for deposit and have handled the original checks in accordance with applicable laws, rules and regulations.

24) FUNDS AVAILABILITY

Determining the Availability of a Deposit

Our objective is to make funds available as expeditiously as good business practices, and the law mandates.

The length of delay is counted in business days from the business day of deposit. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit that is received by us via the U.S. Postal Service, overnight courier or carrier before 5:00 PM Central Time (CT) on a business day that we are open, we will consider that day to be the day of your deposit. However, if a deposit is received by us after 5:00 PM CT, or on a day we are not open, we will consider the deposit made on the next business day we are open.

The length of the delay and processing time varies depending on the type of deposit and is defined below.

Same-Day Availability - Funds from the following deposits are available the same business day the deposit is received, or in the case of an ACH transfer, on the settlement date. The processing times may vary, as shown below:

In-person or by Mail

Funds from the following in-person and received via the U.S. Postal Service are available on the same business day as the day of deposit:

- Checks drawn on the MWABank, provided the funds are available the account the check is drawn on; and
- Cash deposits.

The length of delay is counted in business days from the business day of deposit. If a deposit that is received by us via the U.S. Postal Service, overnight carrier or courier service, or in-person, **before 5:00 PM CT** on any business day that the Bank is open, that day will be considered the day of the deposit. If a deposit is made **after 5:00 PM CT** cutoff or on a non-business day, the deposit will be considered as having been made on the next business day.

Automated Clearing House (ACH)

ACH direct deposits are made available by **9:00 AM CT on the effective date**.

ACH Deposits Initiated Through External Transfer Service

ACH deposits are made available by **9:00 AM CT on the effective date**. There is a three (3) business day delay from the initiation of the debit from another financial institution to the posting of the credit to your account at Modern Woodmen Bank. The length of the delay is counted in business days from the business day of the debit. If a debit is initiated **before 3:00 PM CT** on any business day that the Bank is open, that day will be considered the first day of the debit. If a debit is made at or **after 3:00 PM CT** cutoff or on a non-business day, the debit will be considered as having been made on the next business day.

Express Deposit and Mobile Express Deposit (eDeposit)

Deposits made via Express Deposit or Mobile Express Deposit (eDeposit) **before 3:00 PM CT** on a business day that we are open, we will consider that day to be the day of deposit. If a deposit is received via eDeposit **after 3:00 PM CT** or on a day we are not open, we will consider that the deposit made on the next business day we are open.

Automated Teller Machines (ATM's).

Proprietary ATM

A *proprietary ATM* is a terminal owned by MWABank.

The first \$200.00 of funds deposited at a proprietary ATM are available on the same business day as the day of deposit when received **before 4:00 PM CT**. If an ATM deposit is made at or after the **4:00 PM CT** cutoff, that deposit will be considered as having been made on the next business day.

Non-Proprietary ATM

A *non-proprietary ATM* is a terminal not owned by MWABank.

The first \$200.00 of funds deposited at a non-proprietary ATM are available on the same business day as the day of deposit when received **before 4:00 PM CT**. If funds are deposited at a non-proprietary ATM, the Bank reserves the right to make the funds available not later than the fifth business day following the banking day on which the funds are deposited.

Next-Day Availability - Most other funds received in-person, via the U.S. Postal Service, or via ATM's shall be available the next business day from the day of deposit. Some exceptions apply.

Longer Delays

Case-by-Case Holds – We may, on a case-by-case basis, delay availability of funds until the second business day after the business date of 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. The first \$200 of your deposits, however, may 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, we will notify you at the time you make your deposit, if in-person. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Exceptions Holds - Availability of funds received either in-person, or via the U.S. Postal Service may be delayed for longer periods under the following circumstances:

- Redeposited Checks – The bank may place a hold on a previously deposited check that was returned unpaid. This is not applicable to checks that were returned due to a missing endorsement or postdating of a check.
- Repeated Overdrafts – The bank may place a hold on items deposited to the account of a customer whose account has been repeatedly overdrawn in the last six (6) months.
- Large Dollar Deposits – The bank may place a hold on amounts above \$5,000 deposited to the account(s) of a customer on any given day.
- Reasonable Cause to Doubt Collectability – The bank may place a hold on checks deposited if the bank has reasonable cause to believe the check will not be paid on presentment to the paying bank.
- Bank management believes a check will not be paid.
- Emergency – The bank may delay funds availability in the case of emergency conditions that are beyond our control. Examples of emergency conditions, include but are not limited to; natural disasters, communications malfunctions, and other situations that prevent us from processing checks as we normally do.

The Bank will notify affected customers of any delay in their ability to withdraw funds for any of the above circumstances. The Bank will inform affected customers (by close of the business day following the business day on which the deposit was made) when the funds will be available, which generally will be no later than the seventh business day after the day of deposit. Customers should ask if they are concerned as to when funds will be made available for withdrawal.

New Account Rules - Special rules may apply during the first thirty (30) days an account is opened. Funds from electronic direct deposits, cash, and the first \$200.00 of ATM deposits will be available on the day of deposit.

Funds from wire transfer deposits and the first \$5,000.00 of a day's total in-person or received via the U.S. Postal Service, deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available the next business day as long as the checks are payable to the depositor. The excess over \$5,000.00 will be available on the ninth business day after the day of deposit. (This paragraph is not applicable to ATM deposits).

Funds from all other checks received in-person or via the U.S. Postal Service will be available on the seventh business day after the day of deposit.

Holds on Other Funds - If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your ability to withdraw a corresponding amount that you have on deposit in another account with us. In either case, we make these funds available in accordance with our policy described above for the type of check that was cashed or deposited.

25) TRUTH IN SAVINGS DISCLOSURES

CHECKING ACCOUNT

- Minimum opening deposit required is \$100.00.
- No minimum balance and no monthly service fee.
- Modern Woodmen Bank External Transfer-no charge
- Modern Woodmen Bank Bill Payment Service – no charge.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- At our discretion, your interest rate and annual percentage yield may change daily.
- Must be 18 years of age or older to qualify.
- Free Modern Woodmen Bank exclusive checks and debit card.

SAVINGS ACCOUNT

- Minimum opening deposit required is \$100.00.
- No minimum balance and no monthly service fee.
- Modern Woodmen Bank External Transfer-no charge
- Modern Woodmen Bank Bill Payment Service – no charge.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- At our discretion, your interest rate and annual percentage yield may change daily.

DOLLARS AND SENSE SAVINGS ACCOUNT

- Minimum opening deposit required is \$20.00.
- No minimum balance and no monthly service fee.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- At our discretion, your interest rate and annual percentage yield may change daily.
- Maximum of three withdrawals or transfers per month.
- Over three withdrawals per month results in a \$10.00 per transaction service charge.
- Penalty of \$50.00 for closing account prior to 18th birthday.
- Must be under 18 years of age to qualify.

- At 18th birthday, the account is automatically converted to a savings account.

QUALIFIED SAVINGS ACCOUNT - IRA

- Minimum opening deposit required is \$250.00.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- At our discretion, your interest rate and annual percentage yield may change daily.
- A \$50.00 fee is charged if the account is closed within the first thirty (30) days;
 - Note: the account may be subject to IRS penalties if closed within the first thirty (30) days.
- Must be 18 years of age or older to qualify.

HEALTH SAVINGS ACCOUNT

- No minimum opening deposit required
- No minimum balance.
- No monthly service fee.
- Modern Woodmen Bank External Transfer – No charge.
- Modern Woodmen Bank Bill Payment Service – No charge.
- All contributions and distributions are considered Current Year.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- At our discretion, your interest rate and annual percentage yield may change daily.
- You are eligible for this type of account if you have a High Deductible Health Plan.
- Free Modern Woodmen Bank HSA checks and debit card.

CERTIFICATES OF DEPOSIT (CD)

- Minimum opening deposit required is \$1,000.00.
- Additional deposits are permitted during the term of the CD.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- The Annual Percentage Yield (APY) assumes principal and interest will remain on deposit until maturity. Any withdrawal of credited interest prior to maturity will reduce the APY.
- The interest rate will be paid until the maturity date of your certificate.
- The account will automatically renew at maturity. You will have 10 calendar days (grace period) after the maturity date to withdraw your funds without being charged a penalty.
- After the account is opened, no withdrawals from this account may be made without penalty until the maturity date.
- We reserve the right not to close the account for sixty (60) days from the date of deposit.
- A penalty may be imposed for withdrawals before maturity. For CD's with terms of less than twelve months, we may impose a penalty equal to three months' interest on the entire CD amount (at Modern Woodmen Bank's discretion), rather than the amount withdrawn subject to penalty. For Certificates of Deposit with terms equal to or greater than twelve months, we may impose a penalty equal to six months' interest on the entire CD amount (at Modern Woodmen Bank's discretion), rather than the amount withdrawn subject to penalty.
- In certain circumstances such as the death or incompetence of an owner of this account, the law permits, and in some cases requires, the waiver of the early withdrawal penalty.

QUALIFIED CERTIFICATE OF DEPOSIT (CD) - IRA

- Minimum opening deposit required is \$1000.00.
- Additional deposits are permitted during the term of the CD.
- Interest is earned daily, credited and compounded monthly.
- Interest begins to accrue on the business day you deposit cash and non-cash items.
- 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.
- The Annual Percentage Yield (APY) assumes principal and interest will remain on deposit until maturity. Any withdrawal of credited interest prior to maturity will reduce the APY.
- The interest rate will be paid until the maturity date of your certificate.
- The account will automatically renew at maturity. You will have 10 calendar days (grace period) after the maturity date to withdraw your funds without being charged a penalty.
- After the account is opened, no withdrawals from this account may be made without penalty until the maturity date, or until you reach 59 ½ years of age.
- A penalty may be imposed for withdrawals before maturity. For CD's with terms of less than twelve months, we may impose a penalty equal to three months' interest on the entire CD amount (at Modern Woodmen Bank's discretion), rather than the amount withdrawn subject to penalty. For Certificates of Deposit with terms equal to or greater than twelve months, we may impose a penalty equal to six months' interest on the entire CD amount (at Modern Woodmen Bank's discretion), rather than the amount withdrawn subject to penalty.
- In certain circumstances such as the death or incompetence of an owner of this account, the law permits, and in some cases requires, the waiver of the early withdrawal penalty.
- Must be 18 years of age or older to qualify.

26) ADDITIONAL INFORMATION

The following additional services are also provided by Modern Woodmen Bank:

MasterCard® Debit Card – Cardholder agrees that the use of this card is subject to all applicable Bank rules and regulations in these Terms and Conditions.

Online Applications - Applications for deposits, 1st mortgage loans, 2nd mortgage loans, credit cards and gift card products can be completed online via Modern Woodmen Bank’s website: modernwoodmenbank.com.

E-Statements - Electronic statements are available (upon the customer’s request) online which serve as a replacement of the hard copy statements.

Note: Applications that are received via Modern Woodmen Bank’s website, telephone, U.S. mail, or in person, are authenticated, by use of a credit bureau, which means the applicant(s)’ identity(ies) is/are verified before any account is opened at Modern Woodmen Bank. This serves to help protect both the applicant(s) and Modern Woodmen Bank from any fraudulent activity related to identity theft.

27) SERVICES or ACTIVITY FEES

Account research per hour (one hour minimum)	\$20.00
Cashier’s Check	\$ 2.00
Deposit Disbursement Check*	\$ 1.00
Debit/ATM per card replacement	\$20.00
Outgoing wire transfers (within US) ** (per request)	\$20.00
Stop payment (per item)	\$20.00
Overdraft fee (per paid item)	\$30.00
Insufficient Funds fee (per returned item)	\$30.00
Copy of bill payment check (per request)	\$10.00
Dormant Account Fee	\$ 2.50

Cost for check printing varies depending on the style of checks ordered. Only Modern Woodmen Bank exclusive checks and HSA checks are free.

Overdraft Fees - An overdraft fee applies to overdrafts created by paying check, in-person withdrawal, or other electronic means in which the amount of the item exceeds the balance in the account. Overdraft fees will not be imposed on ATM withdrawals or one-time debit card items.

Dormant Accounts - Accounts with a balance of less than \$100.00 in which there has been no customer initiated activity for a period of 12 months will be charged a monthly dormant account fee of \$2.50. Dormant account fees are not applicable to the Dollars and Sense Savings accounts, Qualified Savings-IRA accounts, or Health Savings accounts. Modern Woodmen Bank may close your account if it has a zero balance and there has not been any activity for a period of ninety (90) days.

* Deposit Disbursement Check fees: no charge for the first check per month and \$1.00 for each check thereafter.

** International wire transfer fees are \$20.00 plus the correspondent bank wire fees.

Modern Woodmen Bank
1701 1st Avenue
Rock Island, Illinois 61201
Business Days: Monday through Friday
Excluding most Federal Holidays
Walk-In Business Hours: 9:00 AM to 5:00 PM Central Time M-F
Phone Business Hours: 9:00 AM to 5:00 PM Central Time M-F
Contact us on-line at modernwoodmenbank.com
or
Call us during phone business hours at
1-877-255-2265

Note: You can also access our Telephone Banking 24 hours a day, seven days a week, using the above phone number.

Modern Woodmen Bank is a marketing name for MWABank, a wholly owned subsidiary of Modern Woodmen of America

