



## Disclosures and Deposit Account Agreement

### FACTS

#### IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

#### Why?

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 will also ask to see your driver's license or other identifying documents.

### TABLE OF CONTENTS

<b>I. Legal Agreement</b>	<b>2</b>
<b>II. Arbitration Agreement</b>	<b>3</b>
1. Mandatory Arbitration of Disputes	3
2. Facts About Arbitration	3
3. Rules	3
4. Pre-Arbitration Informal Dispute Resolution Process	3
5. Standards and Law	3
6. Class Action Waiver	3
7. Jury Trial Waiver	3
8. Fees and Costs	4
9. Survival of Arbitration Contract	4
10. Severability	4
11. Right to Reject Arbitration	4
<b>III. Jury Trial Waiver and Class Action Waiver</b>	<b>4</b>
<b>IV. Limitation of Liability</b>	<b>4</b>
<b>V. Account Opening</b>	<b>5</b>
Required Information	5
Beneficial Ownership/Customer Due Diligence	5
IRS Requirements	5
OFAC Compliance	5
Unlawful Transactions	5
Bank Reporting Requirements	5
Consent to Receive Electronic Communications	6
Telephone Monitoring and Recording	6
Privacy Policy	6
Sharing Information	6
<b>VI. Ownership of Accounts</b>	<b>6</b>
Individual Account	6
Joint Account with Survivorship	7
Joint Account No Survivorship	7
Joint Account – Tenants by the Entirety	7
Revocable Trust (ITF) or Pay-on-Death (POD)	7
Personal Agency Account	7
Uniform Transfers to Minors (UTMA)	8
Trust	8
Fiduciary	8
Corporation, Partnership, Limited Liability Company, Sole Proprietorship, and other Organizations Accounts	8
<b>VII. Account Rules</b>	<b>8</b>
1. Statements	8
2. Deposit of Items	9
Verification and Correction of Deposits	9
Collection of Items	10
Foreign Checks or Items	10
Return of Direct Deposits	10
3. Withdrawals	10
Payment of Items	10
Overdraft Protection	12

Overdraft Privilege	13
Deduction of Fees	14
Stale Dated Items	14
Preauthorized Demand Drafts	14
Remotely Created Checks	14
Death or Incompetence	14
Delayed Return of Item	14
Postdated Items	14
Conditional Items	14
Large Cash Withdrawals	14
Non-Sufficient Funds	14
Representment of Items	15
4. Fraud and Unauthorized Transactions	15
5. Bank's Stipulations/Right to Close Account	17
6. Right to Freeze Account	17
7. Right of Setoff	18
8. Stop Payments	18
9. Legal Process on Your Account	18
10. Power of Attorney	19
11. Resolution of Disputes	19
12. Liability	19
13. Contacts and Alerts	19
14. Dormant Accounts	20
15. Authorization of Transfers	20
16. Commercial ACH Transactions	20
<b>VIII. Electronic Fund Transfer Agreement &amp; Disclosures</b>	<b>20</b>
1. Electronic Fund Transfers	20
2. Access Devices	20
3. Applicable Agreements	21
4. Verification of Transaction	21
5. Point of Sale Transactions/ Preauthorized Holds	21
6. Canceling Your Access Device	21
7. Inactivity and Automatic Closure of Access Devices	21
8. Unauthorized Use of Mastercard Debit Card	21
9. Unauthorized Transfers & Your Liability	22
10. Telephone Number and Address to be Notified in Event of Unauthorized Transfers	22
11. Business Days of Institution	22
12. Types of Available Transfers	22
13. Limitations on Transfers	22
14. Charges for Electronic Funds Transfers	22
15. Rights to Documentation	23
16. Preauthorized Transfers/Payments	23
17. Bank's Liability for Failure to Make Transfers	23
18. Disclosure of Account Information to Third Parties	23
19. Error Resolution	23
<b>IX. Funds Availability Disclosure</b>	<b>24</b>

### I. LEGAL AGREEMENT

This Disclosures and Deposit Account Agreement ("Agreement") sets forth the terms and conditions which governs all of your accounts with us, Pinnacle Bank, a Tennessee bank (herein "Pinnacle Bank", "Pinnacle", "Bank", "us", "we", or "our"), including your checking, savings, and money market accounts (interchangeably, "Account" or "Accounts"). Although a Certificate of Deposit is excluded from the definition of Account, Certificates of Deposit, whether evidenced by a certificate or book-entry, are subject to the terms and conditions of this Agreement. Please read this Agreement carefully and retain it for future reference. When you sign your signature card or conduct a transaction on your Account after it is opened, you agree to be bound by the terms of this Agreement. You acknowledge and agree that the relationship between you and the Bank created by the opening of an Account covered by this Agreement, including one titled as a "trust account" or similar designation, is solely that of debtor and creditor, and that we are not acting as your fiduciary. An Account may not be transferred or assigned without our prior written consent.

If not included elsewhere in this Agreement, you will receive a separate and current schedule of interest rates and qualifying balances, ("Account Disclosures") and Disclosure of Fees and Service Charges ("Schedule of Charges") that apply to your Accounts. The Account Disclosures and Schedule of Charges are also part of this Agreement. When the laws governing your Account require the Bank to provide you written advance notification of a change to the rules and regulations, the Bank will provide such notice through a letter, account statement message or other written or electronic notice. The notice will explain what change has occurred and instruct you to obtain a current version of the Agreement at your local office or online at our website, [www.pnfp.com](http://www.pnfp.com). Continued use of your Account following a notice constitutes your acceptance of our changes. Unless otherwise prohibited or required by applicable law or regulation, the Bank may change from time-to-time other provisions of these terms and conditions with or without notice. Upon the effective date of a change, the current revised version of the Agreement will govern your Account, regardless of whether you actually obtained a copy from your office or online.

Unless stated differently in this Agreement, each of your Accounts and this Agreement are subject to the substantive laws of the state where the respective Account is opened without regard for choice of law principles. In the case of Accounts opened online in states where Pinnacle Bank does not have a branch presence, the applicable state law will be Tennessee. Additionally, the Account is subject to the Uniform Commercial Code, except as specifically amended herein, applicable federal laws and regulations, and Federal Reserve and clearing house rules and procedures in effect from time to time. If state and federal law are inconsistent, or if state law is preempted by federal law, federal law governs.

No term of this Agreement shall be deemed waived unless the waiver is in writing and signed by an authorized officer of the Bank. Any failure by the Bank to insist upon your strict performance of any of the terms of this Agreement shall not be deemed or construed as a waiver of these or any other terms. Unless otherwise provided herein, neither party shall, by mere lapse of time, be deemed to have waived any breach by the other party of any terms or provisions of this Agreement, and the waiver by either party of any breach shall not affect the right of the Bank to enforce any of its rights with respect to other customers, to enforce any of its rights with respect to later transactions with you, and is not sufficient to modify the terms and conditions of this Agreement. Further, if the Bank waives any of its rights as to you or your Account on one or more occasions, the same shall not constitute a waiver of the Bank's rights on any other occasion.

This Agreement, as supplemented by the Account Disclosures and other documentation provided to you at Account opening or thereafter, including but not limited to the Online Banking, Bill Payment, Zelle Payment Service Terms of Service, and My Spending Terms of Use (collectively "Account Documentation"), constitutes a single, integrated written contract, and contains all the rights and obligations of you and us relating to your Accounts. You acknowledge and agree that no statements, promises, agreements, representations, or warranties of any kind have been made by you or us concerning your Accounts except as set out in this Agreement.

As used in this Agreement: (a) the words "we," "our," and "us" mean Pinnacle Bank; and (b) the words "you" and "your" mean Account holders and each and every other person with authority to transact business on your Account; and unless specifically otherwise defined within the applicable regulatory disclosures included within this Agreement (c) the words "day" or "days" mean calendar day or days, and (d) the words "business days" or "banking days" mean Monday through Friday, except for federal holidays.

Whenever we are authorized, directed, enabled, allowed or otherwise permitted to make a decision or determination about the scope, application, interpretation or any other aspect of this Agreement (including all documents and agreements incorporated herein or supplemented by); your Account(s); or your business relationship with us, we may make such decision or determination using our business judgment and in our sole and absolute discretion without regard to or consideration of any good faith or other standard. We may make such a decision or determination even if the result of that decision or determination is, or you consider it to be, of benefit only to us and / or the result of that decision or determination is, or you consider it to be, detrimental to you.

If any provision of this Agreement is to any extent contrary to law, otherwise invalid, or incapable of being enforced, that provision shall be excluded to the extent of that invalidity or unenforceability. All other provisions will remain in full force and effect.

Please use telephone number 1-800-264-3613 when calling us with any telephone inquiries, notice of possible errors, or other questions about your Accounts. Also, as used in this Agreement, written notice to us is not effective until the day we receive it and does not extend any notification time period while in transit. Any mailed written notice should be addressed to:

Pinnacle Bank, a Tennessee bank  
21 Platform Way South, Suite 2300  
Nashville, TN 37203

## II. ARBITRATION AGREEMENT

- Mandatory Arbitration of Disputes:** The “Arbitration Contract” means the provisions of this Section II. Capitalized terms contained in this Arbitration Contract shall have the meanings set forth in the Disclosures and Deposit Account Agreement (the “Agreement”) unless otherwise defined herein. As used in this Arbitration Contract, any “Dispute” must, at the election of either Party, including our agents, successors, or assigns, be resolved by a neutral, binding arbitration and not by a court of law, unless the Agreement states otherwise. A “Dispute” shall have the broadest meaning possible and includes, but is not limited to, any action, dispute, claim or controversy of any kind that is in any way related to: (i) the Account; (ii) any part or all of the Agreement, including its Arbitration Contract and the arbitrability of any issue, except that only an appropriate court may, if necessary, determine whether you or we waived any right to bring or participate in a class action hereunder; or (iii) any other aspect of your or our past, present, or future relationship or conduct. Notwithstanding the foregoing, “Dispute” does not include any individual action brought by a Party in small claims court of the Party’s state equivalent court, unless such action is transferred, removed, or appealed to a different court.
- Facts About Arbitration:** Arbitration is a process in which a neutral arbitrator, instead of a judge or jury, decides a dispute. Arbitration proceedings are private and less formal than court trials. Each side has an opportunity to present some evidence to the arbitrator. Your ability and our ability to discover details may be limited. Other rights that the Parties might have in court may not be available in arbitration. An arbitrator issues an award. A court may then enforce the arbitrator’s award like a court judgment.
- Rules:** Any Dispute shall, to the extent not prohibited by federal law, upon the election of either Party, by settled by arbitration in accordance with the Federal Arbitration Act (“FAA”), 9 U.S.C. § 1 et. seq., and the rules of the American Arbitration Association (“AAA”), or, if applicable, the Mass Arbitration Supplementary Rules. AAA rules are available online at [www.adr.org/rules](http://www.adr.org/rules) or by calling at: 1-800-778-7879. The arbitrator must decide Disputes based on the substantive law of the state in which You reside, or, if required by applicable law, where the controversy arose, including statutes of limitation and evidentiary privileges, and the arbitrator may hear dispositive motions. For consumer accounts, the arbitration must be conducted in the federal judicial district where you live at the time of the arbitration, unless the Parties agree to have the arbitration conducted in another location. The arbitrator may conduct all necessary preliminary proceedings, provide for the exchange of information and/or discovery, and set the time, date and place of any hearing, after reasonable notice to and consultation with the Parties. The award shall be issued without a written opinion no later than 30 days from the date any hearing is completed.
- Pre-Arbitration Informal Dispute Resolution Process:** The first step in the dispute resolution process is to send a written Notice of Dispute (“Notice”). (We’ll also send you a Notice to the most recent mailing address we maintain for you in our business records if we have a Dispute with you.) You may download the Notice form at [www.pnfp.com/arbitration](http://www.pnfp.com/arbitration). The Notice to us may be sent by U.S. mail or professional courier service to Pinnacle Bank, a Tennessee bank, 21 Platform Way South, Suite 2300, Nashville, TN 37203 (the “Notice Address”). The Notice must include all of the information requested on the Notice form, including: (a) Your name, address, and phone number; (b) the Account number at issue; (c) the services (if any) to which the claim pertains; (d) a description of the nature and basis of the claim or dispute; and (e) an explanation of the specific relief sought and the basis for the calculations. The Notice must be personally signed by You (if You are the claimant) or by one of Our representatives (if We are the claimant). To safeguard Your Account, You might be required to provide both Your authentication and consent for Us to discuss Your Account or share Your Account information with anyone but You, including an attorney (“Authentication and Consent”). Whoever sends the Notice must give the other party 60 days after receipt of a complete Notice (including your Authentication and Consent, if required) to investigate the claim. During that period, either You or Us may request an individualized discussion (by phone call or videoconference) regarding settlement (“Informal Settlement Conference”). You and We must work together in good faith to select a mutually agreeable time for the Informal Settlement Conference (which can be after the 60-day period). You and one of Our representatives must personally participate, unless otherwise agreed in writing. Your and Our lawyers (if any) also can participate. Any applicable statute of limitations or contractual limitations period will be tolled for the specific claims and requested relief in the Notice during the “Informal Resolution Period.” The Informal Resolution Period is the number of days between the date that the Notice (and Authentication and Consent, if required) is received by the other party, and the later of: (1) 60 days or (2) the date the Informal Settlement Conference is completed, if timely requested. Any arbitration proceeding cannot be commenced until after the Informal Resolution Period has ended. All of the pre-arbitration dispute resolution requirements are essential so that the Parties have a meaningful chance to resolve disputes informally. If any aspect of these requirements has not been met, a court can enjoin the filing or prosecution of an arbitration. In addition, unless prohibited by law, the AAA may not accept, administer, assess, or demand fees in connection with such an arbitration. If the arbitration already is pending, it must be dismissed.
- Standards and Law:** The Parties agree that the Agreement and the Account involve interstate commerce and that this Arbitration Contract is governed by the FAA and not by any state arbitration law. Judgment based on any arbitrator’s award may be entered by any court with competent jurisdiction.
- Class Action Waiver:** The Parties agree to waive and give up: (i) any right they may have to bring a class arbitration, or to participate in a class arbitration as a claimant; (ii) any right to consolidate or join any arbitration proceeding with the arbitration of others; and (iii) any right to serve as a private attorney general. If a court of competent jurisdiction determines that this waiver (the “Class Waiver”) is illegal, invalid, or unenforceable, the Parties agree that this Arbitration Contract shall be void in its entirety.
- Jury Trial Waiver:** If either Party chooses to have a Dispute resolved by arbitration, the Parties agree there will be no right have that Dispute tried in any court and, to the fullest extent permitted under applicable law, the Parties agree there will be no right to have a jury trial of that Dispute.

- Fees and Costs:** For consumer accounts, if you file for arbitration first, you will pay the first \$250 of the arbitrator’s fees and expenses and we will pay any additional fees or expenses of the arbitrator. We will consider any good faith request You make to Us to pay the administrator’s or arbitrator’s filing, administrative, hearing, and/or other fees if You cannot obtain a waiver of such fees from the administrator and We will not seek or accept reimbursement of such fees. We will pay all of the arbitrator’s fees and expenses if we file arbitration first. For business or commercial accounts, you will pay all arbitrator’s fees and expenses if you file first. The Parties shall be responsible for paying their own attorneys’ fees in connection with any arbitration, unless otherwise allowed for under applicable substantive law and awarded by the arbitrator. If, however, the arbitrator finds that either the substance of your claim or the relief sought is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the allocation and payment of all such fees will be governed by AAA Rules.
- Survival of Arbitration Contract:** This Arbitration Contract will survive and continue in full force and effect, notwithstanding any cancellation, termination, amendment, payment in full, discharge in bankruptcy, or other expiration or conclusion of the Agreement or any other contract or transaction between the Parties, unless otherwise agreed in writing. In addition, you understand and agree that the rights and responsibilities afforded to us under this Arbitration Contract survive any assignment of the Agreement by us and that we can enforce this Arbitration Contract in the event a Dispute arises after the assignment of the Agreement.
- Severability:** If it is determined that any paragraph or provision in this Arbitration Contract is illegal, invalid, or unenforceable, such illegality, invalidity or unenforceability shall not affect the other paragraphs and provisions of this Arbitration Contract. The remainder of this Arbitration Contract shall continue in full force and effect as if the severed paragraph or provision had not been included. Notwithstanding this severability provision, if a court of competent jurisdiction determines the Class Waiver to be illegal, invalid, or unenforceable, the Parties agree that such waiver shall not be severed and that this Arbitration Contract shall be void in its entirety.
- Right to Reject Arbitration:** If you do not want this Arbitration Contract to apply, you may reject it by mailing us a written notice to Pinnacle Bank, 150 3rd Avenue South, Suite 900, Nashville, TN 37201, that describes the Agreement and your Account and states that you are rejecting the Arbitration Contract. A rejection notice is effective only if it is signed by each of you and the envelope containing any rejection notice is postmarked no more than thirty (30) calendar days after your Account is opened. Even if you reject this Arbitration Contract, paragraphs 5 and 6 of the Arbitration Contract shall remain valid and effective and will be incorporated into the Agreement. If you reject this Arbitration Contract, it will not affect any other provisions of the Agreement or your obligations under the Agreement. If you do not properly reject this Arbitration Contract, it will be effective as of the date of this transaction.

THE TERMS OF THIS ARBITRATION CONTRACT AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT UNDERSTAND ANY TERMS OF THIS PROVISION, SEEK INDEPENDENT ADVICE BEFORE SIGNING THIS AGREEMENT. BY SIGNING THIS AGREEMENT, YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY EACH OF THE PROVISIONS, COVENANTS, STIPULATIONS AND CONTRACTS SET FORTH ABOVE.

## III. JURY TRIAL WAIVER AND CLASS ACTION WAIVER

YOU AND WE AGREE THAT, TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND UNLESS A DISPUTE IS DECIDED BY MANDATORY ARBITRATION UNDER SECTION II ABOVE, EACH AND EVERY ACTION TO INTERPRET OR ENFORCE ANY PROVISION OF THIS AGREEMENT, OR RELATED TO THE RIGHTS OR OBLIGATIONS CONCERNING YOUR ACCOUNTS, WILL BE DECIDED AND RESOLVED BY A COURT OF COMPETENT JURISDICTION SITTING WITHOUT A JURY, AND EXPRESSLY AND KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL OF ALL SUCH ACTIONS.

YOU AND WE AGREE THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW EACH AND EVERY ACTION TO INTERPRET OR ENFORCE ANY PROVISION OF THIS AGREEMENT OR RELATED TO THE RIGHTS OR OBLIGATIONS CONCERNING YOUR ACCOUNTS, WILL BE BROUGHT ON AN INDIVIDUAL BASIS ONLY, AND NOT AS A PURPORTED CLASS OR COLLECTIVE PROCEEDING. YOU AND WE EXPRESSLY WAIVE ANY RIGHT TO BRING ANY OR ALL OF SUCH ACTIONS ON A CLASS OR COLLECTIVE BASIS. YOU AND WE ALSO AGREE THAT NO ARBITRATOR SHALL HAVE AUTHORITY TO CONDUCT ANY ARBITRATION IN VIOLATION OF THIS CLASS ACTION WAIVER OR TO ISSUE ANY RELIEF THAT APPLIES TO ANY PERSON OR ENTITY OTHER THAN THE ACCOUNT HOLDER WHO IS SPECIFICALLY NAMED AS A PARTY IN THE ARBITRATION. YOU AND WE ACKNOWLEDGE THAT THIS CLASS ACTION WAIVER IS MATERIAL AND ESSENTIAL TO THE ARBITRATION OF ANY CLAIMS AND IS NON-SEVERABLE FROM THE ARBITRATION CONTRACT REFERENCED HEREINABOVE. IF THIS CLASS ACTION WAIVER IS VOIDED, FOUND UNENFORCEABLE, OR LIMITED WITH RESPECT TO ANY CLAIM FOR WHICH CLASS-WIDE RELIEF IS SOUGHT, THEN THE ARBITRATION CONTRACT SHALL BE NULL AND VOID WITH RESPECT TO SUCH CLAIM. HOWEVER, THE ARBITRATION CONTRACT SHALL REMAIN VALID WITH RESPECT TO ALL OTHER CLAIMS AND DISPUTES. YOU AND WE ACKNOWLEDGE AND AGREE THAT UNDER NO CIRCUMSTANCES WILL A CLASS ACTION BE ARBITRATED.

## IV. LIMITATION OF LIABILITY

TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, YOU AND WE AGREE THAT PINNACLE SHALL IN NO EVENT BE LIABLE TO YOU OR ANY THIRD-PARTY(IES) FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, CONTINGENT OR CONSEQUENTIAL LOSS OF DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY ATTORNEYS’ FEES OR EXPENSES INCURRED) ARISING OUT OF, STEMMING FROM, OR IN CONNECTION WITH, THE ACCOUNT, THIS AGREEMENT, OR THE RELATIONSHIP OR TRANSACTIONS CONTEMPLATED HEREBY, REGARDLESS OF WHETHER SUCH LIABILITY ARISES FROM ANY CLAIM BASED UPON CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY OR OTHERWISE, AND WHETHER OR NOT YOU OR SUCH OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

## V. ACCOUNT OPENING

**Required Information** – 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. When you open an account, we will ask for your name, permanent physical street address, social security number or taxpayer identification number, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license, state ID, passport, or other primary identifying documents. If you are a non-resident alien, we will record your passport number, the name of the country that issued the passport and your foreign address. We will accept a post office box only as a mailing address. You may also be asked to provide such information at other times (and on any qualifying Account) upon request of the Bank. You agree to assist the Bank in gathering information to meet any bank reporting requirements. You further agree to notify us immediately if there are any changes to the information you have provided so that we maintain the accuracy of this information. If at any time we determine that the information you provided to us was false, incorrect, or of concern to the Bank, or if you refuse to provide us with the information when requested, we may close or freeze any or all of your Accounts with or without notice, unless otherwise required by applicable law.

**Beneficial Ownership/Customer Due Diligence** – You agree to provide us the information necessary to identify and verify the identity of each person/entity; identify and verify the identity of beneficial owners of a legal entity (i.e., the natural persons who own or control legal entities); understand the nature and purpose of the business and conduct ongoing monitoring which may include but not limited to understanding the type and volume of transactions that are anticipated through the account opening process and/or customer reviews.

**IRS Requirements** – The Internal Revenue Service (IRS) requires the Bank to obtain the taxpayer identification number ("TIN") applicable to an Account. We require you to certify under penalty of perjury that the TIN provided is correct and whether you are subject to backup withholding. For a savings account established for the benefit of a minor, the parent or legal guardian must certify the TIN for the minor or the account will be subject to backup withholding. The certification is completed on the Bank's signature card, or on IRS Form W-9, Request for Taxpayer Identification Number and Certification. Federal law requires that the Bank withhold a statutory amount of interest payments or dividend payments (referred to as backup withholding) if you: (1) fail to furnish a TIN, (2) the IRS notifies us that you furnished an incorrect TIN, or (3) you or we are notified by the IRS that you are subject to backup withholding.

The TIN for a U.S. citizen or an eligible resident alien individual is a Social Security number. For resident or non-resident alien individuals who do not have, or are ineligible for, a Social Security number, the TIN is an IRS Individual Taxpayer Identification Number ("ITIN"). For legal entities, estates and trusts the TIN is their Employer Identification Number ("EIN"). For an account to be classified as a "non-resident alien account" all owners of the Account must certify their foreign status at the time the account is opened on a Form W-8. Non-resident aliens must recertify their foreign status every three (3) years.

**OFAC Compliance** – The Department of Treasury's Office of Foreign Asset Control ("OFAC") administers and enforces economic sanctions programs implemented by the government. We are required to comply with all OFAC sanctions, which may include rejecting or blocking transactions or funds of certain individuals and entities. By opening an Account with us, you agree and affirm that you are not a prohibited individual or entity under any of the sanctions programs administered or enforced by OFAC. You acknowledge and agree that we can freeze, block, and/or reject any transaction we reasonably believe violates any OFAC sanctions programs or Bank policy or procedure. You acknowledge and agree that any transaction to or from your Account may be delayed or suspended and that a hold may be placed on your Account while a transaction is reviewed for possible violation of any OFAC sanctions programs, and that we will have no liability for any such delays, suspensions, holds, rejections, blocking, and/or any resulting unavailability of funds.

**Unlawful Transactions** – You certify that you will not use your Account or any Bank service for any illegal transactions or activity including, but not limited to those activities prohibited by the Unlawful Internet Gambling Enforcement Act (Regulation GG). Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this Account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling. Transactions reasonably believed by the Bank to be used for or associated with unlawful activity may be rejected or stopped and the associated Account(s) closed immediately and without prior notice. Obligations owed before any improper transaction or Account closure will remain in full force. All liabilities and costs associated with rejected or stopped transactions or closed accounts are assumed by the Account holder.

**Bank Reporting Requirements** – Banks are required to file a report called a Currency Transaction Report (CTR) with the Financial Crimes Enforcement Network of the Department of the Treasury whenever it has currency transactions that exceed \$10,000 in one business day. This includes both single and multiple transactions, transactions to or from or on behalf of any one individual or other entity, or in or out of any one account, and exchanges of currency. Banks are also required to file other reports with the Financial Crimes Enforcement Network of the Department of the Treasury when a transaction is conducted or attempted by, at, or through a bank, involves or aggregates at least \$5,000 in funds or other assets, and the bank knows, suspects, or has reason to suspect that: (a) the transaction involves funds derived from illegal activities or is intended or conducted in order to hide or disguise funds or assets derived from illegal activities (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation; (b) the transaction is designed to evade any requirements of this part or of any other regulations promulgated under the Bank Secrecy Act; or (c) the transaction has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the Bank knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction. Banks are also required to maintain a record of: (i) sales of certain negotiable instruments such as

cashier's checks, money orders, traveler's checks, and other similar instruments when the amount of cash involved is \$3,000 to \$10,000 inclusive; and (ii) fund transfer of \$3,000 or greater. These records must be made available to the Department of the Treasury upon request. Financial institutions and individuals may all be subject to prosecution for evading the foregoing reporting requirements. There are both civil and criminal penalties associated with violations of these regulations that may carry significant monetary fines and imprisonment. You agree to assist the Bank in gathering information to meet the bank reporting requirements.

**Consent to Receive Electronic Communications** – To provide you with the best possible service in our ongoing business relationship for your Account we may need to contact you about your Account from time to time by telephone, text messaging, instant messaging, or email. However, we must first obtain your consent to contact you about your Account pursuant to consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and related federal regulations and orders issued by the Federal Communications Commission (FCC).

- Your consent is limited to this Account, and as authorized by applicable law and regulations.
- Your consent does not authorize us to contact you for telemarketing purposes.

With the above understandings, you authorize us to contact you regarding this Account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us. You understand and agree that text messages may not be encrypted and may contain personal or confidential information about you, such as your mobile phone number, the date, time, and content of any mobile banking messages, including account activity, balance, and status of your account and other information that you or we may provide. NEITHER PINNACLE NOR PROVIDER ARE RESPONSIBLE FOR THE SECURITY OF TEXT MESSAGES AND THEIR CONTENT INCLUDING ANY DATA TO THE EXTENT THAT SUCH CONTENT OR DATA IS PROVIDED TO A MOBILE NETWORK CARRIER OR OTHER THIRD-PARTY PROVIDER AND NOT AT REST IN PINNACLE'S OR PROVIDER'S SYSTEM.

This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail, text messaging, and instant messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device. If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

**Telephone Monitoring and Recording** – You agree that we may monitor and/or record any telephone conversation with you for any reason, including to monitor the quality of service you receive and to verify transaction related information. You agree that we are not required to remind you before or during each telephone call that the conversation is subject to being monitored and/or recorded unless otherwise required by applicable law.

**Privacy Policy** – Our privacy policy, which is provided at the time you open an account, is titled, "Pinnacle Privacy Practices." For current privacy practices, you may access this on our website at [www.pnfp.com/privacy](http://www.pnfp.com/privacy).

**Sharing Information** – To allow us to analyze your potential financial needs, or as part of the qualifying and maintenance process for depositors, you authorize us, to the extent permitted under applicable law, to obtain information from credit reporting agencies, such as ChexSystems or similar agencies, as we deem necessary. You understand such information will be used by us for internal purposes only. Further, you authorize us to share with our affiliates your non-public or confidential information for marketing or other purposes. If you do not wish us to share confidential information with our affiliates (referred to as "opting out" of information sharing), you can make that election by calling 1-800-264-3613 or visiting [www.pnfp.com/privacy](http://www.pnfp.com/privacy) and updating your preferences in our Privacy Center.

## VI. OWNERSHIP OF ACCOUNTS

Subject to applicable state law, these rules apply to the Account depending on the form of ownership and beneficiary designation, if any, specified on the Account records. You agree that when you open an Account, the titling of the Account is proper and that the Bank has no responsibility to inform you as to how the titling may affect your legal interest and/or rights. If you have any questions relating to the titling of and ownership interest in an Account, you should consult with your own legal or tax advisor(s). You further agree that you are solely responsible for meeting all of the requirements for establishing and maintaining the type of Account you desire and ensuring that you have properly completed any applicable documents or forms. You agree to sign the documentation necessary to create the proper ownership of your Account. Federal regulations require that you provide us with information concerning the beneficial owners of a legal entity at Account opening. You may also be asked to provide such information at other times (and on any qualifying Account) upon request of the Bank. If at any time we determine that the beneficial ownership information you provided to us was false, incorrect, or of concern to the Bank, or if you refuse to provide us with the information when requested, we may close or freeze any or all of your Accounts, without notice, unless otherwise required by applicable law.

You agree that we may verify your signature through the signature card or a check or other document that bears your signature. We may use an automated process to obtain an image or sample of your signature from a check that bears your signature. If you create your own checks or obtain them from another source, and we cannot accurately verify your signature on a check by comparing the signature to a check posted to your account, you are responsible for any losses that may result from our inability to use that check to verify your signature.

**Individual Account** is owned by one individual. Upon the death of that individual, the Account will belong to the owner's estate and will be administered by the person designated or appointed by court order. An additional authorized signatory can be designated and shall have the authority during your lifetime to withdraw moneys from the Account. We may release all funds in



the Account to, or honor checks or orders drawn by, or withdrawal requests from, that authorized signatory until we are notified in writing of revocation of that authority or your death. By adding an authorized signer, you do not assign any ownership or beneficial rights in the Account to the designated authorized signatory. To the maximum extent permissible under applicable law, we have no responsibility or obligation to supervise or monitor the transactions consummated by any such authorized signatory.

**Joint Account with Survivorship** is owned by two or more individuals and not as “tenants in common” or “tenants by the entirety”. Each of you intends that upon your death the balance in the Account (subject to any previous pledge to which we have consented) will belong to the survivor(s). If two or more of you survive, you will own the balance in the Account as joint tenants with survivorship and not as tenants in common. Each owner may withdraw, by any means we make available, any or all of the funds on deposit, close the Account, perform maintenance on the Account, enter into special agreements regarding the Account, including overdraft protection transfer agreements, and stop payment of any check or draft drawn on the Account. Each owner also authorizes the Bank to exercise its right of offset (setoff) and enforce Pinnacle’s security interest in the entire Account, even though only one of the owners is the debtor; these rights exist irrespective of who contributed funds to the Account. Similarly, we can enforce overdraft liability in the Account against any owner individually, even where such liability results from the actions or inactions of only one owner. Garnishments against any joint owner(s) are subject to the Bank’s right of offset and security interest. The Bank, within its sole discretion, may refuse to recognize an agent authorized to act on behalf of one of the owners without the consent of the other Joint Account owners. Any such authorization will be in a form acceptable to or provided by the Bank and will remain in effect until written notice of cancellation is received from any owner and the Bank has a reasonable opportunity to act upon it. Notice provided by us to any one joint owner shall be deemed notice to all joint owners.

**Joint Account No Survivorship** (as Tenants In Common) is owned by two or more individuals, but none of you intend (merely by opening this Account) to create any right of survivorship in any other individual. You must notify us in writing and provide the percentage of the deposit contributed by each of you at account opening and you must update this information if such percentages change. In the event of an account owner’s death, this information will be used to determine what percentage of funds will pass to the decedent’s estate. This information will not, however, affect the number of signatures necessary for withdrawal. Each owner may withdraw, by any means we make available, any or all of the funds on deposit, close the Account, perform maintenance on the Account, enter into special agreements regarding the Account, including overdraft protection transfer agreements, and stop payment of any check or draft drawn on the Account. Each owner also authorizes the Bank to exercise its right of offset (setoff) and enforce Pinnacle’s security interest in the entire Account even though only one of the owners is the debtor; these rights exist irrespective of who contributed funds to the Account. Similarly, we can enforce overdraft liability in the Account against any owner individually, even where such liability results from the actions or inactions of only one owner. Garnishments against any joint owner(s) are subject to the Bank’s right of offset and security interest. The Bank, within its sole discretion, unless otherwise prohibited under applicable law, may refuse to recognize an agent authorized to act on behalf of one of the owners without the consent of the other joint owner(s). To the extent any such authorization is recognized by the Bank, such authorization must be in a form acceptable to or provided by the Bank and will remain in effect until written notice of cancellation is received from any owner and the Bank has a reasonable opportunity to act upon it. Notice provided by us to any one joint owner shall be deemed notice to all joint owners.

**Joint Account – Tenants by the Entirety**, if recognized by applicable state law where the Account is opened, is a joint Account held by two legally married partners together. For signature withdrawal purposes, the title of the Account will reflect the connector “or” between the names of the two legally married partners. Upon the death of one of the legally married partner owners, the Account will belong to the surviving legally married partner owner. Each owner may withdraw, by any means we make available, any or all of the funds on deposit, close the Account, perform maintenance on the Account, enter into special agreements regarding the Account, including overdraft protection transfer agreements, and stop payment of any check or draft drawn on the Account. Each owner also authorizes the Bank to exercise its right of offset (setoff) and enforce Pinnacle’s security interest in the entire Account, even though only one of the owners is the debtor; these rights exist irrespective of who contributed funds to the Account. Similarly, we can enforce overdraft liability in the Account against any owner individually, even where such liability results from the actions or inactions of only one owner. Notice provided by us to any one joint owner shall be deemed notice to all joint owners.

**Revocable Trust (ITF) or Pay-On-Death (POD)** is an Account in which one or more individuals may designate one or more beneficiaries to receive the Account’s funds upon the death of the Account owner or last surviving Account co-owner. If two or more of you create such an Account, you own the Account jointly with survivorship. The beneficiaries acquire the right to withdraw only if: (1) all individuals creating the Account die, and (2) one or more of the beneficiaries are then living. If two or more beneficiaries are named and survive the death of all individuals creating the Account, those beneficiaries will own this Account in equal shares, without right of survivorship. Each of the individuals creating either of these account types reserves the right to: (1) change beneficiaries, (2) change account types, (3) close the account, and (4) withdraw all or part of the deposit at any time.

**Personal Agency Account** is a North Carolina individual Account designated on the signature card or other written contract as a “Personal Agency Account”. The signature card or other written contract shall name an agent who shall have authority on behalf of the depositor to make, sign, or execute checks drawn on the Account or otherwise make withdrawals or transfers from the Account; endorse checks made payable to the depositor for deposit only into the Account; and deposit cash or negotiable instruments, including instruments endorsed by the depositor, into the Account. No ownership rights or interest in the Account is granted to the agent. In addition, you may elect to extend the authority of your agent so your agent may act notwithstanding your subsequent incapacity or mental incompetence. Your agent’s authority would then end at such time as the agent receives notification from a qualified guardian or duly appointed attorney-in-fact. If you do not extend the authority of your agent, then your subsequent incapacity or mental incompetence will terminate the authority of your agent. At the death of the depositor, there is no right of survivorship to the Account and the funds remaining in the account will become part of the depositor’s estate.

**Uniform Transfers to Minors** is an Account opened for a minor beneficiary by a custodian in accordance with the Uniform Transfers to Minors Act (UTMA) of the state in which the Account is established (the “Act”). South Carolina repealed its Uniform Gifts to Minors Act (UGMA) and adopted UTMA effective April 4, 2022. Any account originally opened under UGMA is now governed under UTMA in accordance with South Carolina law. Withdrawals from the Account may only be made by the custodian. No ownership rights or interest in the account is granted to the custodian. The custodian must notify the Bank in writing immediately upon the earlier of the death of the minor or the time the minor attains the age of majority. Before it receives such notice, the Bank may honor any checks or drafts written on the Account without incurring any liability to the minor or any third party and the custodian will be liable to the Bank for any loss or expense it incurs because of failure to give prompt notice. The Bank may rely on the custodian’s authority to act on behalf of the minor until the Bank has received written notice that a successor custodian has been duly appointed or that the custodian’s authority has been otherwise terminated in accordance with applicable state law. Upon reaching the age of majority, the minor will be entitled to the funds in the account consistent with applicable state law. The Act provides that an UTMA may only be established for the benefit of a single minor. The Bank reserves the right to limit the Account to one custodian.

**Trust** is an Account opened under a valid, written agreement or will which creates a trust that performs transactions through its trustee or co-trustees. You represent that you are authorized under applicable law and the trust agreement, will, or other governing documents to open the Account in the name and manner requested. The Bank reserves the right to require any trustee or co-trustee to provide documentation to establish the existence of the trust, the authority of the trustee or co-trustee to act on behalf of the trust, and related information. Except to the extent necessary to confirm that the trustee or co-trustee has authority to open, manage, and/or close an Account on behalf of the trust, the Bank will not read or attempt to interpret trust documents for, or provide any legal advice regarding the same to any party. The Bank has no duty to monitor the Accounts of the trustee and assumes no liability for the administration of the trust and/or the actions taken by any trustee or co-trustee.

**Fiduciary** is an Account opened by a court appointed individual. To the maximum extent permissible under applicable law, we have no responsibility or obligation to supervise or monitor the transactions within fiduciary Accounts (including, but not limited to, estates, guardianships, and conservatorships) or to inquire as to the powers or duties of the fiduciary. The fiduciary’s capacity must be designated as such on the signature card. The Bank is authorized to follow the directions of the fiduciary regarding the Account until it receives written notice that the fiduciary’s authority has been terminated in such a manner as is satisfactory to the Bank and the Bank has had reasonable time to act upon that notice. The terms of any trust agreement, court order, or other document under which the Account is opened govern the titling of the Account and signatory authority, and the Bank has the right, but not the obligation, to review any such document. The Bank assumes no liability for the administration of any trust or fiduciary relationship whether or not the Bank has been provided with a copy of such document, and we will not be liable to anyone for the misapplication of funds from an account by an agent, fiduciary, trustee, or custodian.

**Corporation, Partnership, Limited Liability Company, Sole Proprietorship, and other Organizational Accounts** – We may rely on the classification and form of ownership for a business account, as set forth on the signature card, for all purposes relating to the Account. You represent and agree that (a) you have taken all actions necessary to open and maintain the Account, (b) all resolutions or other authorizations given by you to us are true, accurate and complete in all respects, (c) all assumed or fictitious names have been registered or filed with the appropriate governmental authorities, and (d) unless expressly limited as set forth on the signature card, each person whose name is written or printed on the signature card has complete authority involving the Account. We will usually require a separate authorization form designating the person(s) permitted and conditions required for withdrawals from any Account in the name of a legal entity. We will honor such authorization according to its terms until it is amended or terminated in writing by the governing body of such organization. If there is a dispute between authorized persons on the Account or if one of the authorized persons demands that we not allow any other authorized person(s) to withdraw money from the Account, or if there is a dispute about who is authorized to make withdrawals from or give instructions with respect to the Account, or if the Bank receives a notice from a party who purports to be an officer, director, incorporator, shareholder, member, or partner of a business or organization disputing the rights of any existing authorized person(s) to make withdrawals or handle account transactions, we may (but are not required to) refuse to allow any withdrawals or other action by anyone until we are satisfied that the dispute is resolved or the demand or notice is withdrawn, or we may in our sole discretion interplead the funds with a court of competent jurisdiction, and in such event Pinnacle shall be entitled to reimbursement of all court costs and reasonable attorneys’ fees. We will not be responsible for any damages, direct or indirect, you may suffer because of our allowing or refusing to allow you to withdraw money due to the dispute, demand or notice.

## VII. ACCOUNT RULES

Unless this Agreement indicates otherwise: the term “item” includes, without limitation, a check, draft, negotiable order of withdrawal, mail, withdrawal slip, oral payment, transfer or withdrawal order made by telephone or in person, and/or withdrawal, payment or transfer order initiated through an automated teller machine (ATM) or point of sale (POS) terminal or any other electronic device, means or network, and/or a check or draft you have authorized a third party to charge to your account, whether by any manual or electronic means. The term “available balance” refers to the money in your checking or savings account that is currently available to you to make purchases, withdrawals, etc. The available balance reflects any processed and pending transactions, and any holds. It does **not** include any checks you have written that have not posted. Checks are processed during the nightly posting and will be reflected the next day. Checks cashed by a Pinnacle associate will be reflected in the available balance. The available balance is **updated throughout the day** with transactions you make. The term “current (ledger) balance” is the actual amount in your account and **does not change throughout the day**. It does **not** include holds or pending transactions. The term “collected balance” is the same as the current (ledger) balance, except that it **does not include any checks you have deposited for which the Bank has not received credit**.

- 1. STATEMENTS** – Statements for your Account, notices, or other information regarding your Account will be mailed, sent electronically, or otherwise be available to you at regular intervals depending on your Account type and/or selected

delivery method. The statement or other Account information will be delivered to the postal mailing address and/or the online banking service of the Account owner requesting electronic delivery as reflected in our records or per written instructions you have provided to us. Mailed statements shall be deemed received by you on the earlier of the actual date of receipt or within ten (10) calendar days of the date appearing on the statement. Electronic statements shall be deemed received on the date the statement is provided within your online banking service and notification of availability is delivered to the electronic address of the requesting Account owner.

You agree to notify us immediately of any change in your contact information, including address, e-mail address, and/or telephone number. The Bank may rely on any instructions purportedly made by you, or on your behalf, to change your contact information without liability. You also agree that we may rely on an address change notification received by us from a third-party vendor or the U.S. Postal Service and other governmental sources to update your address on our records. The bank will have no liability to you for changing your address based on such information, even if such information is in error. If any of your statements or Account information is returned to us because of an incorrect postal address or an incorrect, changed, or expired e-mail address, we may stop delivering statement or account information until a valid address is provided. If your Account is classified as dormant, we may elect not to provide further Account statements. Copies of such statements can be reproduced upon your request, subject to applicable fees, availability, and the Bank's then-current retention policies. Any statement or Account information that is returned as undelivered shall be destroyed without notice.

You shall notify the Bank if you have not received your first statement within thirty (30) calendar days of Account opening or within ten (10) calendar days of your regular statement date. The Bank will not be liable to you for any damages as a result of your failure to promptly notify us of a change in your address, your failure to notify us that you did not receive your statement, or your failure to make arrangements to receive your statement. You are responsible for the accuracy of your statement whether or not reviewed and it shall be deemed final and correct upon thirty (30) calendar days from the statement date.

2. **DEPOSIT OF ITEMS** – You may make deposits in person, by mail, or by any other method we make available. We are not responsible for deposits made by mail or night depository until we actually receive the deposits and record the receipt of those deposits on our books and records. If you fail to endorse an item that you submit for deposit, we have the right, but are not obligated, to supply the missing endorsement. We may require that certain government checks, insurance company items, or other instruments be endorsed by each of the payees. You agree to reimburse and indemnify us for any loss or expense we incur because you fail to endorse an item exactly as it is drawn. All transactions received on a day in which we are not open for business will be treated and recorded as if initiated on the next following business day we are open. At our option, we may take an item for collection rather than for deposit which means we will credit your Account only after we have received payment for the item from the paying bank. We are under no obligation to accept any item, wire, electronic fund transfers, or other transaction for deposit to your Account or for collection, and we may refuse to cash or give value for any such item.

You agree that any deposit is subject to verification and confirmation notwithstanding your possession of a deposit receipt or acknowledgement. In the case where a deposited item is lost, stolen, or destroyed before presentment to the paying bank, you agree to fully assist the Bank in obtaining a replacement or reconstruction of such item. Failure to cooperate may result in the credit to your Account being revoked or, if deposited but not credited, the credit withheld.

When you deposit or negotiate an item made payable to or endorsed by another party, you guarantee and warrant that all endorsements are valid and that all necessary endorsements are included. In the event any such item is deposited and returned to us for any reason, you authorize us to place a hold on or debit your account for the amount of the item and you agree to be responsible for the full amount of the item. At or after the time of the cashing, negotiation, or deposit of an item with multiple or third-party endorsements is made, we may return the item unpaid or place a hold on your account for the amount of the item until such a verification is complete to our satisfaction.

When you make a mobile deposit, you agree to endorse the back of the check with the phrase 'For Mobile Deposit Only.' Items not properly endorsed may be rejected.

When you make a cash deposit without a completed deposit slip, especially for large sums, you agree that the Bank's count of the cash received is final and binding. You are responsible for confirming the amount at the time of deposit. If no deposit slip is provided and you rely on the Bank to count your cash, you waive the right to dispute the deposit amount unless you can provide conclusive evidence of error.

In the case where a deposited item is lost, stolen, or destroyed before presentment to the paying bank, you agree to fully assist the Bank in obtaining a replacement or reconstruction of such item. Failure to cooperate may result in the credit to your account being revoked or, if deposited but not credited, the credit withheld. You further agree that the Bank may impose a fee for, or decline to cash a check drawn on your account and payable to a third party. The Bank can direct the third party to deposit the check at another financial institution for payment.

**Verification and Correction of Deposits** – The Bank relies upon the information you provide on your deposit slip when initially processing your deposit. The Bank has no duty to compare for accuracy the items listed on the deposit slip with the items accompanying the slip when the deposit is received by the Bank. Therefore, you have a duty to accurately record cash, each item being deposited, and the total amount of your deposit on your deposit slip. If an error in your deposit greater than one dollar (\$1) is later detected, whether the error is in your favor or ours, it will be corrected by the Bank unless otherwise agreed. Final credit to your Account is based on the total sum of the cash and items actually received by the Bank.

You will be sent a notice of any adjustment we make to your deposit that is more than one dollar (\$1). You may confirm the final credit amount of your deposit and your Account balance at any time. Under this Agreement, you are required to review your bank statement and report any errors within thirty (30) days from the statement date. Your statement will be deemed final and correct on the thirtieth (30th) day from the date of the statement.

**Collection of Items** – In receiving items for deposit or collection, we act as your collection agent and assume no responsibility beyond the exercise of ordinary care. Any items, other than cash, accepted for deposit will be given provisional credit only until collection is final, including checks drawn on the Bank. Without prior notice to you, we may charge back any item at any time if an item is lost, misplaced, destroyed or stolen in the collection process, if it is returned unpaid or if it was improperly paid, regardless of whether the item is physically returned, and even if the funds have already been made available to you or have been withdrawn, used or committed by you. You agree to pay the Bank a fee for any such item that is returned. You will be liable for any overdraft created by the charge back, including applicable overdraft fees. If an item is returned to us under a breach of warranty claim or claim that the item was forged, altered, unauthorized or should not have been paid for any reason, we may accept the return and debit the item back to your Account, regardless of whether the item was promptly returned to us or was returned prior to any deadline. Such a debit may occur regardless of the amount of time since an item was presented by you, whether you were notified that the funds for such item were available or had been previously collected, or whether you had withdrawn or otherwise made use of the funds previously credited to your Account. Items and their proceeds may be handled in accordance with applicable Federal Reserve rules, clearinghouse rules, fund transfer system rules, and contractual agreements with other financial institutions.

When you accept an item in payment or otherwise and deposit or negotiate the item, you are liable for the entire amount of the item if it is returned for any reason, even if you paid to a third party a portion of the funds or the difference between the amount of the item and the amount owed to you. If you cash an item that is later returned, you are liable for this item in the same manner as if the item had been deposited to your Account and we will charge back the item to your Account. In the event a check you write and deliver to the payee is lost at any time after the check is deposited at a bank or other financial institution, you authorize the Bank to charge your Account with a photocopy of said check unless you have followed all necessary stop payment requirements (see below).

You acknowledge and agree that the Bank cannot determine whether an item that you previously deposited or negotiated has been paid or will be returned. Therefore, you acknowledge and agree that neither the Bank nor any of its employees or agents will be liable for any statement to you that an item, including a check, has been paid, has cleared, or will not be returned or that such item or check is or was "good" or any other statement of a similar nature.

**Foreign Checks or Items** – The processing and collection of foreign checks or items are not subject to United States laws or regulations, including collection or return time periods. We will accept checks payable in foreign currencies or drawn on foreign banks on a collections basis only. Items accepted for collection are normally credited to your Account only after we have received payment for them. If we do agree to credit your Account in advance and then do not receive payment for the item, we will debit your Account for the amount of the item. Fees for processing collection items apply even if the collection item is returned unpaid.

If we accept a foreign check for deposit or collection, you assume all risks associated with the collection process and foreign currency fluctuation. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. A foreign check may be returned unpaid much later (in some cases, several months later) than items drawn on U.S. banks. You assume all risks of a late return of a foreign item. If a foreign check is sent for collection and paid, then returned later for fraud or any other reason, we will debit your Account at our then-current exchange rate, including fees assessed by the foreign bank.

If you deposit an item that we later determine is a foreign item and must be sent for collection, we may reverse any provisional credit given for the item and send the item for collection or mail the item back to you. If we return the foreign item to you, you may then ask us to send the item for collection.

**Return of Direct Deposits** – If, for any reason, we are required to reimburse the payer for all or any portion of any payment deposited into your Account through a direct deposit plan, you agree that we may, without prior notice to you, deduct the amount to be returned from your Account or from any other Account you have with us, unless the deduction is prohibited by law. This right is in addition to any other rights the Bank has under these rules and regulations, including the right of offset and its security interest in your Account.

3. **WITHDRAWALS** – Unless otherwise clearly indicated to the contrary, any one of you who signs in the space designated for signatures on the signature card, including authorized signers, may withdraw or transfer all or any part of the Account balance at any time on forms approved by us. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to this Account or any other transaction with us. Using the word "and" to connect the names of co-owners or co-fiduciaries in the Account title or elsewhere in Account records does not require more than one of you to authorize a withdrawal. Such a restriction must be explicit.

**Payment of Items** – For purposes of this subsection, an "item" is a debit to your Account which includes a check, substitute check, purported substitute check, electronic item or transaction, draft, demand draft, remotely created item, image replacement document, indemnified copy, ATM withdrawal or transfer, PIN-based point of sale transaction, signature based point of sale transaction, preauthorized payment, automated transfer, telephone-initiated transfer, ACH transaction,

Online Banking transfer or bill payment instruction, withdrawal slip, in-person transfer or withdrawal, cash ticket, deposit adjustment, any other instruction or order for the payment, transfer, or withdrawal of funds, and an image or photocopy of any of the foregoing.

Transactions are processed collectively at the end of each business day during nightly processing. Your transactions may not be processed in the order in which they occurred. Once your transactions are processed, the results are posted to your Account. Your transactions may not be posted to your Account in the order in which they occurred.

We will post items to your Account based on your available balance. The available balance can be impacted by pending transactions. Examples of common pending transactions include the following but is not an exhaustive list, and there may be other pending transactions that have not been included.

- Authorization holds affect the availability of funds by reducing the available balance. We deduct authorized holds from the funds you have available to cover any outstanding items, including checks drawn on your Account as well as other withdrawals such as ACH transactions. Your Account history reflects the current (ledger) balance, not the available balance.
- If you use your debit card to purchase goods and services, including internet purchases (point-of-sale transactions), you authorize us to debit your Account, and you agree that your authorization may result in an immediate memo debit reducing the Account's available balance, even though the transaction may not be finally posted to your Account until a later date. You also understand and agree that you may incur an overdraft if you make a withdrawal, write checks, or make point-of-sale purchases against funds that are needed to pay debit card transactions that have been authorized but not yet posted to your account. Please see the Electronic Fund Transfer Agreement & Disclosure section for full details.
- Overdraft fees are charged when the available balance in your Account is not sufficient to cover all pending transactions and items being posted, debit card transactions being posted, or outstanding checks, ACH, transfers, and all other withdrawals when transactions post during nightly processing. Pinnacle does not charge an Overdraft Paid Item Fee for one-time Debit Card and ATM transactions to clients who are Opted Out of Pinnacle's Overdraft Coverage. However, fees apply to all Checks, ACH, and all other Transfers and/or Withdrawals being posted against a non-sufficient available balance.
- It remains very important to keep records of all payments you have authorized from your Account. Authorization holds will help track your debit card purchases and reserve the funds before they post to your Account. However, we have no record of outstanding checks or ACH transactions you have authorized.

Once the available balance is determined, transactions will post in order according to the groupings below. Items within categories 2. – 5. will be paid smallest to largest, with the exception of checks, which are paid in sequential check number order.

1. **Deposits and Credits** – Deposits and credits are posted to your Account in lowest to highest dollar amount order. This includes cash, check deposits, and incoming transfers received before the cutoff time.
2. **Bank-initiated transactions** – These include, but are not limited to, rejected items from the previous business day, such as paid/returned Items, returned deposited Items, and associated fees.
3. **Client-initiated withdrawals and debits** – These include, but are not limited to, teller cashed items at Pinnacle offices, ATM withdrawals, debit card transactions, in-person withdrawals, transfers, and checks.
4. **Client-initiated ACH (automated payments)** – These include, but are not limited to, bills you pay by authorizing a third party to withdraw funds directly from your Account.
5. **Bank Fees** – Fees, such as monthly maintenance fees, that will post to your Account last. Please note that some fees will be posted to your Account at the time they are incurred and others, like maintenance fees, will post last.

The transactions listed above include the most common categories and common types of transactions and are not inclusive of all transactions. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your Account. Deposits and payments not made on a business day or made after our offices are closed on a business day, will be processed the next business day as if they occurred that next business day, and will be processed collectively with all other deposits and payments to be processed that next business day, in the order set out in paragraphs 1. – 5. above.

A non-sufficient funds balance may result from: A) the payment of checks, electronic fund transfers, or other withdrawal requests; B) payments authorized by you; C) the return of unpaid items deposited by you; D) the imposition of bank service charges; or E) the deposit of items which, according to the Bank's Funds Availability Policy, are treated as not yet "available" or finally paid. We will consider for authorization and payment overdrafts for the following types of transactions: withdrawals at Pinnacle offices, checks, transfers, recurring debit card transactions, automatic bill payments and other transactions made using your checking account number.

**Your responsibility when your Account has an overdraft** – You are in the only position to ensure that your Account has sufficient funds to cover all of your checks, debits and fees by maintaining an accurate record of your outstanding credits and debits. Checks or other items drawn against non-sufficient funds in your Account, which have not been covered by Overdraft Protection, are subject to a fee, set forth in the Bank's then current Schedule of Charges. We may determine whether your Account contains sufficient funds to pay a check or other item at any time between the time the check or other item is received by us and our return deadline, using any means we choose in our sole, unilateral and absolute discretion. Only one determination of the account balance is required. If that determination reveals non-sufficient funds to pay the check or other item, we will not be required to honor the check or other item and may return it. Alternatively, we may honor the check or other item and create an overdraft. However, honoring one or more overdrafts does not obligate us to honor any future overdrafts, and you should not rely on us to honor an overdraft. The Bank is not required to examine or consider balances which you may maintain in your other Accounts.

The amount of the overdraft shall constitute an indebtedness to the Bank and shall be due and payable immediately, without notice or demand. We are not required to send you prior notice on checks returned for non-sufficient funds. You agree to deposit sufficient funds immediately to cover any overdraft and any penalties assessed. You also agree to reimburse us for any costs, including but not limited to reasonable attorney's fees, we incur in collecting any overdraft from you.

If sufficient funds are not present to cover all presented transactions, Pinnacle will:

**Determine if Overdraft Protection is available:** Overdraft Protection in an optional service you can add to your Account by linking one eligible Account. [See Overdraft Protection below.] Any overdraft protection source that has sufficient availability to cover the presented transactions will be transferred to cover the presented transactions.

**If no Overdraft Protection Source is available:** We can cover your overdrafts using Overdraft Privilege. [See Overdraft Privilege below.] ODP is an optional overdraft service intended to assist you if you make an error on your Account that would otherwise result in returned items and requires no action on your part. Checks, ACH, bill payments, and other recurring debit card transactions are automatically considered for authorization and payment of overdrafts. If the transaction is paid into overdraft, it will incur an NSF/Overdraft Paid Item Fee. We do not guarantee that we will always pay any item or any type of transaction.

**If no Overdraft Protection or Overdraft Privilege is available:** We can cover your overdrafts using the standard overdraft practices that come with your Account. The Bank may, in exercise of its discretion, pay a check or automatic payment in overdraft, rather than returning it unpaid. If the transaction is paid into overdraft, it will incur an NSF/Overdraft Paid Item Fee. We do not guarantee that we will always pay any item or any type of transaction.

**Overdraft Protection (Overview)** – Overdraft protection is an optional service you can add to your checking Account by linking one eligible Account. We will use available funds in your linked Account, (the "protector" Account), to authorize or pay your transactions if you don't have enough money in your checking Account (the "protected" Account). You can enroll in Overdraft Protection by visiting a Pinnacle office or calling 800-264-3613.

Eligible protected accounts include a Pinnacle checking, savings, or money market account. Eligible protector accounts include a Pinnacle deposit account or Pinnacle Line of Credit.

If your protector Account is a deposit account, it can provide Overdraft Protection for more than one deposit account. Likewise, a protected account can have multiple deposit protector accounts. If a Pinnacle Line of Credit is used as a protector account, it can only protect a single deposit account. We may cancel your Overdraft Protection service at any time by sending you notice.

Any owner of both the protected account AND the protector account may enroll in Overdraft Protection without the consent of other owners. Any owner of the protected account OR the protector account may cancel Overdraft Protection without the consent of other owners. If you link a jointly owned account, you authorize us to share information about your Account with each owner of the other linked account, such as type of protector account and partial protector account number.

**Overdraft Protection from Another Deposit Account** – allows you to link your checking or money market account (the "protected" account) to another Pinnacle deposit account (the "protector" account), for Overdraft Protection. The protector account can be a second checking account, savings account, or money market account. When you do not have enough available funds in your protected account to cover a debit item, we may automatically transfer funds from the available balance in your protector account to your protected account. Transfers will be made in \$100 increments. If the balance in the protector account is not sufficient to cover a debit item, no transfer from the protector account will occur and the debit item may be paid or returned, and an NSF/Overdraft Paid or Returned Item fee, for each debit item will be charged, as disclosed in the Schedule of Charges.

**Overdraft Protection from your Line of Credit** – allows you to link your checking or money market Account (the "protected" account) to an eligible Pinnacle line of credit (the "protector" account) for Overdraft Protection. When you do not have enough available funds in your protected account to cover a debit item, we may automatically advance funds from your protector account and transfer the funds to your protected account. Transfers will be made in \$100 increments from the protector account to your protected account. If the available credit on the protector account is not sufficient to cover a debit item, no transfer from the protector account will occur and the debit item may be paid or returned, and an NSF/Overdraft Paid or Returned Item fee, for each debit item will be charged, as disclosed in the Schedule of Charges. The Overdraft Protection advance is made under, and is subject to, the terms and conditions described in the line of credit

agreement. We ordinarily make the advance as long as you are not in default under the line of credit agreement and as long as the advance does not cause you to exceed the amount of your available credit on your line of credit. The funds advanced are subject to fees and finance charges under the line of credit agreement. Overdraft Protection advances do not have a grace period and will begin accruing finance charges from the date the advance is posted to your line of credit account. Please see your line of credit agreement for more information about Overdraft Protection from your line of credit.

**Overdraft Privilege** (“ODP”) is an overdraft service intended to assist you if you make an error on your Account that would otherwise result in returned items and requires no action on your part. Checks, ACH, bill payments, and other recurring debit card transactions are automatically considered for authorization and payment of overdrafts.

As long as you maintain your Account in good standing, Pinnacle may approve your overdrafts within your then current discretionary Overdraft Privilege limit. However, whether your overdraft will be paid is discretionary and we reserve the right in our sole and absolute discretion not to pay. Your Account is in good standing if you (1) are not in default on any loan obligation to Pinnacle Bank; (2) make a deposit to your Account at least once every fifteen (15) days after an overdraft occurs; (3) demonstrate responsible account management by continuing to make appropriate deposits to your Account to return the Account to a positive balance (not overdrawn) at least once every thirty-five (35) days (including the payment of all bank fees and charges); (4) avoid “excessive overdrafts” suggesting the use of Overdraft Privilege as a continuing line of credit; and (5) your Account is not the subject of any legal orders, levies or liens.

“Excessive overdrafts” is defined as being repeatedly overdrawn. An account is considered repeatedly overdrawn if (1) on six or more banking days (any business day on which an office is open to the public) during the previous six months the account had a negative balance or would have had a negative balance had checks and charges been paid, or (2) on two or more banking days during the previous six months the account balance was negative in the amount of \$6,725 or more or would have been negative in the amount of \$6,725 or more had checks and charges been paid. We reserve the right to suspend Overdraft Privilege from any Account if, in our sole judgment, the likelihood exists that an overdraft will not be repaid. Per Regulation E, for consumers to receive ODP for ATM and one-time debit card transactions, you must affirmatively opt-in. You may revoke your opt-in at any time.

All bank fees, including and without limitation our NSF/Overdraft Paid and/or Returned Item Fees will be deducted from your ODP limit. Please consult the current Schedule of Charges for the amount of the NSF/Overdraft Paid or Returned Item Fees. For consumer Accounts only, any item that will result in an overdrawn amount of \$15 or less if paid will not incur an NSF/Overdraft Paid Item fee. Consumer Accounts will not be charged an NSF/Overdraft Paid Item fee until payment of the first item that causes the Account to be overdrawn by more than \$15. No more than three (3) NSF/Overdraft Paid Item fees will be charged per day regardless of the number of items presented for payment. Per Regulation E, Pinnacle does not assess overdraft fees of any type against ATM or one time debit card transactions on consumer Accounts without the affirmative opt-in of the client for these types of transactions.

For business accounts with a debit card and ODP limit, no more than five (5) NSF/Overdraft Returned and/or Paid Item fees will be charged per day regardless of the number of items presented for payment.

Money Market, Estates, Representative Payee, and Fiduciary accounts are exempt from participation in the Overdraft Privilege program. All accounts that are eligible for Overdraft Privilege consideration will receive a \$100 limit applied the first business day after account opening. Assuming your Account remains in “good standing” as defined above, you will be notified by mail at some point thereafter if your initial ODP limit is increased. If your ODP limit is increased, it will vary by account type. Locate your Account type below to determine your potential discretionary ODP limit. Generally, only one Overdraft Privilege limit may be allowed per household or business entity.

Consumer Checking		Business Checking	
Average Ledger Balance	ODP Limit	Average Ledger Balance	ODP Limit
> \$100 and < \$500	\$300	> \$500 and < \$1,000	\$1,000
>= \$500	\$700	>= \$1,000	\$1,500

In our sole discretion, we may refuse to pay an overdraft item for you at any time, even though your Account is in good standing and even though we may have previously paid overdrafts for you. Overdrafts over your established Overdraft Privilege limit may result in checks or other items being returned to the payee. You will be notified by mail of any non-sufficient funds items paid or returned you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft plus our NSF/Overdraft Paid and/or Returned Item fee(s) that you owe us shall be due and payable upon demand. If your Account is overdrawn more than fifteen (15) days as a result of the ODP program and no deposit is made, your discretionary ODP limit will be removed. Also, regardless of any deposit, if your Account is not brought to a positive balance within thirty-five (35) days of the first negative balance your Overdraft Privilege limit will be removed. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner, signatory, and agent, if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for the overdraft, plus our NSF/Overdraft Paid and/or Returned Item fee(s).

Please note that your Overdraft Privilege limit will not be reflected in your balance provided at the ATM, whether owned by Pinnacle or not, Pinnacle Anytime, or Online Banking. Overdraft Privilege should not be viewed as an encouragement to overdraw your account. **If you would like to have this service removed from your account, please call (800) 264-3613.**

The Overdraft Privilege Service does not constitute an actual or implied agreement between you and the Bank, nor does it constitute an actual or implied obligation of or by the Bank. This service represents a purely discretionary courtesy or

privilege that the Bank may provide to you from time to time and which may be withdrawn or withheld by the Bank at any time without prior notice, reason, or cause.

**If you chose to opt out of Overdraft Privilege, chose to have this service removed from your account(s), or if we remove Overdraft Privilege because your account is no longer in good standing, this service may not be reinstated. Even if your account returns to good standing, Overdraft Privilege is not guaranteed to be reinstated, and the Bank reserves the right to decline re-enrollment requests at our sole discretion.**

**Deduction of Fees** – Fees may be deducted from your Account without prior notice to you. Maintenance and activity fees and fees for returned deposited checks, returned items, overdrafts, stop payment orders, charges for check printing, and other service charges made in accordance with the rules of the Bank in effect at the time of such charge shall be deducted from your Account and may be posted prior to other debits. The Bank shall not be liable for refusing to honor items presented for payment because of non-sufficient funds as a result of deducting such fees. Fees are subject to change from time to time at the Bank's discretion. The current Schedule of Charges is available at [www.pnfp.com](http://www.pnfp.com).

Consumer Accounts will be charged no more than three (3) NSF/Overdraft Paid Item fees per day regardless of the number of items presented for payment. In addition, consumer Accounts can be overdrawn by up to \$15 before an NSF/Overdraft Paid Item fee is charged. Consumer Accounts will not be charged an NSF/Overdraft Paid Item fee until payment of the first item that causes the Account to be overdrawn by more than \$15.

Business Accounts with a debit card and an ODP limit will be charged no more than five (5) NSF/Overdraft Returned and/or Paid Item Fees per day regardless of the number of items presented for payment.

**Stale Dated Items** – The Bank maintains the option to either pay or dishonor any stale dated item, which is an item more than six months old, upon presentation to the Bank. We shall have no liability to you for taking either such action.

**Preauthorized Demand Drafts** – A preauthorized demand is a type of bank draft used by telemarketers and sales representatives who sell goods and services through the telephone, mail, or other electronic means. Drafts are used to obtain funds from your Account without you issuing a check or getting your signature on the draft. In lieu of a signature, a legend such as “Payment Authorized” or “No Signature Required” may appear on the draft. If you give a telemarketer or any other party information about your Account or Account number, and the information is thereafter used to debit your Account, the Bank is authorized to pay such item. If you wish to stop payment on the draft, you must revoke your authorization by giving notice to the telemarketer or the third-party.

**Remotely Created Checks** – A remotely created check is an item that appears to authorize payment to be made but which is not actually signed by the drawer. You agree that if you cash, negotiate or deposit a remotely created check, you warrant to us that the check is authentic and is authorized by the drawer according to the terms contained on the check. If a remotely created check is returned to us at any time and for any reason, we may debit the amount of the check from your Account.

**Death or Incompetence** – Neither a depositor's death nor a legal adjudication of incompetence revokes the Bank's authority to accept, pay, or collect items until the Bank is notified of the fact of death or of an adjudication of incompetence and has a reasonable opportunity to act on it. Even with knowledge the Bank may, for ten (10) days after the date of death, or adjudication of incompetence, pay checks drawn on or before said date unless ordered to stop payment by a person claiming an interest in the Account.

If a deposit or credit is made to an Account (such as Social Security, pension or veteran's benefits) payable to an individual who is or becomes deceased, we may return or refund the deposit and debit the Account.

**Delayed Return of Item** – The Bank will not be liable if an item deposited into your Account is returned after the time set by applicable law if the delay is caused by an improper endorsement. You will be liable to the Bank for any loss or expense we incur because we are unable to timely return an item drawn on your Account caused by any markings or damage to the item.

**Postdated Items** – If an Item presented for payment against your Account is postdated, we may pay the item when presented or return it, at our option, and we shall have no liability to you for taking either such action.

**Conditional Items** – You agree not to issue a check that is conditional. For example, you may not issue a check with the notation “void after 30 days.” The Bank has the right, however, to pay or reject an item where payment is conditional, and the condition has not been satisfied and we shall have no liability to you for taking any such action. For example, we may pay a check which says “void after 30 days” even though the check is presented more than thirty (30) days after its date.

**Large Cash Withdrawals** – For security reasons and for us to properly prepare for such requests, we require advance notice for large cash withdrawals. Any amount of cash withdrawal over \$10,000 is subject to availability, and we can refuse an order to withdraw funds in cash or to cash an item if we believe that the request is a security risk or will result in a hardship on the Bank. We may require you to accept a Cashier's Check or electronic transfer to receive the funds. If we agree to a large cash withdrawal, you may be required to employ a courier service acceptable to us and at your risk and expense.

**Non-Sufficient Funds (NSF)** – An overdraft is created when you have non-sufficient funds in your Account to cover a check, withdrawal, automatic transfer, electronic transaction (e.g., ATM or point-of-sale purchase), returned deposited item, or any other electronic purchase, payment, or debit when it is presented for payment. If your Account is linked to Overdraft Protection, the overdraft will be paid, pursuant to the terms of the Overdraft Protection Service section stated in this



Agreement (and subject to the funds available in your Overdraft Protection protector account). You may have both Overdraft Privilege and Overdraft Protection on your Account as they are not mutually exclusive.

**Representation of Items** – Items, such as an ACH debit or a check, can be presented for payment multiple times. Each time an item is presented for payment and returned, a Non-Sufficient Funds (NSF)/Overdraft Returned Item Fee, as reflected in the current Schedule of Charges, may be charged to a business account. Consumer accounts will not incur an NSF/Overdraft Returned Item Fee. A previously returned item that is represented and subsequently paid by the Bank, regardless if the Account is a consumer or business Account, may be subject to an NSF/Overdraft Paid Item Fee as outlined in the current Schedule of Charges.

We will send you a notice in the mail to notify you of items paid and/or returned. The notice will show the check number, if applicable, amount of the item, and the amount and type of any applicable fee. You will need to subtract the total fees, if any, when reconciling your Account statement to your Account records.

#### 4. FRAUD AND UNAUTHORIZED TRANSACTIONS

**Duty to Safeguard Account** – You have a duty to safeguard access to your Account (including any credit accounts), account information, checks, signature stamps, account security codes, passwords, or personal identification numbers (“PIN”), and personal identification. If there are any unauthorized transactions or suspicious activity on your Account, including unauthorized checks or debits on your Account or lost, stolen or missing checks, we strongly advise that you close your current Account and open a new one. If you do not close your Account, you agree that the Bank is not liable to you for any subsequent debit, unauthorized transactions, losses, or damages that occur on your Account.

You agree to report any lost or stolen checks or any unauthorized transactions on your Account immediately upon discovery. We may require that you close the Account and open a new Account. If you fail to report such a theft or loss, you will assume full responsibility if the Bank should pay such items. If you permit any person to have access to any place in which you store your checks, you agree that the failure to keep your checks locked and secure shall constitute negligence and the Bank shall not be responsible for any such checks that are subsequently stolen and forged.

To guard against the disclosure and unauthorized use of personal information, you agree not to pre-print or write your Social Security Number, date of birth, driver’s license number or other personal information on your checks or other items issued on your Account. If such information is included on your checks or other items drawn on your Account, you agree that the Bank will not be liable for the improper use of any such information by an individual or entity, regardless of how the individual or entity obtained or used the information.

You agree to place a stop payment on any lost or stolen check if such item has not already been paid utilizing procedures established by the Bank, as set forth below. The Bank shall not be responsible for paying any such item had you reported or stopped payment in a timely manner.

You agree to keep any Account information, security code, password, PIN, or personal identification used to access your deposit or credit Account(s) secure and strictly confidential and not to disclose such information to any other person. You must notify the Bank immediately if this information is lost or has become known to, or been used by, an unauthorized person. You acknowledge that the Bank has no method to determine whether a transaction conducted with use of a valid name, account number, and security code or personal identification was proper, and therefore authorize the Bank to complete any transaction involving your Account made with the use of such information. Subject to applicable law, you agree to be responsible for any transaction initiated with the use of a valid name, account number, security code, or personal identification, and agree that the Bank shall have no liability for any loss, claim, or damage you sustain as a result of the use of your security code or personal information described above whether such transaction was authorized or not. These rules apply to all checking, savings, or credit accounts in which a check, draft, or other item is used to withdraw or transfer funds. The rules governing electronic fund transfers are contained in Section VIII of this Agreement.

**Duty to Review Account Statement** – You agree to review your Account statement within thirty (30) days from the statement date. Because you are in the best position to discover an unauthorized signature or endorsement, a missing endorsement, any alterations or counterfeit item, or other error on the statement itself (including any item improperly charged to your Account, any deposit not credited to your Account, or any incorrect or improper amount, fee or interest calculation) you agree that, without regard to care or lack of care by you or the Bank, **we will not be liable for any such items and you will be precluded from any recovery from the Bank if you have not reported such items in writing to the Bank within thirty (30) days from the statement date of the earliest statement containing those items.** The Bank will also not be liable for forgeries on your Account committed by the same person if you fail to report the first forgery within thirty (30) days from the statement date containing the first forgery. If you choose not to receive your paper statements, you remain responsible to review and report any errors within thirty (30) days from the statement date. If you are absent from your Account mailing address, you are responsible to make arrangements to have your statements reviewed for errors and report them in a timely manner.

Electronic fund transfers are subject to different time periods for notification of unauthorized transfers, as described in Section VIII of this Agreement (“Electronic Fund Transfer Agreement & Disclosures”). Common examples of electronic fund transfers include, but are not limited to, debit card and ATM transactions, preauthorized deposits and payments, telephone transfers, transfers initiated through a personal computer, and transfers initiated through a “mobile wallet” (which includes transactions initiated through a smart phone or other mobile device).

**Duty of Care** – You agree that you will exercise ordinary care in handling your Account. In exercising ordinary care, you shall have the duty to: carefully examine your bank statements and any other notice(s) for fraudulent or unauthorized transactions and promptly notify the Bank of fraudulent or unauthorized transactions; timely reconcile your bank statement to detect any other account discrepancies including any missing or diverted deposits; implement security precautions regarding the use and access to your Account by use of any access device including checks, drafts or security codes, passwords, or other personal identification numbers; implement security precautions regarding the use and access to any signature stamp; conduct background checks on any individual who has authority to prepare your checks or reconcile your bank statements; independently review the work of any person who is responsible for reconciling your bank statement and preparing checks on a monthly basis; and comply with all other duties imposed on you under this Agreement or under applicable state law. Your failure to exercise ordinary care will constitute negligence and will preclude you from asserting against the Bank any unauthorized transaction on your Account.

You acknowledge that the Bank processes its checks by automated means and is under no duty to examine each item presented for payment. You acknowledge that the Bank’s automated check payment and notification procedure applies to all items presented for payment against your Account, including checks or other withdrawal orders presented directly over the counter at any office location. You agree that such automated check payment and notification procedure is commercially reasonable. You and the Bank, pursuant to applicable law, therefore, agree that the Bank shall be deemed to have exercised ordinary care if it adheres to a standard of manual or mechanical examination of a random sampling of items being processed for payment. These items may represent a sampling or selection of items drawn on all accounts, or items which meet certain minimum criteria established by the Bank for manual or mechanical inspection (such as large amounts). The Bank shall be deemed to have acted in good faith and in accordance with reasonable commercial standards in paying any items forged or altered (as by unauthorized use of a signature stamp, facsimile machine or otherwise) that the unauthorized signature, endorsement, or alteration would not be detected by a reasonable person.

The Bank’s policies and procedures are general internal guidelines for the sole benefit of the Bank and do not establish a higher standard of care for the Bank than is otherwise established by the laws governing your Account. A clerical error or honest mistake will not be considered a failure of the Bank to perform any of its obligations.

**Limitation to File Claim** – You agree that no legal proceeding or action may be commenced against the Bank to recover any amounts alleged to have been improperly paid out of the Account due to any unauthorized signature or endorsement, any alteration, or any other fraudulent or unauthorized transaction unless: (a) you have timely provided the written notices as required above, and (b) such proceeding or action shall have been commenced within one year from the date the statement containing the unauthorized transaction was made available to you. As used herein, a proceeding or action is commenced when you file suit in a court of competent jurisdiction, or if the action is subject to arbitration, when you give the Bank written notice of such action. Any proceeding or action not brought within one year from the date of the first statement containing the unauthorized transaction, or related series of transactions, is forever barred.

**Duty to Cooperate** – If you report any unauthorized transaction on your Account, you agree to cooperate with the Bank in its investigation of the claim. This includes preparing or signing an affidavit or statement containing whatever information the Bank requires concerning the Account, the transaction, and the circumstances surrounding the loss. You also agree to file a criminal report and, upon our request, to provide us with a copy of the report, and testify against any suspected wrongdoer. Failure to do so, or your entry into any settlement, compromise, or restitution agreement with the wrongdoer without the consent of the Bank, waives any claims you have against the Bank. Finally, you agree that upon request from the relevant law enforcement agency(ies), the Bank may provide information relating to the Account, the transaction, and the circumstances surrounding the loss to law enforcement. The Bank may reverse any credit or reimbursement should you fail to file the criminal report or refuse to testify against the wrongdoer.

You agree that you will not bring any legal action or arbitration claim against us unless you have first provided the affidavit or statement described within this section.

**Duty of Insurance** – You agree to pursue all rights under any insurance policy you maintain before making a claim against the Bank in connection with any unauthorized banking transaction. You agree to provide the Bank with all reasonable information about any insurance coverage, including the name of the insurance carrier, the policy number, policy limits, and applicable deductibles. The Bank’s liability, if any, will be reduced by the amount of any insurance proceeds you are entitled to receive. At the Bank’s request, you agree to assign your rights under any insurance policy to the Bank.

**Limitation of Liability for Fraud and Unauthorized Transactions** – You agree that the Bank has a reasonable time to investigate the facts and circumstances surrounding any claimed loss and that the Bank has no obligation to provisionally credit your Account before or during the investigation, unless required by law. You also agree the Bank will not be liable for any items that are forged or altered in such a way that such forgery could not be reasonably detected. If we do credit your Account, you agree that such credit is not considered final payment. If a credit is given to your Account at any time and the Bank determines that the original debit to your Account was proper, you agree that the Bank may reverse the credit to you at any time whether it originally advised that the credit was provisional. **THE BANK’S MAXIMUM LIABILITY IS THE LESSER OF ACTUAL DAMAGES PROVED OR THE AMOUNT OF THE UNAUTHORIZED WITHDRAWALS, REDUCED BY AN AMOUNT WHICH COULD NOT HAVE BEEN REALIZED BY THE USE OF ORDINARY CARE; HOWEVER, AS INDICATED ABOVE (IN SECTION III) THE BANK SHALL IN NO EVENT BE LIABLE TO YOU OR ANYONE ELSE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, CONTINGENT OR CONSEQUENTIAL LOSS OR DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY ATTORNEYS’ FEES OR EXPENSES. WITHOUT IN ANY WAY LIMITING THE FOREGOING, THE BANK WILL NOT BE LIABLE FOR ANY ITEMS THAT ARE FORGED OR ALTERED IN SUCH A WAY THAT SUCH FORGERY COULD NOT BE REASONABLY DETECTED.**



If you request a stop payment on a check that is presented to us for payment electronically (such as a substitute check, converted check, remotely created check, or imaged check) that does not contain the check number, we will attempt to stop payment based on the information you provided. We will have no liability for our inability to stop payment on such an electronic item as our stop payment process is dependent upon the ability to read a check number. You may be charged a stop payment fee even if we are unable to affect your stop payment order.

**Facsimile Signatures** – The Bank may refuse to accept a request from you to use a machine or “facsimile signature” on your Account except to the extent the Bank is required to make accommodations for you as a person protected under the Americans Disabilities Act of 1990 (as amended, the “ADA”). If we do agree, you must provide us with a specimen of any machine or facsimile signature and your name must be listed on the signature card for the Account. Regardless of whether you have provided a specimen of the facsimile signature, if you use a machine or facsimile signature, you are responsible for any check, draft, item or other written order when bearing or purporting to bear a machine or facsimile signature of any of the authorized signers, regardless of by whom or by what means the item was created. You assume all liability for and indemnify us from the unauthorized use of any machine or facsimile signature. You acknowledge and agree we may require your execution of a hold-harmless, indemnification, and/or waiver as a condition precedent to our consent to the use of a machine or facsimile signature. If you use any type of machine or facsimile endorsement on any item, you agree that we may accept any future machine or facsimile endorsement on an item as your endorsement regardless of by who or by what means the actual or purported machine or facsimile endorsement may have been affixed.

**Bookkeepers** – In the event you authorize any third person, such as a bookkeeping service, an employee, or agent of yours to retain possession of or prepare items or make deposits, issue payments, wires or other transfers, you agree to assume full responsibility for any errors or wrongdoing by such third party or any of their employees, including if the Bank should pay such items or allow the negotiation of any part of a deposit, including receiving any cash back. The Bank shall have no liability due to forged, altered or unauthorized checks, endorsements or unauthorized payments, wires or other transfers if you fail to follow these procedures.

5. **BANK’S STIPULATIONS/RIGHT TO CLOSE ACCOUNT** – We may at any time, in our discretion, refuse to open an account, refuse any deposit, refuse to cash a check, limit the amount which may be deposited, or return all or any part of a deposit. Further the Bank may discontinue or refuse to offer you any account, service or product at any time. In addition, we may close your Account at any time, for any reason or for no reason, without the necessity of prior notice. Your Account will be closed automatically if we do not receive your completed Account documentation (i.e., signature card, resolution, identification documents, etc.) within thirty (30) days of the date on which your Account is opened or a revision is made. If a determination by the Bank is made to close your Account, a hold may be placed on the Account until the funds are released to you. If we close your Account, we will notify you by mail, email, or telephone that we have closed your Account. Written notice that the Account has been closed and a check, if any, will be sent to any address on our records for you or, if the Account is a multiple party or joint account, any depositor to whom we elect to send it. We may deliver the remaining balance in any business or organization Account to any authorized representative listed on our records for the business or organization. Once we have closed your Account, we can, without any liability to us: (a) refuse to honor any items you have written that are presented to us for payment after we have closed your Account; (b) refuse to collect any item you have deposited in the Account; (c) assess any service charge otherwise applicable against any remaining balance in your Account; and (d) retain all funds in the Account until we are reasonably satisfied that the time for items to be returned to us has lapsed and that all remaining funds are collected. We, however, may accept deposits to an Account after it is closed in order to pay any service charges due and any amounts outstanding and unpaid. Acceptance of any deposit does not require us to reactivate the Account. If you close your Account and transactions that we cannot return unpaid (for example, a previously approved/authorized point-of-sale debit card purchase or ATM transaction) are later presented against your Account, you authorize us to apply the transactions that were authorized prior to Account closure.

**You agree that the Bank may report your Account to ChexSystems or other consumer reporting agencies if it is closed due to a negative balance, fraud, or other inappropriate activity. If we close your Account because the account has an overdrawn balance, which we charged off, you agree we may report this closure. Such reporting may adversely affect your ability to open an account at another financial institution or to write or negotiate checks at retailers or merchants. For disputes regarding credit information provided by the Bank to ChexSystems or other consumer reporting agencies you must send the dispute information to: 21 Platform Way South, Suite 2300, Nashville, TN 37203.**

6. **RIGHT TO FREEZE ACCOUNT** – We may suspend payment and/or place a hold on your Account in our sole discretion and under any circumstance including, but not limited to: (a) if the Bank determines that the ownership of funds or the right to debit or make withdrawals from your Account is in dispute (for purposes of this section, “dispute” may include such disputes between you and the Bank involving the Account, disputes between you and an authorized signer or other joint owner, or any situation where a third party takes action or gives notice to the Bank of any claim on the Account or funds contained therein, regardless of whether the Bank is involved in such dispute, as well as any other situation in which there is an allegation of fraud or mistake or the Bank is uncertain as to the ownership or payment of funds); (b) you owe the Bank or any of its affiliates money, or the Bank or any of its affiliates has a claim against you for the payment of money, regardless of whether such claim is disputed, unliquidated, or contingent; (c) we detect or suspect any unauthorized, unlawful or irregular activity related to your Account including but not limited to transactions prohibited by any law, rule or regulation, such as the Unlawful Internet Enforcement Act; (d) you have committed or are suspected of committing an allegedly fraudulent act, or, if any claim, whether oral or written, has been made upon the Bank due to your actions; or (e) upon notice of a bankruptcy filing. Payment will be suspended and/or a hold will remain on your Account until the dispute, allegation, or problem is resolved or determined to the Bank’s satisfaction. The Bank will not be liable for any delay or refusal to follow instructions or for returning items unpaid that occur as a result of a dispute or uncertainty over the ownership or control of your Account or the suspension or freezing of your Account for any of the reasons stated above. In the event we receive a documented claim for a forged, irregular, altered (including payee and dollar amounts), or

unauthorized endorsement on a check or draft deposited into your Account, the Bank is authorized to debit your Account for the amount of the claim without prior notice to you. The bank will have no liability for honoring the claim.

You agree to be liable to the Bank for any loss, costs, or expenses including but not limited to reasonable attorney’s fees, to the extent permitted by law that we incur as a result of any dispute brought by a third party involving your Account, as well as any garnishment, levy, writ of attachment, or other execution served on the Bank with regard to the Account(s), or any interpleader action commenced by the Bank with regard to the same. You authorize us to deduct any such loss, costs, or expenses from your Account without prior notice to you.

7. **RIGHT OF SETOFF** – You hereby assign and grant to the Bank a security interest in all Accounts as security for your obligations to the Bank existing now or in the future. You each agree that we may, without prior notice and when permitted by law, set off the funds in this Account against any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, up to the extent of your right to withdraw. This means that we have the right to apply part or all of the funds in your Account for the satisfaction of any debt you or any co-owner of the Account owes us. If you open a new deposit account, we may use any funds in this new account to offset balances previously owed to us. Debts subject to our right of setoff include those owed by you from another joint account in which you are a co-owner even though the debt may not have been directly incurred by you, as well as debts for which you are only secondarily liable. Our security interest and our right of setoff also applies: (i) when we give you credit for or cash a third-party check which is returned to us unpaid for any reason or is counterfeit regardless of the timing of said return; (ii) to cover overdrafts created in any Account held by you or in which you have an interest whether or not you consented to the overdraft or are otherwise responsible for it; (iii) to recover service charges or fees owed by you or any joint owner of your Account; and (iv) to reimburse the Bank for any costs or expenses in enforcing its rights, including, without limitation, reasonable attorneys’ fees and the costs of litigation to the extent permitted by law. You agree we will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this Account and agree to hold us harmless from any claim arising because we exercised our right of set-off. Our right of setoff or security interest may be exercised before or after the death of an account holder and can follow the proceeds to any other account held at the Bank.

You agree that our right of setoff includes the Bank’s right to use proceeds from all funds deposited into your Account, including funds received from the Social Security Administration and other federal or state agencies, to pay such debts, including overdrafts and account fees. By continuing to deposit these funds into your Account you agree to allow the Bank to exercise its right of setoff against these funds, and not to assert any claim or defense that these deposits are exempt from setoff based on any federal or state law, rule, or regulation. If the debt arises from a note, “any due and payable debt” includes the total amount to which we are entitled to demand payment under the terms of the note at the time we set off, including any balance for which we properly accelerate the due date.

This right of set-off does not apply to this Account if: (1) it is an Individual Retirement Account, Keough account, or other tax-deferred retirement account; (2) the debt is created by a consumer credit transaction under a credit card plan; (3) the debtor’s right of withdrawal arises only in a representative capacity; or (4) setoff is prohibited by the Military Lending Act or its implementing regulations.

8. **STOP PAYMENTS** – If a check, instrument, or other draft you have drawn on your Account (a “Check”) has not already been paid, you may ask us to stop payment. You may also request a stop payment on an Automated Clearing House (ACH) debit to your Account if the item has not already been paid. You are responsible for notifying the originator/sender that you have revoked your previous authorization for ACH debits. Please refer to Section VIII Electronic Fund Transfer Agreement & Disclosures for more details.

A stop payment order must be given in the manner prescribed by us, must be received in time to give us a reasonable opportunity to act on it, and must precisely identify the number, date and amount of the Check, and the payee. If you do not provide the check number, payee, and the exact amount of the item, we will not be liable for misidentification of payment of the item and failure to honor the stop payment order. We will honor a stop payment request by the person who signed the particular Check, and by any other person, even though such other person did not sign the Check, if such other person has an equal or greater right to withdraw from the Account than the person who signed the Check in question. A release of the stop payment request may be made only by the person who initiated the stop payment. Each stop payment order is effective for six (6) months. A fee for the stop payment order will be charged against the Account to which the stop payment order applies. If you want the stop payment order to continue after the initial six (6) month period, you will need to place a new stop payment order for an additional six (6) months and pay the stop payment fee.

You may not stop payment on a Debit Card point-of-sale transaction, ATM transaction or a transaction that you initiate by check, which a merchant converts to an electronic transfer at the point of sale.

**You do not have the right to stop payment on a cashier’s check you have purchased from us.** These are instruments on which the Bank itself is or may be obligated. However, if a cashier’s check you purchased is lost or stolen, you may obtain a replacement instrument if we have not already paid the lost cashier’s check. To obtain a replacement or get your money back, you must file a claim and execute such affidavits and indemnification agreements and/or furnish such bonds as we may require in our discretion. In general, your claim will become enforceable in 90 days. Once it becomes enforceable, we will issue a replacement cashier’s check or refund your money if we have not already paid the lost cashier’s check.

9. **LEGAL PROCESS ON YOUR ACCOUNT** – You acknowledge and agree that because the Bank has offices in multiple states, if any legal process is served upon the Bank, we may honor such service and charge your Account, regardless of jurisdiction or where or how served. You agree that we may accept any legal process we believe to be valid without any liability to you and that we may, in our discretion, waive such service and accept legal process by mail, electronic mail, facsimile or other

means. If we receive any court order or similar process, or if we are required to suspend payment by any law or regulation, including, but not limited to, those issued by the Office of Foreign Assets Control, we may suspend payment or comply with the terms of the order or similar process on any Account that we believe to be affected by the order. Payment will be suspended until final resolution of such court order or similar process or until the applicable law or regulation authorizes resumption of payments, even though such suspension or compliance may be due to inadvertency or error because of the similarity of names of depositors or other mistakes. If your Account is attached, garnished, or otherwise subject to levy by legal action, we will not be liable to you for any sums we pay or freeze because of such attachment, garnishment, or other levy, even if paying or freezing the money from your Account leaves non-sufficient funds to pay a check you have written. After receiving legal process, we may freeze or remove the funds at issue from your Account and you agree that we are not required to pay interest on such funds. If we incur any expenses including, without limitation, reasonable attorney's fees in responding to a court order or similar process that is not otherwise reimbursed, we may charge such expenses to your Account without prior notice to you. Any attachment, garnishment or other levy against your Account is subject to the Bank's right of setoff and security interest. The Bank's fees for garnishment, levy, or other attachment against your Account are due when the garnishment, levy or other process is issued, and the Bank may offset these fees from your Account prior to honoring any garnishment, levy, or other attachment. To the fullest extent permitted under applicable law, you agree that the Bank will not be liable for any hold or freeze placed on your Account, including any items returned unpaid because of such a hold or freeze, even if some or all of the funds in the Account are exempt from garnishment, levy, or other attachment. All funds held in a joint account can be used to satisfy any legal process against you, any joint owner of your Account, or your Account notwithstanding any claim or assertion of actual ownership of the funds in the Account.

- 10. POWER OF ATTORNEY** – To the maximum extent permitted under applicable law, the Bank may in its sole discretion refuse to honor or accept a Power of Attorney to open, close, deposit, or withdraw funds from your Account or to supply endorsements on checks or any other item or to take any other action with respect to your Account. We may require the agent or attorney-in-fact to confirm in an affidavit that the power has not been revoked or terminated or that you are not deceased. We may continue to recognize the authority of your agent or attorney-in-fact until we receive and have a reasonable opportunity to act upon notice of your death or written notice of revocation or termination of the Power of Attorney. We may require that you register the Power of Attorney with the appropriate recording authorities. As may be permitted, we reserve the right to restrict the nature or size of the transactions the agent or attorney-in-fact may conduct on your behalf, and we may require that you personally authorize such transactions. The Bank may permit the principal or an authorized signer to conduct transactions against the Account even if the Bank has recognized a Power of Attorney to the Account. The principal shall have access to an Account opened in his/her name under a Power of Attorney despite not having signed a signature card. The Bank in its sole discretion may refuse to recognize a Power of Attorney executed by one joint owner of a joint Account without the consent of the other joint Account owner(s). You agree to indemnify and hold Bank harmless for accepting and/or honoring any Power of Attorney, or copy thereof, which Bank accepts in good faith and believes is valid and authorized by you.
- 11. RESOLUTION OF DISPUTES** – To the extent eligible, and except as otherwise required by state or federal law, you and we agree that each and every action to interpret or enforce any provision of this Agreement, or related to the rights or obligations concerning your Accounts:
1. If subject to the substantive laws of Tennessee, will be brought exclusively in or transferred to the “Business Court” established by Orders of the Tennessee Supreme Court;
  2. If subject to the substantive laws of North Carolina, will be brought exclusively in or transferred to the “Business Court” as established and governed by N.C. Gen. Stat. § 7A-45.4;
  3. If subject to the substantive laws of South Carolina, will be brought exclusively in or transferred to the “Business Court” established by Orders of the South Carolina Supreme Court; or
  4. If subject to the substantive laws of any other state, will be brought exclusively in or transferred to that state's equivalent (if any, whether now in existence or hereafter established) of the aforementioned business courts; or
  5. Venue otherwise shall lie in the same state as the law governing your Account exclusive of any other state or jurisdiction.

- 12. LIABILITY** – Each of you agrees, for yourself, and the person or entity you represent if you sign as a representative of another, to the terms of this Agreement, the Account Disclosures, and the Schedule of Charges that may be imposed. You authorize us to deduct these charges, without notice to you, directly from the Account balance as accrued. You also agree to pay additional reasonable charges we may impose for services you request which are not specifically stated in this Agreement.

Each of you also agrees to be jointly and severally liable for any Account deficit resulting from charges or overdrafts, whether caused by you or another signer authorized to withdraw from this Account, and the costs and expenses, including, but not limited to attorneys' fees. You are liable regardless of whether you signed the item or benefited from the charge or overdraft. In the case of a joint account where one account owner is a minor, the adult owner will be liable for all debts incurred by the minor through the use of the Account.

Our liability for losses you incur in connection with your Account is limited to actual damages proved that are proximately caused by our failure to exercise ordinary care. Notwithstanding, if we make an error in your favor by excessively crediting or insufficiently debiting your Account for any reason, including, but not limited to, the giving of cash or credit in excess of a corresponding Account debit, you agree that you immediately owe us the amount in error, whether you relied on the error or not.

- 13. CONTACTS AND ALERTS** – For us to service your Account, we may contact you by phone, text, email or mail. You give the Bank and its agents express consent to contact you at any telephone number, email address or physical address that you have provided to us. When we call you, you agree that we may leave prerecorded or artificial voice messages. You also

agree that we may use automatic telephone dialing systems in connection with calls or text messages sent to any telephone number you give us, including wireless numbers that may result in charges to you.

- 14. DORMANT ACCOUNTS** – We may, after twelve (12) months of inactivity, consider your Account dormant. Dormant accounts will be subject to a monthly dormant account fee as shown on the Schedule of Charges and any debit/ATM cards associated with the Account will be closed. We reserve the right not to send statements on Accounts we consider dormant. Accounts which have been dormant for the applicable statutory number of years will be transferred in accordance with state law where your Account is opened. In that case, we will have no further liability to you for these funds.
- 15. AUTHORIZATION OF TRANSFERS** – You authorize the Bank to make transfers of funds from time to time from any depositor credit account upon instruction of any individual using a correct account name, account number, security code, confidential identification number, or other information the Bank has on file about you, your Account or any other authorized signer on your Account, and whether given orally, by telephone, in person, in writing, through an ATM, point-of-sale terminal, or any other method. Any such transfers may also be governed by separate agreement with the Bank pertaining to such services. You acknowledge that the Bank has no method to determine whether a transaction conducted with the use of a valid account name, account number security code or other information which the Bank has on file about you or your Account was proper and therefore authorize the Bank to complete any such transaction in which the Bank receives such identifying information.
- 16. COMMERCIAL ACH TRANSACTIONS** – The following rules and regulations apply to Automated Clearing House (ACH) transactions received by commercial depositors for non-personal purposes, which are not covered by the Electronic Fund Transfer Act as implemented by Regulation E.

**Provisional Payment** – Credit given by us to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**Notice of Receipt of ACH Items** – Under the Operating Rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Choice of Law** – We may accept on your behalf payments to your Account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the substantive laws of the state of Tennessee.

## VIII. ELECTRONIC FUND TRANSFER AGREEMENT & DISCLOSURES

This Electronic Fund Transfer Agreement & Disclosures governs the transfer of funds initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of instructing the Bank to debit or credit your consumer Account(s). This Electronic Fund Transfer Agreement & Disclosures also contains the disclosures required by the Electronic Fund Transfer Act and its promulgating regulations. This information only applies to Accounts held for personal, family or household purposes and is therefore not applicable to business, trust accounts, fiduciary accounts, or any such account held for non-personal purposes. If there is any inconsistency between provisions in this Agreement concerning transactions covered by this section VIII Electronic Fund Transfer Agreement & Disclosures, this section VIII Electronic Fund Transfer Agreement & Disclosures will govern.

- 1. ELECTRONIC FUND TRANSFERS** – Electronic fund transfers include, but are not limited to, debit card and ATM transactions, preauthorized deposits and payments, telephone transfers, transfers initiated through a personal computer, transfers initiated through a “mobile wallet” (which includes transactions initiated through a smart phone or other mobile device), and transfers initiated by third parties. Examples of transfers initiated by third parties include, but are not limited to, electronic check conversions and electronic returned check charges. An electronic check conversion occurs when you authorize a third party to initiate an electronic fund transfer from your Account using information from the check you provide to the third party. This may occur at the point of sale or when you send a check by mail or deliver a check to a third party's lockbox location. In addition, an electronic fund transfer may be initiated to collect a fee if your check or electronic fund transfer is returned or declined for non-sufficient funds. Your authorization for such transfers can occur in a number of ways. In some cases, your authorization can occur when the third party posts a sign or otherwise informs you of their policy.
- 2. ACCESS DEVICES** – An access device is a card or personal identification code that provides access to a consumer's deposit account, which may be used to initiate electronic fund transfers. Access devices include, but are not limited to, your Pinnacle automated teller machine card (“ATM Card”), Pinnacle Debit Card (“Debit Card”), and personal identification number (“PIN”). You may use your ATM Card and PIN to access your checking account to purchase goods (in person) and get cash from a merchant (if the merchant permits), or from a participating financial institution. You may use your Debit Card to access your checking account to purchase goods (in person, by phone, by internet or by mail), pay for services (in person, by phone, by internet, or by mail), get cash from a participating financial institution, and do anything that can be done with a credit card (that a participating merchant will accept with a credit card). A check is not an access device; however, an electronic fund transfer initiated by using information obtained from a check is governed by this Agreement. You may, verbally or by other authorized means, request an access device to conduct electronic fund transfers to or from your consumer accounts. We may refuse to issue an access device to any customer, and we may terminate, suspend or modify access device privileges, immediately and without cause or notice, unless otherwise required by law.

3. **APPLICABLE AGREEMENTS** – You agree to conduct all electronic fund transfers in accordance with this Electronic Fund Transfer Agreement & Disclosures, any separate agreement(s) and/or disclosure(s) provided in connection with the issuance of any particular access device, and any agreement(s) governing your account(s). Please refer to the Pinnacle Online Banking Terms of Use, as amended, for important additional information concerning electronic fund transfers initiated using a personal computer or wireless device.
4. **VERIFICATION OF TRANSACTION** – Transaction records issued with respect to an electronic fund transfer will be subject to verification and adjustment in accordance with the terms and conditions of the Bank and applicable law. Where there is a conflict between a transaction record and the Bank's record, the Bank's record shall control.
5. **POINT OF SALE TRANSACTIONS/PREAUTHORIZED HOLDS** – If you use your ATM Card or Debit Card to purchase goods and services, including Internet purchases (a point-of-sale "POS" transaction), you authorize us to debit your Account, which may result in an immediate withdrawal of funds even though the transaction may post to your Account at a later date. When you initiate a POS transaction, the merchant will submit to the Bank a pre-authorization for either the actual amount of the transaction or for an amount that is estimated. For example, restaurants, hotels and motels, car rental agencies, and gas stations regularly submit pre-authorization estimates which may be for more or less than the final transaction amount that posts to your Account. If we approve the pre-authorization, a hold will be placed on your Account for the pre-authorization amount, which reduces your available balance. The Bank cannot determine in advance whether the pre-authorization amount will be sufficient to cover the final transaction total when it is submitted by the merchant for payment. Because a hold is placed only on the pre-authorization amount, you must maintain sufficient funds in your Account to cover the **full amount of the transaction** until it is paid by the Bank, or you may incur an overdraft even though the pre-authorization was approved by the Bank. The length and amount of the hold is determined by the merchant and expires upon posting of the transaction to your Account or in three (3) business days, whichever first occurs. A merchant can submit a POS transaction for payment after the hold on the funds in your Account has expired, and if you have opted in to Overdraft Coverage for one-time or everyday debit card transactions and ATM withdrawals, you may incur an overdraft and may be assessed overdraft fees if you do not have sufficient funds in your Account at the time the POS transaction was authorized for payment by the merchant.

When a pre-authorization hold expires before the POS transaction posts to your Account, the funds that were held are added back into the calculation of your available balance (the amount of money available for making payments and withdrawals). The recalculated available balance will be used to authorize subsequent POS transactions, and you are responsible for maintaining sufficient funds in your Account to cover the initial POS transaction, any subsequently authorized POS transactions, and all outstanding checks you may have written or other electronic transactions you have authorized. A merchant may also reverse a pre-authorization at your request, and/or extend or modify the amount of the pre-authorization in certain circumstances, such as an extended hotel stay. If an extension or modification is submitted by a merchant, the hold on your Account will be extended or modified, which will also affect the calculation of your available balance.

A pre-authorization hold will also affect your available balance by reducing the amount of funds in your Account that are available to pay checks that you have written and electronic transactions you have initiated. As a result, those outstanding checks or pending electronic debits may be declined, dishonored, or not paid. We are not responsible if we do not authorize or pay electronic fund transfers, or if we dishonor checks drawn on your Account while a pre-authorization hold is on your Account. You may incur an overdraft if the funds for a pre-authorized POS transaction are no longer available for settlement because other checks, debits or fees posted to your Account before the POS purchase was submitted by the merchant for payment; however, no overdraft fees will be assessed if the Bank had authorized the POS transaction based on sufficient funds at the time of authorization.

No cash refunds will be made to you by the Bank on ATM Card or Debit Card purchases. Disputes regarding the quality of goods or services received from a merchant are not considered electronic fund transfer errors or unauthorized transactions. Any claim or dispute regarding goods or services purchased with your ATM Card or Debit Card or pre-authorizations submitted by merchants should first be directed to the merchant or other business establishment at which you made the purchase. We may pursue such claims on your behalf only as a courtesy. We may attempt to recover your money with the merchant's bank, but we do not guarantee the outcome of the claim. These types of claims can take an extended period of time to be concluded. If a recovery is made, we will credit your Account for the amount recovered. The amount of the credit, if any, will be reflected on your periodic account statement. You do not have the right to stop payment on any ATM withdrawal or one-time POS debit card transaction.

6. **CANCELING YOUR ACCESS DEVICE** – You may cancel your access device at any time by notifying us in writing and no longer using it. Canceling your access device will not affect your obligations under this Agreement, even if we allow any transaction to be completed with your access device after this Agreement has been terminated.
7. **INACTIVITY AND AUTOMATIC CLOSURE OF ACCESS DEVICES** – For your protection and to reduce the risk of fraud, the Bank may close or deactivate your access device (such as a debit card) if it has not been used for a period of 24 consecutive months. To keep your access device active, simply use your card periodically for purchases, ATM withdrawals, or other eligible transactions. If your card is closed due to inactivity, you may request a new card at any time, subject to account eligibility and approval. This action does not affect your ability to access funds in your account through other available methods (e.g., checks, online banking, in-branch transactions), unless otherwise notified.
8. **UNAUTHORIZED USE OF MASTERCARD DEBIT CARD** – Certain rights and obligations concerning your use of a MasterCard Debit Card issued through us are set out in a separate MasterCard Guide to Benefits. If you believe your MasterCard Debit Card has been lost or stolen, call us at 1-800-264-3613. Telephoning is the best way of keeping your possible losses down. Provided you report your MasterCard Debit Card as lost or stolen within two (2) business days of when you discover or reasonably should have discovered the loss or theft, you will have no liability for any unauthorized use of your card. If

you do not report the loss or theft of your MasterCard Debit Card within two (2) business days after you discover or reasonably should have discovered the loss or theft, you may be liable for \$50 for unauthorized transactions utilizing a PIN.

9. **UNAUTHORIZED TRANSFERS & YOUR LIABILITY** – Tell us AT ONCE if you believe your access device and/or PIN has been lost or stolen, or someone may have electronically transferred money from your Account without your permission, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your Account (plus the maximum amount of your overdraft line of credit, if any). Except in situations governed by the zero-liability policy described in Section 7 of this Electronic Fund Transfer Agreement & Disclosures, if you tell us within two (2) business days after you learn of the loss or theft of your access device or the unauthorized transaction, you can lose no more than \$50 if someone makes electronic transfers without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your access device or the unauthorized transaction, and we can prove we could have stopped someone from making electronic transfers without your permission if you had told us, you can lose as much as \$500. Also, if your periodic statement shows transfers that you did not make, including those made by card, code, or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed or made electronically available to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.
10. **TELEPHONE NUMBER AND ADDRESS TO BE NOTIFIED IN EVENT OF UNAUTHORIZED TRANSFER** – If you believe your access device has been lost or stolen, your PIN has been obtained by an unauthorized person, that someone has transferred or may transfer money from your Account, or a transfer has been made using information from your check without your permission, IMMEDIATELY call us at 1-800-264-3613 or write us at the address listed at the end of this disclosure. Any notice sent to us by mail shall not be effective until our actual receipt of the notice.
11. **BUSINESS DAYS OF INSTITUTION** – For purposes of these disclosures, our business days are Monday through Friday, except for federal holidays.
12. **TYPES OF AVAILABLE TRANSFERS**

**Account Access** – You may perform the following types of transactions. Some of these services may not be available with every access device, or at every electronic terminal, and may be subject to restrictions contained in the agreement provided with that particular access device.

- Account inquiry
- Withdraw cash from your designated deposit accounts
- Make deposits to your designated deposit accounts
- Transfer funds between your designated deposit accounts
- Make payments on designated loan accounts from designated deposit accounts
- Pay for purchases at merchants who have agreed to accept the access device, or otherwise initiate electronic fund transfers to pay for purchases
- Electronically pay bills directly from your deposit account
- Make an electronic payment from your deposit account using information from your check
- Make purchases and payments from a "mobile wallet"

**Online Banking** – If you have entered into a separate Online Banking Agreement with us, you may access your Account(s) through the internet using your access codes, to:

- Transfer funds between your Accounts
- Make payments to loan accounts
- Make payments to third parties
- Get information about your Accounts with us

**Automated Phone Banking** – You may transfer funds between your Accounts by using Pinnacle Anytime at 615-744-3800, 615-849-2265 or 866-755-5428.

13. **LIMITATIONS ON TRANSFERS** – In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:
- You may withdraw from your checking or savings account up to \$500 daily using your Pinnacle ATM or Debit Card. Certain non-Pinnacle ATMs may impose a surcharge fee. Disclosure of this surcharge fee may be displayed at those participating ATMs.
  - You may purchase up to \$2,500 worth of goods or services daily using your Pinnacle ATM or Debit Card in our point-of-sale transfer service.
14. **CHARGES FOR ELECTRONIC FUND TRANSFERS** – We do not charge for direct deposits to any type of consumer Account. We do not charge for preauthorized withdrawals from any type of consumer Account. The number of preauthorized withdrawals allowed is limited on some savings accounts. Excessive withdrawals and transfers are subject to fees as disclosed in the Account Disclosures and Schedule of Charges. Except as indicated elsewhere, we do not charge for electronic fund transfers on consumer Accounts. If you use an automated teller machine that is not operated by us, you may be charged a fee by the operator of the machine and/or by an automated transfer network, including a fee for a balance inquiry even if you do not complete a fund transfer.



## 15. RIGHTS TO DOCUMENTATION

**Electronic Terminal Transfers.** You can get a receipt at the time you make any transfer to or from your Account using an ATM.

**Direct Deposits.** If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call us at 1-800-264-3613 to find out whether or not the deposit has been made.

**Periodic Statements.** You will receive a monthly account statement, either mailed or made electronically available.

## 16. PREAUTHORIZED TRANSFERS/PAYMENTS

**Right to Stop Payment** – If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Call or write us at the telephone number or address listed at the end of this disclosure in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. Each stop payment order may be subject to a fee as disclosed in the Schedule of Charges.

**Notice of Varying Amounts** – If these regular payments vary in amount, the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

**Liability for Failure to Stop Payment of Preauthorized Transfer** – If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

## 17. BANK'S LIABILITY FOR FAILURE TO MAKE TRANSFERS

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

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

The foregoing is not exhaustive and there may be other exceptions.

## 18. DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

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

- Where it is necessary for completing transfers; or
- In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant; or
- In order to comply with government agency, court orders, or other legal process; or
- If you give us written permission.

## 19. ERROR RESOLUTION

In case of errors or questions about your electronic transfers, if you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt, call or write us at the telephone number or address listed at the end of this disclosure as soon as you can.

- Tell us your name and Account number (if any).
- Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

We must hear from you no later than sixty (60) days after we send the FIRST statement on which the problem or error appeared. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (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 forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your Account within ten (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 ten (10) business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your Account for the amount you think is in error.

If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

**Pinnacle Bank, a Tennessee bank**  
21 Platform Way South, Suite 2300  
Nashville, TN 37203  
(800) 264-3613

## IX. FUNDS AVAILABILITY DISCLOSURE

**Policy** – Our policy is to make funds from your deposits available to you on the 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.

This policy statement applies to “transaction” accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts. Feel free to ask us whether any of your other Accounts might also be under this policy. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit during daily office hours 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 after the office is closed or on a day we are not open, we will consider that the deposit was made on the next business day we are open. If you make a deposit through the Night Depository after 8:00 a.m. on a business day that we are open, or on a day when we are not open, we will consider the deposit made on the next business day that 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 day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$275 of your deposits will be available on the first business day after we receive your deposit.

If we are not going to make all of the funds from your deposit available on the day we receive your deposit, 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 associates, or if we decide to take this action after you have left the office, we will mail you a notice of this action by the next business day after we receive your deposit. If you will need the funds from a deposit right away, ask us when the funds will be available.

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

- The account is a new account.
- We believe a check you deposited will not be paid.
- You deposit checks totaling more than \$6,725 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 communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

**“COLLECTED” FUNDS AVAILABILITY FOR BUSINESS ACCOUNTS** – When you deposit a non-Pinnacle check into your Account, the Bank must collect the funds from the “paying bank”. The check is sent to the Federal Reserve Bank (or another clearing bank) and the Bank receives provisional credit (pending final payment by the paying bank). The check is then presented to the paying bank. Once the presentment process is completed, the funds are deemed “collected.” Use of these funds prior to this time is considered “drawing against uncollected funds.” A charge may be assessed to your Account if you draw against uncollected funds. Non-Pinnacle checks that are deposited will be considered collected on the next business day after the day of deposit. Only collected funds can be used for wire transfers or commercial sweeps.

**FUNDS AVAILABILITY FOR MOBILE DEPOSITS** – If you make a deposit through Pinnacle’s Mobile Banking Services (mobile deposit) before 6 p.m. CT on a business day that we are open, funds will generally be available on the next business day. Deposits made after 6 p.m. CT or on a day when we are not open, will generally be available on the second business day after the deposit. We will notify you if we delay your ability to withdraw funds and we will tell you when the funds will be available. Funds will generally be available no later than the seventh business day after the day of your deposit.

**SPECIAL RULES FOR NEW ACCOUNTS** – If you are a new client, the following special rules could be applied during the first thirty (30) days your Account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725 of the day’s total deposits of cashier’s, certified, teller’s, travelers, 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 \$6,725 will be available on the ninth 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 associates, the first \$6,725 will not be available until the second business day after the day of your deposit.