



Information About Our Accounts, Services and Agreements to include the following items:

Electronic Funds Transfer (EFT)  
Automated Teller Machines (ATMs)  
Other Electronic Terminal Services  
Privacy Policy and Affiliate Marketing Notice

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## Introduction

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Thank you for establishing your banking relationship with the Ulster Savings Bank. This brochure outlines the terms and conditions of your accounts. It is an informative guide that not only describes the rules and regulations governing your Ulster Savings Bank accounts, but also acquaints you with many of our other financial services.

When you open accounts or subscribe to services at Ulster Savings Bank, we also provide to you other written material that explains the features and conditions of the particular account or service you established.

Please familiarize yourself with the information provided, so you will be able to take maximum advantage of the many opportunities and programs available at Ulster Savings Bank.

Ulster Savings Bank's staff is committed to continuing its tradition of being a good neighbor and community leader through friendly, sincere and efficient service and participation in community affairs. Should you have any questions, please discuss them with our branch staff.

## Section I — Banking Services

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We offer a variety of services to assist you in maintaining your banking relationship with us.

### **Checking Accounts**

- Absolutely Free Checking
- Wall Street Checking

### **Savings Plans**

- Certificates of Deposit
- Direct Deposit of Social Security Checks, VA Compensation, Annuities, Pension Checks and others
- Money Market Deposit Accounts
- Statement Savings

### **Other Financial Services**

- 24-Hour Telephone Banking
- Internet Banking (Includes Mobile and Text Banking)
- NYCE/PLUS ATM Card
- Ulster Savings Bank Debit MasterCard

## Section II — Information about Bank Rules and Policies

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### **Laws, Rules, and Regulations**

All Ulster Savings Bank (the "Bank") accounts are subject to current and future New York State and federal rules, regulations and restrictions, including those of the New York State Banking Board, the Board of Governors of the Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC), the Department of the Treasury, the Automated Clearing House (ACH) and the general account practices prevailing in the area served by the Bank. Any action or failure to act by the Bank under any of the above laws, regulations and practices will constitute the exercise of due care under the circumstances.

### **Agreement**

By signing the signature card for your account and making the initial deposit to your account, you agree to be bound by the conditions concerning that account which are set forth in this brochure, in other disclosures provided during account opening, and to any later changes which may be effective.

### **Important Information About Procedures for Opening a New Account**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

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

When you make your first deposit and at other times when we need it, you agree to give us the information

### **Notices from You**

Any notice, which you want to send to us, should be in writing and signed with the same signature, which we have on file for you. You can deliver such notice by mailing it to our Customer Service Center at Ulster Savings Bank, P.O. Box 3337, Kingston, NY 12402 or emailing us at [customerservice@ulstersavings.com](mailto:customerservice@ulstersavings.com).

### **Change of Address**

You must notify the Bank, promptly and in writing, of any change in your mailing address. Mail will be sent to the most recent address appearing on the account records.

### **Customer Service Center Hours**

Our Customer Service Center team is available 8 am – 6 pm, Monday through Friday and 9 am – 2pm on Saturdays at 866-440-0391 or contact our 24-hour automated customer service center at 845-338-0900 or toll free at 888-579-4344. Messages left during non-business hours will be returned on the next business day.

### **Stop Payments**

**Placing a Stop Payment on Personal Checks or Other Withdrawal Items** — You can order us to stop payment on your personal check or other withdrawal item either orally or in writing. The stop order must contain sufficient information (account number, payee, date, amount, and check number) to enable us to process the order. The stop order takes effect when we record it on your account records. An oral stop will stay

in effect for 14 days and must be confirmed in writing. A written stop order will stay in effect for six months, unless renewed in writing or until the amount of the item is reimbursed to you.

**Canceling a Stop Payment**— Upon receipt of your written authorization, the Bank will cancel a stop payment order you have placed. Ulster Savings Bank will not honor verbal cancellations of stop payment orders.

### **Form of Account**

During your lifetime, you may alter the form of your account or stop or vary payments under the account's terms by providing written notice or order to the Bank. The order or request must be signed and dated by you and must contain sufficient information to enable the Bank to make the change. Any such order is effective when processed by the Bank and is effective against all prior alterations. The Bank reserves the right to require completion of its own form authorizing the change.

### **Joint Accounts**

A joint account is an account opened and maintained by two or more individuals (owners) for the purpose of depositing and withdrawing funds by any of them and payable to the survivor(s) upon the death of one of them. Ownership of this account cannot be changed by will. Joint account rules are as follows:

1. The Bank will accept deposits made by or payable to and endorsed by any of the joint account owners. Additions to the account (deposits, interest, etc.) become the property of all owner(s) as joint tenants;
2. That such deposit, and any additions thereto, shall become the property of each owner as joint tenants and, as such, that the depository may release the entire account to any owner during the lifetime of all owners;
3. That the depository may honor checks or orders drawn by, or withdrawal requests from, any owner during the lifetime of all owners;
4. That the depository may be required by service of legal process to remit funds held in the joint account to satisfy a judgement entered against, or other valid debt incurred by, any owner of the account;
5. That the depository may honor checks or orders drawn by, or withdrawal requests from, the survivor(s) after the death of any owner (s);
6. The depository may treat the account as the sole property of the survivor(s) after the death of any owner(s);
7. Unless the depository receives written notice signed by any owner not to pay or deliver any joint deposit, or addition or accrual thereon, the depository shall not be liable to any owner for continuing to honor checks or other orders drawn by, or withdrawal requests from, any owner; and after the receipt of such written notice, the depository may require the written authorization of any or all joint owners for any further payments or deliveries.
8. An assignment of the Bank account by one joint owner as security for a loan made to such owner shall be binding on all other owners of the account.

If the Bank has a valid claim against any owner, it may offset the amount of that claim against funds held in the account.

The Bank will treat the account as the sole property of the surviving (living) owner(s) after the death of another owner. The Bank may pay on checks or orders or withdrawal requests signed by the surviving owner(s) after the death of another owner. The Bank may require specific document (i.e. death certificate) prior to releasing account funds to the surviving owner(s).

Joint accounts held by more than two persons are governed by the special deposit agreement relating to that account, in addition to all of the above.

Annual Tax statements (IRS Form 1099's) are reported under the Social Security number of the owner whose name appears first in the account title and such number must be provided to the Bank when the account is opened.

### **Trust or Payable on Death Account**

This account may be opened by an individual owner (or by joint owners) "in trust for" one or more persons as beneficiaries. This form of account is generally known as a "Totten Trust" account. During the owner's(s') lifetime he/she/they maintain sole control over the funds on deposit. Unless named as power of attorney by the owner, the beneficiary has no power to withdraw funds from the account while the owner is alive.

If the owner dies, the funds on deposit will belong to the named beneficiary, so long as he/she has not predeceased the owner(s) and we have not received a court order directing us not to pay or to pay to someone else. If there are multiple beneficiaries named, the account balance will be divided equally among them. (Specific percentages can be allocated on the beneficiary designation form(s) of Pension (IRA/Keogh) account(s)). If the beneficiary is less than 18 years old and the deposit is \$10,000 or less, we will pay the parent or guardian, but if it is more than \$10,000 we will pay only to the properly appointed guardian. The Bank may require specific documents (i.e. death certificate, Guardianship papers) prior to releasing account funds to the beneficiary.

**Note:** If the trust account is held by joint owners, the joint account payment rules set forth above will take precedence over these rules.

Annual Tax statements (IRS Form 1099's) are reported under the Social Security number of the owner whose name appears first in the account title and such number must be provided to the Bank when the account is opened.

### **Custodian under the NYS Uniform Transfers to Minors Act Account**

A Custodian under the New York State Uniform Transfers to Minors Act (UTMA) account may be opened by any person (the Grantor, an individual who is an adult, corporation or other legal entity) who wants to make an irrevocable gift of money to a minor (any person who has not attained the age of 18 years). Control over the account is given to a Custodian (an individual who is an adult, corporation or other legal entity) who may also be the donor. The account is owned by the minor. The Grantor may select the age (the 18th or 21st birthday) at which the minor will receive the funds on deposit. (Unless otherwise indicated on the account records, the Bank will deem 18 to be the applicable age). The Custodian is empowered to hold, invest or reinvest such funds, as he/she may deem advisable for the support, maintenance and education of the minor. The property should be turned over, by the Custodian, to the minor when he or she reaches the age designated at account opening or, in the event of the minor's death prior to that age, to his or her estate.

A Custodian may arrange to have someone take his or her place in the event of resignation, death or legal incapacitation by executing and dating a formal Successor Custodian Designation Form. If there is no Successor Custodian designated and the Custodian of record resigns, dies or becomes legally incapacitated and the minor is at least 14 years of age, the minor may choose his or her new Successor Custodian (who must be a family member and at least 18 years old) by executing and dating a formal Successor Custodian Designation Form. If the minor is under the age of 14, a Successor Custodian must be appointed by a court.

**Note:** The Bank shall not be held liable or responsible for the application of funds withdrawn from the account, at any time, at the direction of the custodian.

Annual Tax statements (IRS Form 1099's) are reported under the minor's Social Security number and such number, under law, must be provided to the Bank when the account is opened.

### **Power of Attorney**

A power of attorney is a legal designation allowing one person (known as an "attorney-in-fact") to act in place of another. It is, in effect, an order signed by an account owner (known as the "Principal"), directed to Ulster Savings Bank, authorizing us to honor the signature of the attorney-in-fact until we have received actual notice of revocation, or termination by death, court order or otherwise. The account owner may revoke the power of attorney at any time by providing us with a written, sworn instruction to do so.

The bank will accept a properly executed New York Statutory short form power of attorney unless reasonable cause exists to refuse acceptance.

The death of the account owner automatically terminates the power of attorney. The funds in the account are always those of the owner, become a part of his/her estate upon death (for individual accounts), and should be administered in the same manner, as accounts not affected by a power of attorney.

We reserve the right to request that all joint account holders consent to a joint owner's appointment of an attorney-in-fact.

### **Inactive Accounts**

Your account will be considered inactive if, for three consecutive years, none of the following actions have taken place:

1. A deposit is made to the account or a withdrawal is made from the account.
2. The account passbook, if a passbook account, is presented to us for updating.
3. We receive a document indicating that someone who is legally entitled to the money is aware of the account's existence. This notification must be signed and the Bank must be satisfied that the signature is genuine.

New York State law requires the Bank to send to the State as abandoned property the balance of certain accounts on which there has been no activity for five consecutive calendar years. The funds will not be released if, during the five-year period, one of the foregoing actions takes place.

Certificate of Deposit accounts are deemed abandoned when there has been no account activity or depositor contact for five years after the first account maturity date following depositor contact.

On or before August 1 of the fifth consecutive year of inactivity, we will send a written notice to each person who may be entitled to account funds of more than \$3.00. This notice will be provided by registered or certified mail, return receipt requested, to any person appearing to be the owner of more than \$100 of abandoned property. We will deduct, as a service charge from the account, the postal costs for the certified mail, return receipt requested notices.

Prior to August 31 of the fifth consecutive year of inactivity, we will publish a public notice in the newspapers of certain inactive accounts having balances of \$50.00 or more. According to the formula prescribed by the New York State Comptroller's Office, the cost of this advertising will be debited proportionally from all accounts appearing on the published listing. If we have not had contact with the owner by November 10th of the fifth year, the account balance will be turned over to the State.

Funds that have been turned over to the State of New York as abandoned property may be reclaimed from the Bureau of Abandoned Property, New York State Department of Audit and Control, Albany, New York 12236. Ulster Savings Bank can also assist you in reclaiming the funds.

### **Privacy**

Information about your account is private. In most instances the Bank will not release account information unless requested to by an account owner or a legal representative of an account owner. If the Bank receives an order for information from a court or an authorized government agency, we will comply by releasing the information. A copy of the Bank's Privacy Policy is available at all our branches and upon request.

### **Changes in Terms**

Ulster Savings Bank may change these rules and regulations and add new rules and regulations from time to time. The Bank may also change the interest rates, the minimum account balance requirements, the service and maintenance charges and the banking hours from time to time. Each of the changes will be binding on you and the account when we post a notice in the branch or when we mail you written notice of the change. Copies of revised policies will also be available at all our branches.

### **Indemnity**

If there is a conflict between information stated in any Bank agreement or brochure (including this one) and something said by one of our employees, Ulster Savings Bank would adhere to the written information.

The Bank may refuse to follow any depositor instructions, which we believe will expose us to potential liability under law or regulation. We may require adequate security to protect the Bank from any loss and expense incurred in following such instructions.

### **Fees and Charges**

Fees and charges for services available to Ulster Savings Bank customers will be provided to you under separate cover and may be obtained at any time at our branches.

### **Waiver**

The Bank may waive any of these rules and regulations; however, the waiver will only apply on that occasion and will not bind us prospectively.

### **How to Get Additional Information**

If you have any questions regarding the information provided in this brochure or your account relationship with Ulster Savings Bank, please contact our Customer Service Center at 1-866-440-0391.

## Section III — General Account Features

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### Minimum to Open and Maintain Accounts

Ulster Savings Bank accounts may require a minimum opening deposit. In addition, certain accounts require that a minimum balance be maintained in order for interest to be paid or to avoid maintenance charges. In some cases, higher interest is paid for higher account balances. Specific opening deposit and balance requirements for your account are outlined under separate cover.

When you make your first deposit and at other times when we need it, you agree to give us the information we request to properly identify you.

### Availability of Funds

This section sets forth the availability of funds deposited to your deposit accounts at the Bank. It provides information to allow you to determine when funds you deposit or receive for credit to any deposit accounts you maintain with us are available for payment of checks to others or for cash withdrawal (as these functions apply to the specific types of accounts).

**Note:** These provisions do not apply to checks drawn on banks outside the United States, its territories and possessions.

Our policy is to make funds from your cash and check deposits available to you on the same business day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit on a business day we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open or on a Saturday, we will consider that the deposit was made on the next business day we are open.

### Deposits Made at Automated Teller Machines (ATMs)

All deposits made to Ulster Savings Bank ATMs will be made available on the business day following the business day the deposit was made. The business day ends at 3:00 p.m. at our ATMs. If you make a deposit after 3:00 p.m., or not on a business day that we are open, the deposit will be considered made on the next business day that we are open.

You may not make deposits at non-Ulster Savings Bank ATMs.

### Deposits Made at Point of Banking Facilities

Deposits made at Point of Banking facilities will be made available on the fifth (5th) business day following the business day the deposit was made. The business day ends at 3:00 p.m. at Point of Banking facilities. If you make a deposit after 3:00 p.m. or not on a business day that we are open, the deposit will be considered made on the next business day we are open.

### Longer Delays May Apply

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day as your deposit. Depending on the type of check that you deposit, funds may not be available until the second (2nd) business day after the day of your deposit. The first \$225 of your deposits, however, may be available on the first business day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

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

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available.

### Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from deposits of cash, wire transfers, and electronic direct deposits to your account will be available on the day we receive the deposit. Funds from the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the fifth (5th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the Fifth (5th) business day after the day of your deposit.

### Deposits

Cash and checks deposited in your account are credited (added) to the account the day they are deposited and begin to earn interest on that day. Deposits may be made in person, by mail, by wire transfer or preauthorized credits, such as Social Security benefits or payroll payments. Mail deposits are made at the risk of the depositor and we strongly advise against sending cash through the mail.

Once an account is established, Ulster Savings Bank generally accepts an unlimited number of deposits.

**Note:** During the term of most Fixed Rate Certificate of Deposit accounts, no additional deposits will be accepted to the account. Additional deposits may be made on the account maturity date, at which time they become part of the principal for the new term.

While deposits of \$1.00 or more will generally be accepted (minimum balance requirements for your specific account are provided under separate cover), certain cash deposits may be subject to Bank Secrecy Act reporting provisions.

Items accepted for deposit on a collection basis (passbooks from other banks, bonds, foreign checks, etc.) will be credited to your account on the day the funds are received by the Bank. The funds will begin to earn interest on that day.

The Bank supplies night depositories solely for the benefit of its depositors. If you use one for deposits, you understand that the Bank is not liable for any such deposit unless it is actually found when two of our authorized employees open the depository. The certification of both authorized employees as to the amount of the deposit(s) made is binding on you.

We have a right, for our own reasons to:

- Refuse to open an account or accept a deposit,
- Return all or some of a deposit,
- Close an account (except a Certificate of Deposit account that has not matured).

If we close your account, interest will stop as of the day we send you a check or you take out the money. See "Closing Your Account" for additional information.

If we credit your account for an item (a check or other instrument) and the item is not collected by us in the regular way banks collect items, we will deduct the amount of the item from your account. Any interest earned on the amount may be forfeited. If there is not enough money in the account to cover the item, you agree to pay us the amount.

It may be advisable to keep funds from a pension or profit-sharing account separate from your regular IRA contributions. Please check with your tax advisor prior to depositing such funds.

### **The Bank as Collecting Agent**

In receiving items for deposit or collection, the Bank acts only as your collecting agent and all such items are accepted under the following conditions:

- The items shall be forwarded by us (as your agent) at your own risk.
- We shall not be responsible for negligence, default or failure of subagents, nor for losses in the mails.
- We shall have the right to charge back to your account any items for which actual payment is not received.
- All items are credited subject to actual payment.
- Items may be sent directly to the banks on which drawn without waiving any of the above conditions.

### **Check Payment Information**

#### ***The Order in Which Your Checks are Paid***

Currently when checks that you have written against your account are presented to us for payment, we draw available funds from your account to pay those written for the highest amount first. We continue to pay in order of the highest dollar amount to lowest dollar amount until all checks presented in a single business day are paid, or there are insufficient funds available in your account for that day. *Example:* We receive three checks on a Tuesday, a normal business day: one for \$1,500, one for \$500 and one for \$10. Under our system, the checks are paid from your account in exactly that order \$1,500, \$500 and \$10.

***In-Branch Exception*** – The above payment method does not apply to checks presented in one of our branches. These are paid in the order received. *Example:* Assume one of your checks is presented by you or other authorized payee at 9:00 a.m. on Tuesday, a normal business day. The amount is \$200. Further assume that another one of your checks – this one for \$1,000 – is presented later in the afternoon of the same day. Because both were presented in-branch on the same day, we would pay the one presented first (\$200) and the other check (\$1,000) second.

#### ***The Order in Which Other Items are Paid***

Currently when ATM withdrawals and transfers, POS (point of sale) transactions, ACH debits, other electronic debits and other withdrawal orders and debits are presented to us for payment, we draw available funds from your account in the following priority: 1.) First, time received at our administrative facility; 2.) Second, multiple items received at the same time from the lowest item amount to the highest item amount. ***Example:*** Assume an ATM withdrawal is conducted by you at 9:00 a.m. and presented for payment on Tuesday, a normal business day. The amount is \$200.00. Further assume that an ACH debit in the amount of \$100.00 is presented later in the afternoon on the same day. Because both were presented on the same day, we would pay the one presented first (\$200.00) and the other (\$100.00) second. If both items were presented at the same time, we would pay the smallest item first (\$100.00) and then the other (\$200.00) provided there are sufficient funds.

***Mixture of Presentment Methods*** – When checks you have written are presented for payment on the same business day under both methods described above (through the check processing system and in-branch), the payment method for each type of presentment will apply. This means a check written for a lower amount may be paid before a check written for a higher amount if it was presented at a branch for payment or vice versa. In addition, for other items, the payment method described above will apply.

### **Other Important Disclosures**

***Insufficient Funds*** – Of course, the order described above is especially important should an item written against your account be returned due to insufficient funds.

It is our policy that if you have insufficient or unavailable funds in your account a presented item will be returned unpaid. However, there may be situations where we, **in our sole discretion** may permit payment of the item thereby allowing you to overdraw the account. If we return a presented item unpaid, you will be charged a returned item fee. If we pay the item and permit your overdraft, we will charge you an overdraft item fee. The treatment of items presented against insufficient or unavailable funds is strictly at our sole discretion. Our permitting you to overdraw your account does not indicate or guarantee future permission to overdraw the account.

***Fee Schedule*** – The order of checks paid also may be important as it relates to fees for returned items. Refer to the latest version of our fee schedule for information on returned item, insufficient funds and overdraft fees.



**Funds Availability** – The order described is not intended to address the order in which checks deposited in your account (whether written by you or another party) clear the account and become available for usage. For such information, see the Availability of Funds section of this booklet.

**Other Circumstances** – Finally, while we will at all times attempt to adhere to these payment methods, there may be instances where we cannot pay a check or checks under the method(s) described. This may be due to computer failure, natural disasters, inability of our system to “read” your check, or similar circumstances, some of which are described in the Withdrawals sections of this booklet.

### **Change in Method**

Should we change the way we pay checks, we will provide written notice at least 30 days prior to the effective date of any changes.

### **Interest**

Ulster Savings Bank will pay interest on account balances at rates, intervals and on terms, which may be changed from time to time. Current account rates are posted in all of the Bank’s branches.

**Interest Rate** — Interest is always quoted as an “Interest Rate.” This refers to the annual simple interest the account will earn. Variable rate accounts have interest rates that can change periodically. For certain accounts, the exact Interest Rate is determined by the account balance.

**Annual Percentage Yield** — The “Annual Percentage Yield” is the measure of how much interest an account can be expected to earn if the funds remain on deposit for a full year or until maturity, for accounts with terms, and all interest is left in the account. Because the interest earns interest, the annual percentage yield will always be greater than the annual interest rate for accounts that compound.

**Interest Computation and Compounding** — Compounding means that interest earns interest if it is left in the account. Depending on the account type, interest may be compounded daily, monthly or quarterly using a 365/360 computation factor.

### **Withdrawals**

You must maintain a sufficient collected balance in your account to cover the withdrawals you make. If you overdraw the account, the Bank may refuse to pay the item(s) that caused the overdraft. Ulster Savings Bank may also refuse to permit a withdrawal from your account if:

1. The withdrawal would consist of funds deposited to your account in the form of a check or other instrument and the proceeds for the check or instrument have not been received by us. Please refer to “Availability of Funds” in this Section, for check clearing times.
2. There is a dispute about the account of such a nature that to permit you to withdraw from the account might expose us to liability.
3. Someone whose name is on the account requests the Bank, in writing, not to permit the withdrawal. The decision whether to honor such a request rests solely with the Bank and we may require that future withdrawal authorizations be signed by every party interested in the account.
4. The account is pledged as collateral for a debt.
5. The withdrawal would consist of money or items we have taken to pay a debt due Ulster Savings Bank.
6. We have been lawfully ordered not to permit the withdrawal of all or part of the funds in the account.
7. The requested withdrawal amount would exceed the amount permitted by the account agreement or term. Specific withdrawal restrictions and penalties (where applicable) for your account are outlined under separate cover.
8. If you have failed to present to us any documentation, credential, evidence or identification we require, or the law requires, in connection with the withdrawal. If the Bank does not feel that it has enough proof of who someone is, it can ask for as much proof as it needs. In certain cases, the Bank may ask for a bond from an insurance company, which guarantees the right of the person to the funds.
9. A problem with our equipment prevents us from knowing your account balance.
10. You are a new customer seeking to make an initial withdrawal and we have not received back our verification form properly completed by another bank you have given us as a reference.

The Bank may take as much time as it deems necessary to determine the validity of any withdrawal request or order to pay and the identity of the person presenting it.

The Bank may make payments to you in cash or by check, or other form, payable to you or someone else. Issuance of such a payment by the Bank is final payment and relieves the Bank from any further liability for the amount of such payment. Certain cash withdrawals may be subject to Bank Secrecy Act reporting provisions.

We may allow another person to make withdrawals on your behalf if we are presented with satisfactory proof of the person’s authority to make the withdrawal (example: power of attorney). Any such payment made by the Bank to or on the order of such a person prior to receiving your written notice revoking such authority is final payment and relieves the Bank from any further liability for the amount of such payment.

If any funds are distributed to you from a Pension (IRA/ Keogh) account before you attain age 59½ or before you become disabled, the distribution may have substantial, unfavorable tax consequences for you. Although the unfavorable tax consequences are explained in the documents delivered to you when you opened your account, you are responsible for such consequences and we recommend you consult your tax advisor prior to such withdrawals.

This will probably never happen, but it is provided for by law: Ulster Savings Bank may, at any time, require 7 days’ advance notice that you intend to withdraw funds from your Savings, Money Market or NOW account(s). We can refuse to permit a withdrawal in such cases, if we have not received the required notice. This advance notice has never been required nor is the rule likely to be applied.

### **Right of Offset**

We have a right of offset given us by law. We can take certain funds from any of your accounts (other than Pension accounts) at any time to pay certain debts you owe us which are due and unpaid.

### **Attachment**

Many Federal benefit payments, including Social Security benefits, Supplemental Security Income benefits, Veteran’s benefits, and Railroad Retirement benefits, are protected from attachment under Federal law. This means that your creditors do not have the right to have these funds taken out of your account. There are a few exceptions, however. For example, funds in your account can be taken to satisfy child support or alimony obligations you owe. If you deposit funds other than Federal benefit payments to your account, your

creditors may be able to have those funds taken out of your accounts but your Federal benefits would still be protected.

If Ulster Savings Bank receives an order of attachment, garnishment, or levy, we will immediately send you a copy of the order and the name of the creditor and contact person, if any. If you have questions about a creditor's right to remove funds from your account, contact your benefit agency or your local legal services organization.

### **Closing Your Account**

You may close your account at any time, provided the funds on deposit are not being held as a result of legal action or uncollected deposited checks. If the account is a Certificate of Deposit and we give our consent, there may be a penalty for withdrawals made prior to the maturity date. The penalties are explained in the documents delivered to you when you opened your Certificate of Deposit.

The Bank may also close your account for good reason at any time. If we do so, we will notify you in writing and may mail you our official bank check for the account balance. You will be responsible for any fees or obligations incurred before closing.

Any items presented after the account has been closed will be returned unpaid.

### **Service Charges**

The Bank may impose service charges on your account. The charges and the terms by which they are imposed may be changed from time to time. We will tell you about any changes. If the changes are:

- **Unfavorable** — We will give you written notice 30 days prior to making the change.
- **Favorable** — We will post a notice of change in all offices of the Bank and provide you with notice as required by law or regulation.

Information about fees or service charges for your account is provided under separate cover and is available at any time at our branches.

### **Statements**

We will note all your deposits and withdrawals in the records of the Bank. The Bank's records will be binding if there is a discrepancy in the account balance shown in the passbook and our records.

**Statement Accounts** — For non-passbook accounts, the Bank will send periodic statements which will contain a record of all transactions, including any service charges incurred during the period covered.

You must examine the statement (and checks, if applicable) and notify the Bank within 14 days, in writing, of any discrepancies. If the discrepancy concerns an electronic fund transfer transaction (Federal recurring payments, payroll deduction, etc.) this notification period is extended to 60 days. If we do not hear from you within these time frames, we will assume the statement is correct.

### **Nontransferable**

Accounts opened on or after October 1, 1980 (other than demand deposits and NOW accounts), may not be transferred except on the books of the Bank. The transferability of Certificate of Deposit accounts may be further restricted by the terms of the certificate or other evidence of the deposit. An account is not considered transferred if:

- Title or beneficial interest in it passes in circumstances involving: death, bankruptcy, marriage, divorce, judicial attachment, incompetency or other legal means.
- If it is reissued by the Bank in another's name.

### **Interest Reporting**

If you are subject to U.S. information reporting and backup withholding rules, account interest will be reported for tax purposes in the name and Social Security or Tax Identification Number of the primary depositor (the first name on the account unless otherwise indicated). It is your responsibility to provide the Bank with the correct Social Security or Tax Identification number for your account(s) OR the applicable and properly executed Department of the Treasury, Internal Revenue Service Form W-8BEN, W-8ECI, W-8EXP or W-8IMY. If you have not provided us with your correct Taxpayer Identification Number or applicable form W-8, you may be subject to a \$50 penalty imposed by the Internal Revenue Service.

IRS Regulations require 28% withholding of interest credited on all accounts on which the Bank does not have a Certified Social Security Number, Certified Tax Identification Number, Certification of Application for Tax Identification Number or Form W-8 on file, or where the depositor is subject to backup withholding under the provisions of the Internal Revenue Code. The 28% rate is subject to change.

The Bank has the right to refuse to open an account if you fail to provide us with a Certified Social Security Number, a Certified Tax Identification Number or a completed Form W-8. See Section IV for full details.

### **Deposit Insurance**

The standard deposit insurance amount provided by the Federal Deposit Insurance Corporation (FDIC) is \$250,000 per depositor, per insured bank, for each account ownership category. Additional details about deposit insurance can be obtained by contacting our Customer Service Center at 1-866-440-0391.

## **Section IV — Taxpayer Identification Number and Certification Information**

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### **Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct Tax Identification Number ("TIN") to persons who must file information returns with the Internal Revenue Service ("IRS") to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply. The 28% rate is subject to change.

## Purpose of Form W-9

A person who is required to file an information return with the IRS must get your correct Taxpayer Identification Number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**Use Form W-9 only if you are a U.S. person** (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**If you are a foreign person, use the appropriate Form W-8.** See **Pub. 515**, Withholding of Tax on Non-resident Aliens and Foreign Entities.

**Note:** *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to Form W-9.*

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% (the 28% is subject to change). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, non-employee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

### **Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or,
2. You do not certify your TIN when required (see the Part II instructions on page 4 of the W-9 form for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9**.

## Penalties

### **Failure to furnish TIN**

If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

### **Civil penalty for false information with respect to withholding**

If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

### **Criminal penalty for falsifying information**

Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

### **Misuse of TINs**

If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions – Form W-9

### **Name**

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you enter in Part I of the form.

### **Exempt from backup withholding**

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the instructions for the Requester of Form W-9.

**Note:** *If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.*

## Part I – Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box**

### **How to get a TIN**

If you do not have a TIN, apply for one immediately. To apply for an SSN, get a **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.socialsecurity.gov/online/ss-5pdf](http://www.socialsecurity.gov/online/ss-5pdf). You may also get this form by calling 1-800-772-1213. Use form **W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN,

or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write “Applied For” in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Writing “Applied For” means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## PART II — Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4 and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from Backup Withholding** on the previous page.

### Signature requirements

Complete the certification as indicated in 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. “Other payments” include payments made in the course of the requester’s trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a non-employee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What TIN Number Should You Give to the Bank?

<b><i>For this type of account:</i></b>	<b><i>Give the name and Social Security number of:</i></b>
Individual	The individual
Two or more individuals (joint account)	The first individual named on the account.
Custodian account of a minor (Uniform Transfers to Minors Act)	The minor
A revocable savings trust (grantor is also trustee)	The grantor-trustee
A trust account that is not a legal or valid trust under state law	The actual owner
Sole proprietorship or single-owner LLC	The owner
<b><i>For this type of account:</i></b>	<b><i>Give the name and Employer Identification Number of:</i></b>
Sole Proprietorship or single-owner LLC	The owner
A valid trust, estate, or pension trust	Legal entity
Corporate or LLC electing corporate status on Form 8832	The corporation
Association, educational, charitable, religious, club or other tax-exempt organization	The organization
Partnership or multi-member LLC	The partnership
A broker or registered nominee	The broker or nominee
Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

## Section V — Information about Electronic Fund Transfer (EFT), Automated Teller Machines (ATMs), and Other Electronic Terminal Services

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### Introduction:

This section addresses the terms and conditions which will apply when you use Ulster Savings Bank's Electronic Fund Transfer (EFT) services. It also explains your liability in using these services. All other terms and conditions for your account will also apply.

### Definitions:

#### **Account(s)**

This means, in general, your account(s) at Ulster Savings Bank:

- Checking Account
- Statement Savings Accounts
- Money Market Accounts
- Certificates of Deposit

#### **ATM**

This means an Automated Teller Machine. You can perform banking transactions at an ATM by using your Card and PIN.

#### **Bank**

This means Ulster Savings Bank

#### **Business Days**

Our business days are Monday through Friday. Saturdays, Sundays and federal holidays are not included.

#### **Electronic Fund Transfer**

This means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit your account. The term includes, but is not limited to:

- Preauthorized Electronic Fund Transfers (such as direct deposit and preauthorized debits),
- Automated Teller Machine (ATM) transfers,
- Point of Sale (POS) transfers,
- Point of Banking (POB) transfers, and
- Transfers initiated using our telephone banking service or our computer banking service.

The term does not include payments made by check, draft, or similar paper instrument at an electronic terminal.

#### **Cardholder or You**

This means each person who has been given a Card by the Bank and who has a right to make balance inquiries, deposits to or withdrawals from an account. It also includes each person whom the Cardholder permits to use the Card for such purposes.

#### **Card**

This means a plastic card showing an identification number of the owner of an account at the Bank, which can be used at an electronic banking facility.

#### **Online Banking Service**

This means a service that allows you to perform transfers between your accounts and make inquiries about your accounts at the Bank using your personal computer and a password.

#### **PIN**

For a Bank ATM or Ulster Savings Bank debit MasterCard holder, it means a personal identification number, which is known only to the Cardholder and must be used along with the Bank ATM and Ulster Savings Bank debit MasterCard to perform transactions at an electronic banking facility.

For a Telephone Banking Service caller, it means a personal identification number, which is known only to the caller and must be used in order to obtain information and/or transfer funds from an account.

#### **Point of Banking (POB)**

This means an attended area in a participating merchant location where you can withdraw cash from an account(s).

#### **Point of Sale (POS)**

This means any location at or near a cash register where your Card and PIN can be used to pay for your purchases directly from your account(s). A POS transaction means a purchase paid for with your Card at a merchant location in a participating Shared Network. The amount of the purchase is debited (up to the available/maximum limit) from your account(s).

#### **Shared Network**

This means any networks the Bank currently belongs to or joins in the future. Listed below are names of one or more networks at which you can use your Card and PIN to perform transactions. NOTE: Problems, omissions, or errors resulting from transactions processed through a Shared Network electronic terminal should be referred to the Bank for resolution.

Our Bank belongs to the following networks: NYCE, PLUS.

#### **Telephone Banking Service**

This means a service that allows you to perform transfers between your accounts and make inquiries on your accounts at the Bank using your touch-tone telephone and PIN.

## Rules

This means the Bank's rules for its accounts, including those rules about the use of Electronic Fund Transfer services. If your checking account is associated with an overdraft Line of Credit feature, then the Truth in Lending Regulation (Regulation Z) also applies. Please refer to the Regulation Z disclosure you received at the time your overdraft Line of Credit agreement was signed.

## Agreements

When you use our Electronic Fund Transfer services, you give us the right to obtain payment of any funds you may owe us as a result of the transaction. Such payment may be obtained from funds you have on deposit with us. This is in addition to any other rights we may have. Regardless of any other agreement you have with us, use of your Card is not secured by any real or personal property.

A Card, PIN, or Password will be issued upon your request, subject to the Bank's approval. Without a Card, PIN or Password you will be unable to use our electronic banking services.

When you receive your Bank ATM Card, you may come into any one of our offices to personalize your PIN, which we will encode on the Card.

When you receive your Ulster Savings Bank debit MasterCard and PIN, you must call the Bank's toll-free number to activate your Card. You may come into any one of our offices to personalize your PIN, which we will encode on the Card.

By signing a statement requesting a Card, and the selection of a PIN or Password, you agree to be bound by the terms and conditions listed in this Disclosure Statement.

You agree to maintain sufficient collected funds in your account to cover any electronic withdrawals or payments. The Bank may charge electronic withdrawals to your checking, money market, or NOW account(s) in any order it determines (see Information About Our Accounts and Services brochure for the order of paying checks). If funds are not sufficient, Card, PIN or Password withdrawals may be paid and checks may be paid or dishonored, at our discretion. If you do not have sufficient funds in your account, there may be a charge for each transaction that we are unable to process, and for each check returned unpaid or honored. You agree to be personally responsible for all charges incurred by use of your Card, PIN, or Password including any overdrafts. An overdraft may result in cancellation of this agreement and your account. Please consult the terms and conditions of your account and applicable fee schedule.

## Card Services

### Access

You may use your Bank ATM Card and PIN for:

- Balance Inquiries — at most locations
- Cash Withdrawals — at all locations
- Deposits — at all Ulster Savings Bank ATM locations
- Funds Transfers Between Accounts — at all locations
- Payment for Purchases — at POS locations

You may use your Ulster Savings Bank debit MasterCard for:

- Balance Inquiries — at most locations
- Cash Withdrawals — at all locations
- Deposits — at all Ulster Savings Bank ATMs and POB locations
- Funds Transfers Between Accounts — at all locations
- Payment for Purchases — at POS locations and wherever the MasterCard logo is displayed

## Limitations on ATM/POB/POS Transactions

### *Bank ATM/Ulster Savings Bank Debit MasterCard Transaction Limitations*

- The Bank ATM Card can be used to withdraw cash from an ATM and/or conduct Point of Sale transactions with a per day limit up to \$500.00 or the available balance of your account, whichever is less, except as otherwise indicated below.
- The Ulster Savings Bank debit MasterCard may be used to withdraw cash from an ATM with a per day limit up to \$500.00 or the available balance of your account, whichever is less.
- The Ulster Savings Bank debit MasterCard may also be used to conduct MasterCard transactions (not requiring a PIN) and/or Point of Sale transactions (requiring a PIN) with a per day limit up to \$5,000.00 or the available balance of your account, whichever is less. Or it may be used for a combination of up to \$500.00 cash from an ATM and/or Ulster Savings Bank debit MasterCard transactions (not requiring a PIN) and/or Point of Sale transactions (requiring a PIN) of the remaining daily transaction limit of \$5,000.00 or the available balance of your account, whichever is less, except as otherwise indicated below.
- If you have a Bank ATM Card and a checking account with an Overdraft Protection Line of Credit, the Card may be used to withdraw cash from an ATM and/or conduct Point of Sale transactions with a per day limit up to \$500.00, or your available account balance plus your available line of credit balance, whichever is less.
- If you have a Ulster Savings Bank debit MasterCard and a checking account with an Overdraft Protection Line of Credit, the Card may be used to withdraw cash from an ATM with a per day limit up to \$500.00 or your available account balance plus your available line of credit balance, whichever is less, and/or conduct Ulster Savings Bank debit MasterCard transactions (not requiring a PIN) and/or Point of Sale transactions (requiring a PIN) with a per day limit up to \$5,000.00 or your available account balance plus your available line of credit balance, whichever is less.
- If you request funds at an ATM, or conduct a Point of Sale transaction or make a Ulster Savings Bank debit MasterCard purchase that exceeds your available account balance, the Bank may, at its sole discretion, authorize the transaction and you agree to pay the amount of the overdraft plus any overdraft fees as set forth in the Bank's then current Statement of Fees.
- The combined total of ATM and POB deposit transactions cannot exceed \$5,000 per day.

## **International ACH Transactions**

As a Receiving Depository Financial Institution, Ulster Savings Bank will comply with the Office of Foreign Assets Control (OFAC) enforcement policies in the event that the bank receives an International ACH transaction being made to, from, or on behalf of any party subject to OFAC sanctions. As a result, Ulster Savings Bank may, from time to time, need to temporarily suspend processing of a transaction for greater scrutiny or verification against the OFAC list of individuals and entities. This action may affect settlement and/or availability of the transaction amount.

## **Telephone Banking Services**

### **Access**

You may use our Telephone Banking Service and PIN to transfer funds between accounts at the Bank.

You may use our Telephone Banking Service to inquire about:

- Account balances
- Electronic deposits such as Social Security or payroll and ATM transactions
- Interest paid on your accounts
- Your account history
- A specific check
- Rate and product information

## **Online Banking Services**

### **Access-Web Access Only**

You may use our Online Banking Service and Password to transfer funds between accounts at the Bank and pay bills.

You may use our Online Banking Service to inquire about:

- Account balances
- Electronic deposits such as Social Security or payroll and ATM transactions
- Interest paid on your accounts
- Your account history
- A specific check
- Rate and product information
- Bills paid

## **Electronic Check Conversion Services**

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to:

- Pay for purchases
- Pay bills

## **Documentation of Terminal Transactions**

### **Pre-Transaction Notices (at other ATMs)**

If you utilize your Card at an ATM at another institution in New York State that participates in the same shared network to which the Bank belongs, you will be informed of any fee charged by the operator for usage as follows:

- By posted notice in the ATM area, which will state that a fee will be imposed and the amount of the fee.
- A notice on the ATM screen or ATM-generated slip that discloses the type of fee and the amount, and that you may cancel the transaction without being charged a fee.

The same or similar disclosures may be available as required by federal or individual state law or regulation in areas outside New York State.

### **Receipts**

You can get a receipt at the time you perform any transaction to or from your account when using an ATM. The receipt will show the date of the transaction, an identifying number, the type of account, and the amount of the transaction and the location of the ATM. If a POS transaction involves the use of an electronic terminal, this information will appear on the receipt. Receipts issued for transactions made by use of the ATM Card are binding on the Bank only after verification.

### **Statements**

We will send a statement showing all activity in your account(s) each month that an EFT occurs. The statements will be mailed to the address shown on our records.

### **Pre-Authorized Credits (including Social Security)**

If you have arranged to have regularly scheduled (at least once every 60 days) direct deposits electronically transferred to your account by the government or the same person or company, you can call us to find out if the transfer was made. For Social Security payments, please call us on or after the scheduled payment date to confirm that that month's payment has been received. (If the scheduled payment date is a Saturday, Sunday or legal holiday, you may call the prior business day.)

You can call us at:  
(866) 440-0391  
Or you can call our Telephone Banking Service at:  
(845) 338-0900 or  
(888) 579-4344

## **Section VI — Information about Companies & Individuals Receiving Credits with Standard Entry Class Codes CCD and CTX**

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### **Bank Rules and Policies**

#### **Provisional Payment Disclosure**

Credit given by Ulster Savings Bank to (you) with respect to an automated clearing house credit entry is provisional until Ulster Savings Bank receives final settlement for such entry through a Federal Reserve Bank. If Ulster Savings Bank does not receive such final settlement, (you) are hereby notified and agree that Ulster Savings Bank is 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 Disclosure**

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, Ulster Savings Bank is not required to give next day notice to (you) of receipt of an ACH item and Ulster Savings Bank will not do so.

However, Ulster Savings Bank will continue to notify you of the receipt of payments in the periodic statements we provide to you.

#### **Choice of Law Disclosure**

Ulster Savings Bank 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 Fund 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 New York as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

#### **Owner's Liability for Transactions by All Cardholders**

As owner of your account, you are fully responsible for all transactions processed by or permitted by you or anyone who is a Cardholder. Cardholders are responsible for whatever transactions they make or permit someone to make.

#### **Telephone User's Liability for Transactions**

As owner of your account, you are fully responsible for all transactions processed against your account(s) by anyone utilizing your telephone PIN number.

#### **Online Banking User's Liability for Transactions**

As owner of your account, you are fully responsible for all transactions processed against your account(s) by anyone utilizing your Online Banking Password.

#### **Reporting Lost or Stolen Cards and PIN/Reporting Unauthorized Electronic Fund Transfer**

Tell us AT ONCE if you believe your CARD or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit).

Call us at once at:  
(845) 338-0900 or  
(888) 579-4344  
Evenings, Weekends or Holidays  
(800) 472-3272

## **Section VII — Liability for Unauthorized Use of Card, PIN or Password**

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**ATM, Online Banking, and Telephone Banking Services and Electronic Check Conversion Services:** If you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your Card, PIN, or Password without permission. If you do not tell us within two business days after you learn of the loss or theft of your Card, PIN or Password, and we can prove that we could have stopped someone from using your Card, PIN or Password without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, tell us AT ONCE. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you have lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.



### **Ulster Savings Bank Debit MasterCard Transactions:**

Your liability for unauthorized use of your debit MasterCard will not exceed (A) \$0 if the conditions set forth below have been met or (B) if those conditions have not been met, the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. Zero liability will apply only if:

- You can demonstrate that you have exercised reasonable care in safeguarding your Card from risk of loss or theft; and
- You have not reported two or more incidents of unauthorized use to us within the preceding 12 months; and
- Your account is in good standing; and
- You report the Card lost or stolen within 2 business days of discovering it lost or stolen.

### **Errors, Omissions or Questions**

If you believe there is an error or omission on your statement or receipt or if you need more information about a transfer listed on the statement or receipt, call or write the Bank at:

Error Resolution  
Ulster Savings Bank  
P.O. Box 3337  
Kingston, N.Y. 12402  
(866) 440-0391

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

When you call or write us, please provide the following information:

- Your name and account number,
- The date of the transaction,
- The dollar amount of the transaction,
- The error or transfer you are unsure about, and why you believe it is an error or why you need more information, and If you tell us orally, we may require that you also send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days for POS and foreign-initiated transactions) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

### **Third Party Disclosure**

We may disclose information about your account or transactions to third parties under the following circumstances:

- When it is necessary to complete transactions or resolve errors involving your account; or
- To verify the existence and condition of your account to third parties such as a credit bureau or merchant; or
- To comply with legal process, such as orders or subpoenas from government agencies or courts; or
- When you give your written permission to us or to the person asking for the information; or
- In connection with any authorization messages transmitted in Point of Sale transactions;
- Please refer to our privacy policy.

### **Failure to Complete an Electronic Fund Transfer**

You agree to maintain sufficient collected funds in your account to cover any authorized transfers or payments. If you do not have sufficient funds in your account there may be a charge for each transaction that we are unable to process or that we process against uncollected funds.

The Bank will make every effort to assure that your deposits, transfers and withdrawals are made quickly and correctly. If you request that we automatically transfer funds on a specific date, we will make one attempt to electronically transfer the funds on that date. If sufficient funds are not available, the transfer will not be completed.

If we do not complete a transfer to or from your accounts on time or in the right amount, according to our Agreement with you, we are liable for your losses or damages (as provided by law). However, there are some exceptions. We will not be liable, for instance, if:

- We do not receive sufficient information to complete the transaction.
- Through no fault of ours your account does not contain enough available funds to complete the transaction.
- Your account is frozen because your co-depositor notified us of a dispute between you.
- Your account is frozen because of a court order, legal process, or other claim.
- Your account has been closed.
- Some other problem prevents us from completing the transaction the way you requested, and we are able to correct the problem and complete the transaction later.
- The delay causes you no losses or damages which you can prove in court.
- Your Card, PIN, or Password was reported lost, stolen, or compromised.
- The ATM you are making the withdrawal at does not have enough cash.
- The ATM is temporarily out of service or closed for maintenance.
- The ATM or our computer system was not working properly and you knew that when you started the transaction.
- Circumstances beyond our control (such as fire, flood, labor dispute, power, or computer failure) prevent us from completing the transaction despite reasonable precautions we have taken.

- Your Card and ATM privileges have been canceled.
- We do not complete the transaction because we are protecting the security of your accounts or the ATM system.

## Section VIII — Stopping Payments

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### Your Right to Stop Payment and How to Do it

If we agreed in advance to make regular payments out of your account, you can order us to stop any of these payments by calling us or writing us at least three (3) business days before the payment is due to be made. If you give us this notice in less than the required time, the Bank may, at its discretion, honor your request, but it is not obligated to do so. If you place your stop payment order by telephone, we will also require you to put your request in writing and get it to us within 14 days after your call. Otherwise, your oral request will expire. Unless you tell us that all future payments to that recipient are to be stopped, we will treat your stop payment as a request concerning the one particular payment only. If you wish to stop all future payments to that recipient, you must revoke the authorization you gave to that party to transfer funds from your account and provide us with a copy of your signed revocation. We may charge you a fee for each stop payment order you give us. If you change your mind after the stop payment order is on file, we may charge you a fee to cancel it.

To place or cancel a stop payment order write us at **Ulster Savings Bank, Customer Service Center P.O. Box 3337, Kingston N.Y. 12402-3337** or call us at **(866) 440-0391**.

### The Bank's Liability for Failure to Stop Payment

If you tell us to stop a preauthorized transfer from your account and do so at least 3 business days before the transfer is scheduled, and we do not do so, we will be liable for any direct losses or damages you can prove.

### Notice of Varying Amounts

If the preauthorized payments out of your account will vary in amount, the person you are going to pay will tell you when the payment will be made and how much the payment will be. You will receive this information 10 days before each payment is due.

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

### Future Changes and Cancellations

We have the right to change this Agreement, and will notify you in writing at least 21 days before the effective date of any change that will:

- increase any fees or charges or your liability;
- reduce the electronic fund transfer services available to you;
- place stricter limits on the frequency of transactions;
- decrease the daily maximum cash you can withdraw in a day.

No advance notice is required for changes that are necessary for security reasons.

### Ownership

Cards are the property of the Bank and are made available, along with the ATMs, as a service to our customers. If we request return of any Cards issued to you, you are required to return them immediately. We have the right to cancel your Card and privileges or this Agreement at any time without advance notice to you.

### Fees

Please refer to our separate fee schedule.

### Refusal of Card

Neither we nor any other bank or business will be liable to you for failure to honor your Card.

### Disputes

You agree to settle all disputes about purchases you made using your Ulster Savings Bank debit MasterCard with the merchant who honored the Card.

### Foreign Transactions

Foreign currency transactions will be converted to U.S. dollars under the then current applicable rules of MasterCard International.

## Section IX — Supplement to Telephone Transfer and Internet Banking Authorizations

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### Agreement to Indemnify, Defend and Hold Harmless

**WHEREAS**, the undersigned banking customer ("Customer") has established one or more accounts ("Accounts") with **Ulster Savings Bank** ("Bank") whereby Customer may transfer funds from Accounts, to Accounts and/or between or among Accounts ("Transactions") over the telephone ("Telephone Banking") and over the internet (Online Banking");

**WHEREAS**, in order to effect Transactions by Telephone Banking or by Online Banking, Customer must first establish a private/personal identification number ("PIN"), which PIN must be used in order to effect Telephone Banking Transactions; and in order to effect Transactions by Online Banking, Customer must first establish a Password, which Password must be used in order to effect Online Banking Transactions; and

**WHEREAS**, Customer's PIN is the only means of effecting Telephone Banking Transactions with respect to the Customer's Accounts, and Customer therefore recognizes that it is Customers' sole and exclusive duty to maintain the confidentiality and security of its PIN, which should be known only to the Customer's authorized persons to conduct transactions; and Customer's Password is the only means of effecting Online Banking Transactions with respect to the Customer's Accounts, and Customer therefore recognizes that it is Customers' sole and exclusive duty to maintain the confidentiality and security of its Password, which should be known only to the Customer's authorized persons to conduct transactions; and

**WHEREAS**, the bank will not know the Customer's PIN, and is only willing to make Telephone Banking available to the Customer if the Customer is willing to indemnify, defend and hold the Bank harmless from liability and/or losses arising out of unauthorized use of the

Customer's PIN; and the bank will not know the Customer's Password, and is only willing to make Online Banking available to the Customer if the Customer is willing to indemnify, defend and hold the Bank harmless from liability and/or losses arising out of unauthorized use of the Customer's Password; and

**WHEREAS**, Customer desires to obtain the availability of Telephone Banking for the purpose of effecting Transactions with respect to its Accounts. Customer desires to obtain the availability of Online Banking for the purpose of effecting Transactions with respect to its Accounts.

**NOW THEREFORE**, intending to be legally bound, and in consideration of the Bank making Telephone Banking and Internet Banking Transactions available to the undersigned Customer, the undersigned Customer hereby agrees to **INDEMNIFY and DEFEND** the Bank, and **HOLD** the bank **HARMLESS** from and against, any and all actions or causes of actions, suits, complaints, petitions, claims, demands, liabilities, loss, damage or expense of whatever kind and nature, including counsel or attorney's fees, whether incurred on a retainer, salary or otherwise, court costs, witness (including expert witness) fees, which Bank and/or Customer (including any person asserting such claim, etc., by, through or under the Customer), may at any time sustain or incur by reason or in consequence of any use by any person of Customer's PIN or Password, including without limitation, any suit instituted to enforce the obligations of Customer pursuant to this paragraph.

Customer further agrees that this Indemnity Agreement shall be governed by, and be interpreted using the internal laws of New York, that this Agreement may not be amended, supplemented or otherwise modified except by a written instrument signed by both Bank and Customer; that this Agreement inures to the benefit of, and binds, not only the Bank and the Customer, but also their respective successors and assigns, whether or not either party has notice or knowledge of an assignment by the other concerning the other party's rights or duties and obligations hereunder; that, if any provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, voidable or unenforceable, the remainder of this Agreement shall remain in full force and effect and such invalid, void, voidable or unenforceable provisions shall be reformed by the court to the extent necessary to render this Agreement valid and enforceable.

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## Section X — Ulster Savings Bank Privacy Policy

Rev. 04/2015

<b>FACTS</b>																									
<b>WHAT DOES Ulster Savings Bank and its Family of Companies DO WITH YOUR PERSONAL INFORMATION?</b>																									
<b>Why?</b>	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.																								
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>■ Social Security number and mortgage rates and payments</li> <li>■ Account balances and payment history</li> <li>■ Purchase history and transaction history</li> </ul>																								
<b>How?</b>	All financial companies need to share <b>customers'</b> personal information to run their everyday business. In the section below, we list the reasons financial companies can share their <b>customers'</b> personal information; the reasons Ulster Savings Bank chooses to share; and whether you can limit this sharing.																								
<b>Reasons we can share your personal information</b>	<table border="1"> <thead> <tr> <th></th> <th>Does Ulster Savings Bank share?</th> <th>Can you limit this sharing?</th> </tr> </thead> <tbody> <tr> <td> <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                 </td> <td>YES</td> <td>NO</td> </tr> <tr> <td> <b>For our marketing purposes—</b> to offer our products and services to you                 </td> <td>YES</td> <td>NO</td> </tr> <tr> <td> <b>For joint marketing with other financial companies</b> </td> <td>YES</td> <td>NO</td> </tr> <tr> <td> <b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences                 </td> <td>YES</td> <td>NO</td> </tr> <tr> <td> <b>For our affiliates' everyday business purposes—</b> information about your creditworthiness                 </td> <td>NO</td> <td>WE DON'T SHARE</td> </tr> <tr> <td> <b>For our affiliates to market to you</b> </td> <td>YES</td> <td>YES</td> </tr> <tr> <td> <b>For nonaffiliates to market to you</b> </td> <td>NO</td> <td>WE DON'T SHARE</td> </tr> </tbody> </table>		Does Ulster Savings 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	YES	NO	<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	NO	WE DON'T SHARE	<b>For our affiliates to market to you</b>	YES	YES	<b>For nonaffiliates to market to you</b>	NO	WE DON'T SHARE
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<b>For our affiliates to market to you</b>	YES	YES																							
<b>For nonaffiliates to market to you</b>	NO	WE DON'T SHARE																							
<b>To limit our sharing</b>	<ul style="list-style-type: none"> <li>■ Call 866-440-0391—our menu will prompt you through your choice(s) or</li> <li>■ Email us at <a href="mailto:customerservice@ulstersavings.com">customerservice@ulstersavings.com</a> or</li> <li>■ Visit <a href="http://ulstersavings.com/why-us/customer-support">ulstersavings.com/why-us/customer-support</a></li> </ul> <p><b>Please note:</b> If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>																								
<b>Questions?</b>	Call 866-440-0391 or email us at <a href="mailto:customerservice@ulstersavings.com">customerservice@ulstersavings.com</a>																								

Who we are	
Who is providing this notice?	Ulster Savings Bank, Ulster Insurance Services, Inc., Ulster Financial Group, Inc., USB Agency, Inc., Ulster Home Mortgage Incorporated
What we do	
How does Ulster Savings Bank protect my personal information?	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.
How does Ulster Savings Bank collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ open an account or deposit money</li> <li>■ pay your bills or apply for a loan</li> <li>■ apply for insurance</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<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> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.
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>Ulster Savings Bank, Ulster Insurance Services, Inc., Ulster Financial Group, Inc., USB Agency, Inc., Ulster Home Mortgage Incorporated</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>Ulster Savings 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 companies such as insurance companies, financial companies and other banks</i></li> </ul>
Other important information	

## FULL SERVICE BRANCH LOCATIONS

### **Gardiner, NY**

2201 Rt. 44/55  
Gardiner, NY 12525  
(845) 255-4262

### **Kingston, NY**

280 Wall Street  
Kingston, NY 12401  
(845) 338-6060

### **Kingston, NY**

180 Schwenk Drive  
Kingston, NY 12401  
(845) 338-6322

### **Lake Katrine, NY**

1571 Ulster Avenue  
Lake Katrine, NY 12449  
(845) 336-4835

### **New Paltz, NY**

226 Main Street  
New Paltz, NY 12561  
(845) 255-5470

### **Newburgh, NY**

1208 Route 300  
Newburgh, NY 12550  
(845) 567-3171

### **Phoenicia, NY**

58 Main Street  
Phoenicia, NY 12464  
(845) 688-5965

### **Poughkeepsie, NY**

39 Burnett Blvd.  
Poughkeepsie, NY 12603  
(845) 454-7144

### **Poughkeepsie, NY**

2680 South Road  
Poughkeepsie, NY 12601  
(845) 473-3500

### **Red Hook, NY**

7296 South Broadway  
Red Hook, NY 12571  
(845) 758-4020

### **Saugerties, NY**

One Twin Maples Plaza  
Saugerties, NY 12477  
(845) 246-0124

### **Stone Ridge, NY**

3857 Main Street  
Stone Ridge, NY 12484  
(845) 687-7656

### **Wappingers Falls, NY**

1387 Route 9  
Wappingers Falls, NY 12590  
(845) 297-6132

### **Woodstock, NY**

68 Mill Hill Road  
Woodstock, NY 12498  
(845) 679-8434

## ADDITIONAL LOAN CENTERS

### **Goshen, NY**

3 Coates Drive, Suite 6  
Goshen, NY 10924  
(845) 294-7922

### **White Plains, NY**

399 Knollwood Road, Suite 101  
White Plains, NY 10603  
(914) 686-0220

## CUSTOMER SERVICE CENTER - (866) 440-0391

Visit us online at [www.ulstersavings.com](http://www.ulstersavings.com) · 24-hour Automated Banking 1-888-579-4344

Member  
**FDIC**

NMLS# 619306



## What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plan(s), such as a link to a savings account, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plan(s).

This notice explains our standard overdraft practices.

➤ **What are the standard overdraft practices that come with my account?**

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number.
- Automatic bill payments

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

➤ **What fees will I be charged if Ulster Savings Bank pays my overdraft?**

Under our standard overdraft practices:

- We will charge you a fee up to **\$30.00** each time we pay an overdraft with the maximum of 4 fees to be levied per day.
- Also, commencing on the 6<sup>th</sup> day and each subsequent consecutive calendar day your account is overdrawn, we will charge an additional \$5.00 per day.

- There is no limit on the total fees we can charge you for overdrawing your account.

➤ **What if I want Ulster Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?**

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 1-866-440-0391, visit [www.ulstersavings.com](http://www.ulstersavings.com), or complete the form below and present it at any branch. You can also mail it to: **Ulster Savings Bank, Customer Service Center - Opt In, PO Box 3337, Kingston, NY 12402**

-----Detach Here-----

\_\_\_\_\_ I want Ulster Savings Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions for the following accounts:

Print Name:

\_\_\_\_\_

Date: \_\_\_\_\_ Account Number(s):

\_\_\_\_\_

## OVERDRAFT PRIVILEGE SERVICE

Ulster Savings Bank (“we, us or our”) offers the Overdraft Privilege Service. If your account qualifies for Overdraft Privilege Service, we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Overdraft Privilege Service operates.

### TRANSACTIONS THAT MAY QUALIFY FOR OVERDRAFT PRIVILEGE SERVICE

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other item into your account and the item is returned unpaid, which causes a negative balance in your account once your balance is reduced by the amount of the returned check;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are “available” or “finally paid” according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you. (Please refer to Funds Availability Policy.) If you do not have sufficient funds in your account—independent of the check—to cover the transaction, you will incur an overdraft.

The Overdraft Privilege Service applies to a variety of transactions, including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions and everyday debit card transactions. On consumer accounts we will not include ATM and everyday debit card transactions within our Overdraft Privilege Service without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will not be paid under Overdraft Privilege Service.

Participation in Overdraft Privilege Service is not mandatory. You may opt-out of the service any time by notifying one of our Customer Service Representatives. On consumer accounts you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under Overdraft Privilege Service without removing other items from the service. Simply inform us of your preference.

As noted above, we retain full discretion to decline to pay any item under the Overdraft Privilege Service Program. This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize the payment of an overdraft, your transaction will be declined and we may assess fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

### FEES

Ulster Savings Bank will not charge an overdraft privilege fee if the overdraft results in the consumer account being less than \$30.00 in the negative. The maximum number of overdraft charges to be levied per day will be 4.

For each overdraft we pay and the available account balance after paying the overdraft is not less than \$30.00 in the negative, we will charge the standard per item overdraft privilege fee set forth in our fee schedule (currently \$30.00). In addition, we will charge your account a \$5.00 per day “continuous overdraft fee.” Typically, we will begin charging daily the continuous overdraft fee on the sixth calendar day your account is overdrawn by \$30.00 or more and will continue to charge the daily continuous overdraft fee for each subsequent consecutive calendar day your account remains \$30.00 or more overdrawn; there is otherwise no limit on the total amount of daily continuous overdraft fees for each subsequent consecutive calendar day your account remains overdrawn. We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amounts of any overdrafts, including our fees, are due and payable immediately or on demand.



Applicable laws, regulations and rules permit an item to be presented multiple times for payment and we do not control the number of times an item is presented and re-presented for payment, regardless of the method by which the item is presented and and/or re-presented payment, the presentment and each and every re-presentation of the item shall constitute a separate new transaction and shall be subject to a separate new fee each time the item is presented and/or re-presented for payment.

For consumer accounts that have chosen to participate in and have been approved for the Overdraft Privilege Service: If your account had a de minimis overdraft (currently \$30.00 or less), your account statement may reflect an overdraft charge on the day the de minimis overdraft was paid and a reversal of overdraft charge on the following business day together with a reversal of any other overdraft fee caused by the initial overdraft fee in connection with the de minimis overdraft transaction.

#### **ACCOUNTS ELIGIBLE FOR OVERDRAFT PRIVILEGE SERVICE**

Overdraft Privilege Service is a discretionary service and is generally limited to an \$800 overdraft (negative) balance for eligible personal checking accounts. Please note that per item and per day overdraft fees count toward your Overdraft Privilege Service Limit. We may in our sole discretion limit the number of accounts eligible for Overdraft Privilege Service to one account per household or per taxpayer identification number. Further, Overdraft Privilege Service is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account has been open for at least thirty (30) days;
- b) The account has deposits totaling at least \$400 or more within each thirty (30) day period;
- c) The account demonstrates consistent deposit activity;
- d) The account owner is current on all loan obligations with us; and
- e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. (We also offer an overdraft protection plan(s), such as a linked savings account which may be less expensive than our standard overdraft practices.) If at any time you feel you need help with your financial obligations, please contact one of our Customer Service Representatives at 1-866-440-0391.

#### **OVERDRAFT PRIVILEGE CAN MEAN...**

At any time, you may request us to withdraw your consumer account from overdraft privileges. This is often called "opting-out". Your opt-out request applies to all transactions - everyday debit card purchases and ATM withdrawals if you previously opted-in, checks and other withdrawals, transfers and payments. Even if you opt out, your consumer account may experience a negative balance due to the imposition of fees other than overdraft fees.

Here are some common examples of how opting-out can affect your transactions.

- You want to use your debit card for a purchase or to make an ATM withdrawal; however, at the time you initiate the transaction, you do not have enough available funds in your account. In this case, we do not authorize the transaction; we decline it.
  - You have written a check for payment; however, at the time we receive your check, you do not have enough available funds in your account. In this case, we return the check unpaid and charge you a NSF: Insufficient Funds/Uncollected Funds Fee.
  - You have pre authorized electronic payments from your checking account, such as your insurance premium, mortgage payment or utility payment. However, at the time of a pre authorized payment, you do not have enough available funds in your checking account. In this case, we decline the transaction and charge you a NSF: Insufficient Funds/Uncollected Funds Fee.

#### **ULSTER SAVINGS BANK COMMITMENT TO FINANCIAL COUNSELING**

Information for customers about how to access free or low-cost financial education workshops or individualized counseling to learn how to more effectively manage personal finances is available at the Federal Trade Commission's (FTC) Choosing a Credit Counselor website

<http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre26.shtm>

*If you have any questions concerning our Overdraft Privilege Service, please contact a Customer Service Representative at (866) 440-0391.*

5.20.2021

## Ulster Savings Bank Schedule of Other Fees and Service Charges

### Account-based Maintenance and Service Fees

Your account at Ulster Savings Bank may be subject to monthly maintenance fees and charges for specific features and services, under the terms and conditions of your specific account disclosed to you under separate cover.

Fees and Service Charges applicable to Commercial Checking accounts are disclosed under a separate schedule.

### Service Charges

In addition to the account-based maintenance and service charges that may apply to your account, the following are the fees and charges for other services available at Ulster Savings Bank:

Account Statement Copy (per statement) .....	3.00
Bank Checks (issued for depositors only) .....	8.00
Certificate of Protest .....	30.00
Check Printing Fees.....	Varies
Collection of Foreign Checks (per check) .....	*25.00
Counter Check (per check) .....	1.00
Early Closure of Account (within 5 months of opening) .....	25.00
Returned or Paid Checks (OD Privilege Fee/Insufficient Funds/Uncollected Funds includes Electronic Funds Transfer Debits) .....	**30.00
Continuous Overdraft Fee/Negative Balance Fee (daily beginning on the 6 <sup>th</sup> calendar day) .....	5.00
Savings/Money Market Overdraft Transfer Fee to Checking .....	10.00
Incoming Wires .....	10.00
Interim Account Statement (terminal copy) .....	5.00
Legal Process (Liens, levies, restraining orders, etc.) Per Action.....	100.00
Online Banking.....	FREE
Online Bill Payment.....	FREE
Online Bill Payment Overnight Check Expedited Fee.....	\$14.95
Online Bill Payment Same Day Electronic Payment Expedited Fee.....	\$9.95
Outgoing Wires or Cables (Domestic – per item) .....	*30.00
Outgoing Wires or Cables (International – per item) .....	*100.00
Passbook Replacement .....	10.00
Photocopies (per item, check or page).....	1.00
Research/Reconciliation of Account (per hour) .....	30.00
Special Statement Handling (per month).....	5.00
Stop Payment (all stop payments) .....	30.00
Stop Payments (Bank Checks) .....	30.00
Telephone Banking .....	FREE
The cost of certified mail, return receipt requested and publishing any notice that money in the account is to be turned over to New York State as Abandoned Property .....	Varies
Return Check Charge (checks negotiated through us, drawn on other banks and returned unpaid) .....	10.00
MasterCard Check Card/ATM Card Replacement .....	10.00

\*Exclusive of any fees or service charges assessed by intermediaries.

\*\* Applicable laws, regulations and rules permit an item to be presented multiple times for payment and we do not control the number of times an item is presented and re-presented for payment, regardless of the method by which the item is presented and and/or re-presented payment, the presentation and each and every re-presentation of the item shall constitute a separate new transaction and shall be subject to a separate new fee each time the item is presented and/or re-presented for payment.

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**Withdrawals made using your Ulster Savings Bank Debit MasterCard or your Ulster Savings Bank ATM Card at non-Ulster Savings Bank ATM facilities will be processed at a fee of \$1.50 per transaction, in addition to any fee the facility owner may assess.**

**24-hour Automated Telephone Banking**

**1-888-579-4344**

Visit us on the web - [www.ulstersavings.com](http://www.ulstersavings.com)