

Information about Your Ulster Savings Bank Savings Account and Club Account

Balance to Open

The minimum balance required to open a Savings Account is \$250.00. The minimum balance required to open a Club Account is \$20.00.

Balance to Earn Interest

You must maintain a minimum daily balance of \$250.00 in a Savings Account in order to earn interest at the disclosed rate and Annual Percentage Yield.

You must maintain a minimum daily balance of \$20.00 in a Club Account in order to earn interest at the disclosed rate and Annual Percentage Yield.

Variable Rate Features

The Savings Accounts and Club Accounts are variable rate accounts. Your Interest Rate and Annual Percentage Yield may change. The Interest Rate is set based on the Bank's discretion and may change at any time at the Bank's discretion.

Interest Computation

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

Compounding Period

Interest compounds on your account daily, using a 365/360-interest factor.

Interest Accrual

Interest begins to accrue on the business day you deposit noncash items, such as checks. Although your account may earn interest each day, you may not withdraw the earnings until the end of the interest-crediting period (see Payment of Interest).

Payment of Interest

If you have an account that is issued a statement (Smart Savings), accrued interest earned will be credited to the account quarterly. If you close your account, accrued interest earned will be credited on that date.

If you have an account that is issued a passbook (Passbook Savings), accrued interest earned will be credited to the account on the last days of every calendar quarter. If you close your account, accrued interest earned will be credited on that date.

Balance to Avoid Fees

You must maintain an average daily balance for the interest crediting period of at least \$500.00 in your Smart Savings account or \$1,000.00 in your Passbook Savings account in order to avoid the imposition of a maintenance fee for that period.

Maintenance Fees and Service Charges

A fee of \$3.00 will be imposed at interest crediting if the average daily balance for the month in a Smart Savings account falls below \$500.00.

A fee of \$12.00 will be imposed at interest crediting if the average daily balance for the quarterly interest-crediting period in a Passbook Savings account falls below \$1,000.00.

For these fee purposes, the average daily balance is calculated by adding the principal in the account for each day of the interest-crediting period and dividing that figure by the number of days in the interest crediting period.

If withdrawals are made with an Ulster Savings Bank Card at an Ulster Savings Bank Automated Teller Machine (ATM), there will be no transaction charges. You are allowed two (2) free withdrawals per month at other ATM facilities and at Point-of-Sale terminals. Additional withdrawals at other ATM facilities terminals will be processed at a fee of \$1.50 per transaction, in addition to any fees the facility owner may assess.

You may make an unlimited number of deposits at no charge.

Withdrawals and Payments

Club Accounts

Club Accounts are intended to accumulate funds for withdrawal at the end of the Club year. Accordingly, deposits may be made at any time. At the end of the Club year, you may withdraw the account balance, including interest credited. A withdrawal of funds prior to the end of the Club year will result in the account being closed.

Passbook Savings Accounts

You may make unlimited transfers from your Passbook Savings Account to another of your accounts at the Bank, and unlimited withdrawals (payments directly to you) when such transfers or withdrawals are made upon presentment of your Passbook, in person, by mail or by messenger.

You may not make transfers or withdrawals from your Passbook Savings Account by any other means, such as at an ATM, by pre-authorized or automatic transfers, or by means of our telephone transfer or on-line banking system.

Smart Savings Accounts

You may make unlimited transfers from your Smart Savings Account to another of your accounts at the Bank, and unlimited withdrawals (payments directly to you) when such transfers or withdrawals are made in person, by mail or messenger, or using your Ulster Savings Bank Card at an ATM.

Transfers from a savings account or money market account to another account or third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, debit card, or similar order to third parties may be limited to no more than six per monthly statement cycle.

Special Provisions for Minor's Savings Account

Special Age Requirement

A minor is considered anyone who is under the age of 18.

Balance to Open

The minimum balance required to open a Minor's Saving Account is \$5.00.

Balance to Earn Interest

You must maintain a minimum balance of \$5.00 each day in a Minor's Account in order to earn interest at the disclosed rate and Annual Percentage Yield.

Maintenance Fees

Maintenance fees will not be imposed on a Minor's Savings Account.

Requirements to Maintain Account

We will maintain your account as long as you adhere to all applicable rules, regulations, terms and conditions of the account and, during any eighteen (18) consecutive months, either your daily balance is at least \$100.00 for that period or you have made at least one deposit to or one withdrawal from the account. If we determine that your account has not adhered to these requirements, at our discretion, it may be closed.

Quarterly Statements

Smart Savings Accounts will receive a quarterly statement showing all account activity during the previous quarter.

If an electronic funds transfer transaction occurs during a given month, the account will receive a statement for that month.

You must examine the statement and notify the Bank within 14 days, in writing, of any discrepancies. If the discrepancy concerns an ATM or other electronic funds transfer transaction (Federal recurring payments, payroll deduction, Point-of-sale purchase, 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.

Other Maintenance Fees and Service Charges

A listing of other maintenance fees and service charges applicable to your account are provided under separate cover.

Additional disclosures for your account are included on the attached sheet.