

This document contains the account agreement, terms, and conditions for your Lake City Bank accounts. It also contains regulatory requirements that apply to both you and Lake City Bank. These are rules and regulations which all banks must follow in specific circumstances. This document describes your rights and responsibilities under these regulations. It notes the features and requirements of Lake City Bank accounts. It is important that you read and understand this information. Printed information given to you at account opening may modify or supersede statements in this document and become a part of your account agreement with Lake City Bank. We have provided you with specific information about your account features, applicable fees and administrative charges in effect when you opened the account. We will notify you if changes to your account or your fees and administrative charges occur.

By signing a signature card, you are applying for any or all of the deposit accounts offered by Lake City Bank. The bank reserves the right to approve the application for a deposit account at its discretion. By signing the signature card, you agree to the terms and conditions currently in existence and as hereafter amended. You also are authorizing Lake City Bank to obtain and update credit reports on you.

This document is designed to make your relationship with Lake City Bank easy to understand. If you have questions relating to this information, please stop by one of our convenient branch offices, call our One Call Center at (888) 522-2265 or e-mail us at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**

In this agreement "you" or "your" means each person who has opened a deposit account with Lake City Bank or is an authorized user of an account with Lake City Bank. "We" and "us" and "our" mean Lake City Bank, also referred to as the bank. This agreement will be binding on Lake City Bank only in the event you open a deposit account. All accounts may not be available at all Lake City Bank locations.

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## Governing Laws

Depository accounts are governed by the laws of the State of Indiana, except where federal laws and regulations apply. Accounts are subject to all applicable rules and customs of any clearing house or other association involved in account transactions. Changes in these laws and regulations may modify the terms and conditions of your account. While we are not required to notify you of these changes, we will try to give you adequate notice of such changes prior to their effective date.

## Definitions

"Annual Percentage Yield (APY)" means a percentage rate reflecting the total amount of interest paid on an account based on the interest rate and the frequency of compounding for a 365 day period and calculated on the collected balance (principal) on deposit each day.

"Business Day" means every day the bank is open to transact business except Saturday, Sunday, or Federal holidays. The current business day ends when the branch office closes or as posted in each individual location.

"Check" means any paper document signed by the depositor, used to transfer funds from a checking account, whether or not the account bears interest. A "remotely created check" is a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

"Collected Balance" refers to cash deposited to an account, plus deposited checks that have been presented to the drawee for payment and for which provisional credit has been given.

"Deposit" means a credit, or addition, to a customer's account by any method.

"Interest Rate" means the annual rate of interest paid on an account which does not reflect compounding.

"Item" means any method used to transfer funds to or from a customer's account.

"Maintenance Fee" or "Transaction Fee" means a charge the bank will assess against your account if a qualifying balance is not maintained throughout a statement cycle or if transactions exceed the stated amount as described in the account disclosure section.

"Statement Cycle" means the time period for which statements for your account will be furnished as described in the Disclosure section of this agreement.

"Withdrawal" means a transfer of funds out of an account by any means accepted by the bank, whether by check or other written authorization, automated teller machine (ATM), other electronic means or by telephone request.

## General Terms and Conditions

### Deposits

Because checks and other non-cash items deposited must be presented for payment to the bank on which they are drawn, we cannot give immediate credit for these items. All non-cash items deposited, including checks drawn on Lake City Bank will be given provisional credit until the item is finally collected. To determine that an item has been collected, we have the right to wait what we believe is a reasonable time after the item has been deposited before you may withdraw the funds. Therefore, we may at anytime refuse to permit withdrawals from an account balance which is provisional, even though our general practice may be to the contrary. If an item deposited to an account is not paid according to its terms, the provisional credit to the account will be reversed. Further collection of the item is your responsibility. We may debit your account at anytime and notwithstanding the running of the drawee bank's midnight deadline.

Your account will be charged for any check or other deposited item that is returned or is not collectable for any reason. You will not receive notice before a charge is made. You will be notified after your account has been charged.

We may require all items presented for deposit, including items payable to bearer or to cash, to be endorsed in our presence by the person depositing them. We may, at our sole discretion, supply any missing endorsements on items submitted for deposit.

We reserve the right for any reason to refuse a deposit or to return all or any part thereof.

If you receive direct deposits for social security or similar benefits from any organization or the government, we reserve the right to reverse deposits made after the death of the beneficiary and return the funds to the sending organization.

The depositor will provide all of the warranties and indemnities of the reconverting bank, as described in Regulation CC, Subpart D, for all substitute checks deposited without a written agreement with Lake City Bank to do so. Exceptions would be made for the deposit of returned substitute checks.

### Night Deposits

Lake City Bank is not liable for deposits made in an outside depository (such as a night drop box) until the deposit is actually received and available for processing by a bank representative.

### Mailed Deposits

Lake City Bank is not responsible for deposits mailed to the bank or one of its locations until actually received and available for processing. Mailed deposits will be processed on the business day received.

### Withdrawals

You must keep sufficient collected funds in your account to pay the withdrawals you authorize. We may refuse to honor any check or withdrawal request if there are insufficient collected funds in the account any time throughout the banking day and assess a charge against your account. Should we honor a check or withdrawal against insufficient collected funds, the resulting account deficit will be immediately due, and a charge will be assessed against your account. This charge is found in the Administrative Charges page.

We reserve the right to refuse payment of any item that cannot be imaged.

We reserve the right to require that you make your withdrawals at the bank location where you opened the account and/or your account is maintained. Unless we decide to enforce that right, you may make withdrawals at any location during regular business hours by presenting proper identification and signing a withdrawal slip.

For electronic withdrawals, refer to Regulation E – Electronic Banking Network Disclosures in this Agreement.

### Notice of Withdrawal

A non-interest bearing checking account is subject to withdrawal on demand by the presentment of a check drawn on the account. For all interest-bearing accounts, Lake City Bank reserves the right to require a minimum of seven (7) days notice before withdrawal, as required by federal law. Any payment made by the bank without requiring notice as herein provided shall not be deemed a waiver of the right to require such notice as to any future payment. No notice of withdrawal shall be deemed sufficiently given hereunder until it is received by the bank.

### Posting Order

Many factors determine when a payment you authorize will actually post and clear your account. Items may not clear your account in the same order as you made the payments and multiple items can also clear on the same day. The order in which we post payments to your account is not an issue if there is enough money in your account. But if you don't have enough money in your account, then the order in which we post payments may affect the number of overdraft fees you incur.

Lake City Bank will generally post transactions each business day in the following order:

1. Deposits received before the end of the business day.
2. Items like cashed checks, fund transfers and wire transfers: Multiple items will post from lower amounts to higher amounts.
3. ATM and debit card transactions: Multiple items will post in chronological order.
4. Bill payments: Multiple items will post in chronological order.
5. Other electronic payments like ACH pre-authorized payments: Multiple items will post in chronological order.
6. Checks: Multiple items will post in ascending check number order.

Lake City Bank reserves the right to make changes to our posting order at any time and without prior notice.

### Forms

We reserve the right to only honor checks and requests for withdrawal drawn on forms approved by Lake City Bank and that conform to our printing specifications, including encoding of the account number and consecutive check numbering in machine readable format. Any other checks or forms used that are not authorized by Lake City Bank, may be subject to an additional administrative charge as described in the Administrative Charges section.

We may at our option, pay any item whether or not the item is properly encoded. You agree we shall have no responsibility to stop payment on any check or other item not conforming to our printing and encoding specifications.

You must notify Lake City Bank as soon as possible of the loss or theft of any forms designed for your account.

## Indemnification

You agree to indemnify Lake City Bank against and hold harmless from any liability or loss, including court costs, reasonable attorney costs and other expenses, the bank may incur resulting from a delay in the forward collection or return of any item deposited into or issued from your account, caused by improper placement of endorsement(s) or other materials on the back of the deposited or issued item that affects the bank's ability to endorse the item as required by federal regulations.

In the event the bank becomes party to any legal proceedings between you and any third party, or between you and any joint owner, it is agreed that all of the joint owners will reimburse all liability, costs, charges, fees and expenses, including attorney and court costs, incurred by the bank as a result of such proceedings.

## Set-off

You agree that all bank accounts in your name, individually or jointly with another person(s), may at the bank's option be applied all or in part toward the payment of any obligation owing Lake City Bank by any one or more owners of your account. We may do so without prior notice. An obligation includes any debt owing the bank including fees, charges, or other debts due us whether due or not incurred as a maker, endorser, guarantor, or otherwise, and any obligation which now exists or is hereafter acquired. Without limitation, this right of set-off applies to any check or item cashed by the bank or deposited in an account to which an owner of this account is party as a maker, payee, endorser, or guarantor which is not honored according to its terms.

## Negative Information

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

## Post-dated/Stale-dated Checks

Lake City Bank will not be responsible for, and you hereby agree to waive, any losses or costs you incur as a result of the payment by this bank of any check more than six (6) months old or the payment of any check before the date written on the face of it by you.

The bank may charge against your account a check that is otherwise properly payable before the date written on the face of the check, unless you give notice to us of the postdating and identify the account number, check number, amount and date on the check. Your notice of post-dating must be received prior to the processing of the check in the normal course of business and with sufficient time to enable the bank to act on your request. A notice of postdating will be assessed a charge identical to the stop payment fee. These charges are found in the Administrative Charges section. When proper and timely notice is provided, the bank will handle the post-dated check in the same manner as a stop payment.

## Check Legends

Lake City Bank will not be responsible for, and you hereby agree to waive, any losses or costs you incur as a result of the payment by the bank of any check which contains any extraneous legends, for example "void after 90 days." In order to avoid payment of these items, a stop payment must be ordered.

## Facsimile Signatures

If a facsimile signature is used on an account, it will serve as a valid signature of an authorized signer.

## Stop Payment

You may ask the bank to stop payment on any check written on your account. Stop payments are subject to rules contained in the Uniform Commercial Code as adopted by the State of Indiana and any other applicable laws. The bank must receive the stop payment request at such a time and manner as to give the bank a reasonable opportunity to act on it before the bank is required by the UCC and clearinghouse rules to honor an item. A stop payment request is valid for 180 days unless it is renewed in writing. The charges assessed for the stop payment are found in the Administrative Charges section.

Stop payments are not allowed to be placed on electronic Point-of-Sale (POS) transactions or Visa® Debit Card transactions. Refer to Regulation E – Electronic Banking Network Disclosures in this Agreement for information on your right to stop payment on ACH transactions.

## Statements

Lake City Bank will provide a periodic statement showing your account activity (deposits, withdrawals, interest, charges, etc.) during the statement cycle. You agree to review your statements promptly to determine if there are any irregularities, alterations, or unauthorized transactions. You must notify the bank within thirty (30) days of your receipt of the statement, unless another time period is required by state or federal law. Your checking account statement will not include paid or canceled checks. Check images are available upon request. Charges for this service are found in the Administrative Charges section. The bank will maintain images of your checks for a period of five (5) years. You may obtain copies by contacting the bank. In order to receive the best images of the checks you write, we recommend that you use black ink when completing your checks and that you purchase check stock that is image-friendly.

## Power of Attorney

The bank must approve the form and manner of appointment if you choose to name another person to act as your attorney-in-fact in connection with your account. Once recorded on the records of the bank the appointment stands until rescinded by you and the bank has received notification of the revocation and has had reasonable opportunity to act on it.

## Death of Individual Depositor

In the case of the death of an individual depositor, the amount of deposit for the deceased will be paid to his or her legal representatives who are authorized by law to receive the deposit; except in such cases as by express trust or joint account agreement, the amount on deposit shall be directed to be otherwise paid.

## Joint Accounts

If your account is in the name of two or more individuals as joint owners, and the title of the account has the word "or" between the names of the owners, any or all of the owners may make deposits or withdrawals. You agree that the bank may follow the orders or instructions of one of the owners without becoming liable to the others.

If you have requested another form of ownership which requires that all joint owners sign withdrawals or other payment orders, your account title must have the word "and" between the names of the owners.

If no distinction, "or" is assumed.

If one joint owner dies, it is a condition and express term of this agreement with respect to all deposits made and received in the name of two or more persons jointly that without regard to the ownership or source of all or part of the funds deposited, the total amount on deposit upon the death of one owner, his or her interest in the account passes automatically to the surviving joint owner(s), and that all deposits so made and received shall be made and received in trust to be so paid, but subject to the withdrawals as made by any person so designated during his life. The bank will pay out sums deposited to an account in the name of two or more persons in accordance with the instructions set forth in the deposit agreement. If you do not want the interest in your account to pass automatically to the surviving joint owners, you must request in writing that the account be titled "without survivorship." The deceased person's pro rata interest in said account will pass to the estate of the deceased.

### **Payable on Death (P.O.D.) Accounts**

You may open an account titled to be payable on death to a beneficiary. Under Indiana Law, your interest in the account will pass to the beneficiary when you die. As a general rule, the beneficiary must be an individual. However, the bank may allow a charitable organization or other institution to be a beneficiary, at its discretion.

### **Transfer to Minors Under the Uniform Transfers to Minors Act**

You may make an irrevocable gift of money to a minor by opening an account in the manner prescribed in the Indiana Uniform Transfer to Minors Act. The account must be opened in the name of a custodian. As a general rule, the custodian must be an adult individual. There may be only one custodian and one minor individual for each account.

### **Confidentiality**

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

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

### **Representatives**

If the depositors are acting in a representative capacity, they shall provide the bank with whatever proof the bank requires in order to verify said representative capacity.

### **Assignment and Transfer**

All accounts are not negotiable or transferable. You may not transfer or assign your interest in an account or use it as collateral for a loan except to the bank. Changes in ownership reflected on the bank's records and transfers arising from operation of law, such as death, divorce or incompetency are permitted.

### **Inactive Accounts**

Every demand deposit account is considered an inactive account after one (1) year from the date of the last customer initiated transaction recorded on the books of the bank with respect to the account. Every investment account is considered an inactive account after three (3) years from the date of the last customer initiated transaction recorded on the books of the bank with respect to the account. Recurring automatic transactions, such as interest credit, does not count as a customer initiated transaction. Inactive accounts will be assessed an inactive fee as described in the Administrative Charges section.

### **Closing Accounts**

Your account may be closed by either you or the bank at any time. If you close your account it will be deemed closed when the bank receives notice of your intent and has had reasonable time to act on the request. If the bank closes the account, your account will be closed as of the date the notice of cancellation was mailed by the bank. After your account is closed, the bank will not have any obligation to accept deposits or pay any outstanding checks. Any money in the account will be returned to you by regular mail, after we deduct any fees or charges. When your account is closed you must return your Visa® Debit Card or ATM Card and return or destroy all unused checks.

Accounts closed within 180 days of opening may incur an early closing fee as described in the Administrative Charges section and forfeit any other benefits related to the account.

### **FDIC Insurance**

The standard FDIC insurance amount currently is \$250,000 per depositor for each account ownership category.

For more information about FDIC insurance coverage, visit [www.fdic.gov](http://www.fdic.gov).

### **Administrative Charges/Fees**

Applicable administrative charges and maintenance fees are found in the Account Disclosure and Administrative Charges sections. This includes, but is not limited to, transaction limitations and fees, automated teller machine fees, and monthly maintenance fees where applicable. Your account may also be charged for other services you request. The type of qualifying balance used to determine fees assessed is based on the specific account type as described in the Account Disclosure section.

### **Balance Required to Maintain the Account**

You agree to keep a positive balance in the account in order for the account to remain open. Balances of zero or less, for thirty (30) days or more may result in the account being closed.

### **Current Annual Percentage Yield (APY) and Interest Rate**

For information about current Annual Percentage Yields and interest rates for any interest bearing account you may contact the One Call Center at (888) 522-2265 or

by e-mail at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT** – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.

## Unlawful Internet Gambling Notice

Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

## Amendments and Notices

These terms and conditions may be altered, amended, or rescinded including those relating to the Annual Percentage Yield and computation of interest. Notice of changes may be provided to you by any means the bank considers to be appropriate. Except where a law or regulation requires notice by some other means, the bank may provide you with notice of a change to these terms and conditions by posting the notice in the lobby of the bank and it shall become binding on all depositors as though they had expressly assented thereto. All of these terms and conditions will be deemed amended or rescinded without notice to the extent necessary to comply with the requirements of the law or of any rule or regulation of proper supervisory banking authority. If any part of this agreement is found to be invalid, it shall not affect the validity of any other part of this agreement.

When regulation or law requires notice, the notice may be sent by first- or third-class mail or via electronic methods and will be considered given at the time of mailing. Notices may be sent to one owner on a joint account. Notices will be sent to the address shown on the records of the bank. You may send written notices to the bank at the location where your account is located or to Lake City Bank, Attn: Customer Service, P.O. Box 1387, Warsaw, IN 46581-1387, or by e-mail to [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT** – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.

## Waiver

We do not give up any rights we have under this agreement by delaying or failing to exercise them. If any part of this agreement is found by a court to be unenforceable, the remaining parts will still be in effect. You hereby waive the right to a jury trial in disputes concerning your accounts with this bank.

## Venue

You agree that any litigation concerning your account will be brought in the city and county in which we have our home office.

## Regulation DD

### Truth in Savings Disclosure

The purpose of this regulation is to help you make informed decisions about deposit accounts based on the terms and conditions under which interest is paid and fees are charged. Lake City Bank makes the following product disclosures along with the Account Disclosure and Administrative Charges sections available for your review and comparison to financial products offered by other financial service providers.

### Checking Accounts

The terms and conditions in this section apply to all demand deposit (checking) accounts.

#### Minimum Balance Requirements

Checking accounts require an initial deposit of at least \$50. A minimum balance may be required to avoid a monthly maintenance fee. These minimums and associated fees are found in the Account Disclosure section.

#### Account Maintenance Fees

A listing of the account maintenance fees are found in the Account Disclosure section.

#### Non-Interest Bearing Checking

A non-interest bearing checking account is a demand deposit account that does not earn interest.

#### Interest Bearing Checking

Interest bearing checking accounts are demand deposit accounts that earn interest. At the bank's discretion, we may pay different interest rates on different accounts having different daily balances. The Annual Percentage Yields in effect when you open the account are found on the Annual Yield Disclosure of this Agreement. After the account is open, current Annual Percentage Yields can be obtained by contacting the One Call Center at (888) 522-2265 or by e-mail at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT** – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.

#### Internal Money Management Account

A portion of your checking account's balance may at times be reclassified under the Federal Reserve Board's Regulation D. This accounting procedure will not affect your account in any way.

An internal money management account consists of two sub-accounts: a checking account and a savings account. All checks, debits, and withdrawals are presented against the checking account for payment.

If the balance in the checking account exceeds a threshold balance, and six (6) transfers from the savings account have not occurred during the monthly statement cycle, the amount in excess of the threshold balance in the checking account shall be transferred to the savings account on a daily basis.

If the aggregate of checks, debits, and withdrawals, presented against the checking account exceeds the available balance, a transfer from the savings account to the checking account shall be made if the funds are available in the savings account. The transfer from the savings account shall be made to pay all checks, debits, and withdrawals presented that business day to replenish the checking account to the threshold balance. Transfers from the savings account are limited to six (6) transfers during a monthly statement cycle. Upon the sixth transfer from the savings account to the checking account during a monthly statement cycle, the entire balance in the savings account shall be transferred to the checking account for the remainder of the monthly statement cycle.

## Interest

We use the daily balance method to compute interest on all interest bearing checking accounts except for Business Rewards Checking (see below). The daily balance

method applies a daily periodic rate to the collected balance in the account each day. To determine the daily periodic rate, we divide the interest rate by 365 days per year.

For Business Rewards Checking accounts, the average daily balance method is used to compute interest. The average daily balance method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is computed by adding the collected balance in the account for each day of the period and dividing that figure by the number of days in the period. To determine the daily periodic rate, we divide the interest rate by 365 days per year.

For all interest bearing checking accounts, interest begins to accrue no later than the business day when we receive credit for the deposit of non-cash items (for example, checks).

Interest is compounded monthly and will be credited to your account each month on the closing date shown on your statement, unless we agree to pay the interest in another manner. In order to obtain the interest rate and annual percentage yield (APY) shown on the Annual Yield Disclosure of this Agreement, you must maintain the minimum balance associated with that tier. Your interest rate and annual percentage yield (APY) may be changed at any time without prior notice.

Interest bearing accounts will be paid interest at a rate based on the current market rates and alternate funding rates. We reserve the right to select the method of determining the balances upon which interest will be paid, the time the funds must be on deposit to be entitled to interest, the method of computing interest, and the dates interest will be paid. The initial rate(s) of interest are shown on the Annual Yield Disclosure of this Agreement when you open an interest bearing account. Subsequent interest rates may be obtained by calling the One Call Center at (888) 522-2265.

### Effect of Closing An Account

If you close your account before interest is credited, you will forfeit the accrued interest.

### Pre-authorized Transfer Service (PATS)

This service allows up to six (6) transfers per month from your investment account to your transaction (Checking) account when the balance of your transaction account is overdrawn because of a check or other withdrawal written or authorized by you. As required by federal regulations, the maximum of six (6) allowable transfers per month will be reduced by withdrawals or transfers from the investment account which you make by telephone or computer. The bank reserves the right to refuse any automatic transfers beyond six (6) per month.

At the bank's discretion this service may be permitted to allow transfers from one transaction account to another.

This service is covered under a separate agreement and must be specifically requested by executing a Pre-authorized Transfer Service Agreement. There is a fee for this service as described in the Administrative Charges section.

### Health Savings Account (HSA) Checking

A Health Savings Account (HSA) is a tax-exempt trust or custodial account established exclusively for the purpose of paying or reimbursing qualified medical expenses of you, your spouse, and your dependents. Eligibility requirements are required for establishing an HSA.

Federal law restricts the timing of and maximum annual contribution to an HSA. Lake City Bank shall comply with those limitations. It is the responsibility of the depositor to keep a record of deposits so that the annual contribution limit is not exceeded.

Federal law restricts withdrawals from Health Savings Accounts. It is the account holder's responsibility to substantiate that withdrawals fall within those restrictions.

See the Health Savings Account Custodial Agreement for more information about your Health Savings Account.

See the Account Disclosure and Administrative Charges sections for bank fees associated with your Health Savings Account.

### Investment Accounts

The terms and conditions of this section apply to Investor's Money Market, Savings, Getting Ahead Savings, Rewards Savings and Rewards Plus Savings accounts in addition to the previously mentioned General Terms and Conditions that apply to all Lake City Bank deposit accounts.

### Interest

We use the daily balance method to compute interest on your account. This method applies a daily periodic rate to the collected balance in the account each day. To determine the daily periodic rate, we divide the interest rate by 365 days per year. Interest begins to accrue no later than the business day when we receive credit for the deposit of non-cash items (for example, checks).

Interest is compounded based upon the account type and will be credited to your account as described in the specific account type chosen, unless we agree to pay the interest in another manner. In order to obtain the interest rate and annual percentage yield shown on the Annual Yield Disclosure of this Agreement, you must maintain the minimum balance associated with that account type or with an interest rate tier. The interest rate and Annual Percentage Yield (APY) paid on each of these accounts is variable and will be determined by the current market rates and alternate funding rates. The bank reserves the right to change the interest rate and APY at any time and without notice.

Interest bearing accounts will be paid interest at a rate determined by the bank. We reserve the right to select the method of determining the balances upon which interest will be paid, the time the funds must be on deposit to be entitled to interest, the method of computing interest, and the dates interest will be paid. The initial rate(s) of interest are shown on the Annual Yield Disclosure of this Agreement when you open an interest bearing account. Subsequent interest rates may be obtained by contacting the One Call Center at (888) 522-2265 or by e-mail at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**

### Effect of Closing An Account

If you close your account before interest is credited, you will forfeit the accrued interest.

### Statements

Detailed statements will be sent for all accounts not getting a monthly statement, within thirty (30) days after the first day of each calendar quarter.

### Minimum Balance Requirements

An average balance may be required to avoid a monthly maintenance fee. These minimums and associated fees are found in the Account Disclosure section.

**Transaction Limitations**

Federal regulations limit the number of restricted withdrawals from your investment account to six (6) per statement cycle. A restricted withdrawal includes any withdrawal initiated by electronic means including telephone, computer terminal, Automated Clearing House (ACH) and any other payments to a third party. Transfers to another account of the same owner initiated by electronic means and transfers to a checking account to cover overdrafts are subject to the restricted withdrawal limitations. Frequent occurrences of excess restricted withdrawals may result in the account being closed.

Some types of withdrawals from your investment account are not subject to the restricted withdrawal limitations governed by federal regulations. These unrestricted withdrawals include transfers for the payment of a Lake City Bank personal loan or Lake City Bank mortgage loan; withdrawals made in person at any Lake City Bank branch; withdrawals made at an Automated Teller Machine.

Lake City Bank may charge a fee for each withdrawal (whether restricted or unrestricted) from your investment account in excess of six (6) per statement cycle. The amount of this fee can be found in the Account Disclosure section.

**Savings Account/Getting Ahead Savings Account**

Interest will be compounded monthly and paid (credited) to the account balance monthly, thereafter becoming available for withdrawal.

Federal regulations allow six (6) restricted withdrawals per statement cycle. See Transaction Limitations above for an explanation of a restricted withdrawal. Frequent occurrences of excess restricted withdrawals may result in the account being closed.

All withdrawals (whether restricted or unrestricted) in excess of six (6) per month will be assessed a withdrawal fee as described in the Account Disclosure section.

**Rewards Savings Account/Rewards Plus Savings Account**

Interest will be compounded monthly and paid (credited) to the account balance monthly, thereafter becoming available for withdrawal.

Federal regulations allow six (6) restricted withdrawals per statement cycle. See Transaction Limitations above for an explanation of a restricted withdrawal. Frequent occurrences of excess restricted withdrawals may result in the account being closed.

All withdrawals (whether restricted or unrestricted) in excess of six (6) per month will be assessed a withdrawal fee as described in the Account Disclosure section.

**Investor's Money Market Account**

Interest will be compounded monthly and paid (credited) to the account balance monthly, thereafter becoming available for withdrawal.

A minimum deposit of \$5,000 is required to open this account and to earn interest. Tiered-rate account – interest rates based on the daily collected account balance. Deposits may be made to this account at any time.

Federal regulations allow six (6) restricted withdrawals per statement cycle. See Transaction Limitations above for an explanation of a restricted withdrawal. Frequent occurrences of excess restricted withdrawals may result in the account being closed.

All withdrawals (whether restricted or unrestricted) in excess of six (6) per month will be assessed a withdrawal fee as described in the Account Disclosure section.

**Certificates of Deposit**

The Terms and Conditions of this section apply to Certificate of Deposit accounts, including Custodial Individual Retirement accounts, in addition to the previously mentioned General Terms and Conditions that apply to all Lake City Bank deposit accounts.

Special Certificate of Deposit offers may have specific terms and conditions – all of which will be disclosed at the time of the promotion. All other general Certificate of Deposit information shall apply. Contact your local banking center or the One Call Center at (888) 522-2265 for specific terms and conditions of special offers.

Certificates of Deposit placed through the CDARS network are governed by a separate set of regulations found in the CDARS Deposit Placement Agreement.

**Early Withdrawal Provisions**

You have agreed, by opening a certificate of deposit account, to keep the funds on deposit for the full maturity of subsequent renewals. Under government regulations, the deposit may not be withdrawn prior to maturity except with the bank's consent, which may be given only at the time such request is made.

If consent is given to withdraw all or part of your account before maturity, the bank will impose an early withdrawal penalty. (The penalty may be waived in the event of the death of the owner of the account or in the event any such owner has been declared mentally incompetent.)

**Certificate of Deposit Minimum Balance Requirements**

The minimum balance to open a certificate of deposit is \$500. Special offers may require a higher minimum balance.

**Transaction Limitations**

After this account is opened you may not make deposits into or withdrawals from the account until the maturity date.

**Terms**

You may choose the terms that best fit your investment needs. The maturity length may be anywhere from 32 days to seven years (84 months). Once the term is chosen for a particular deposit it remains fixed at that chosen length of time until maturity. The terms available are determined by the bank from time to time.

**Automatic Renewal**

Certificates of deposit that automatically renew at maturity will renew for the term indicated in the table below at the Regular CD interest rate and APY in effect on the maturity date unless the depositor requests the certificate of deposit be redeemed or the term changed, at which point the rate will be the rate in effect for the requested term.

Original Investment Term	Renewal Investment Term
Terms less than 90 days	1 month
3 – 5 months	3 months
6 – 8 months	6 months
9 – 11 months	9 months

12 – 17 months	12 months
18 - 23 months	18 months
24 – 29 months	24 months
30 – 35 months	30 months
36 – 47 months	36 months
48 – 59 months	48 months
60 – 83 months	60 months
84 months and greater	84 months

There is a 10 calendar day grace period after the maturity date during which time the depositor may withdraw the deposit without receiving an early withdrawal penalty. However, no interest will be earned for the time period between the maturity date and redemption.

Certificates of deposit that do not automatically renew will cease to earn interest on the maturity date. The depositor is responsible for redeeming the certificate and negotiating the new term and rate.

The depositor will be provided with a notice of upcoming maturity at least 20 calendar days prior to the end of the grace period for all certificate of deposit terms greater than 32 days.

**Interest**

We use the daily balance method to compute interest on your account. This method applies a daily periodic rate to the principal in the account each day. To determine the daily periodic rate, we divide the interest rate by 365 days per year. Interest will begin to accrue on the date of deposit. The APY disclosed on the Annual Yield Disclosure of this agreement for your certificate of deposit assumes the interest remains on deposit for one year. Withdrawal of interest prior to maturity will reduce earnings. The interest rate and Annual Percentage Yield (APY) paid on this deposit will be determined by the bank at its discretion at the time the certificate of deposit is opened. The interest rate and APY will remain fixed until the certificate of deposit matures.

**Interest Payment Options**

The depositor may have some options available regarding how the interest is to be paid. Interest can be paid to the depositor monthly, quarterly or semi-annually (if the certificate of deposit has a balance of \$6,000 or more and the term is equal to or greater than 6 months), annually or at maturity depending on the chosen term by deposit into an account (see below). The interest may be added to the certificate of deposit annually or at maturity depending on the chosen term (see below). A check may be mailed or electronically transferred to the depositor only by special arrangement and consent of the bank which may be given only at the time such request is made. The interest payment method for certificates of deposit with terms equal to or greater than 6 months can be changed during the term of the certificate of deposit with the consent of the bank which can be given only at the time such a request is made.

Investment Term	Interest Payment Options
Less than 6 months	Maturity Date only by compounding or payment to the depositor
6 to 11 months	Compounded at maturity, or paid to the depositor monthly* or quarterly* by electronic means into a qualified account
12 months and greater	Compounded annually or paid to the depositor monthly*, quarterly*, semi-annually* by electronic means or annually by deposit into a qualified account

\*Monthly, quarterly and semi-annual interest is limited to certificates with a balance of \$6,000 or greater with a term equal to or greater than 6 months and by electronic means into a qualified account.

**Early Withdrawal Penalty**

The following early withdrawal penalties apply for premature withdrawal of Certificates of Deposit. The penalty amount can include part of the principal if there is not enough accrued interest to satisfy the penalty.

The penalty calculation is based on the term of the certificate of deposit.

Investment Term	Early Withdrawal Penalty
Less than 6 months	All interest earned, minimum of 7 days; interest at rate being paid on the Certificate of Deposit
6-11 months	180 days interest at rate being paid on the Certificate of Deposit
12 months and greater	360 days interest at rate being paid on the Certificate of Deposit

Interest only withdrawals are not subject to the early withdrawal penalties. However, they are restricted to one per 12 month period.

**Custodial Individual Retirement Accounts (IRAs)**

Lake City Bank offers two types of Custodial Individual Retirement Accounts: A Fixed Rate IRA Certificate of Deposit and a Variable Rate IRA Certificate of Deposit. You may choose the terms that best fit your investment needs. The maturity length may be anywhere from 3 months to seven years (84 months). Once the term is chosen for a particular deposit it remains fixed at that chosen length of time until maturity. The terms available are determined by the bank from time to time.

**Annual Contribution**

Federal law restricts the timing of and maximum annual contribution to an IRA. Lake City Bank shall comply with those limitations. It is the responsibility of the depositor to keep a record of deposits so that the annual contribution limit is not exceeded.

**Withdrawals**

Federal law restricts withdrawals from Individual Retirement Accounts.



**Statements**

Annual statements will be issued for Individual Retirement Accounts. See the IRA Custodial Agreement and Disclosures for more information about your Individual Retirement Account.

See the Administrative Charges section for bank fees associated with your Individual Retirement Account.

**Fixed Rate IRA Certificates of Deposit**

This is a fixed rate certificate of deposit. The terms and conditions cited under the Certificates of Deposit section of these disclosures apply in addition to the disclosures cited below and those provided by the Custodial IRA Agreement. Disclosures given to you at the time of the account opening will supercede any disclosures given under the Certificates of Deposit disclosures listed in these terms and conditions should there be a conflict of information.

**Minimum Balance Requirements**

A minimum balance of \$500 is required to open and maintain the account. Special offers may require a higher minimum balance.

**Transaction Limitations**

After this account is opened you may not make deposits into or withdrawals from the account until the maturity date.

**Terms**

You may choose the terms that best fit your investment needs. The maturity length can be anywhere from 3 months to seven years (84 months). Once the term is chosen for a particular deposit it remains fixed at that chosen length of time until maturity.

**Automatic Renewal**

Certificates of deposit that automatically renew at maturity will renew for the term indicated in the table below at the Regular CD interest rate and APY in effect on the maturity date unless the depositor requests the certificate of deposit be redeemed or the term changed, at which point the rate will be the rate in effect for the requested term.

Original Investment Term	Renewal Investment Term
Terms less than 90 days	1 month
3 – 5 months	3 months
6 – 8 months	6 months
9 – 11 months	9 months
12 – 17 months	12 months
18 – 23 months	18 months
24 – 29 months	24 months
30 – 35 months	30 months
36 – 47 months	36 months
48 – 59 months	48 months
60 – 83 months	60 months
84 months and greater	84 months

There is a 10 calendar day grace period after the maturity date during which time the depositor may withdraw the deposit without receiving an early withdrawal penalty. However, no interest will be earned for the time period between the maturity date and redemption.

Certificates of deposit that do not automatically renew will cease to earn interest on the maturity date. The depositor is responsible for redeeming the certificate and negotiating the new term and rate.

**Interest**

We use the daily balance method to compute interest on your account. This method applies a daily periodic rate to the principal in the account each day. To determine the daily periodic rate, we divide the interest rate by 365 days per year. Interest will begin to accrue on the date of deposit. The APY disclosed on the Annual Yield Disclosure of this Agreement for your certificate of deposit assumes the interest remains on deposit until maturity. Withdrawal of interest prior to maturity will reduce earnings. The interest rate and Annual Percentage Yield (APY) paid on this deposit will be determined by the bank at its discretion at the time the certificate of deposit is opened. The interest rate and APY will remain fixed until the certificate of deposit matures.

**Interest Payment Options**

Interest will be added to the account annually and at maturity. Federal law prohibits payment of interest directly to the depositor unless IRA distributions have begun. The depositor may have some options available regarding how the interest is to be paid once IRA distributions have begun. Interest can be paid to the depositor monthly, quarterly, or semi-annually (if the certificate of deposit has a balance of \$6,000 or more and the term is equal to or greater than 6 months), annually or at maturity depending on the chosen term by deposit into an account. The interest may be added to the certificate of deposit annually or at maturity depending on the chosen term. A check may be mailed or electronically transferred to the depositor only by special arrangement and consent of the bank which may be given only at the time such request is made. The interest payment method for certificates of deposit with terms equal to or greater than 6 months can be changed during the term of the certificate of deposit with the consent of the bank which can be given only at the time such a request is made.

**Early Withdrawal Penalty**

Early withdrawal penalties applicable to Certificates of Deposit apply to Fixed Rate IRA Certificates of Deposit even when the owner is over age 59½.

**Variable Rate IRA Certificates of Deposit**

This is a variable rate certificate of deposit which allows for additional deposits to be made to it during the term of the account. The terms and conditions cited under the Certificates of Deposit section of these disclosures apply in addition to the disclosures cited below and those provided by the Custodial IRA Agreement. Disclosures given to you at the time of the account opening will supersede any disclosures given under the Certificates of Deposit disclosures listed in these terms and conditions should there be a conflict of information.

**Terms**

You may open a variable rate IRA for a term of 18 months or 72 months.

**Minimum Balance Requirements**

The minimum deposit required to open the account is \$50, unless you have arranged for a periodic Direct Deposit to be made into the account, in which case the minimum opening deposit is \$10.

## Minimum Additional Deposits

Additional deposits may be made to the account at any time but must be at least \$10.

## Interest

The interest rate and the Annual Percentage Yield (APY) paid on this account is variable and will be set by the bank based on the current market rates and alternate funding rates on the first Tuesday of every month. The current rate (rate in effect when the account was opened) can be found on the Annual Yield Disclosure of this Agreement.

We use the daily balance method to compute interest on your account. This method applies a daily periodic rate to the principal in the account each day. To determine the daily periodic rate, we divide the interest rate by 365 days per year. Interest will begin to accrue on the date of deposit.

## Interest Payment Options

Interest will be added to the account annually and at maturity. Federal law prohibits payment of interest directly to the depositor unless IRA distributions have begun. The depositor may have some options available regarding how the interest is to be paid once IRA distributions have begun. Interest can be paid to the depositor monthly (if the certificate of deposit has a balance of \$6,000 or more and the term is equal to or greater than 6 months), quarterly, semi-annually, annually or at maturity depending on the chosen term by deposit into an account. The interest may be added to the certificate of deposit annually or at maturity depending on the chosen term. A check may be mailed or electronically transferred to the depositor only by special arrangement and consent of the bank which may be given only at the time such request is made. The interest payment method for certificates of deposit with terms equal to or greater than 6 months can be changed during the term of the certificate of deposit with the consent of the bank which can be given only at the time such a request is made.

## Early Withdrawal Penalty

Early withdrawal penalties applicable to Certificates of Deposit apply to Variable Rate IRA Certificates of Deposit even when the owner is over age 59½.

## Regulation CC - Funds Availability Policy:

### Your Ability to Withdraw Funds at Lake City Bank

The purpose of Expedited Funds Availability Act and Check Clearing for the 21<sup>st</sup> Century Act is to promote availability of funds deposited and to contain rules relating to substitute checks. It also expedites the return of dishonored checks through the United States check clearing and payments systems.

Our policy is to make funds available from your deposits the next business day, or by the seventh business day after the day of your deposit depending on the type of deposit as described below. This policy applies to both personal and non-personal checking accounts.

We reserve the right to impose case-by-case and exception holds and to impose holds on other funds held on deposit as outlined in the information following.

### Determining the Availability of a Deposit

The length of delay is counted in business days beginning with the business day following the day of your deposit. Every day is a business day except Saturday, Sunday and legal holidays.

### Length of Delay

The length of delay varies depending on the type of deposit as explained below.

### Same-Day Availability

Direct Deposits of electronic payments (such as Social Security benefits and payroll direct deposits) are available on the business day that the funds are due to you.

### Next-Day Availability

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

- U.S. Treasury checks that are payable to you
- Wire Transfers
- Checks drawn on Lake City Bank
- If you make the deposit in person to one of our employees at one of our offices, funds from the following deposits are also available on the first business day after the day of your deposit:
  - Cash
  - State of Indiana and Indiana local government checks deposited into Lake City Bank accounts that are payable to you: Special processing may be required. Please notify bank employee at time of deposit.
  - Cashier's, Certified, and Teller's Checks that are payable to you: Special processing may be required. Please notify bank employee at time of deposit.
  - Federal Reserve Bank checks, Federal Home Loan Bank checks and U. S. Postal money orders, if these items are payable to you
- The lesser of \$200 or the aggregate amount deposited on any one banking day to all accounts of the customer by check or checks not subject to next day availability

If you do not make your deposit in person to one of our employees at one of our offices (for example, if you mail the deposit), funds from these deposits may not be available until the second business day after the day we receive your deposit.

### More Than One Category of Checks in a Deposit

If you deposit more than one category of checks in a deposit, \$200 from the checks in that deposit will be available on the first business day after the day of your deposit, not \$200 from each category of check.

### Case By Case Holds

A check could have up to a two (2) day hold. We will notify you if we delay your ability to withdraw funds and we will tell you when the funds will be available. They will generally be available to you no later than the second (2<sup>nd</sup>) business day after the day of your deposit or earlier as required by law. If you need to be sure about when a particular deposit will be available for withdrawal, contact your local banking center or the One Call Center at (888) 522-2265.

**Exception Holds**

Funds you deposit by check may be delayed for a longer period under the following circumstances.

- You deposit checks totaling more than \$5,000 on any one day. The first \$200 will be available the next business day after the day of your deposit. The next \$4,800 will be available the second (2<sup>nd</sup>) business day after the day of your deposit. The remainder will generally be available no later than the seventh (7<sup>th</sup>) business day after the day of your deposit.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months. (This is defined to mean on six or more banking days within the preceding six months, the account balance is negative or the balance would have become negative if checks or other charges to the account had been paid, rather than returned. This also can be defined to mean on two or more banking days within the preceding six months the account balance is negative in the amount of \$5,000 or more if the checks or other charges to the account had been paid.)
- There is an emergency, such as failure of communications or computer equipment.
- We may also delay the availability of funds that a customer deposits by check for the following reasons:
  - We receive notice that the check is being returned unpaid.
  - We have confidential information that the check may not be paid.
  - The check is drawn on an account with repeated overdrafts.
  - We are unable to verify the endorsement of a joint payee.
  - Some information on the check is not consistent with other information on the check.
  - There are erasures or other apparent alterations on the check or the check is counterfeited or photocopied.
  - The routing number of the paying bank is not the current routing number.
  - The check is post dated (future date) or has a stale date (more than six months old).
  - Information from the paying bank indicates that the check may not be paid.
  - We have been notified that the check has been lost or damaged in transit.

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 to you no later than the seventh (7<sup>th</sup>) business day after the day of your deposit or earlier as required by law. If you do not receive a hold notice at the time you make the check deposit, a notice will be mailed to you. If the check(s) deposited is (are) paid, the bank will refund any of its fees for overdrafts or returned checks that resulted solely from the hold imposed at the time you made the deposit. To obtain a refund of such fees, please contact the One Call Center at (888) 522-2265. If you need to be sure about when a particular deposit will be available for withdrawal, contact your local banking center or the One Call Center at (888) 522-2265.

**Special Rules for New Accounts**

If you are a new customer, the following special rules may apply, at our discretion, during the first 30 calendar days your account is open instead of the rules described above.

- Funds from electronic direct deposits into your account will be available on the business day the funds are due to you.
- Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of U.S. Treasury checks, U.S. Postal money orders, Federal Reserve Bank, and Federal Home Loan Bank checks, and cashier's, certified, teller's, traveler's, and state and local government checks will be available for withdrawal 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). Special processing may be required. Please notify bank employee at time of deposit. The excess over \$5,000 will be available no later than the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury checks) 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 held from all other check deposits are not subject to the availability requirements. These funds will be held for five (5) business days.

**Holds on Other Funds**

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 ability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. For example, if we cash a \$100 check for you, \$100 of funds already in your account will not be available until the next business day after the day we cashed the check.

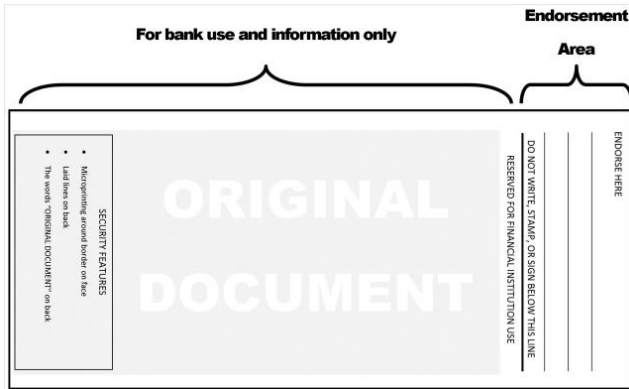
**Important Information About Endorsements****Indemnification (Refer to General Terms and Conditions in this Agreement)**

You agree to indemnify Lake City Bank against and hold harmless from any liability or loss, including court costs, reasonable attorney costs and other expenses, the bank may incur resulting from a delay in the forward collection or return of any item deposited into or issued from your account, caused by improper placement of endorsement(s) or other materials on the back of the deposited or issued item that affects the bank's ability to endorse the item as required by federal regulations.

In the event the bank becomes party to any legal proceedings between you and any third party, or between you and any joint owner, it is agreed that all of the joint owners will reimburse all liability, costs, charges, fees and expenses, including attorney and court costs, incurred by the bank as a result of such proceedings.

**Endorsement Standards**

All financial institutions are legally required to adhere to formal bank endorsement standards when processing customer check deposits. Under these standards, the bank of first deposit must place its endorsement in a specific area on the back of every check it accepts for deposit. The area reserved for this purpose is located near the middle of the check. To insure that our endorsement can easily be identified by the paying bank in the event that it wishes to return the check, customers are requested to avoid this middle area by placing their own personal endorsement in an area within the first 1.5 inches on the back of the check.



Placing your endorsement in any other area could obscure our own bank endorsement and delay the return of the check. Losses associated with delays caused by illegible bank endorsements will be the responsibility of the customer.

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.

**Regulation E  
Electronic Banking Network Disclosures  
(Disclosures for Electronic Banking Customers)**

These disclosures summarize your rights and responsibilities under the Electronic Funds Transfer Act a/k/a Regulation E. Please read them and keep them in a convenient place.

Lake City Bank provides Telephone Banking, Online Banking, Mobile Banking, Visa® Debit Cards, ATM Cards, and Automated Teller Machines (ATMs) as a convenience for our customers who apply for these services. The location of ATMs may be changed by the bank without prior notice to you. Your card and personal identification number (PIN) remain the property of this bank, and the bank may terminate your right to use the card or service at any time.

Your use of one of these services, or pursuant to a separate agreement, or any application therefore, constitute your agreement to be bound to such terms and conditions.

**Types of Transactions**

**Automated Teller Machines (ATMs)**

The transactions you may perform will depend on the account(s) you have designated for ATM access. Please note that you may not be able to access more than your primary account through some ATMs. Therefore choose your primary account carefully.

- You can use your Lake City Bank ATM Card or Visa® Debit Card at Lake City Bank, CIRRUS or NYCE network ATMs in the United States or internationally to:
  - Withdraw cash from your checking or savings account
  - Transfer funds between your checking and savings account
  - Check the balances of your accounts
- You can use your Lake City Bank ATM Card or Visa® Debit Card to make deposits at Lake City Bank ATMs that accept deposits. We may at our sole discretion limit or reject deposits made at an ATM based on the dollar amount of the deposit and/or system limitations.

**Cardless Cash**

Cardless Cash (currently available only at Lake City Bank ATMs) allows you to start an ATM cash withdrawal with your mobile phone from anywhere without a debit/ATM card. You request a desired amount of cash in the Lake City Bank mobile app ahead of time or at the ATM. Then you use your phone to scan a QR code on the ATM screen to complete the transaction and receive the funds requested. Cardless Cash transactions have the same transaction limits and charges as debit/ATM cards.

**Point-of-Sale Transactions**

- You may use your ATM Card or Visa® Debit Card to pay for goods or services at merchants using the NYCE Point-of-Sale terminals, by drafting your primary checking account.
- Your Visa® Debit card may also be used at any merchant accepting Visa® Debit cards to directly draft your primary checking account for payment of goods and services.

**Electronic Checks**

You may access your account(s) to purchase goods, pay for services, or get cash where a check (whether blank, partially completed, or fully completed and signed) is presented at a Point-of-Sale terminal or is mailed to a merchant or other payee or lockbox and later converted to an Electronic Payment.

**Preauthorized Transfers (ACH)**

- Direct Payments. You can arrange to pay certain bills directly from your checking accounts. Bill payment is available only through the Online Banking Service.
- Direct Deposits. You can arrange to receive certain automatic deposits from other companies (for example, Social Security payments or payroll) to your checking, savings or Variable Rate IRA accounts.

**Telephone Banking**

Telephone Banking allows you to perform banking transactions on your personal accounts by telephone. The banking transactions you can complete by telephone are:

- Transfer money between accounts, including lines of credit and personal loans;
- Obtain account information for checking, savings, certificates of deposit, and personal loans.

Call Telephone Banking at (800) 722-5208.

**Online Banking**

You may use the Internet to view account balances and transaction history, transfer funds, pay bills, view eStatements and open new accounts. Some of these services may not be available for all accounts. Please refer to specific account disclosures for more information. A short online enrollment process is required to establish an Online Banking account.

**Mobile Banking**

An Online Banking account is required to activate Mobile Banking. You may access account information on your mobile device via a downloadable Mobile Banking app. A short enrollment process is required to validate your mobile device. You may use Mobile Banking to view account balances and transaction history, transfer funds between your Lake City Bank accounts, pay bills and deposit checks.

**Limitations on Transactions****Dollar Limits**

You may withdraw up to \$500 each day, if available in your account, from a CIRRUS or NYCE ATM or at a bank branch. You may use your Lake City Bank Visa® Debit Card at point-of-sale (POS) to purchase goods and services up to \$2,500 each day (if available in your account) from merchants who accept the debit cards. We reserve the right to lower these limits immediately due to possible fraudulent activity. Any POS purchases decrease the amount of cash available in your account that day by the amount of the purchases. You will be notified if your card limit has been set at a lower amount. Some Lake City Bank accounts may have different limits than those specified above. Please refer to specific account disclosures for more information.

**Transaction Limits**

You may only make 5 ATM withdrawals, 5 cash advances, 20 PIN-based debit card transactions and 20 non-PIN debit card transactions each day with your Lake City Bank ATM Card or Visa® Debit Card.

**Numerical Limits on Investment Accounts**

You may only make six (6) restricted withdrawals from your Investment account in any monthly statement cycle. Loan payments to this bank are not included in these limits.

**Computer System Inoperable**

If for any reason the computer system is inoperable, your ability to make withdrawals each day will be limited to \$100 from an ATM, \$200 for a signature-based Visa® Debit Card purchase and \$250 for a PIN-based Visa® Debit Card purchase. Access to both account information and the ability to transfer funds between accounts may be limited if, for any reason, the telephone or computer communications are disabled.

**Administrative Charges**

- ATM Transactions--We will not charge you more than the normal administrative charges applicable to a particular Lake City Bank account when you use a Lake City Bank ATM. Use of a CIRRUS or NYCE ATM owned by other banks may result in an administrative charge to your account. Refer to the Administrative Charges section. There may be an additional terminal transaction fee imposed at individual terminals. This fee is to be posted near the machine or displayed on the screen when the transaction is initiated.
- Point-of-Sale (POS) Transactions--There is no charge for POS transactions.
- Telephone Banking --There is no charge for the Telephone Banking Service.
- Online Banking --There is no charge to access Online Banking. Transaction fees apply for expedited bill payments and transfers to accounts at other financial institutions.
- Mobile Banking -- There is no charge to access Mobile Banking. However, data usage/text message charges may apply from your wireless provider.

**Documentation of Electronic Transactions****ATM and Point-of-Sale Transactions**

You may request a receipt at the time you make any transaction to or from your account(s) using an automated teller machine or point-of-sale terminal. There is no requirement to provide a receipt to consumers for transactions of \$15.00 or less.

**Direct Deposits**

If you have arranged to have a direct deposit made to your account at least once every sixty (60) calendar days from the same person or company, you may call us at (888) 522-2265 or use Telephone Banking or Online Banking to find out whether or not the deposit has been made. Direct deposits will be posted to your account as of the effective date or the day the bank receives it.

**Pre-authorized (Direct) Payments**

If pre-authorized payments from your account may vary in amount, the company you are agreeing to pay will tell you in writing ten (10) calendar days before each payment, when it will be made and how much it will be.

**Periodic Statements**

You will receive a monthly statement from us for your checking account. However, if your direct deposit is to your savings account, your statement will be mailed monthly. If you wish to confirm a direct deposit before you receive your statement, contact us by calling (888) 522-2265, or by writing: Lake City Bank, Customer Assistance, P.O. Box 1387, Warsaw, IN 46581-1387, or by e-mail at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**

**Telephone Banking**

No written receipt is given for Telephone Banking transactions. However, the information is confirmed verbally by the system at the time the transaction takes place

and is also denoted on the account statement.

**Online Banking**

Your periodic account statement will include a description of each transaction made through Online Banking.

**Mobile Banking**

Your periodic account statement will include a description of each transaction made through Mobile Banking.

**Business Days**

"Business Day" means every day the bank is open to transact business except Saturday, Sunday, or federal holidays. The current business day ends at the earlier time of closing (when closed before 2:00 p.m.); 2:00 p.m., or later, as posted in each individual ATM/POS location.

**Your Liability for Unauthorized Transactions and Why You Should Promptly Report Loss of Your Card**

You agree not to give or make available your card and/or Personal Identification Number (PIN) or code to any unauthorized individual. Tell us AT ONCE if you believe your card or code has been lost or stolen or that someone entrusted with your card has transferred or may transfer money from your account without your permission. Contact us by calling (877) 718-9198 x 46336 or by writing: Lake City Bank, Client Protection Services, P.O. Box 1387, Warsaw, IN 46581-1387, or by e-mail at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.** Telephoning is the best way of keeping possible losses down, as all the money in your account, plus your maximum overdraft privilege, is at risk.

If you believe your ATM Card or Visa® Debit Card has been lost, stolen, or misused in any way, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card and/or code without your permission.

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

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 calendar days after the statement was mailed to you, you may not get back any money you lost after the 60 calendar days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

A charge may be assessed if we issue you a new ATM Card account number and/or card, or a new Visa® Debit Card account number and/or card when your card is damaged, lost or stolen. This charge will appear on your monthly account statement as a card replacement fee as described in the Administrative Charges section.

**In Case of Errors or Questions About Your Electronic Transactions**

If you think your statement or receipt is wrong, or if you need more information about a transaction listed on the statement or receipt, please contact us as soon as you can.

Telephone the One Call Center at (888) 522-2265, or write us at: Lake City Bank, Client Protection Services, P.O. Box 1387, Warsaw, IN 46581-1387, or e-mail us at: [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do not include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**

We must hear from you no later than 60 calendar days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name. **IMPORTANT – Do NOT include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**
- Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

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

We will tell you the results of our investigation within ten (10) business days (5 business days if involving a Visa® transaction) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (5 business days if involving a Visa® transaction) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

**Your Right to Stop Payment of Personal Pre-authorized Transactions, How to do it, and Our Liability for Failure to Stop Payment****Your Right to Stop Payment and How To Do It**

If you have told us in advance to make regular payments out of your account(s), you can stop any of these payments. Telephone the One Call Center at (888) 522-2265, or write to us at: Lake City Bank, One Call Center, P.O. Box 1387, Warsaw, IN 46581-1387, or e-mail us at: [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com) in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. Give us your name, the name of the person receiving the payment, the amount of the payment (exact dollars and cents), and date on which it is scheduled to be made. **IMPORTANT – Do NOT include your account number if contacting us via e-mail since e-mail is not a secure form of communication.** If you telephone us, we may require you to put your request in writing and get it to us within 14 calendar days after you call. We will charge you a stop payment fee as described in the Administrative Charges section for each stop payment request you give us. A one-time stop payment will remain in effect until payment of the debit entry has been stopped, or until you withdraw the stop payment request, whichever occurs earlier. A permanent stop payment will remain in effect until we receive written notice from you withdrawing the stop payment request.

**Our Liability for Failure to Stop Payment of Personal Preauthorized Transactions**

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 actual losses or damages proved.

**Our Liability for Failure to Make Transfers**

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

- If, through no fault of ours, you do not have enough money in your account to make the transaction;
- If the transaction would go over the limit on your Lake City Bank Overdraft Privileges (if available);
- If the ATM where you are making the transaction does not have enough cash;
- If the ATM, Telephone Banking System, Online Banking System, or Mobile Banking System was not working properly and you knew about the breakdown when you started the transaction;
- If circumstances beyond our control (such as fire or flood) prevented the transaction, despite reasonable precautions that we have taken;
- If court order or other legal process prevents us from making a transaction;
- If you do not schedule an Online Bill Payment or Mobile Bill Payment at least seven (7) business days in advance to allow the bank to process the payment and send it to the designated payee;
- If you do not properly fill out the deposit or payment form;
- If you do not provide the correct information when using Telephone Banking, Online Banking or Mobile Banking;
- If the bank is provided with incomplete or inaccurate information from external sources involved in processing the transfer, payment, or direct deposit.

There may be other exceptions to liability stated in the Terms and Conditions governing your specific type of account or service.

**Disclosures Regarding Electronic "Wholesale Credit" Transactions**

Subject to Uniform Commercial Code Article 4A PROVISIONAL PAYMENT: Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**Notice of Receipt of Entry**

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Choice of Law**

We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Funds Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of Indiana, unless it has been otherwise specified in a separate agreement that the law of some other state shall govern.

**Confidentiality**

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

- Where it is necessary for completing transfers;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders;
- If you give us your written permission;
- If you have your debit card set up for automatic payments with merchants, Visa requires us to provide your debit card information (including updated card numbers, expiration dates and security codes) to those merchants if they request it.

**Regulatory Authority**

Your rights in connection with electronic funds transactions are governed, in part, by state and federal consumer protection laws. If you have a question about your rights under these laws, or you believe that your legal rights have been violated, you may contact the Federal Reserve Consumer Help, P.O. Box 1200, Minneapolis, MN 55480.

If you have any questions regarding your account(s), we are happy to explain how they operate. Contact us at Lake City Bank, One Call Center, P.O. Box 1387, Warsaw, IN 46581-1387; or call us at (888) 522-2265, 7:30 a.m. – 6:00 p.m. Monday through Friday, 8:00 a.m. – 1:00 p.m. Saturday; or e-mail us at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com). **IMPORTANT – Do NOT include your account number if contacting us via e-mail since e-mail is not a secure form of communication.**

**OVERDRAFT PRIVILEGES DISCLOSURE**

It is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time and we have several options available for you. As a benefit to our customers, we offer these useful services to cover you in the event that you overdraw your checking account.

**Overdraft Protection Options****Transfer from Another Account**

If you have other accounts with us, you can authorize us to transfer the funds needed to cover your overdraft. (\$10 fee per transfer)

**Line of Credit**

A line of credit is available to cover overdrafts. This service requires you to complete an application and approval is based on your credit worthiness. Contact the Consumer Loan Department or any branch location for applicable terms and conditions. A transfer fee may be assessed depending on the terms of the line of credit agreement.

### Overdraft Privileges

Overdraft Privileges is a service we add to eligible checking accounts, subject to the eligibility criteria as explained below. With Overdraft Privileges we will generally pay your overdraft items up to \$750 for eligible personal accounts and \$2,000 for eligible small business accounts after the account has been open for 60 days. Whether your overdrafts will be paid is discretionary and we reserve the right not to pay. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts.

You will be charged our normal Overdraft or NSF fee of \$37 for each item that is presented. If you don't bring your account to a positive balance, you will be charged an additional Overdrawn fee of \$25 on the fifth day that your account has a negative balance. We will not charge more than four Overdrawn fees per occurrence.

Both the amount of the overdraft items and all applicable fees, including but not limited to the overdraft fees, are included in your \$750 (or \$2,000) Overdraft Privileges limit. All deposits to overdrawn accounts are applied to the negative balance.

No application is required for Overdraft Privileges; eligibility is at the sole discretion of the bank and is activated for eligible accounts opened for 60 days that are in good standing.

Your Overdraft Privileges may be suspended or permanently removed based on the following criteria:

1. You do not bring your account to a positive balance within 20 days of becoming overdrawn.
2. Your account product type is not eligible.
3. You are subject to any legal or administrative order, levy, or are currently a party in a bankruptcy proceeding.
4. You have an outstanding balance on an overdraft repayment plan.
5. Your account is being reviewed for fraudulent activity or transactions.
6. The primary account owner is less than 18 years old.
7. You have not made a deposit to your account in the last 33 days.
8. We believe you are not managing your account in a responsible manner which may harm you or us.

Overdraft Privileges covers all checks, in-person withdrawals, ACH transactions, preauthorized electronic transactions, automatic bill payments, Automated Teller Machine (ATM) transactions and debit card/Point-of-Sale (POS) transactions. For personal accounts, Overdraft Privileges will **not** cover ATM and one-time debit card transactions **unless** you authorize the bank to pay these types of transactions causing an overdraft.

NOTE: If you have consented to Overdraft Privileges for ATM transactions, please verify your balance before initiating an ATM cash withdrawal. All overdrafts will be subject to our \$37 Overdraft fee for each withdrawal until the account returns to a positive balance.

An overdrawn balance may result from

1. The payment of checks, electronic funds transfers, or other withdrawal requests. (These can occur in person, at an ATM, with a POS transaction, through Online Banking, Online Bill Payment or Telephone Banking.)
2. Payments (checks or automatic drafts) authorized by you.
3. The returned unpaid item(s) deposited by you.
4. The imposition of bank service charges.

You may never need to take advantage of Overdraft Privileges, but you may find it useful in the event of a temporary shortfall. If you do not want to have Overdraft Privileges, simply contact our One Call Center at (888) 522-2265 and we will provide you with an opt-out form to remove this benefit from your account. It is important for you to consider there is no additional cost for Overdraft Privileges and that by opting out you understand items causing an overdraft may be returned unpaid.

If you opt out, you will still be charged our \$37 Overdraft/NSF fee. Customers who receive a Social Security, federal direct deposit, or any other entitlement benefit must opt out if they do not want the bank to apply those funds to pay an overdraft.

If multiple items are presented to the bank for payment and there are not sufficient funds to pay all those items, the bank has the right to decide the order of the items that will be paid and which items will be returned, if any. Refer to Posting Order in the General Terms section.

NOTE: Please be aware that holds placed on your account, including exception and case-by-case holds, reduce your available balance and may cause your account to become overdrawn or items may be returned due to the hold on file.

Your account agreement describes the duties, obligations, and rights of depositors, authorized signatories and the bank with regard to your deposit accounts. That account agreement is incorporated herein for all purposes as if it were set forth verbatim as to matters not directly addressed by this disclosure. Your account agreement and this disclosure shall be construed so as to minimize conflicts between them.

The bank's forbearance from, or delay in, exercising any of the bank's rights, remedies, privileges, or right to insist on your strict performance of any provisions of your account agreement, this Overdraft Privileges disclosure, or any other provision related to your account, shall not be construed to be a current or future waiver of the bank's rights, remedies or privileges.

You and the bank agree that the exclusive remedy and forum for all disputes arising out of the Overdraft Privileges or your or the bank's performance there under, except for matters you or the bank take to small claims court, is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.

### Amendments

We reserve the right to alter, amend, or rescind these Terms and Conditions at any time hereafter, but effective only upon 30 calendar days prior written notice if the change will result in increased fees or charges to you, increased liability, fewer types of electronic funds transfer services, or stricter limitations on the frequency or dollar amounts of transfers.



# FACTS

## WHAT DOES LAKE CITY BANK DO WITH YOUR PERSONAL INFORMATION?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and payment history
- Credit history and transaction history

When you are *no longer* our customer, we continue to share your information as described in this notice.

### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons Lake City Bank chooses to share, and whether you can limit this sharing.

Reasons we can share your personal information	Does Lake City Bank share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

### Questions?

Call (888) 522-2265, email us at [lcbdirect@lakecitybank.com](mailto:lcbdirect@lakecitybank.com) or write us at Lake City Bank Customer Service, P.O. Box 1387, Warsaw, IN 46581-1387.

Continued on the back



What we do	
<b>How does Lake City Bank protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our employees are trained to comply with these security measures. We also limit our employees' access to customer information based on their responsibilities.</p>
<b>How does Lake City Bank collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ Apply for a loan or open an account</li> <li>■ Provide account information or tell us about your investment or retirement portfolio</li> <li>■ Give us your income information</li> </ul> <p>We also collect your personal information from others, such as credit bureaus or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for nonaffiliates to market to you</li> </ul>
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ <i>Lakeland Financial Corporation, a bank holding company, is an affiliate of Lake City Bank</i></li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ <i>Lake City Bank does not share with nonaffiliates so they can market to you</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>■ <i>Our joint marketing partners include credit card companies</i></li> </ul>