

Deposit Account Agreement and Disclosure



We know what matters.

Thank You for Choosing Community First Bank

This document is important. Please read it and keep it.

Thank you for choosing Community First Bank to serve your financial needs. This Deposit Account Agreement and Disclosure explains the terms and conditions of your personal Accounts and your Community First Bank debit Mastercard®. This Deposit Account Agreement and Disclosure, along with your fee schedule, signature card, deposit rate sheet, Truth in Savings disclosures, privacy notice and any other account opening documents and disclosures, together, create the contract that governs your Account and your deposit relationship with Community First Bank (collectively, the “Agreement”). This Agreement replaces all previous versions of the Deposit Account Agreement and Disclosure. We recommend you keep a copy of this Agreement, and any information we provide you regarding changes to the Agreement, available for reference. If you use other Community First Bank services related to your Account, they will be governed by this Agreement and the terms and conditions provided to you when you enroll in those services.

If another specific agreement conflicts with this Agreement, then the more specific agreement will govern. If this Agreement conflicts with something said by one of our employees or in our marketing material, this Agreement will govern.

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A. LEGAL AGREEMENT

This Bank Services Agreement (“Agreement”), contains the terms and conditions that govern the relationship between Community First Bank, (the “Bank,” “we” or “us”) and its clients (the “Depositor,” “you,” or “your”). When you open an account you are agreeing to the terms of this Agreement. An account is deemed “open” when account documentation has been properly completed and accepted by the Bank and the account opening deposit has been accepted by the Bank. The terms of this Agreement will continue to govern your account and relationship with the Bank even after your account is closed. The terms of this Agreement and our fees or banking services may be changed from time to time by the Bank. When the laws governing your account require the Bank to provide you written advance notification of a change to the Agreement, the Bank will provide such notice by written or electronic notice to you. The notice may be included on your account statement. The notice may explain what change has occurred and may instruct you to obtain a current version of the Agreement at your local branch or online at our website, www.c1stbank.com. Unless otherwise prohibited or required by applicable law or regulation, the Bank may change from time to time other provisions of this Agreement with or without notice. Continuing to maintain your account following a notice constitutes your acceptance of our changes. This Agreement cannot be changed or modified by you. Upon the effective date of a change by the Bank, the current revised version of the Agreement will govern your account, regardless of whether you obtained a copy from your branch or online. If your account was originally with a prior financial institution, the terms of this Agreement supersede any prior agreements, representations or understandings you may have had with that institution.

This Agreement is for the benefit of, and may be enforced only by you and the Bank and their respective successors and permitted transferees and assignees, and is not for the benefit of and may not be enforced by any third party.

You acknowledge and agree that the relationship between you and the Bank created by the opening of an account is of debtor and creditor and that the Bank is not in any way acting as a fiduciary for you or for your benefit and that no special relationship exists between you and the Bank.

Fees. The schedule of current fees, maintenance charges and minimum balance requirements for each deposit account is contained in a separate document called the “Fee Schedule,” as it may be amended from time to time, and is incorporated herein by reference. You agree to pay the fees contained in the Fee Schedule. The Bank may change its maintenance fees, activity charges, and minimum and/or average balance requirements from time to time and will provide you with notice of any change.

Applicability. By signing the account signature card or conducting transactions on your account, you have agreed to the terms of this Agreement which applies to all accounts that you have with the Bank or may have in the future. You agree to only use your account for personal, family or household purposes. If your account is used for business or commercial purposes, the Bank shall have the right to freeze or close the account. The Bank shall have no liability for its failure to perform any service as a result of computer or electronic interruptions or for the errors, acts or failures to act by others.

Waiver. No term of this Agreement shall be deemed waived unless the waiver shall be 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. 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. 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 or 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.

Severability. If any provision, or a portion thereof, of this Agreement or its application to any party or circumstance shall be declared void, illegal, or unenforceable, the remainder of the provision and the Agreement shall be valid and enforceable to the extent permitted by law.

B. 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, or when you are added to an existing 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 identification documents. If you are a nonresident 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 us so we maintain the currency and 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.

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:

- Fail to furnish a Taxpayer Identification Number ("TIN"), or
- The Internal Revenue Service notifies us that you furnished an incorrect TIN, or
- You or we are notified by the Internal Revenue Service that you are subject to backup withholding.

If a correct TIN is not provided at the time the account is opened, backup withholding will commence immediately. You must provide us with your TIN promptly after you receive it. After sixty (60) days, if a certified TIN is not furnished, the account may be closed.

Certain additional Internal Revenue Service penalties may also apply if you fail to provide your TIN.

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. 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 years.

OFAC Compliance. The Department of Treasury's Office of Foreign Assets 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. Such restrictions may include transactions involving the government of or a citizen of Cuba or with the governments of or individuals or entities located in Iran, North Korea, Syria, Cuba or other countries as designated by OFAC in the future. 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, including those restrictions listed in the previous sentence. In addition, you agree that if you (or another joint owner or authorized person) are ever located within the countries of Iran, North Korea, Syria or Cuba, you (or another joint owner or authorized person) will not use, access or attempt to use or access any account you have with us. You agree that we can freeze and/or reject any transaction we reasonably believe violates any of the 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 violations of any of the OFAC sanctions programs and that we will have no liability for any such delays, suspensions, holds 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, 31 U.S.C. Section 5361 et. seq. Further, you represent and warrant that all transactions initiated or conducted by you are legal and not in violation of the Unlawful Internet Gambling Enforcement Act or any other law. 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.

Agreement to Receive Electronic Communications. We may provide all legal or regulatory communications associated with your account, including communications about a change in the terms of your account electronically, although you must complete a separate enrollment if you would like to stop receiving paper statements.

We may deliver the communications to you electronically by any of the following methods: (a) via email to an address you have provided to us; or (b) via a wireless device you have designated; or (c) to the extent permissible by law, via a web site that we will generally designate in advance for such purpose; or (d) any other electronic means we have mutually agreed upon. Delivery of electronic communications by any of these methods will be considered "in writing" and you agree that the electronic communications have the same legal effect as written and signed paper communications. You agree to promptly notify us of any change in your contact information, such as your email address or mobile phone number. You may update your contact information by contacting us at .

You may withdraw your consent to receive electronic communications by contacting us at 1-864-364-6130.

You may obtain paper copies of the electronic communications by calling us at 1-864-364-6130.

The minimum system requirements to access and retain the electronic communications are: an internet-enabled computer or telecommunications device with 128-bit encryption, sufficient storage capacity and software that enables you to view files in the Portable Document Format ("PDF").

Privacy Policy. Our privacy policy, which is provided at the time you open an account, is described in our publication, "The Community First Bank Consumer Privacy Notice". For current privacy practices, you may access our website at www.C1stbank.com.

Sharing Information. To allow Community First Bank to analyze your potential financial needs, or as part of the qualifying and maintenance process for depositors, you authorize Community First Bank, to the extent permitted under applicable law, to obtain information from credit reporting agencies as we deem necessary. You understand such information will be used by Community First Bank for internal purposes only. Further, you authorize us to share with our Community First Bank affiliates your non-public or confidential information for marketing or other purposes. If you do not wish us to share confidential information with Community First Bank affiliates (referred to as "opting out" of information sharing), you can make that election by calling 1-864-364-6130.

Telephone Monitoring and Recording. You agree that Community First Bank may monitor and/or record any telephone conversation with you for any legal reason, including to monitor the quality of service you receive and to verify transaction related information. You agree that Community First Bank is not required to remind you before or during each telephone call that the conversation is subject to being monitored and/or recorded in accordance with applicable state and federal law.

Bank Reporting Requirements. Banks are required to file a report called a Currency Transaction Report (CTR) with the Internal Revenue Service 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 U.S. Treasury Department 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 U.S. Treasury Department 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.

C. ACCOUNT TYPES

Not all accounts may be available in your area or through the method in which your account is opened. The definitions of account or ownership styles outlined in this section are not meant to be all inclusive and additional accounts or styles may be offered by the Bank. The Bank, in its sole discretion, shall not be required to open a particular account type or style. The manner in which you open an account indicates your ownership rights in the account. You agree that when you open an account the titling of the account is correct and that the Bank has no responsibility to inform you as to how the titling may affect your legal interests. If you have any questions as to the legal effects of an account, you should consult with your own attorney or advisor. You further agree that you are solely responsible for meeting all of the requirements for establishing and maintaining the type of account you select and ensuring that you have properly completed any applicable documents or forms. If a signature card or other document contains a notation or indication that your account is established for a particular purpose (other than an account type listed below) you agree that such notation or indication creates no additional duties on the Bank and is solely for your personal recordkeeping. You agree to provide the Bank with the necessary documentation to establish your authority to open a particular account and sign the documentation necessary to create the proper ownership of your account. Each signer named on your signature card is authorized to obtain information on your account, endorse and deposit items payable to your account, sign checks, drafts, items or other written orders and execute Bank's wire transfer agreements used to initiate wires in Bank's branch offices, place and remove stop payment requests and make withdrawals. The Bank does not, however, verify the signatures on every check paid against your account, which is in accordance with industry standards and you agree that this not a failure by the Bank to exercise ordinary care. When you receive your monthly statement, you should carefully and promptly examine it to verify that only authorized checks have been paid and/or that only authorized transactions have occurred. The Bank will not be liable if we refuse to honor any item that we believe, in our discretion, does not contain a genuine authorized signature.

If you have opened a deposit account on behalf of the beneficial owner(s) of the funds in an account (for example you are acting as a trustee, agent, nominee, guardian, executor, conservator, custodian, or in some other capacity for the benefit of others), those beneficial owners may be eligible for "pass through" insurance from the Federal Deposit Insurance Corporation ("FDIC") in the event of Bank failure. FDIC "pass through" deposit insurance is federal deposit insurance coverage that applies to the interests of owners or beneficiaries. This means the account could qualify for more than the standard maximum deposit insurance amount (currently \$250,000 per depositor in the same ownership right and capacity). As the account holder, you must be able to provide a record of the interest of the beneficial owner(s) in accordance with the FDIC's requirements. The FDIC has published a guide and an Addendum to the guide, Section VIII, explaining the process to follow and the information you will need to provide in the event of Bank failure, including the type of information you, as the account holder, must keep regarding the beneficial owner(s) of the funds, as well as the format and process you must follow for submitting those records to the FDIC. The guide and Addendum can be accessed on the FDIC's website at <https://www.fdic.gov/deposit/deposits/brokers/part-370-appendix.html>. You have an opportunity to validate the capability to deliver the required information in the appropriate format so that a timely calculation of deposit insurance coverage can be made. You agree to cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time. In the event of Bank failure, you agree to provide the FDIC with the information described above in the required format within 24 hours of that event. As soon as the FDIC is appointed, a hold may be placed on your account so that the FDIC can conduct the deposit insurance determination; that hold will not be released until the FDIC determines that you have provided the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to the FDIC may result in a delay in receipt of insured funds and legal claims against you from the beneficial owners of the funds in the account. If you do not provide the required data, your account may be held or frozen until the information is received, which could delay when the beneficial owners would receive funds. Notwithstanding other provisions in this Agreement, this section survives after the FDIC is appointed as our receiver, and the FDIC is considered a third party beneficiary of this section.

You agree that the Bank 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.

Accounts are not transferable except on the Bank's books and records. In order to transfer title or to pledge an account as collateral for a loan, a written request must be provided in a form accepted and acknowledged by the Bank. Any pledge of an account to a third-party remains subject to the Bank's right of set-off and security interest. The Bank may determine ownership of an account from the information in our records. Any changes you request us to make to your account are not effective until accepted by us and we have had a reasonable time to act on the new information. If ownership of an account is to be changed, the account should be closed and a new account opened to reflect the ownership designation.

1. **INDIVIDUAL.** An account that is owned by one individual. Upon the death of such individual, the funds in the

account shall pass to the Individual's estate and will be administered by the person designated under applicable law or appointed by court order. In the Bank's discretion, we may accept an individual as an additional authorized person or signatory on the account and consider this individual as an agent for you and not as an owner of the account. The designation of an authorized person or signatory will be made in a manner acceptable to the Bank.

- 2. JOINT.** An account that is owned by two or more individuals will be treated as joint tenants with right of survivorship, and not as "tenants in common" or as "tenants by the entirety". Each joint owner appoints the other as their agent to deposit, withdraw, and conduct any transaction on the joint account; including, but not limited to, pledging or encumbering the account. Any joint owner may appoint an attorney-in-fact for the account, but we reserve the right to require the consent of all joint owners. Acting as agent, any joint owner can endorse for deposit a check, draft, or other payment order made payable to any other joint owner. Each joint owner may withdraw or transfer, by any means the Bank makes available, any or all of the funds on deposit, close the account, place or remove a stop payment order, or create an overdraft in the account (which the Bank may collect from any joint owner). Each joint owner is jointly and severally liable for all charges to the account, including overdrafts, even if the joint owner did not participate in the transaction which resulted in the charge. Each joint owner authorizes the Bank to exercise its right of setoff and enforce its security interest in the entire joint account even though only one of the joint owners is the debtor. These rights exist irrespective of who contributes funds to the joint account. The Bank is not bound by the knowledge of, and has no duty to inquire as to, the source of funds deposited into the joint account and each joint owner shall be treated as having an equal and undivided interest in the entire account. Notice provided by the Bank to any one joint owner shall be deemed notice to all joint owners.

Upon the death of a joint owner, the account continues as a joint account with right of survivorship, the funds remaining in the account vest in and belong to the survivors equally, or if only one survivor remains, to that survivor individually as their separate property. If a joint account has been previously designated on the Bank's records to be without the right of survivorship, upon the death of any joint owner, that owner's share in the account will pass to their estate or trust and funds will be distributed equally unless the Bank otherwise agrees.

You are not permitted to change the account ownership to anything other than a "joint tenants with the right of survivorship," including "tenants by the entirety" or "tenants in common" without the Bank's approval. We will treat all joint accounts, unless otherwise indicated on the Bank's records, as "joint tenants with right of survivorship" for all purposes, including but not limited to writs, levies, set-off, garnishment, and determination of ownership upon death. The Bank may remove a deceased owner from a joint account upon proof of the owner's death.

- 3. PAYABLE ON DEATH (POD).** Also referred to as "In Trust For" (ITF), is a revocable account in which one or more individuals may designate one or more beneficiaries to collect the funds in the account upon the death of the last surviving account owner. During the owner's lifetime, the funds in the account are the property of the owner(s) and any one owner can take any action with respect to the account or the funds in the account including closing the account, changing the account type or account ownership, withdrawing all or part of the account balance, and removing or adding a beneficiary. A change in a beneficiary is effective only upon a change to the signature card and the Bank may rely solely upon such signature card to determine the proper beneficiary. Upon the death of any one owner, the funds remaining in the account pass to the surviving owner. If there is more than one surviving owner, the funds will pass to the surviving owners as joint tenants with the right of survivorship. Upon the death of the last owner, the funds remaining in the account will pass to the beneficiary. If there is more than one surviving beneficiary, the funds will pass to them in equal and undivided shares and there is no right of survivorship in the event of death of a beneficiary thereafter. After the surviving beneficiaries have become owners of the funds and one of the beneficiaries die, the deceased beneficiary's share belongs to that beneficiary's estate. If no beneficiary survives the last owner, the funds are payable to the last owner's estate.

The Bank may pay any funds in the account to the beneficiary (ies) upon presentation to the Bank of proof of death showing the beneficiary or beneficiaries survived all of the owners. The Bank will not pay any sums in the account to the estate, personal representative or heirs of a deceased owner unless presented with proof of death showing that such deceased owner survived all other owners or beneficiaries. All ownership rights to sums on deposit are subject to requests for payment made by an owner before the owner's death, whether paid by the Bank before or after death or not yet presented for payment.

4. **UNIFORM TRANSFERS TO MINORS.** An account opened for a minor beneficiary by a custodian in accordance with the applicable law of the state in which the account is opened. Designations under state law include the Uniform Transfers to Minors Act and the Uniform Gifts to Minors Act (the "Act"). The account will be under the minor's taxpayer identification number and appoint a custodian who shall have authority on behalf of the minor to make withdrawals from, deposits to, and otherwise transact business on the account. No ownership rights or interest in the account is granted to the custodian. The custodian must notify the Bank in writing immediately upon the death of the minor or at the time the minor attains the age of majority as defined under the Act. 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. The custodian agrees when the minor attains the age of majority under the Act to distribute the funds in the account to the named minor. The Bank reserves the right to limit an account to one custodian.
5. **FIDUCIARY.** Fiduciary accounts, including accounts opened for the purpose of holding funds in escrow (trust) for a beneficiary or third party, are only available to individuals acting as guardian, conservator, personal representative, executor, administrator, trustee, custodian, or agent under appropriate legal documentation. 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 agreement, court order, or other document under which the account is opened will govern the account, 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 fiduciary relationship whether or not the Bank has been provided with a copy of such document, and shall not be liable to any party for the misapplication of funds from an account by a fiduciary. You agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or third party with respect to the authority, actions, or inactions taken by the authorized individuals in handling or dealing with the account.
6. **WRITTEN TRUST.** A written trust account is an account opened under a valid, written agreement or will which creates a trust that performs transactions through its trustee or co-trustees. The person(s) opening a trust account represents that they are authorized under applicable law and the governing documents to open the account in the name and manner requested. The Bank is not obligated to read or attempt to interpret any trust documents. The Bank has no duty to monitor the accounts or the acts of the trustee(s) and assumes no liability for the administration of the trust.
7. **PERSONAL AGENCY (NC ONLY).** A North Carolina account established by an individual referred to as the Principal who appoints an agent to act on the account under the provisions of N.C.G.S. 53C-6-8 or its successor. The agent has the authority to make, sign or execute checks drawn on the account or otherwise make withdrawals from the account; endorse checks made payable to the Principal for deposit only into the account; and deposit cash or negotiable instruments, including instruments endorsed by the Principal, into the account. The designation of an agent, the substitution or removal of an agent, or any other change in the contractual terms or provisions governing a Personal Agency Account may be made only by the Principal. The Principal may elect to extend the agent's authority to not be affected by the subsequent incapacity or mental incompetence of the Principal. If the Principal is placed under a guardianship, the account is transferred to the guardian. The account is treated as an individual account with no rights of survivorship. Upon the death of the Principal, the agent's authority under the provisions of the account is terminated.

D. ACCOUNT RULES

Unless this Agreement otherwise indicates: the term “item” means any instrument or a promise or order to pay money handled by a bank for collection or payment but does not include a payment order for a wire transfer, cash, documentary drafts, notes, credit or debit card slips, or other instruments of a type not routinely accepted for collection or payment to deposit accounts by a Bank. The term “account” means any deposit or credit account with the Bank and includes a demand, time, savings, or like account other than an account evidenced by a Certificate of Deposit. Although 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. 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, if applicable to your account. (Checks are processed during the nightly posting and will be reflected the next day.) Checks cashed by a Community First Bank teller will be reflected in the available balance. This balance is **updated throughout the day** with transactions you make. The term “collected balance” refers to the collection of non-cash items (checks) deposited by you.

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. The statement or account information will be delivered to the postal or electronic address of the primary account owner as reflected in our records or per 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 they are transmitted to the e-mail address you provided or, the date the statement is provided within your online or mobile banking service. The primary owner shall be responsible for providing copies of statements to any co-owners of the account. If a language preference is selected for your statement, only the primary account owner may change the preference.

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 statements 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 or any enclosures can be reproduced upon request, subject to applicable fees. Any statements or account information that is returned as undelivered shall be destroyed without notice and subject to applicable fees. Any statements held for you at a branch office shall be destroyed after a limited time and subject to applicable fees.

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) days from the statement date.

2. **DEPOSITS AND CREDITS.** The Bank, in its discretion, may accept or refuse a deposit, or a part of a deposit, to your account at any time. We may accept deposits to your account from any source without questioning the authority of the person making the deposit. The Bank may require that the person making a deposit provide identification or impose other conditions prior to accepting a deposit. We may give cash back to any authorized account signer or agent in connection with an item payable to the account owner, whether or not the item has been endorsed by the payee. The Bank, in its discretion, may also reverse a deposit even after provisional credit has been granted without prior notice. You agree that any deposit is subject to verification and confirmation notwithstanding your possession of a deposit receipt or acknowledgement. We may reverse or adjust any transaction, credit or debit we believe we erroneously made to your account at any time without prior notice. In addition, if any deposit or other credit is made to your account which we determine should not have been made, we may reverse that credit without prior notice and without any liability to you.

Cash deposits and cash payments will only be accepted from an account owner or an individual with authority to perform transactions on the account. This policy does not impact clients making cash deposits or cash payments to their own accounts, or to accounts on which they are authorized to transact. Identification will be required when requesting to make a cash deposit or cash loan payment.

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. We may require you to verify an endorsement on an item through the appearance in person of the endorsee with proper identification and/or obtain an endorsement guarantee or ratification. 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.

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.

Deposits are considered accepted in the state in which your account is maintained. If you did not open your account in person at a branch, but through the mail, by phone, or over the internet and you do not reside in a state or maintain a residence in a state where the Bank operates a branch office, your deposit(s) will be considered accepted in the state of South Carolina.

Mail-in Deposits:

Mailed deposits should be mailed directly to our Main Office to ensure prompt posting to your account using one of the addresses below.

<u>First Class Mail</u>	<u>Express Delivery</u>
<p style="text-align: center;">Community First Bank 3685 Blue Ridge Blvd Walhalla, SC 29691</p>	<p style="text-align: center;">Community First Bank 3685 Blue Ridge Blvd Walhalla, SC 29691</p>

The date your deposit will be considered received will be the date the deposit is accepted by the Bank at the above noted addresses. In the event you mail a deposit to another Community First Bank address, the deposit will not be considered received until it is accepted by the Bank at the above noted addresses.

Banking Day. “Banking Day” means any business day on which the Bank is open to the public for carrying on substantially all of its banking functions at a majority of its branches located within that state. If we receive an item on a weekend or holiday, the item is deemed to have been received on our next business day. Our business days and hours are posted at our branches and ATM hours are displayed on the ATM deposit screen and are subject to change from time to time at our discretion. Inclement weather, natural disasters, computer, or electronic failures may also affect the banking day and business hours.

Correction of Errors. The Bank has no duty to compare the items listed on the deposit slip with the items accompanying the slip when the deposit is received by the Bank for accuracy as the Bank relies upon the information you provide on your deposit slip when initially processing your deposit. Therefore, you have a duty to accurately record cash, each item being deposited, and the total amount of your deposit on your deposit slip or at the ATM. If an error in your deposit is later detected, 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.

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.

Missing Endorsements. The Bank may accept for deposit items made payable to any one or more of the parties in whose name the account is established, with or without endorsement. If you fail to endorse an item for deposit, the Bank may supply the missing endorsement.

Items Payable Jointly. If an item is drawn so that it is unclear whether one payee's endorsement or two is required, only one endorsement will be required and you shall be liable for any loss incurred by the drawer as a result of there being only one endorsement.

Provisional Credit. In receiving items for deposit or collection, the Bank acts as your collection agent and any settlement given for an item is provisional and may be revoked if payment of the item is not received. When you accept an item for 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 a portion to a third party or there is a difference between the amount of the item and the amount owned by you. You agree that for any item not paid, returned unpaid, that we believe will be returned unpaid, or is returned pursuant to any applicable operating or clearinghouse rules, the Bank may charge back the item against your account without regard to whether such item was returned within any applicable deadlines. If you cash an item that is later returned, you are liable for the 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. At our option and without notice to you that an item has been returned, we may resubmit any returned item for payment. You waive notice of nonpayment, dishonor, and protest regarding any items credited to or charged against your account. You further agree that regardless of any final settlement, if an item is cashed against your account or deposited to your account and is unpaid or is returned to us based upon a breach of warranty claim or any other reason, we may deduct the amount of the item from your account, or place a hold on your account for the amount of the item until liability for the item is determined.

You acknowledge and agree that at the time you deposit or negotiate an item the Bank cannot determine whether it will be paid or returned. You therefore acknowledge and agree that the Bank and its employees or agents will not be liable for any statement or action, express or implied that an item is "paid", "cleared" "good" or any other such indication. To determine the status of an item you have deposited or negotiated you must contact the bank on which the item was drawn.

Foreign Checks. We may refuse to accept for deposit or collection items payable in a currency other than U.S. dollars. If we accept such an item, you assume the risk associated with currency fluctuation. Items drawn on foreign banks are subject to final payment by the foreign bank and as such may be returned unpaid later than a similar item drawn on a U.S. bank. U.S. laws and regulations governing the time for returns and collections are not applicable and you bear the entire risk of a returned item which can be charged back to your account at any time. You agree that we may use our current buying or selling rate, as applicable, when processing such an item, inclusive of any domestic or foreign bank fees.

Inconsistent Name and Account Number. If a fund transfer instruction for credit or debit from your account lists the name or account number of the beneficiary, the name or routing and transit number of beneficiary's bank or any intermediary bank in an inconsistent or incorrect manner, payment may be made by relying upon the account number, even if it identifies a different person or bank from the one named in the instructions received. You agree that we have no obligation to verify whether the name and the number refer to the same person.

Incoming International Wire Transfers. When you receive money in a foreign currency via a wire transfer, the currency exchange rate used to convert such funds for deposit into your account may be determined by us in our discretion without prior notice to you. You agree to this procedure and accept our determination of the currency exchange rate. The exchange rate that we offer you may include a commission, will be different from (and usually less favorable to you than) the exchange rate for institutions that is usually quoted in newspapers or online services, and may be different from our daily published rate. Currency exchange rates can be highly volatile and may change frequently during a day. You assume all risks relating to or arising from fluctuations in the exchange rates between currencies for international wire transfers deposited to your account.

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

3. WITHDRAWALS AND DEBITS.

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, automatic 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 each banking day during nightly processing. Once your transactions are processed, the results are posted to your account.

Community First Bank 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. Community First Bank deducts 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 balance, not the available balance.
 - If you use your ATM Card or Debit Card to purchase goods and services, including Internet purchases (point-of-sale transactions), you authorize us to debit your deposit 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 that account until a later date. You also understand that you may overdraw your account if you make a withdrawal, write checks or make point of sale purchases against funds that are needed to pay ATM/Debit Card transactions that have been authorized but not yet posted to your account. Please see the Electronic Fund Transfer Agreement & Disclosures section for full details.
 - Based on account type, overdraft fees may be charged when adequate funds are not available in the account 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. Please note that Community First Bank does not charge an Overdraft Fee to clients who are Opted Out of Overdraft Coverage for one-time Debit Card and ATM transactions, however, Overdraft Fees apply to all Checks, ACH, and all other Transfers and/or Withdrawals being posted against an insufficient balance. An overdraft fee may be charged each time an item is presented against insufficient funds including being charged more than once for the same item if it is represented.
1. **Deposits and Credits** – all deposits and credits will be posted to your account first. This includes cash and check deposits and incoming transfers, received before the cutoff time at the location the deposit or transfer was made.
 2. **Client-initiated withdrawals and debits** – withdrawals/payments that have been previously authorized and cannot be returned unpaid, such as debit card purchases, ATM withdrawals, account transfers, and teller-cashed checks. If we receive more than one of these transactions for payment from your account, we will generally sort and pay them based on the date and time you conducted the transactions. For a debit card transaction, if a merchant does not seek authorization from the Bank at the time of the transaction, we will use the date the transaction is received for payment from your account.
 3. **Client-initiated withdrawals and debits such as ACH (automated payments)** – such as bills you pay by

authorizing a third party to withdraw funds directly from your account. If there is more than one of these types of transactions, they will be sorted by the date and time that they are received. Multiple transactions that have the same time will be sorted and paid from lowest to highest serial number.

4. **Client-initiated Checks** – Checks will be posted and sorted in sequential order.

5. **Bank-initiated transactions** – such as corrections and Returned Deposited Item/Cashed Item.

6. **Bank Fees** – Fees, such as monthly maintenance fees, 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.

If sufficient funds are not present to cover all presented transactions, Community First Bank will:

Determine if Overdraft Protection is available: 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: At our sole discretion, we may pay a check or automatic payment into overdraft, rather than return it unpaid. This is our overdraft privilege service. If the transaction is paid into overdraft, it may help you avoid additional fees that may be assessed by the merchant.

The Bank, subject to your overdraft decision, has the discretion to process items even if your account has an insufficient available balance to pay such items. Your “available” balance represents the amount of funds available for withdrawal or to pay items presented against your account. The “available” balance may not be the same as your “current” or “posted” balance. For example, your available balance may be reduced by a POS transaction in which the merchant has obtained authorization from the Bank but that has not been presented for payment. We consider such pending transactions in the calculation of your available balance.

In the payment clearing process, the Bank employs techniques to assist in the detection of unauthorized items that may be presented against your account for payment. If a particular item appears to represent unusual activity on your account, you authorize the Bank, in its discretion, to reject the item and return it unpaid. If the returned item was, in fact, properly payable, you agree to hold the Bank harmless from any claims, loss, or damages as a result of the Bank not paying the item.

We may change the priority or order in which items are processed at any time without notice to you. If you do not have sufficient funds available in your account to pay all items presented on a given day, our processing methods may result in more overdraft fees (based on account type), or other fees or penalties. We may choose our processing method at our sole, unilateral and absolute discretion, regardless of whether additional fees or penalties may result. We may refuse any check or other item drawn against your account or any method of presentment, including electronic presentment, attempting to withdraw funds from your account if it is not presented on a form and through a procedure approved by the Bank. It is your responsibility to reconcile your account and to avoid overdraft situations.

You agree to hold the Bank harmless and indemnify us for any liability we may incur for reasonably acting, in our discretion, upon any instructions you may provide to us by telephone, telecopier (fax machine), e-mail, or other electronic means.

In the event you voluntarily give your account number to a third party by telephone or any other method, you authorize the recipient of the information to initiate debits to your account and you will be liable for all debits initiated by such person or company. Likewise, you will be liable for all debits initiated by any service provider hired by you to draft your account to pay third parties, whether your signature is on the drafts or not.

When you give signed checks to another party with the payee, amount, date or other provision left blank, you agree that your account may be charged for the check as completed.

We may honor items drawn on your account by authorized signers, even if the items are made payable to them, to cash or for deposit to their personal accounts. You agree that the Bank has no duty to investigate or question items, withdrawals or the application of funds.

Payment made to a person presenting an account withdrawal receipt signed by the Depositor, shall be conclusively deemed to be good and valid on the account of the Depositor. We will have the right to assume that any such person is acting as a messenger for the Depositor, unless the withdrawal receipt has been lost and notice in writing has been given to us. Receipt of such notice must be acknowledged in writing and signed by an officer of the Bank before such payment is made. This paragraph does not grant you the right to make withdrawals by messenger. We reserve the right to refuse withdrawals by messenger.

Multiple Signatures. The Bank does not offer accounts on which two or more signatures are required for a withdrawal of funds from your account. Any attempt to include such requirement on your checks, signature card or other governing account documents will be for your internal purposes or controls only and will not be binding on the Bank. The Bank may pay checks, items, electronic debits, wires, debit card transactions, online banking transactions, or other withdrawal instructions signed or approved by any one of the authorized signers on the account who are named on the signature card.

Deduction of Fees. Fees may be deducted from your account without prior notice to you. Maintenance, activity fees and applicable overdraft fees (based on account type), 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 insufficient funds as a result of deducting such fees. Any fees (or portions thereof) that were not posted due to insufficient funds at the time of posting may be collected at a later date without prior notice when sufficient funds are available in the account. Fees are subject to change from time to time at the Bank's discretion. The current Fee Schedule is available at www.C1stbank.com.

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. If the item is paid by the Bank in good faith, we will not be liable for any loss, fees or damages you suffer as a result of the item being charged to your account.

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.

Electronically Created Items. An electronically created item is defined under federal regulation as an electronic image that has all the attributes of an electronic check or electronic returned check but was created electronically and not from a paper check. You are not permitted to deposit these items. However, if you deposit an electronically created item, you agree to be liable for any losses that result from the fact that (i) the electronic image or electronic information is not derived from a paper check; (ii) the person on whose account the electronically created item is drawn did not authorize the issuance of the item in the amount, or to the payee, stated on the item, or (iii) a person receives a transfer, presentment, return of, or otherwise is charged for an electronically created item such that the person is asked to make payment based on an item or check already paid.

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. You agree not to issue a postdated check and the Bank may disregard such date on the item when it is presented for payment. The Bank is authorized to pay any check prior to the date on the item even if you have given us notice that it is postdated. If the Bank agrees to re-credit your account after paying a postdated check you agree to transfer to the Bank all of your rights against the payee or other holder of the check, and to assist in any legal action taken against that party.

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. 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 in order for us to properly prepare for such requests, we require advance notice for large cash withdrawals. 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 an Official 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. If a large cash withdrawal is completed at a branch you will be required to sign a cash withdrawal agreement or affidavit. Refusal to sign the agreement is grounds for us to revoke the cash withdrawal and require an alternate delivery for the funds. You understand and agree that the Bank is not responsible for providing any security regarding any cash withdrawals or deposits.

Substitute Checks. To make check processing faster, federal law permits banks to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from the Bank may be substitute checks. This notice describes rights you have when you receive substitute checks from the Bank. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

Your Rights Regarding Substitute Checks. In certain cases, federal laws provide a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that the Bank withdrew the wrong amount from your account or that the Bank withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal.

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws.

How to Make a Claim for a Refund? If you believe that you have suffered a loss relating to a substitute check that was posted to your account, please contact the Bank at 1-864-364-6130 or you can visit your local branch. You must contact the Bank within forty (40) calendar days of the date that the Bank mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the statement for your account showing that the substitute check was posted to your account, whichever is later. The Bank will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. We may require that you submit your claim in writing. Your claim will still be timely if we receive your oral claim within the 40-day time period, and we receive your written claim no later than the 10th business day after you submitted your oral claim.

Your claim must include –

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- Copies of the substitute check or the following information to help the Bank identify the substitute check: the check number, the name of the person to whom you wrote the check, the amount of the check.

Non-Sufficient Funds. 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).

Overdraft Coverage. Based on your account type, Overdraft Privilege is an optional service you can add to your account that allows Community First Bank, at its discretion, to authorize and pay transactions on ATM and everyday debit card purchases when there are insufficient funds in your account. Your account is automatically opted out of Overdraft Privilege at account opening. By opting-in to Overdraft Privilege, Community First Bank may pay ATM and everyday debit card transactions at the Bank's discretion when your account does not have sufficient funds to cover the transaction. Fees may apply. The specific fees are disclosed in the Fee Schedule.

By opting-out of Overdraft Privilege, Community First Bank will automatically decline all future ATM and everyday debit card transactions that would overdraw your account.

Your choice to opt-in or opt-out of Overdraft Privilege can also apply to checks, ACH, and recurring debit card transactions. Community First Bank may pay these transactions at our discretion and fees may apply. Specific fees are disclosed in the Fee Schedule.

For more information about Overdraft Privilege, visit a Community First Bank branch, or call 1-864-364-6130.

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 Fee Schedule. If an item such as an ACH debit or a check is reinitiated or represented against your account, it shall constitute a separate "item" for purposes of the overdraft fee, and an overdraft fee shall be incurred each time the item creates an overdraft in your account, regardless of whether the item was initiated or presented against your account multiple times. This fee will be charged to your account in accordance with the terms of this Agreement or any applicable regulations and laws in effect at the time the penalty/fee is incurred. 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 and by using any means we choose in our sole, unilateral and absolute discretion, and only one determination of the account balance is required. The Bank under no circumstances shall be required to examine or consider balances which you may maintain in your other accounts. 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.

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, and to reimburse us for any costs, including but not limited to reasonable attorney's fees, we incur in collecting any overdraft from you. The amount of the overdraft shall constitute an indebtedness to the bank and shall be due and payable immediately, without notice or demand.

Overdraft Protection Service. Overdraft protection is an optional service you can add to your checking or money market 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 or money market account (the "protected" account). You can enroll in Overdraft Protection by visiting our branch locations or by calling 1-864-364-6130.

Eligible protected accounts include a checking or money market account. Savings accounts are not eligible to enroll in the Overdraft Protection Service as a protected account.

Eligible protector accounts include a Community First Bank deposit account, or Community First Bank Line of Credit.

Your protector account can provide Overdraft Protection for more than one deposit account, but a protected account can have only one protector account. We may cancel your Overdraft Protection service at any time by sending you notice. Your request to add or cancel Overdraft Protection is effective immediately. Transfers will be made in exact increments from the protector account to your protected account.

Any owner of both the protected account AND the protector account may enroll in Overdraft Protection without the consent of other owners through visiting our branch locations or by calling 1-864-364-6130. Any owner of the protected account OR the protector account may cancel Overdraft Protection without the consent of other owners through visiting our branch locations or by calling 1-864-364-6130. 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 Community First Bank 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 for the exact amount of the overdraft plus applicable fees from the protector account to your protected account. If the balance in the protector account is not sufficient to cover the entire overdraft, the Bank may make transfers to pay items up to the available balance in the protector account. However, the Bank reserves the right to not initiate transfers to cover such overdraft and to return the debit item(s) for non-sufficient funds. An overdraft fee, as disclosed in the Fee Schedule, for each debit item will be charged. Funds you deposit into your protected account may not be available immediately for Overdraft Protection transfers. Overdraft Protection will be cancelled if your protected account or the protecting account is closed, or if the linked account has a zero balance. Please see the Fee Schedule for more information about Overdraft Protection from another deposit account.

Overdraft Protection from Your Line of Credit allows you to link your checking or money market account (the “protected” account) to an eligible Community First Bank 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 exact increments from the protector account to your protected account. If the available credit on the protector account is not sufficient to cover the entire overdraft together with the related fees, the Bank may make transfers to pay items up to the available credit on the protector account. However, the Bank reserves the right to not initiate transfers to cover such overdraft and to return the debit item(s) for non-sufficient funds. A transfer may not be available if the line of credit is blocked due to a late payment. An overdraft fee, as disclosed in the Fee Schedule, for each debit item will be charged. 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.

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 debits, unauthorized transactions, losses or damages that occur on your account.

You agree to report any lost or stolen check(s) or any unauthorized transaction(s) 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. The Bank shall also 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 N 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(s) within thirty (30) days from the statement date containing the first forgery(s). If you choose not to receive your 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 N 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" (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 branch 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 so cleverly (as by unauthorized use of a signature stamp, facsimile machine or otherwise) that the unauthorized signature, endorsement, or alteration could 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. If the Bank waives any of its rights as to you or your account on one or more occasions, it will not be considered a waiver of the Bank's rights on any other occasion.

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 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 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 and waive any claims against the Bank if you fail to do so or if you enter into any settlement, compromise, or restitution agreement with the wrongdoer without the consent of the Bank. The Bank may reverse any credit or reimbursement should you fail to file the criminal report or refuse to testify against the wrongdoer.

Limitation of Liability. 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. 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. In no event will the Bank be liable for special or consequential damages, including attorneys' fees incurred by you. 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. 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. 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 whom 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. You agree that we may deny a claim for loss 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, the Bank may close your account at any time and for any reason or for no reason without advance notice. 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 may give you either oral or written (includes electronic) notice of our intention to close the account. If given in writing, the notice will be sent to your address or e-mail shown on our records. Upon notice, you must stop conducting transactions on your account. We shall not be liable for dishonoring any items initiated after the date of the notice. In the event that you have not closed your account, we will close the account and mail you a check for the remaining balance in the account after deducting any applicable fees and charges to the address we have on record, or you may arrange delivery of the check at a mutually agreeable location. Closing the account does not release you from the payment of accrued fees or liability for items in process. The Bank may in its discretion close your account without prior notice if the account has a zero or negative balance, or if we believe it necessary to protect the Bank, its employees or others from risk, harm or loss. Any waiver by the Bank of its right to close an account for cause shall not be a waiver of our right at a later time to close your account for the same or similar reasons. Once we have closed your account, we can, without liability to us, refuse to honor any withdrawal requests, checks, or other items presented for payment after we closed your account. We further reserve the right to reject any deposit that is made to a closed account by returning the item or by crediting the item to another active account of yours. We reserve this right notwithstanding that the deposit may have been processed and/or that you were given a receipt for the deposit. The deposit receipt shall not constitute acceptance of funds in such instance and we shall have no liability for any items returned unpaid which are drawn on a closed account even if you attempt to make a deposit to the account. You may close your account at any time but must first notify the Bank in writing, or by contacting one of our branches or offices of your intent to close the account. Your failure to notify us may result in additional fees or charges on the account and you shall remain liable for any items in process. A notation written on the face of a check does not constitute the required notification to the Bank. We may accept deposits to an account after it is closed in order to pay any fees or charges due and any amounts outstanding and unpaid. Acceptance of any deposit does not require us to reactivate or reopen the account.

You agree that the Bank may report your account to 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 other consumer reporting agencies you must send the dispute information to 3685 Blue Ridge Blvd. Walhalla, SC 29691.

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, including 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. In no event will the Bank 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, including but not limited to reasonable attorney's fees, or expenses, to the extent permitted by law that we incur as a result of any dispute brought by a third party involving your account. 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. As is lawfully permitted and without prior notice to you, the Bank may exercise its right of setoff against your accounts to repay any debt you or any co-owner as principal, endorser, guarantor or otherwise owe to us (herein defined to include, the Bank, our parent, affiliates, subsidiaries, divisions and departments). 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. You agree that our right of setoff applies to any debt or obligation owed to the Bank (whether present or future, contingent or otherwise, as principal or surety or otherwise) and is not conditioned on, or limited by, the complete mutuality of the parties obligated on the debt and owners on the account, the maturity of the debt, giving notice to you, or the availability of any collateral securing the debt. If you open a new deposit account, we may use any funds in this new account to offset balances previously owed to us.

If your account is an individual account, our right of setoff may be exercised to repay your debts, whether they are owed by you individually or jointly with others. All of the funds in a joint account may be used to repay the debts of any co-owner, whether they are owed individually, by a co-owner, jointly with other co-owners, or jointly with other persons or entities having no interest in your account. 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. We may exercise our right of setoff or security interest even if the withdrawal results in an early withdrawal penalty or the dishonor of subsequent checks. You agree that the Bank will not be responsible for dishonoring items presented against your account when the exercise of our right of setoff or security interest results in insufficient funds in your account to cover the items. 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.

Failure of the Bank to exercise its right of setoff as provided herein on any occasion when the right arises does not affect the Bank's right to exercise its right of setoff at a later time for the same occurrence or for any subsequent occurrence. The security interest granted by this Agreement is consensual and is in addition to the Bank's right of setoff and any rights under applicable law. Certain federal or state laws may be interpreted to protect funds received from federal or state agencies from setoff. You agree that our right of setoff includes the 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 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.

8. **STOP PAYMENT ORDERS.** Any authorized signer on an account may stop payment on a check or draft drawn on the account, if the check or draft has not already been paid or cashed by the Bank.

You may 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 the ELECTRONIC FUND TRANSFER AGREEMENT & DISCLOSURES section for more details.

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 must describe with certainty the check or draft to be stopped. If you do not provide the check number, payee and the exact amount of the item, we will not be liable for misidentification or payment of the item and failure to honor the stop payment order.

A stop payment order must be received in such a manner that affords us a reasonable opportunity to act upon it. In some cases, we may pay an item even if a stop payment order is in process. For example, if one of our banking offices, without notice of your request, cashes a check that you have asked us to stop, we may still pay the check. If the Bank pays an item over a valid and timely stop payment order, the Bank is responsible only to the extent that you can establish that you have incurred actual damages. If your account is re-credited, you agree to transfer to us all of your rights against the payee or other holder of the item, and to assist us in legal action taken later against that person.

There is a fee for the special handling involved with a stop payment order. If you make an oral stop payment, you will be required to confirm the request in writing within 14 days after the Bank received the oral stop payment, unless the Bank sends a stop payment confirmation, which will suffice as the written request. A stop payment order on a check for a consumer account or a check or ACH for a non-consumer account will be effective for six months from the date of the written request unless renewed prior to the expiration of the request. If not renewed, an item that is presented or re-presented to the Bank for payment may be paid. Each renewal is treated as a new stop payment order and subject to the Bank's stop payment fee. A release or cancellation of a stop payment order may be given by any Depositor or authorized signer on the account; however, such a release or cancellation must be delivered to us in writing unless the Bank sends a stop payment release or cancellation confirmation, which will suffice as the written request.

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, regardless of where or how served. You agree that we may accept any legal process we believe to be valid 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 reasonably 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 due to the similarity of names of Depositors or other mistakes. If your account is attached, garnished, or otherwise subject to levy by a court order or similar lawful legal action, we will not be liable to you for any sums we reasonably determine to 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, if we reasonably determine that we are required to freeze or remove the funds at issue from your account, 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 in which we are not a named party 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. All funds held in a joint account may be subject to satisfy any legal process against you or your account pursuant to applicable law notwithstanding any claim or assertion of actual ownership of the funds in the account.
10. **POWER OF ATTORNEY.** 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. **GOVERNING LAWS.** Your account is governed by the terms of this Agreement, the laws and regulations of the United States and, to the extent state law is applicable, the laws of the state where your account is located. The Bank determines where your account is located as follows:

- If you opened your account in person, it is located in the state where you opened it;
- If you opened your account by telephone, mail, online or other remote means, and you resided in a state where we had branch offices at that time, it is located in that state;
- But if you resided anywhere other than a state where the Bank has a branch office, your account is located in South Carolina and the applicable state law will be South Carolina.

If state and federal law are inconsistent, or if state law is preempted by federal law, federal law governs. 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. In the event no party elects to arbitrate a Claim, you and the Bank agree that any lawsuit or other such proceedings arising from or relating to a Claim (other than small claims, as provided in the arbitration provision of this Agreement) shall be subject to the exclusive jurisdiction of the courts of the state whose law governs your account without regard to any conflicting choice of law rules and that venue shall lie in the same state as the law governing your account exclusive of any other state or jurisdiction.

12. **COSTS AND EXPENSES.** You agree to be responsible to the Bank for its loss, costs, or expenses, including, without limitation, reasonable attorneys' fees, as a result of your breach of the terms of this Agreement, your illegal or improper activity or your negligent conduct. You authorize the Bank to deduct any such costs and expenses from your account without prior notice to you. Your responsibility for costs and expenses may include disputes between you and the Bank or situations where the Bank becomes involved in a dispute between you and some other party. The recovery of any costs and attorney's fees in a matter resolved through judicial or administrative procedure shall be determined in accordance with the rules of the court or administrative forum. In the case of a Joint Account, each account owner is jointly and severally liable for all amounts charged to the account regardless of which owner incurred the charges to the account. 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.

To the extent permitted by applicable law: (a) we shall not be liable for any liability, loss, or damage that may arise when we are acting in accordance with applicable laws, regulations, rules, this Agreement, or our agreements with any financial institutions regarding the transaction of your business under the account or by any acts or conditions beyond our control; (b) **IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL ANY PARTY BE LIABLE TO EACH OTHER OR ANY THIRD-PARTY FOR SPECIAL, PUNITIVE, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL, OR INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES;** and (c) we shall only be liable for your damages, as provided in this section, caused by our gross negligence or wanton and intentional misconduct.

13. **CONTACT AND ALERTS.** In order 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.** With the exception of time deposits and IRAs, an account will be classified as "dormant" if there has been no owner generated activity on the account, including any deposits to or withdrawals from the account, or other account related contact for a period of twelve months or more. Recurring or Automatic Clearing House (ACH) or other similar electronic deposits or debits are not considered to be owner generated activity except where allowed by applicable state law. For an account classified as dormant we may, at any time in our discretion, reject any transaction in order to protect the account against unauthorized activity. For any dormant account, we reserve the right to cease charging any non-transaction based account fees previously assessed to the account if required by state law. Assessment of such fees will recommence without additional notice when the account is no

longer dormant. In accordance with governing state law, accounts which have been dormant for the statutory number of years will be closed and transferred to the state or other designated governmental agency under its escheatment laws. To recover funds from your account following escheatment, you must file a claim with the applicable agency. You agree that we may rely on an address change or 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 (though such update will not be considered owner generated activity).

15. **AUTHORIZATION OF TRANSFERS.** You authorize the Bank to make transfers of funds from time to time from any deposit or 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.

E. NON-INTEREST BEARING CHECKING ACCOUNTS

The Bank offers various non-interest bearing demand deposit accounts, each with different qualifiers. Refer to the Fee Schedule for details, including any limitation on the number of transactions, minimum balance requirements to avoid periodic fees, monthly maintenance charges, and other qualifiers for each account.

F. INTEREST BEARING ACCOUNTS

The disclosures in this section are in addition to the Community First Bank Interest Rate and Annual Percentage Yield (APY Schedule and Fee Schedule)

1. **ANNUAL PERCENTAGE YIELD.** The APY measures the amount of interest paid on an account based on the interest rate and the frequency of compounding. The annual percentage yield reflects only interest and does not include the value of any bonus (or other consideration worth \$10 or less) that may be provided to the consumer to open, maintain, increase or renew an account. Interest or other earnings are not to be included in the annual percentage yield if such amounts are determined by circumstances that may or may not occur in the future. The annual percentage yield is expressed as an annualized rate, based on a 365-day year or 366 days in a leap year as described below.

The APY calculation is based upon the actual number of days in the term of the account; however, for accounts without a stated maturity date, the calculation is based on an assumed term of 365 days or 366 days in a leap year if interest is earned or anticipated to be earned on February 29. Accounts opened after February 29 in a leap year earn interest based on a 365-day year. In making the calculation it is assumed that all principal and interest remain on deposit for the entire term and that no other transactions (deposits or withdrawals) occur during the term. For variable rate accounts, the APY calculation is based only on the initial interest rate in effect when the account is opened (or advertised), and assumes that this rate will not change during the term.

2. **VARIABLE RATE ACCOUNTS.** Except as otherwise provided, interest bearing transaction accounts, savings accounts, and money market accounts will be variable rate accounts. The interest rate and APY may change at any time and in our sole discretion.
3. **TRANSACTION LIMITATIONS.** For interest bearing transaction accounts, savings accounts (excluding Secured Credit Card Savings), and money market accounts, you are permitted to make transfers or withdrawals to or from the account in any amount and at any time subject to the Bank's right to require seven (7) days written notice prior to withdrawal of all or part of the funds on deposit. There may be a fee associated for exceeding transaction limitations, for details and additional information please see the Fee Schedule.
4. **INTEREST CALCULATION, COMPOUNDING AND CREDITING OF INTEREST.** Interest begins to accrue no later than the first business day the Bank receives credit for the deposit of non-cash items (for example, checks), interest is paid on collected balances. Interest is compounded daily and credited on the last day of the statement cycle; however, if you have a Community First Bank Savings Account which is not tied to a checking account, your interest will be credited at month-end. If your account is closed before interest is credited, you will not receive the accrued interest. We pay interest only in whole cents. This means that at the end of each interest payment period, any fractional amount of interest equal to half of one cent or less will be rounded down and any fractional amount of interest more than half of one cent will be rounded up to the next whole cent.
5. **BALANCE CALCULATION.** We calculate interest on the full amount of the collected balance in your account each day. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the collected balance in the account each day.
6. **FREQUENCY OF RATE CHANGES.** All interest-bearing accounts are variable rate accounts unless otherwise indicated. The interest rate may change at the Bank's discretion and may include not paying interest on the account. The interest rate and APY offered may vary depending on the customer relationship, the local area you open your account and the method of account opening. Additionally, we may offer a bonus or promotional rate on specific accounts or to specific customers and these offers will not apply to all accounts, customers, local areas or methods of account opening. You may obtain the current interest rate and APY on your account by calling 1-864-364-6130.

7. CLOSED ACCOUNTS.

If you notify the Bank that you intend to close the account, the accrued interest may be included in the closing balance.

OVERDRAFT PROTECTION. Subject to Bank approval, you may enroll in an optional overdraft protection program linked to a Bank credit source (such as a line of credit) or to certain other types of deposit accounts you may have with the Bank. Automatic transfers from these sources can then be made to cover pending overdrafts when all cash in the checking account have been exhausted. Overdraft protection is available only to cover checking account overdrafts. By enrolling in any overdraft protection program that is linked to a Bank credit source, you expressly acknowledge and agree that in no event will any extension of credit by the Bank to you pursuant to such program be secured or be deemed to be secured.

OTHER AGREEMENTS AND DOCUMENTS; AGREEMENT TO TERMS; CONFLICTS. You will receive (or may already have received, if you are linking an existing account with the Bank) additional agreements/documents from the Bank, and you must complete any applications, signature cards, and other forms required by both. Together, this Agreement and all such other agreements, documents, forms, and the like, as any of the foregoing may be amended from time to time, Please keep a copy of this Agreement, all related documents described above, and any amendments thereto for your reference. In the event of an apparent conflict between this Agreement and a provision contained in any other agreement, document, form, information, etc., that you receive at account opening or from time to time from the Bank, we will be solely responsible for resolving such conflict in our discretion. We will also be solely responsible for resolving any apparent conflict between any provision of this Agreement and any other provision of the Agreement.

G. CERTIFICATES OF DEPOSIT.

General Applicability. The terms, conditions, and disclosures set forth in this section apply to all Certificates of Deposit, whether they are represented by a written certificate or are book entry Certificates of Deposit (collectively, "Certificates of Deposit"), unless it is indicated that they are applicable to a specific type of Certificate of Deposit only, or where the terms and conditions are superseded by terms and conditions set forth on the Certificate, or in some other written contract entered into at the time of the initial deposit.

Definitions. For purposes of this section, "term" shall apply to the number of days or months for which the Depositor agrees to have funds remain on deposit at the Bank; "maturity" and "maturity date" refer to the last day of the term of the Certificate of Deposit. This disclosure is in addition to the Client Summary or Interest Rate Schedule, and the Certificate of Deposit Receipt.

Calculation of Interest. Compounding and Crediting. Interest on all Certificates of Deposit begins to accrue no later than the first business day the Bank receives credit for the deposit of non-cash items. We calculate interest on the full amount of the collected balance in your account each day. We use the daily balance method to calculate the interest on your account. The Annual Percentage Yield ("APY") assumes interest will remain on deposit until maturity. A withdrawal prior to maturity will reduce earnings. Interest on all Certificates of Deposit is compounded daily and is credited to your account according to its specific term. All Certificates of Deposit with terms of greater than one (1) year pay interest at least annually. If the term of your Certificate of Deposit is thirty (30) days or less, interest will be credited to principal at maturity.

Fixed Interest Rate. Certain Certificates of Deposit pay the rate of interest for the term of the certificate as provided at account opening or in the renewal notice for each automatic renewal. The interest rate, however, may be adjusted by the Bank in the event the Depositor makes a partial withdrawal that reduces the deposit balance below the minimum required to earn the existing rate. The adjustment to the interest rate is calculated by utilizing the current rate tiers, which are determined by deposit balance and term, established periodically by the Bank. Under no circumstances will the rate be increased above the interest rate disclosed on the Client Summary or the last disclosed rate. The Bank may modify the Certificate of Deposit to accrue interest at the Bank's current rate of interest until the next renewal date, based on current rate tiers for the remaining balance and term of the Certificate of Deposit.

Variable Interest Rate. Variable Interest Rate Certificates of Deposit pay the initial rate of interest disclosed at account opening or in the renewal notice for each automatic renewal period. After the expiration of the initial interest rate, each Certificate of Deposit is subject to interest rate and APY changes determined at our discretion, based upon the terms of the individual type of Certificate of Deposit.

Renewal. All Certificates of Deposit automatically renew at maturity upon the same terms and conditions as set forth for the original Certificate except for the interest rate and for any terms and conditions that may have been modified by the Bank prior to renewal, notice of which has been given in accordance with this Agreement. Changes in the principal amount of the Certificate of Deposit are subject to the restrictions set forth below. Modifications will be reflected on the renewal notice. Certificates of Deposit of any term shall be automatically renewed at the current interest rate designated by the Bank at the time of renewal for Certificates of like type, term, and amount. For any Certificate of Deposit initially offered with a special bonus rate, the renewal will be at an interest rate designated by the Bank at the time of renewal, which shall be a comparable rate to other retail Certificates of Deposit of like term and amount. Additional deposits or partial withdrawals may be permitted at renewal subject to the following:

Minimum Balance. Partial withdrawals of principal and interest may be made at renewal, provided that the balance remaining in the account after the partial withdrawal satisfies the Bank's minimum deposit requirements for the Certificate of Deposit.

Redemption. The following restrictions apply to the redemption of a Certificate of Deposit without penalty and the payment of interest after maturity:

Automatically Renewable Certificates of Deposit. Redemption without penalty may be made during the ten (10) calendar day grace period beginning the day after the maturity date. If the Certificate of Deposit is redeemed within the grace period, interest will not be paid for the days after the maturity date through the date of redemption. If not redeemed or modified within the grace period, interest shall accrue at the current offered rate for Certificates of Deposit of the same term, type, and amount.

Withdrawal of Interest. With the Bank's consent, you may make a withdrawal of all or part of the accrued interest on a Certificate of Deposit prior to its maturity date provided that the remaining balance is at least equal to the original principal amount of the Certificate of Deposit.

Withdrawal of Principal Prior to Maturity. Withdrawals of principal from a Certificate of Deposit prior to maturity may be permitted provided the principal balance remaining in the account continues to meet the Bank's minimum deposit requirement. In addition, certain early withdrawal penalties will apply and the interest rate may also be reduced.

H. AVAILABILITY OF FUNDS.

Policy. Community First Bank Bank's policy applies to Personal Checking Accounts, Interest Checking, Money Market (excluding IRAs) and Savings Accounts.

Deposit Received: For Personal Accounts, we generally make funds from your deposits available to you on the first business day after the business day we receive your deposit.

If a check is deposited, we may place a hold on the funds which will delay the availability of the funds. The hold may be based upon how long your account has been open, amount of the deposit, type of item(s) deposited, how your deposit is made and how you manage your account. If checks are presented or withdrawals made against funds that are not yet available or are subject to a longer hold, an overdraft fee may be assessed to your account and the checks may be returned unpaid.

This policy does not apply to deposited items drawn on financial institutions located outside of the United States.

Determining the Business Day of a Deposit. For determining the business day of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit during regular business hours on a business day that we are open, we will consider that day the day of your deposit. However, if you make a deposit after the end of a current business day, a Saturday or Sunday, a federal holiday, or on a day we are not open; we will consider the deposit made on the next business day we are open.

The Bank determines when deposited items are considered collected or available for the payment of checks or withdrawal based on the number of business days from the day of your deposit.

The business day of your deposit is indicated on the deposit receipt provided by the teller. Our earliest business-day cutoff time at a banking office is close of business. Later business-day cutoff times may apply in certain offices or locations. Inclement weather, natural disasters, or computer or electronic failures may also affect the banking day and business hours.

Immediate Availability

Funds from the following deposits are available on the business day we receive the deposit.

- Electronic Deposits
- Cash deposited at a branch or ATM

Same-Day Availability. Funds from the following deposited items, also known as Next-day availability items, are available for withdrawal on the first business day after the day of your deposit, unless we delay your availability as described in the Longer Delays May Apply section. These checks must be payable to you, deposited to your account, (other than a U.S. Treasury check), made in person to a Community First Bank employee.

- Community First Bank checks
- U.S. Treasury checks
- U.S. Postal Money Orders
- Federal Reserve Bank checks
- Federal Home Loan Bank checks
- State, local government and U.S. government checks
- Cashier's, Certified, and Teller's checks

In some cases, when you do not make your deposit in person to one of our employees (excluding Treasury checks), funds from these deposits will be available on the second business day after the day of your deposit.

Second Business Day Availability. In some cases, we may not make all of the funds from a check available on the first business day after the day of the 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. The first \$225 will be made available during nightly processing on the business day we receive your deposit. If we are not going to make all of the funds from a check deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We also will tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice no later than the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask when the funds will be available.

Longer Delays May Apply. Funds you deposit by check may be delayed for a longer period under the following circumstances:

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

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit. When a hold is placed for longer than two business days, you will not have any of the deposited funds immediately available for use.

During the delay, the funds are unavailable, and you may not withdraw the funds. If checks are presented or withdrawals made against unavailable funds, an overdraft fee may be assessed to your account and the checks may be returned unpaid.

We may refuse to accept a check for deposit if we believe the check is not collectible. In this case, you may present the check for payment directly to the paying bank or you may request us to send the item to the paying bank for collection in your name.

Deposits at Night Depository Facilities and Automated Teller Machines (ATMs). If you make your deposit after 7:00 a.m. ET at a Community First Bank night depository or after 9:00 p.m. ET at a Community First Bank Bank ATM or on a business day or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

You should consult your transaction receipt for the exact posting date of any ATM deposit. Your “posting date” will be the same date as the transaction date. However, if the deposit is made after the cut-off time for the transaction date or on a non-business day then the “posting date” will be the next business day after the transaction date on your receipt.

Mobile Deposits. Mobile deposits are generally available to you on the first business day after the day we receive your deposit. If you make a deposit before cut-off which is 4:00 p.m. ET on a business day, we will consider that the day of your deposit. If your deposit after 4:00 pm ET, we consider the deposit made on next business day we are open. Before making a mobile deposit, please endorse the back of the check with the words “For Community First Bank Mobile Deposit Only” or the check may be refused for deposit.

Online, Telephone, and In-Branch Electronic Transfers Between Community First Bank Accounts. Online, telephone, and in-branch electronic transfers between your Community First Bank accounts are considered deposits. These deposits are available to you on the same business day we receive your 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.

If you make a deposit before 4:00 p.m. ET on a business day, we will consider that the day of your deposit. If you make a deposit after 4:00 p.m. ET on a business day we will consider that the deposit was made on the next business day we are open.

Other Electronic Deposits. Community First Bank offers a variety of services that allow clients to process deposits such as Outside Transfer Service. These are considered electronic direct deposits and are subject to the availability practices outlined in this policy. Deposits received as a Real-Time Payment (RTP) will be available to you immediately. Funds received from a Real-time Payment will be considered a same day deposit if received prior to 4:00pm.

Special Rules for New Account Holders. If you are a new customer, the following special rules will apply during the first 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 \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available no later than 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 employees, the first \$5,525 may not be available until the second business day after the day of your deposit. Funds from all other check deposits may not be available until the ninth business day after the day of your deposit.

ATM deposit functionality may be limited for temporary access devices issued for new deposit accounts.

Special Rules for Money Market and Savings Accounts. In some cases, we may not make all of the funds from a check available on the first business day after the day of the deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. If we are not going to make all of the funds from a check deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We also will tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice no later than the next business day after we receive your deposit.

Depositor's Responsibility. We may make funds from deposited checks available to you before the funds are collected. You are still responsible for any deposited checks that are returned unpaid and for any other problems concerning your deposit, even if you have already withdrawn the funds from your account.

Collection of Rejected and Returned Items. The collection process is delayed or interrupted if the check rejects during processing. If you deposit a check that rejects during processing, collection of the funds may be delayed one additional business day. If a check you deposit is returned unpaid and charged back to your account, we may hold the amount of the returned check and withhold the use of the funds two business days from the date the returned check is charged back to the account. Returned checks that we automatically represent to the paying bank on your behalf must also go through the collection process again. Therefore, use of funds equal to the amount of the check(s) re-presented may be withheld up to four business days from the date the check(s) is re-presented.

Holds on Other Checks. If we cash a check for you that is drawn on another bank, we may place a hold on the availability of that amount of funds already in your account. Those funds will be available for withdrawal at the time funds from the check we cashed would have been made available if you had deposited it. If we accept for deposit a check that is drawn on another bank, we may make funds from that deposit available for withdrawal immediately but delay your availability to withdraw a like amount of funds that you already have on deposit in another account with us. The funds in the other account will be available for withdrawal at the time funds from the check you deposited would have been made available, if we had placed a hold on the deposited check.

Endorsement Standards. Checks should be endorsed only within the area indicated as "Customer Endorsement." This area is limited to 1.5" from the trailing edge. The other areas are reserved for bank endorsements. Failure to restrict your endorsement to the indicated area may result in losses to you because of delayed or misrouted items. Community First Bank will not be liable for losses resulting from a delay in return or misrouting of deposited items caused by unreadable endorsements due to other material or markings placed in the "Depository Bank Endorsement" or "Subsequent Bank Endorsement" areas. Community First Bank reserves the right to charge these losses back to your account.

I. ELECTRONIC FUND TRANSFER AGREEMENT & DISCLOSURES

This section N is intended to reflect the same terms and conditions contained in the “Electronic Fund Transfer Agreement & Disclosures” brochure that you receive with your check or debit card. Any conflict between this section and the brochure shall be governed by the agreement included with the card. Any reference to “Agreement” within this paragraph N. shall refer only to the terms and conditions within the section.

This Electronic Fund Transfer Agreement 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 agreement also contains the disclosures required by the Electronic Fund Transfer Act and its promulgating regulations. This information applies only to electronic fund transfers to or from deposit accounts established primarily for personal, family, or household purposes.

- 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” (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. 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 insufficient 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 Community First Bank automated teller machine card (“ATM Card”), Community First Bank Debit Card (“Debit Card”), personal identification number (“PIN”), and your MasterCard Card when used to conduct electronic fund transfers. 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 agreement and 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). The repayment of any advances on a credit line initiated electronically will be governed by the terms and conditions of the applicable credit line agreement. Please refer to the Community First Bank Online Banking Agreement and Initial Disclosures, 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. OVERLIMITS AND OVERDRAFTS.** You agree not to conduct any transaction(s) to withdraw more than the applicable daily limit on any day, or cause the balance in your deposit account to go below zero, or cause the outstanding balance of your credit line to go above your credit limit. We may reject any such transaction; however, if we pay the overdraft or advance funds in excess of your credit limit, you agree to pay, upon request, the excess amount that was improperly withdrawn or transferred, together with any applicable fees as outlined in the Fee Schedule

or in the agreement governing your account. Overdrafts on your account may result in advances from your overdraft protection plan. Any item that cannot be covered by overdraft protection will be treated as a returned item and subject to applicable fees, based on your account type. You may not be provided notice prior to completing a debit transaction or ATM withdrawal that such transaction will cause an overdraft on your account. You should confirm your actual account balance prior to initiating any withdrawal transaction.

- 6. POINT OF SALE TRANSACTIONS/HOLDS ON FUNDS.** 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. 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 and incur fees 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 Privilege for one-time or everyday debit card transactions and ATM withdrawals, you will incur an overdraft and be assessed overdraft fees if you do not have sufficient funds in your account at the time the POS transaction is submitted 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, which can result in fees or other charges against your account. 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 and be assessed fees 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, even though 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/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/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 for a conclusion. 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 may not stop payment on electronic, ATM, one-time POS debit card transactions.

- 7. 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.
- 8. INTERNATIONAL TRANSACTIONS.** Mastercard will convert to U.S. dollars any purchase, credit, cash disbursement, ATM transaction or reversal transaction made to your account in currency other than U.S. dollars. The conversion rate will be determined using Mastercard currency conversion procedures then in effect. Under the currency conversion procedure Mastercard International uses, the non-U.S. dollar transaction amount is converted into a U.S. dollar amount by multiplying

the transaction amount in the non-U.S. dollar currency by a currency conversion rate. The currency conversion rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Mastercard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard receives, or the government mandated rate in effect for the applicable central processing date. The currency conversion rate is subject to change by Mastercard. The date the conversion rate is applied by Mastercard is either: (1) the date the transaction is processed; or (2) the day before the date the transaction is processed. Thus, the conversion rate applied may differ from the rate on the date of your transaction.

9. CONSUMER REMITTANCE TRANSFERS TO NON-U.S. COUNTRIES. You have a right to dispute errors in your remittance transfer transaction. If you think there is an error, contact us no later than 180 days after the disclosed date of availability of the remittance transfer at 1-864-364-6130. Note that in the event that you provide us with an incorrect account number or routing number for the recipient of the remittance transfer transaction or any intermediary bank, the remittance transfer funds may be misdirected. In such case, we may be unable to recover the funds and you may lose the funds.

10. ZERO LIABILITY POLICY FOR DEBIT CARD PURCHASES. You may have no liability for unauthorized debit card purchases, subject to the following terms and conditions:

A) Our zero liability policies apply only to unauthorized purchases and certain ATM transactions using your debit card. Any claims of unauthorized debit card purchases that do not meet the conditions of this section and any claims of unauthorized transactions involving other types of electronic fund transfers are governed by the error resolution requirements as described in Sections 11 and 20 of this Agreement and any separate agreement provided in connection with the issuance of the access device. If your claim does not meet the terms and conditions contained in this section, the bank will automatically re-examine your claim in accordance with the error resolution requirements as described in Sections 11 and 20 of this Agreement.

B) Our zero liability policy may not apply if: (i) we determine the unauthorized transaction was a result of gross negligence or fraud on your part; (ii) you fail to provide us with a statement or affidavit of your claim within the time requested; (iii) we determine the transaction was not "unauthorized" as defined below; or (iv) you fail to report the loss, theft, or unauthorized use of your debit card or card number within a reasonable period of time. A reasonable period of time will be determined by bank in its sole discretion, but in no event will it be shorter than the time periods specified in the error resolution requirements.

C) "Unauthorized" Defined – A transaction is considered "unauthorized" if it is initiated by someone other than you (the cardholder) without your actual or apparent authority, and you receive no benefit from the transaction. A transaction is not considered "unauthorized" if: (i) you furnish the card, card number, or other identifying information to another person and give that individual express or implied authority to perform one or more transactions and the person then exceeds that authority, or (ii) for any other reason bank concludes the facts and circumstances do not reasonably support a claim of unauthorized use.

11. UNAUTHORIZED TRANSFERS & YOUR LIABILITY. Tell us AT ONCE if you believe your access device has been lost or stolen, or someone may have electronically transferred money from your account without your permission, or someone has used information from a check to conduct an unauthorized electronic fund transfer. Telephoning us is the best way of keeping possible losses down. Except in situations governed by the zero liability policy described in Section 10, 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 could lose as much as \$500. Also, if your periodic statement shows transfers 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 to you, you may not get back any money you lost after sixty (60) days if we can prove we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

12. TELEPHONE NUMBER TO BE NOTIFIED IN EVENT OF UNAUTHORIZED TRANSFER. If you believe your access device has been lost or stolen, or your PIN has been obtained by an unauthorized person, or someone has transferred or may transfer money from your account without your permission, IMMEDIATELY call:
1-864-364-6130

You should also call to the number above if you believe a transfer has been made using information from your check without your permission.

13. BUSINESS DAYS. For purposes of these disclosures, our business days are Monday through Friday, except bank and/or Federal holidays.

14. 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 and line-of-credit accounts
- Make payments on designated lines of credit 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

For security reasons, there may be other limits imposed on the amount you may withdraw from our ATMs. Other limitations may apply to transfers made using Community First Bank Online Banking. Please refer to the Online Banking Services Agreement and Initial Disclosures. Other limitations may apply at ATMs that do not display the Community First Bank name.

Limitation on Deposits. For new deposit accounts, ATM deposit functionality may be limited for temporary access devices

15. CUSTOMIZING YOUR ACCESS DEVICE LIMITS AND TRANSACTIONS. For certain access devices, you may choose to establish lower maximum ATM withdrawal amounts or lower daily limits for point of sale transactions.

16. CHARGES FOR TRANSFERS OR RIGHT TO MAKE TRANSFERS. If an account is subject to service fees, the applicable service fees will apply whether the transfer is initiated electronically or by written order. Applicable service fees and fees for conducting electronic fund transfers are outlined in the Fee Schedule. A fee may be imposed for a balance inquiry even if you do not complete a fund transfer. In addition, we may charge a fee when you use an ATM that does not display the Community First Bank logo and the owner or operator of an ATM that does not display the Community First Bank logo may impose a fee.

17. THIRD PARTY MONEY SERVICE TRANSACTIONS. In the event you or a sender (meaning a person or business entity sending you a payment) use third party money transfer services to facilitate moving funds from a third party source to your Account, the third party may indicate the funds will be made available immediately. However, if the third party money transfer service does not send the funds in accordance with established guidelines provided by the payment networks or by Bank cut-off times, the funds availability may be subject to a delay.

18. DOCUMENTATION OF TRANSFERS.

Electronic Terminal Transfers. You may get a receipt at the time you make a transfer using an ATM terminal or point-of-sale terminal.

Preauthorized 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 1-864-364-6130, during normal business hours, to find

out whether or not the deposit has been made.

Periodic Statements. You will receive a monthly account statement, or less frequently if the account is dormant, that will show your electronic fund transfers.

19. PREAUTHORIZED TRANSFERS/PAYMENTS.

Right to Stop Payment and Procedure for Doing So. If you have told us in advance to make regular payments from your account, you can stop any of these payments. Here's how: Call us at 1-864-364-6130, write us at:

Community First Bank
3685 Blue Ridge Blvd
Walhalla, SC 29691

or call or visit a branch to complete a stop payment form. We must receive your request at least three (3) business days before the payment is scheduled to be made. If you orally request a stop payment, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. You should refer to the Community First Bank Online Banking Services Agreement for the procedure to stop an online payment. You should refer to the Bank's Fee Schedule for any fees we may charge for each stop payment order you give.

Notice of Varying Amounts. If these regular payments may 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.

Recurring Debit Card Transactions. If a transaction occurs on a regular basis as a recurring payment through your debit card, you may request to stop such a payment. Here's how: Call us at 1-864-364-6130, write us at:

Community First Bank
3685 Blue Ridge Blvd
Walhalla, SC 29691

Or call or visit a branch to complete a stop payment form. We must receive your request at least three (3) business days before the payment is scheduled to be made. If you orally request a stop payment, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. You should refer to the Bank's Fee Schedule for any fees we may charge for each stop payment order you give.

If any of the information provided in your stop payment request is inaccurate or changes (e.g., if you give Community First Bank the wrong transaction information, if the item presented for payment does not include the exact amount or company name provided, or if the amount or name of the person to whom the item is payable changes), Community First Bank may pay the item.

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 loss or damages.

20. **BANK'S LIABILITY FOR FAILURE TO MAKE TRANSFERS.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance: (i) if, through no fault of ours, you do not have enough money in your account to make the transfer; (ii) if the transfer would go over the credit limit on your credit line; (iii) if the ATM was not working properly and you knew about the breakdown when you started the transfer; (iv) if circumstances beyond our control prevent the transfer despite reasonable precautions we have taken; and (v) if the ATM where you are making the transfer, does not have enough cash. There may be other exceptions stated in other agreements with you.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS, TELEPHONE US AT:

1-864-364-6130

Write: Community First Bank
3685 Blue Ridge Blvd

Walhalla, SC 29691

Tell us as soon as you can, if you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and deposit account number (if any)
- Describe the error or the transfer about which you are unsure, and explain as clearly as you can why you believe it is

an error or why you need more information

- Tell us the dollar amount of the suspected error

If you tell us orally, we may require that you also send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you, and we 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 for ATM transactions made within the United States and up to ninety (90) days for new accounts, foreign initiated transactions and point-of-sale transactions. If we decide to do this, we will credit your account within ten

(10) business days for the amount you think is in error, minus a maximum of \$50, so you will have the use of the money during the time it takes us to complete our investigation. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error, minus a maximum of \$50.

If we ask you to put your complaint in writing, and we do not receive it within ten (10) business days, we may not credit your account and you will not have use of the money during the time it takes us to complete our investigation. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

- 21. CONFIDENTIALITY.** Subject to applicable law, we will disclose information to third parties about you and your accounts or the transfers you make: (i) where it is necessary for completing transfers; (ii) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; (iii) in order to comply with government agency or court orders; (iv) as otherwise required or permitted by law or government regulation; (v) if you give us permission; and (vi) as stated in the Community First Bank Consumer Privacy Notice.
- 22. NOTICE OF SAFETY PRECAUTIONS.** You should employ the following basic safety precautions while using an automated teller machine ("ATM"): (i) be aware of your surroundings when using an ATM, particularly during hours of darkness; (ii) be accompanied by another person when using an ATM, particularly during hours of darkness; (iii) refrain from displaying cash and your PIN, place cash in a pocket as soon as a transaction is completed, and count cash in the safety of a locked enclosure such as a car or home; (iv) use another ATM or return at a later time if anything suspicious is noticed; (v) cancel a transaction, place your access device in a pocket, and leave if you notice anything suspicious when using an ATM; (vi) immediately report all crimes to the operator of the ATM and to local law enforcement officials; and (vii) create a PIN that is difficult to guess by others, memorize it, and do not carry your PIN with your card.
- 23. MISCELLANEOUS.** Unless otherwise required by applicable law, we may change the terms of this agreement from time to time by giving you notice of the change. If we must collect what you owe us, you will be responsible for our reasonable expenses of collection, including court costs and attorney's fees to the extent permitted by law. If more than one person requests electronic fund transfer services, each person will be bound by this agreement and will be responsible for paying all amounts owed as a result of this agreement. We reserve the right to reject any electronic fund transfer we reasonably believe is made in connection with an unlawful transaction or activity, including without limitation, gaming, gambling, lottery, or similar activities.