

## LEGAL CONTROVERSIES INVOLVING YOUR ACCOUNT

If we are served with legal process in any judicial proceedings, or we receive any other notice of an adverse claim against your account, we may suspend payment of the account when we believe it to be affected by these happenings until final determination of the legal process or other notice of adverse claim, or receipt of a court order issued by a court of competent jurisdiction. We are not liable to you for damages caused to you by reason of us incorrectly suspending payment due to inadvertence, error caused by similarity of names of accountholders, or any other mistake, as long as we have acted in good faith and mailed within a reasonable time written notice of the action taken by us. This notice would be mailed to you at the last address appearing on our records.

## OTHER LEGAL PROCEEDINGS

If your account is garnished, or otherwise subject to levy by lawful legal action, we will not be liable to you for any sums we may be required to pay because of such garnishment or lawful legal action.

## UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT

In accordance with the requirements of the Unlawful Internet Gambling Enforcement Act of 2006 and the Regulation GG, this notice is to inform you that restricted transactions are prohibited from being processed through accounts or relationships with our institution. Restricted transactions are transactions in which a person accepts credit, funds, instruments or other proceeds from another person in connection with unlawful internet gambling.

## INDEMNITY

If you ask us to follow instructions which we believe expose us to potential liability under the law, we may refuse to follow your instructions or may require a bond or other protection, such as your promise to protect us against any claims (indemnity), satisfactory to us, before following the instructions.

## CHANGE OF TERMS

We can change the terms of this Disclosure and the services and products we provide, at any time, for any reason. We can also change any of the fees we impose, as detailed in the Fee Schedule given to you with this Disclosure, at any time, for any reason. If we do either of these, we will either post notice of the changes in our offices or notify you by mail. We will provide the kind of notice required by law or regulation before the amendment becomes effective. Otherwise, the change will be effective when we specify. You understand that if you make a deposit or withdrawal from your account after the proper notification period you are agreeing to the changed terms and/or fees.

We also may enact such other rules and regulations, from time to time, as are customary in the conduct of the banking business or are in our judgment, necessary for the protection of the depositors of our financial institution. Our deposit agreement with you may also be changed without notice to the extent permissible in complying with any law or regulation of any appropriate banking regulatory authority.

We reserve the right to waive the enforcement of any of the terms of this Disclosure with respect to any transaction or series of transactions. Any such waiver will not affect our right to enforce any of our rights with respect to other customers, or to enforce any of our rights with respect to later transaction with you.

The fact that we, on any given occasion, may enforce or waive our rights does not obligate us to enforce or waive similar rights in the future, nor will this be sufficient to modify the terms and conditions in this Disclosure.

## UCC 4A NOTICE

Provisional Payment Disclosure - Credit given by us to you with respect to an ACH entry is provisional credit until we receive settlement for such entry through an FRB. 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 shall not be deemed to have paid you in the amount of such entry.

**Notice Disclosure** - Under the operating rules of NACHA, 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.

### INFORMATION ABOUT TYPES OF ACCOUNT OWNERSHIP THAT MAY BE USED WHEN OPENING AN ACCOUNT

## INDIVIDUAL ACCOUNT

If your account is individual in ownership, your signature is shown on the signature card (Signature Card) you signed to open the account. We are authorized to act without further inquiry in accordance with writings bearing that signature.

## JOINT ACCOUNTS

If you create a joint account when you place your signature on the signature card (Signature Card) to open the account, the account becomes the property of each of the designated owners as joint tenants with the right of survivorship (or tenants by the entireties, in the case of husband and wife).

Any or all of the joint owners can make deposits, withdrawals or close the account. To make withdrawals, a joint owner must have his or her signature on file with us. The Signature Card will indicate whether more than one signature is needed for a withdrawal from this type of account.

The terms "you" and "yours" in this Agreement apply to all joint tenants singly and collectively. Joint owners not identified as husband and wife on the Signature Card signed to open the account may be treated by us as owning the funds in the account as joint tenants with the right of survivorship and not as tenants in common. Joint owners identified as husband and wife will own the funds as tenants by the entireties. In either case, upon the death of a joint owner, the funds in the account will pass to the survivor(s).

Each joint owner, including husband and wife, appoints the other as his or her agent to endorse, deposit, withdraw, close and conduct business for the account. Acting as an agent, any joint owner or owners can endorse a check, draft or other payment order made out to any other joint owner or owners of the account. We can accept items for deposit which are payable or endorsed to either some or all joint tenants.

When we conduct business involving a joint account, we can act on the instructions of any of one or more of the joint owners, unless the Signature Card account indicates that more than one signature is required for conducting business on the joint account. We will continue to follow these instructions until we receive written notice to change them. Any transactions that occur before we receive notice of a change of instructions will be binding on all joint owners. In the event of conflicting instructions by two or more of the joint tenants, we may place a temporary hold on the account until the joint tenants have resolved the dispute or we are instructed by legal process to do otherwise or we decide to remove the hold or dispose of the funds.

You agree that any money in your joint account can be paid to any one or more of the joint owners. This payment can be made on the orders or instructions of any of the joint owners even if the other owners are not alive or are disabled at the time of payment. If we make any payment following these rules, you release us from liability. Each of you will be jointly and severally liable to us for the amount of any overdrafts in your account regardless of which of you made the transaction creating the overdraft.

## TENANCY IN COMMON ACCOUNTS

If you have a joint account, it will be considered a joint tenancy with the right of survivorship unless the Signature Card states specifically that you have set up a tenancy in common account. When you open a tenancy in common account, it is understood that deposits made by any person to the account shall become the property of, and be deemed to be owned by, all of the owners of the account as tenants in common. Upon the death of any of the tenants in common, the remaining tenants may not attempt to make any withdrawals from the account but must immediately notify us. Withdrawals thereafter shall be upon the combined signatures of the legal representative of the deceased and the remaining tenants, but we will not be liable for paying on the other signatures until such time as we receive proper written notice of such death.

# NEW ACCOUNT

# AGREEMENT



1201 12th Street  
Altoona, PA 16601  
888-716-7587

[www.PennCrest.bank](http://www.PennCrest.bank)

## GENERAL PROVISIONS

This New Account Agreement (“Agreement”) consists of the terms/conditions, regulations and disclosures that apply to any kind of deposit account you have with us. Additionally, any other information on signature cards that you sign, transfer authorizations executed, and any other documents or notices executed and/or issued to establish and maintain your account, will apply to the administration of your account with us.

The deposit relationship between you and us is primarily governed by this Agreement and the other items mentioned above. But it is also governed by:

- the laws of the United States of America,
- laws of the state of Pennsylvania,
- the rules and regulations of the Federal Reserve Board and FDIC,
- the rules and regulations of any banking supervisory authority that we are subject to,
- the rules and regulations of such organizations such as clearing house associations,
- recognized banking practices and customs,
- the Uniform Commercial Code,
- our own Banking policies.

In addition to this Disclosure, you have been provided a Fee Schedule and any other separate items that would be applicable to your account.

## DEFINITIONS

In this Agreement, the words “you” and “your” mean the depositor. The words “we”, “our” or “us” mean PennCrest BANK.<sup>SM</sup> Unless it would be inconsistent to do so, words and phrases used in this Agreement should be construed so that the singular includes the plural and the plural includes the singular.

## ACCOUNT AGREEMENT

When you open a new account with us, the signing of your signature to a signature card indicates your agreement that the information herein will apply to your account. In the case of your having an existing account with us when you receive this Agreement, your action or inaction to allow the account to continue to exist with us will indicate your agreement that the information in this Agreement will apply to your account. In the case of accounts where the closing of the account would cause some sort of penalty, your agreement that the information in this Agreement will apply to your existing account will not begin until after the date on which the penalty period expires if you close your account.

## PROMISE TO PAY

You promise to pay us any charges incurred on this account and agree that we may deduct these charges, when earned, directly from your account balance. These charges may be for services you request which are not listed in this Agreement or the separate Fee Schedule. You also promise to pay us for any expenses incurred due to attachment, garnishment or levy upon your account. These may also be deducted directly from your account balance. If more than one depositor, each of you agrees to be jointly and severally liable for any negative balance in your account (“indebtedness”) that would result from charges or overdrafts, whether caused by you or any other person authorized to withdraw from your account. This would include costs we incur

to collect the amount of the negative balance including, to the extent permitted by law, our reasonable attorneys’ fees. This indebtedness may be charged to any account solely in your name or in your name as well as the name of another or others.

## NIGHT DEPOSITORY

Deposits made via a night depository are not considered as having been received until the deposit is removed from the depository. Items placed in the night depository will be removed from the depository no later than the next business day (does not include Saturdays, Sundays or holidays). You agree that your use or your agent’s use of the night depository will be at your sole risk at all times and that our records as to the presence in or absence from the depository of any \*envelope or package or the contents thereof shall be conclusive and binding upon you. What we finally credit for currency deposited via night depository is subject to our count and acceptance.

## PROPER ENDORSEMENT OF ITEMS DEPOSITED

For each check you cash or deposit, in order to process your deposits as expediently as possible, proper endorsement (includes name and account number) of your checks is essential. You agree to place your proper endorsement in the designated space on the reverse side of each check as follows: the endorsement area for you to use is an area on the back side of the check that extends 1-1/2 inches from the trailing edge of the check. The trailing edge of the check is the left edge of the check when looking at the check from the front side. All other space on the back side of the check is for our use only. Your failure to endorse in this designated 1-1/2 inch area shall make you responsible for any loss resulting from the placement of signatures, stamps, endorsements or any other matter in any area other than the designated area.

When there is more than one accountholder to an account, each one grants to the other full power and authority to endorse for deposit to the account all checks, drafts or other instruments drawn or payable to the order of the other or to the order of both. You also grant to us the authority to endorse for deposit to the account any checks, drafts or other instruments drawn or payable to the order of any or both accountholders.

## GOVERNING LAW

If any provisions of this Agreement are found to be in conflict with any federal, state or local law or regulation, those provisions will be nullified to the extent that they are inconsistent with the law or regulation, and the applicable law or regulation will govern. The remainder of this Agreement will not be affected by that law or regulation and will remain in full force.

## ORAL REPRESENTATIONS

If a conflict arises between oral statements made or written information furnished to you this Agreement will prevail.

## CLEARING YOUR DEPOSITS

According to current state or federal laws and regulations, we reserve the right to clear checks and other non-cash items you deposit before we make the money available to you. If we do cash an item for you or allow you to withdraw some or all of the money it represents before it is paid and it is not paid for any reason, we will charge your account immediately after the unpaid item is returned and, if necessary, require a refund from you.

## POSTING TO YOUR ACCOUNT

You understand and agree that PennCrest BANK posts items to your checking / savings in the order in which they are presented to the bank. ACH files are posted in the order received. Deposited items are processed prior to your withdrawals.

## NON-SUFFICIENT FUNDS

For each occurrence of non-sufficient funds, we will charge the standard per item overdraft fee set forth in our fee schedule. We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts, including our fees, is due and payable immediately or on demand. Also, please note that if we return an item NSF it will likely be automatically represented to us by the financial institution where the item was presented for payment and potentially could result in an additional per item Overdraft/ NSF Fee when represented if the amount of the item still exceeds the amount of available funds in your account.

## WITHDRAWALS

Using forms approved by us, withdrawals can be made from any applicable account subject to our right to verify to our satisfaction the identity of the person seeking the withdrawal and the validity of the request. We ask that withdrawals be made with checks or special withdrawal slips. We reserve the right to return unpaid any other form of order being used for withdrawal or any other that is incompletely or defectively drawn. Withdrawals from applicable accounts may be made via an automated clearing house (ACH) debit such as an insurance company payment. Withdrawals made from a Certificate before the maturity date may be subject to an early withdrawal penalty.

We are not liable for the nonpayment of checks or requested transfers unless your check or transfer is drawn against collected funds that have been credited to your account at the opening of business on the day of presentment. Federal Reserve Regulations provide for certain exceptions from the previous sentence. We will not be liable for the nonpayment of any checks or requested transfers which result from there being insufficient funds in your account from us deducting special charges or fees as listed in our Fee Schedule or other special charges or fees authorized by this Disclosure.

## NOTICE OF WITHDRAWAL

We reserve the right to require at least 7 days written notice before any withdrawal or transfer from an interest bearing account. We will then pay all withdrawals requested in accordance with such methods and procedures as to amounts and allotments of funds for such purposes as is required by law. We can only do this if we require the same notice from everyone having accounts of the same kind.

## POST-DATED CHECKS

You agree not to date a check later than the date that you write it. We are not responsible if we charge an otherwise properly payable but postdated check against your account before the indicated date

## FEES

You agree to pay the service fees described in the Regulation DD Truth in Savings Disclosure in this Agreement and in the separate Fee Schedule given to you with this Agreement. These fees help us to cover the costs of servicing your account and may

be deducted directly from your account without prior notice to you. You also agree to pay any additional fees that are reasonable which we would charge you for services you would request which are not listed in the Fee Schedule given with this Disclosure. We will not be liable if we dishonor checks or other withdrawal orders because the deduction of such fees has left insufficient funds in your account. Please understand that we can change these fees in the future and the revised fees will become effective upon posting of such notice in the office of PennCrest BANK for a reasonable time or upon notification at your last known address.

## CHANGE OF ADDRESS/ MAILING ADDRESS

The address of record that we have for you in our records is conclusively deemed correct for the purpose of mailing statements and any other correspondence to you. It is very important that you notify us immediately if you change your physical address mailing address, or email address.

Any statements or notices returned to us as undeliverable due to an incorrect address may cause the funds on deposit in the account to be considered **Unclaimed Property**, effective three years after the first maturity date following our last recorded contact with you. (see Escheatable Accounts below)

## DORMANT ACCOUNTS

Any account is considered dormant if you do not personally make a deposit, withdrawal, or request such in writing for a period of **three years**. We reserve the right to assess a dormant fee as listed in our fee schedule.

## ESCHEATABLE ACCOUNTS (WHEN THE STATE CLAIMS FUNDS IN YOUR ACCOUNT)

Pennsylvania state laws and regulations require that an account or Certificate of Deposit, which has had no depositor initiated activity for a period of three years be considered escheatable. A certificate of deposit which has not had depositor initiated activity for a period of three years after its initial maturity date is also considered escheatable. If there are no customer initiated directives to any of these accounts within the specified time periods, these accounts will be presumed abandoned and escheated to the applicable State.

## WITHHOLDING ON YOUR ACCOUNT

Interest earned on your account may be subject to withholding for federal income tax if we receive notice from the IRS or you fail to provide us with your correct taxpayer ID number.

## CLOSING YOUR ACCOUNT

You can close your account by withdrawing all collected funds in the account at anytime. Interest will be credited to date of closure. We may deduct an early closing fee if it is mentioned in the Regulation DD Truth in Savings Disclosure in this booklet or Fee Schedule given to you with this Disclosure. We also can close your account, for any reason, if we choose to. If we do this, we will mail to you at your last address shown on our records a notice and check for the final current balance. Notice to any accountholder will be considered notice to all account holders. When we refuse to accept deposits or credits to the account; we will not be liable to you for doing so. Should an account be closed at any time by the withdrawal of the balance of the account and later reopened, the reopened account will be subject to all the terms and conditions in this Disclosure.