

TRUTH IN SAVINGS

The interest rates and the annual percentage yields shown below are accurate as of _____. Please see additional disclosures for your account.

Free & Easy Account

- Account is truncated (no checks or items returned with the statement). \$25 monthly fee if account is inactive or dormant with a balance below \$50.* You must deposit \$50 to open account.

NOW Account

- Account is interest bearing. The interest rate is ____ and the annual percentage yield is _____. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account daily.
 - Interest begins to accrue no later than the business day the bank receives credit on noncash items (e.g. checks). Interest is compounded and credited monthly. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
 - Monthly maintenance charge of \$8.00 and \$.15 for each check or debit if the average daily balance drops below \$500. The average daily balance is calculated by adding the principal in the account each day and dividing that amount by the number of days in the statement cycle.
 - \$25 monthly fee if account is inactive or dormant with a balance below \$50 for personal accounts only.* You must deposit \$50 to open account.

Passbook Savings Account

- Account is interest bearing. The interest rate is ____ and the annual percentage yield is _____. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account daily.
 - Interest begins to accrue no later than the business day the bank receives credit on noncash items (e.g. checks). Interest is compounded and credited semi-annually on June 30 and Dec. 31. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account daily.
 - Monthly maintenance charge of \$3.00 if the average daily balance drops below \$50. The average daily balance is calculated by adding the principal in the account each day and dividing that amount by the number of days in a month. The maintenance charge may be waived for customers age 62 and over and 17 and younger.
 - Preauthorized or automatic transfers out of your account are limited to 6 per month (calendar or statement cycle) by check, electronic check, draft, debit card, Point of Sale, bill pay or other payment order to a 3rd party as well as transfers out by telephone, internet or through an automated clearing house.

Stearns Select (Money Market Account)

- This tiered account is interest bearing. The interest rate on daily balances of \$90,000 or more is ____ and the annual percentage yield is _____. The interest rate on daily balances of \$25,000, but less than \$90,000 is ____ and the annual percentage yield is _____. The interest rate on daily balances of \$24,999.99 or less is ____ and the annual percentage yield is _____.
 - Interest begins to accrue no later than the business day the bank receives credit for the deposit on non-cash items (e.g. checks). The interest rate and annual percentage yield paid on the entire balance in your account may fluctuate weekly, at our discretion. Interest is compounded and credited monthly. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account daily.
 - Preauthorized or automatic transfers out of your account are limited to 6 per month (calendar or statement cycle) by check, electronic check, draft, debit card, Point of Sale, bill pay or other payment order to a 3rd party as well as transfers out by telephone, internet or through an automated clearing house. You are allowed one free outgoing wire transfer per month. A \$25 closed account fee will be charged for accounts closed within three months of the open date.

Above The Norm Money Market Account

- The interest rate on daily balances of \$100,000 or more is ____ and the annual percentage yield is _____. If balances fall below \$100,000, interest paid is 0%.
 - Interest begins to accrue no later than the business day the bank receives credit for the deposit on non-cash items (e.g. checks). Electronic transfers with ACH

or Wires only. No minimum balance required to open account. Minimum \$100,000 daily balance required to earn the annual percentage yield. At our discretion, the interest rate and annual percentage yield may change at any time. Interest is compounded and credited monthly. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account daily.

- Preauthorized or automatic transfers out of your account are limited to 6 per month (calendar or statement cycle) by check, electronic check, draft, debit card, Point of Sale, bill pay or other payment order to a 3rd party as well as transfers out by telephone, internet or through an automated clearing house. You are allowed one free outgoing wire transfer per month. A \$25 closed account fee will be charged for accounts closed within three months of the open date.

Certificates of Deposit

- Account is interest bearing. The interest rate is ____ and the annual percentage yield is _____. The interest rate for your account will be paid until the maturity date of your certificate. Your account will mature on the following date: _____.
 - Interest begins to accrue on the business day you deposit noncash items (e.g. checks). Interest will be compounded in the following frequency: _____.
 - If interest is compounded, the APY assumes interest remains on deposit until maturity. A withdrawal will reduce earning. Interest will be credited in the following frequency: _____ and by the following method: added to your CD account, paid by check, or credited to your savings or checking account. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account daily.
 - This account will automatically renew at maturity. You will have ten (10) calendar days from the maturity date to withdraw your funds without being charged a penalty. After the account is opened, you may not make deposits into or withdrawals from this account until the maturity date. You must deposit \$_____ to open the CD. The minimum balance to earn the disclosed annual percentage yield is \$_____.
 - If any of the deposit is withdrawn before the maturity date, a penalty as shown below will be imposed: 90 days for CDs with terms of less than 12 months and 180 days for CDs with terms of 12 months and greater. If minimum balances are not maintained, we may lower your interest rate and annual percentage yield or we may close the account. There are certain circumstances, such as death, which may reduce the penalty.
 - If you withdraw funds from this CD account during the ten (10) day grace period, you will not receive the accrued interest from the maturity date.
 - Refer to your plan disclosures if this is an Individual Retirement Account.

*Account is considered inactive if there's been no customer activity in six months and is considered dormant if account has been inactive for three years.

Important Information About Your Checking Account

Something New Regarding Your Paper Checks

To make check processing faster, federal law now allows banks to substitute an original cancelled check with a reduced image or copy of the front and back of the original check. You may use your substitute check as proof of payment just like the original check. If you received a substitute, it will be stamped with: "This is a legal copy of your check. You are able to use it the same way you would use an original check." Some or all of the checks that you may receive back from us may be substitute checks.

What can I expect regarding refunds on substitute checks?

In certain cases, federal law allows a refund for losses suffered if a substitute check is posted incorrectly to an account, for example if it appears the bank withdrew the wrong amount or that it withdrew money from an account more than once for the same check. The losses recoverable under this procedure may include the amount that was withdrawn from an account and fees that were charged as a result of the withdrawal (for example overdraft or insufficient funds fees).

The amount of the refund is limited to the amount of the loss or the amount of the substitute checks; whichever is less. Customers are entitled to interest on the amount of the refund if the account is interest bearing. If the loss exceeds the amount of the substitute check, it is possible to recover additional amounts.

With this procedure, customers may receive up to the amount of the substitute check refund claim or \$2,500, whichever is less plus interest if the account earns

interest. The claim will be settled within 10 business days after the bank receives the claim or if there are other claims including interest on an interest bearing account, no later than 45 calendar days. The bank may reverse the refund if it later demonstrates that the substitute check was originally posted correctly to the account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact your local Stearns Bank or call us at 1-800-320-7262. You must contact us within 40 calendar days of the date we mailed or otherwise delivered by means you agreed to the substitute check in question or the account statement showing the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was not correct);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you have suffered a loss; and
- A copy of the substitute check or information to help us identify the substitute check (the check number, the name of the person to whom you wrote the check, the amount of the check, the date the check was posted to your account).

Account Fees

Account Printout	\$ 3.00
Account Research (per hour)	25.00
Check Copy(s)	4.00
Check Printing	Varies by Design
Duplicate Statement	5.00
Levies/Garnishments	25.00
Subpoena (per hour)	100.00
Non-Safekeeping	2.00
NSF Paid Item Fee (items created by check, ATM withdrawal or other electronic means)	23.00
NSF Returned Item Fee (items created by check, ATM withdrawal or other electronic means)	23.00
Returned Item Charge (deposited or redeposited per item)	4.00
Statement Reconciliation (per hour)	25.00
Stop Payment	23.00

Miscellaneous Fees

ATM/Debit Card Replacement	\$ 5.00
Auto Transfer	2.00
Bond Coupon	Varies by transaction
Cashiers Check	5.00
Coin Counting (customer)	N/C
Coin Counting (non-customer)	\$2 Min or 10%
Collection Item	15.00
Drill Safe Deposit Box	Current Cost
Duplicate Safe Deposit Key	10.00
Money Order	2.00
Notary Service (customer)	N/C
Notary Service (non-customer)	Varies by state
Photo Copies	0.25
Remote Depository Bags (per bag)	0.25
Special Statement	5.00
Wire Transfer (Incoming)	10.00
Wire Transfer (Outgoing)	20.00
Wire Transfer (Outgoing International)	40.00

Fees subject to change without prior notice.