

**DEPOSITOR'S AGREEMENT FOR ACCOUNTS AT  
VIRGINIA COMMERCE BANK**

Effective: May 15, 2008

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## A. GENERAL LEGAL AGREEMENT

This Depositor's Agreement governs all deposit accounts between Virginia Commerce Bank, (herein referred to as "Bank," "we," "our" or "us") and its clients, the account holder, account signatory and their agents (whether one or more, herein referred to as "Depositor," "you" or "your"). When you open, use or maintain a deposit account with the Bank, you are agreeing to the terms of this Depositor's Agreement ("Agreement"), as it may be amended from time to time and you agree that is a legally binding contract. The terms of this Agreement may be amended from time to time by the Bank, amendments to this Agreement may be accomplished without written notice to you and you agree to such amendments as the Bank may make to the Agreement. If the Bank does provide notice such notice may be included in your account statement and may state there has been a change in this Agreement and instruct you to pick up a revised Agreement at your local branch. However, in opening, using or maintaining the account you agree that the Bank does not have to provide such notice except to have a copy available to you within a reasonable period of time after such request by you. In any event, the use by Depositor or Depositor's agent(s) of any account maintained at the Bank, the issuance of any check on behalf of you, or your making any withdrawal or deposit to the account will be proof that Depositor agrees to such amendments as the Bank may make to this Agreement, from time to time. Please keep a copy of this Agreement for your reference. The use or reference to titles or headings of paragraphs shall not provide or extend any meaning to the language of the section or paragraph.

The schedule of fees, maintenance charges and minimum balance requirements for each deposit account is contained in a separate document called the "Fee Schedule." The Schedule, as it may be amended from time to time, is incorporated herein by reference.

Any waiver of the terms of this Agreement must be in writing and signed by the parties making the waiver. Any failure by the Bank to insist upon the Depositor's 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. 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, this agreement shall be governed by the laws of the Commonwealth of Virginia.

## B. OWNERSHIP OF ACCOUNTS

The following provisions describe the rules applicable to the various types of deposit accounts available. Not all accounts may be available in your area. Please contact a Bank representative for more information.

You agree that when you open an account, the titling of the account is proper, and that the Bank has no responsibility to inform you as to how the titling may affect your legal 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 desire and ensuring that you have properly completed any applicable documents or forms. You agree to sign the documentation necessary to create the proper ownership of your account.

**1. INDIVIDUAL.** Any account may be owned by a Depositor individually subject to the terms of this Agreement and applicable law. In the Bank's discretion, you may authorize, or subsequently ratify, another person to write checks on the account without granting an ownership interest in your account by use of an authorization form acceptable to the Bank.

**2. JOINT.** The co-owners or signatories (terms herein used interchangeably) of a joint account are those persons who have signed the signature card as joint owners. If your account is in two or more names (without a fiduciary, beneficiary or other designation), it is a joint account and we will presume it is a joint account with right of survivorship, subject to applicable state law. Each joint owner hereby appoints the other as his or her agent to deposit, withdraw and conduct any business on the joint account, instruct us to stop payment on any item drawn on the account, add additional joint owners to the account, obtain any and all information about the account, withdraw all funds, close the joint account, and conduct any and all other business on the joint account without limit 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, for which all joint owners will be liable. You agree that 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 account Depositor or co-owner shall be jointly and severally liable for all debits, losses, deposits, reversal of credit, or liability associated or involving the account, and for all expenses, attorney's fees and costs incurred by the Bank relating thereto.

Each joint owner authorizes the Bank to exercise setoff or enforce its security interest in the entire joint account for that owner or signatory even though only one of the joint owners is the debtor and against all other accounts in which joint account co-owner or signatory, Depositor has an interest. 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 have an equal and undivided interest in the entire account. Any notices, which we are required to send to either joint account Depositor, will be deemed adequate if delivered to any co-owner. Upon the death of a joint owner, the account balance is owned by the surviving owner(s), subject to our right to reimbursement from the account and our right of setoff and security interest in the account, and the estate of the deceased joint owner has no interest in the account. If more than one joint owner survives, they will own the account as joint tenants with right of survivorship and not as tenants in common.

**Joint With Survivorship.** If a joint account is either designated or determined to be with the right of survivorship, upon the death of any joint owner, the surviving joint owner shall be entitled to any funds remaining in the account at the time of death. Distribution of the funds upon the death of any joint owner will be subject to the provisions of any applicable state law.

**Joint Without Survivorship.** If a joint account is either designated or determined to be without the right of survivorship, upon the death of any joint owner, that owner's share in the account belongs to his or her estate and the surviving joint owner shall be entitled to the remaining funds. Distribution of the funds upon the death of any joint owner will be subject to the provisions of any applicable state law. The joint account holders agree that until the Bank is satisfied, in its sole discretion, as to the deceased owner's share, the Bank may, but is not obligated to, cease paying checks drawn against the account or otherwise pay funds from the account. In the event the Bank is not so satisfied within 30 days of notification of the passing of the joint account holders as to that owner's share in the account at the time of death, the co-owners hereby agree that the Bank may, but is not obligated to consider that deceased co-owner's share to be in equal parts to the other co-owners, or the Bank may interplead the funds with the Circuit Court for Arlington County, Virginia or such other court of competent jurisdiction, and all cost, expenses and attorney's fees associated therewith shall be deducted from the total account balance and should that balance be insufficient, each co-owner agrees to be severally and jointly liable therefore.

**3. PAYABLE ON DEATH (P.O.D.).** A P.O.D. account is a revocable account held in the name of one or more persons as owner(s) with one or more persons designated as beneficiaries or P.O.D. payees where the relationship is established by the form of account as designated on the signature card and not by separate written agreement.

During the owner's lifetime, the funds in the account are the property of the owner(s) and the owner(s) can take any proper action with respect to the account or the funds in the account including changing the designated beneficiary or P.O.D. payee. You agree that a change in beneficiaries is effective only upon a change to the signature card and that the Bank may rely only upon such signature card to determine the proper beneficiaries. Payment of funds upon an owner's death shall be in accordance with the signature card and any applicable state law.

**4. UNIFORM TRANSFERS TO MINORS.** An account designated on the signature card as "Uniform Transfers to Minors" or "Uniform Gift to Minors" account shall be governed by applicable state law. The signature card shall name a custodian who shall have authority on behalf of the minor to make withdrawals from, deposits to and otherwise transact business in 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. 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 law. Upon reaching the age of majority, the minor will be entitled to the funds in the account consistent with applicable state law. The parties hereby agree that all funds, whether or not authorized that were used for the benefit of the minor shall be deemed as authorized or ratified payments, as the case may be.

**5. FIDUCIARY.** Fiduciary accounts are only available to a court appointed individual acting as guardian, personal representative, trustee, custodian or conservator. The fiduciary's capacity must be designated as such on the signature card. The Bank is authorized to follow the directions of the fiduciary regarding the account until it receives written notice that the fiduciary's authority has been terminated in such a manner as is satisfactory to the Bank and the Bank has had reasonable time to act upon that notice. The terms of any trust agreement, court order, or other document under which the account is opened 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 trust or fiduciary relationship whether or not the Bank has been provided with a copy of such document, and we shall not be liable to anyone for the misapplication of funds from an account by an agent, fiduciary, trustee or custodian. Unless otherwise expressly stated in writing signed by the Bank, through an authorized signatory, there is no fiduciary relationship between the Bank and the Depositor(s).

**6. WRITTEN TRUST.** Written trust accounts are established by a legally enforceable trust agreement. You represent that you are authorized under applicable law and the governing documents to open the account in the name and manner requested. The Bank will not read or attempt to interpret these trust documents. The Bank will have no duty to monitor the accounts of the trustee and assumes no liability for the administration of the trust.

## C. RULES APPLICABLE TO ALL ACCOUNTS.

Unless this Agreement otherwise indicates: "item" means any check, 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 the Bank; "account" means any deposit or credit account with the Bank and includes a demand, time, savings, passbook, share draft, 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, receipt or book-entry, are subject to the terms and conditions of this Agreement.

**1. CORRECTION OF ERRORS.** Any error in the description or in the amount of any deposit is subject to correction by the Bank within a reasonable time after discovery by the Bank of the error. Any deposit received from the Depositor is based on the Depositor's representation and is not an admission by the Bank that the amount or type of deposit shown was received by the Bank, or that the item is valid. The Bank shall have no duty to inspect any deposit or any deposit ticket, or inspect any deposited item not drawn on an account at the Bank to determine its authenticity, or compare the items listed on the deposit slip with the items accompanying the slip, or to perform any audit or accounting function for the Depositor with respect to such listing of items deposited. You agree that the Bank is not subject to any standard of care in taking or accepting any item for deposit. Depositor has a duty to review any statements and report in writing any, unauthorized or missing signatures, forged or missing indorsements, alteration, unauthorized payments, unauthorized debits of any kind, and all other errors upon which Depositor would make a claim, to the Bank within thirty-one (31) days after the statement receipt date. You agree that your statement will be deemed final and that all activity, entries, debits and balances are correct for all purposes after thirty-one (31) days from the statement receipt date.

**2. PROVISIONAL CREDIT.** All items are credited to your account or cashed against your account on a provisional basis that may be revoked if payment of the item is not received. 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 rule, the Bank may charge back the item against your account without regard to whether such item was returned within any applicable deadlines. 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. In the event you use any credit given to you for which the Bank has not received final payment, you agree that in the event the Bank does not receive final payment, you will return the credit you used and in the event the Bank has to take any action to collect those funds from you, you will pay an additional 33 $\frac{1}{3}$ % of the amount owing by you as the Bank's attorney's fees, plus expenses and costs of collection. The Bank may also offset any amounts the Bank may owe you, including but not limited to debiting any bank account in which you have an interest, or charge any lines of credit, you may have with the Bank.

In receiving items for deposit or collection, the Bank acts as your collection agent. The Bank will not be liable for the negligence or default of any correspondent or for the loss of any item while in transit. You agree to maintain a description of all items deposited to your account and to furnish the same to the Bank upon request and to fully cooperate in securing replacement of any item credited to your account but subsequently lost, stolen or destroyed. Your failure to cooperate may result in either the Bank placing a hold on your account or exercising a right of set-off for the amount of the item previously credited. You agree to indemnify and hold the Bank harmless from any loss, claim or damage we incur based on your failure to cooperate with the Bank to obtain replacement of an item.

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 have 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.

**3. MISSING INDORSEMENTS.** The Bank is authorized to accept for collection and credit to your account items made payable to any one or more of the parties in whose name your account is established, with or without indorsement. If you fail to indorse an item that you submit for deposit, the Bank has the right, but is not obligated, to supply the missing indorsement.

**4. STOP PAYMENT.** A Depositor may by order to the Bank stop payment of any item payable from his or her account. The Bank must receive the stop payment order at such time and in such manner as to afford the Bank a reasonable opportunity to act on it prior to any action by the Bank with respect to the item, and you agree that such manner would have to include necessary information to a branch manager or assistant branch manager in writing of the stop payment. You agree that if you inform the Bank of a stop payment at one branch and the payee or presenter of the check presents the item at another branch on the same calendar day (or the next day if your order was received after 2:00 p.m.), that sufficient time was not afforded the bank to honor the stop payment. For purposes of determining whether to act on a stop payment order, an item is deemed received and acted on by the Bank when it is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your account has been deposited for collection in another financial institution, and no more than one such determination need be made. All stop payment orders which are received by the Bank on a Saturday, Sunday, Bank holiday, or after two o'clock p.m. on a Banking Day shall be treated as having been received on the next Banking Day. Because items are retrieved by a computer, the depositor must inform the Bank of the exact amount of the item, the item number, date, payee, and the account number. The Bank is not responsible for failure to stop payment if the item is not defined with reasonable certainty as aforesaid. A stop payment order is effective for six (6) months from the date it was received and may be renewed in writing for additional six (6) month periods. The Bank will honor a stop payment order placed by one of the Depositors of a multiple party account. You may not demand and you are not entitled to a stop payment on a cashier's check or certified check. The Bank may re-credit your account after paying an item over a valid and timely stop payment order to the extent of any loss you actually suffered. You must prepare and sign a written statement within thirty-one (31) days of the statement date in which such payment is an entry, fully describing the dispute and establishing your rights against the payee, agree to transfer to the Bank all of your rights against the payee or other holder of the item, and assist the Bank in any legal action taken against that party. Otherwise, you agree that you will be deemed to have ratified the payment, that you cannot enforce any such claim against the Bank or that you have waived all claims against the Bank.

**5. DEDUCTION OF FEES.** Maintenance and activity fees and fees for returned checks, insufficient funds, overdrafts, stop payment orders, charges for check printing, and other service charges made in accordance with the rules of the Bank in effect at the time of such charge may be deducted prior to any other debits to your account. The Bank shall not be liable for dishonoring checks or drafts presented for payment because of insufficient funds being in the account as a result of deducting such fees. Any fees (or portions thereof) un-posted due to insufficient funds at the time for posting may be collected at a later date without prior notice when sufficient funds are available in the account.

**6. DEPOSITS TO ACCOUNT.** We may accept deposits to your account from any source, and we need not question the authority of the person making the deposit. In the event any item is deposited to your account or a credit is received to your account, whether by you or another, with or without your authorization, you agree that should the Bank suffer any loss as a result of the use or withdrawal of that credit by you or your agent, that you will fully indemnify the Bank for its losses. Your use of any provisional credit is strictly at your risk and you will fully and completely indemnify the Bank for all losses and expenses incurred as a result of your use of any provisional credit. The Bank may also refuse to accept any item or any funds tendered to it for collection or for deposit. You further agree that the Bank may impose a fee for, or decline payment of, a check or other item drawn against your account that is presented for payment over the counter at the Bank rather than being deposited in an account at another Institution and presented for payment through the check collection system. The Bank also has the right to refuse to cash a check against your account and require that the item be deposited. Deposits may be made in person, through an ATM or by mail. Deposits may not be made through any night deposit receptacle. The Bank assumes no liability for any item delivered through a night deposit receptacle. In its sole discretion, the Bank may process any such delivery and you agree to indemnify and hold the Bank harmless from any loss, claim or damage arising out of such delivery. In the event Depositor has employees, Depositor agrees that should Depositor allow its employee to conduct any function regarding Depositor's account, any banking process or deposit of items in which the Depositor may have an interest, Depositor agrees that such agent shall be deemed to be an employee entrusted with responsibility with respect to instrument(s), as such term is used within the Uniform Commercial Code.

**7. PAYMENT OF ITEMS.** The Bank may process withdrawals and pay items drawn on your account in any order determined by the Bank, even if honoring a withdrawal or paying a particular item results in an insufficient balance in your account to pay one or more other items that otherwise could have been paid out of your account. If you ever issue a check and your account is closed, or there are insufficient funds at the time the check is presented for payment and we do not return the item by midnight of the next business day, but we subsequently pay that item, you agree to fully indemnify us for that check based on your issuance of that item.

In the check payment process, the Bank may believe that you did not authorize an item and return the item unpaid. You agree that you would want the Bank to return an item which the Bank believes was unauthorized. 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.

Certain retailers and merchants have implemented a procedure to convert checks into electronic debits. Upon purchase, you complete your check in the usual manner. The check will then be passed through a machine to capture the relevant bank information and purchase amount, stamped VOID and returned to you. You will sign an authorization slip (similar to a credit or debit card slip) permitting the check to be converted to an Electronic Fund Transfer and allowing your account to be immediately debited. To avoid causing NSF/Overdrafts you must ensure that you have sufficient funds in your account to cover the amount of the check. Because the check is not sent to the bank for processing, a copy will not be available through the Bank. In addition, certain companies that accept payment through remittance and lockbox locations have begun to convert checks into an electronic format. Both of these types of transactions are governed by the Electronic Fund Transfer Agreement and Disclosures.

Certain financial institutions may also convert checks into an electronic format or substitute check for presentment to, and payment from, the Bank. You agree that your account may be debited on the day an item is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your account has been deposited for collection in another financial institution. A determination of your account balance for purposes of making a decision to dishonor an item for insufficiency of available funds may be made at any time between the receipt of such presentment or notice and the time of return of the item, and no more than one such determination need be made. To avoid causing NSF/

Overdrafts you must ensure that you have sufficient funds in your account at the time to Bank pays the item to cover the amount of the check.

**8. RIGHT TO CLOSE ACCOUNT.** The Bank may close any account with or without cause at any time. The Bank shall give the Depositor either oral or written notice of its intention to close the account. If given in writing, the notice will be forwarded to the Depositor's last address as shown on the Bank's records. In the case of oral notice, the Depositor shall have five (5) days from the date of notice to withdraw all funds from the account, except those funds necessary to clear any previously issued but unpaid items. In the case of written notice, the Depositor shall have seven (7) days from the date appearing on the notice to withdraw all funds from the account. Upon notice, you must cease writing checks against your account and you agree to immediately provide to the Bank a list of all items issued against the account that have not been paid by the Bank. Your failure to do either or to otherwise protect your own interests or to mitigate any damages shall relieve the Bank of all liability. The Bank shall not be liable for dishonoring any items written after the notice date or in the event you failed to leave sufficient funds to clear any previously issued but unpaid items. In the event the Depositor has not withdrawn all funds to close the account within those time limits, the Bank will close the account and mail the Depositor a check for such funds remaining in the account, after deducting all applicable fees and charges, to the Depositor's last address shown on the records of the Bank and you agree that based on your failure to act as required herein or should the Bank close your account and remit such funds to you, that the Bank may without recourse or liability return all items subsequently presented for payment against your account. Closing the account does not release the Depositor from the payment of accrued fees or liability for items in process. The Bank may in its discretion close an account without prior notice to the Depositor if the account has a negative balance, or if the Bank believes it to be insecure or that it could be subject to any type of loss or liability by allowing the account to remain open, or if the Bank has a reasonable basis to believe that the Depositor is involved in an activity that may result in a loss to the Bank, which may include depositor being listed on check systems or other credit reporting agencies. No action or inaction by the Bank or on its behalf shall be construed as a waiver by the Bank of its right to close an account for a reason which constitutes cause or shall not be a waiver prospectively of the Bank's right at a later time to close the Depositor's account for the same or similar reason, or a waiver of any rights or remedies whatsoever. All demand deposit accounts with a negative or zero balance and no activity for sixty-two (62) consecutive days may be closed by the Bank without notice. All savings accounts with a negative or zero balance and no activity for ninety-two (92) consecutive days may be closed by the Bank without notice. The Bank further reserves the right to reject any deposit which is made to a closed account by returning the item or by crediting the item to another active account of the Depositor at the Bank. The Bank reserves this right notwithstanding that the deposit may have been processed at its data processing center and/or the Depositor was given a receipt for the deposit. The deposit receipt shall not constitute acceptance of funds in such instance and the Bank shall have no liability to the Depositor for any checks returned unpaid which are drawn on a closed account even if the Depositor attempts to make a deposit to the account.

**9. 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, holiday or after our cut-off hour on a business day, the item is deemed to have been received on our next business day. Our business days and cut-off hours are posted at our branches and ATM cut-off hours are displayed on the ATM deposit screen and are subject to change from time to time in our discretion.

**10. STATEMENTS.** A statement describing all debits, credits, interest earned, annual percentage yield earned, fees and other entries made to an account will be rendered to the Depositor by the Bank at regular intervals depending on the type of account. However, at our discretion, we may elect not to provide a statement if there is no activity on your account.

The statement will be mailed by first class mail or other suitable means to the Depositor at the last address for the depositor shown on the Bank's records, and shall for all purposes be deemed received by or made available to Depositor on the earlier of the actual date of receipt or two (2) calendar days (if that second day is a Sunday or Holiday, then the next business day) after the statement date appearing on the statement (referred to in this Agreement as the statement receipt date). You shall notify the Bank immediately if you do not receive your statement within ten (10) days after your regular statement date or the day of the week in the previous month when your statement was last received or made available. Your failure to receive your statement shall not relieve you of your responsibility to review the transactions on your account or operate as a waiver of any defense provided to the Bank in this Agreement or by law, as your

account information is available at any Bank branch. You agree that there will be a presumption that your bank statement was mailed to you within 1 day of the closing date as shown on that statement according to the Bank's record. You also agree that a copy of any bank statement, cancelled check, deposit or other account record, document or transaction as contained in the Bank's records shall for all purposes be considered an authentic document in any litigation involving the Bank. The Bank may mail the account statement to the Depositor unaccompanied by items credited to or paid from the account. Copies of items will be made available upon request subject to any applicable fees and you agree that your duties to review transactions and report unauthorized ones or to discover and report unauthorized or missing signature or alteration or unauthorized or missing indorsement and notify the Bank of such shall not be affected by the fact that canceled or paid checks are not included with your bank statement. The Bank will not be responsible for any damages sustained by you as a result of your failure to promptly notify the Bank of any change of your mailing address, your failure to notify the Bank that you did not receive your statement, or your failure to make arrangements to receive your statement. Your statement is deemed final and correct after thirty-one (31) days from the date received by or made available to you as stated above, and the Bank shall also not be responsible for any claims or errors asserted after that date.

## **11. FORGED OR 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. You agree to report any lost or stolen checks or any unauthorized transaction on your account immediately upon discovery. 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 substantially contributing to an unauthorized signature, unauthorized indorsement or unauthorized debit and furthermore the Bank shall not be responsible for any such items that are subsequently stolen and forged.

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 failed to report or stop payment on 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 and in writing 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 is improper, 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. You further agree that should you at any time provide account information, security code, password, PIN or personal identification used to access your deposit or credit account(s) to any individual or you allow anyone to issue, sign or indorse any item against your account or on your behalf, you will be responsible for all debits, draws or other withdrawals by not only that individual but all such other persons who obtained such information by, from or through that individual until such time as the Bank receives in writing by you a written statement revoking the authority of such individual or person and directing a closing of the account and you are able to produce a written receipt by the Bank of such written notification. These rules apply to all checking, savings, or credit accounts in which a check, draft, or other access device may be used to withdraw or transfer funds.

**Duty to Review Account Statement.** You agree to review your account statement within thirty (30) days from the date the statement was received by or made available to you, as set out above. Because you are in the best position to discover an unauthorized signature or indorsement, a missing indorsement, any alterations or any counterfeit item, you agree that, without regard to care or lack of care by you or the Bank, **the Bank will not be liable for paying any such item and you will be precluded from any recovery from the Bank if you have not reported in writing an unauthorized signature or indorsement, a missing indorsement or any alterations or any counterfeit item to the Bank within thirty-one (31) days from the statement receipt date** or the date the statement was received by or made available to you, as set out above. The Bank will also not be liable for forg-

eries on your account committed by the same person if you fail to report the first forgery(ies) within thirty-one (31) days from the date the statement was received by or made available, as set out above, containing the first forgery(ies). If you choose not to receive your statements, you remain responsible to review and report any errors within the time periods set out herein. If you are absent from your account mailing address, you agree to remain fully responsible for your obligations herein or to discover and report unauthorized or missing signature or alteration or forged or missing indorsement, or unauthorized transaction and notify the Bank of such, notwithstanding any reason for your absence, as required of you as set out in this Agreement. Except as otherwise expressly provided in this Agreement, such absence under any circumstance not be deemed as a waiver of any of your obligations or the Bank's defenses as provided in this Agreement or by law. If you receive substitute checks, a provision is made below. The Check 21 Act provides that substitute checks as opposed to original or imaged copies of checks may be returned with your periodic bank statements. Any indemnity discussed in the Check 21 Act protects against losses that any recipient of a substitute check suffers due to receipt of a substitute check instead of an original check. Nothing herein is intended to limit any of your responsibilities as stated in this Agreement or otherwise act as agreed.

**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, consistent with the time periods set out in this Agreement, as applicable: carefully examine your bank statements and enclosed items as aforesaid, if included, including but not limited to the discovery of fraudulent or unauthorized transactions, forgeries of all kind, or counterfeit items and promptly notify the Bank of the aforesaid, including but not limited to fraudulent or unauthorized transactions, forgeries of all kind, or counterfeit items; 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 law. Your failure to do any of the aforesaid duties shall be irrevocably considered by you and the Bank as an act on your part substantially contributing to an unauthorized payment or unauthorized indorsement or alteration on any item claimed by you against the Bank and separately shall be considered as your failure to exercise ordinary care that thereby constitutes negligence and will preclude you from asserting against the Bank any such unauthorized transaction.

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 signature verification 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, which you agree, as the Bank shall determine). The Bank shall be deemed to have acted with ordinary care 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, indorsement or alteration could not be detected by a reasonable person. If you use a facsimile, or stamped signature or other mark that is not a handwritten signature, you agree that the Bank may honor any additional use of an actual or purported facsimile signature (whether or not made by facsimile), if the signature resembles a facsimile specimen signature either filed with us or is a facsimile signature actually used by you, and pay the item presented. The Bank may honor the signature and pay the item presented, regardless of who places that signature on the item (whether or not authorized) or by whatever means the actual or purported facsimile signature (whether or not authorized) was made, so long as the signature resembles the actual facsimile signature. Because, as you agree, facsimile signatures appear similar, if any signature on a check or other payment order resembles a facsimile signature filed with us or used by you, we may pay the item and charge your account for the item. If you use a facsimile signature, you bear the risk of unauthorized use of your facsimile machine or the use of the fake facsimile signature or signatures that appear to be facsimiles.

**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 indorsement, any alteration or any other fraudulent or unauthorized transaction unless: (i) you have timely provided the written notices as required above and (ii) such proceeding or action shall have been commenced within one year from the statement receipt date or the date the statement was received by or made available to you, as set out above, containing the unauthorized transaction. 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 statement receipt date or the date the statement was received by or made available to you, as set out above containing the first unauthorized transaction is forever barred as the Depositor agrees the applicable statute of limitations is hereby reduced to one year.

**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 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.

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

**Limitation of Liability.** 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. Except as otherwise expressly provided herein, 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. Customer agrees to indemnify the Bank for all losses the Bank may suffer as a result of any forgery or alteration to any item drawn against or deposited to the account that is forged or altered in such a way that such forgery could not be reasonably detected.

**12. STALE ITEMS OR SPECIAL CONDITIONS FOR PAYMENT.** The Bank is not obligated to pay items drawn on any account which are presented more than six (6) months after their date; however, if the Bank does in its sole discretion pay any such items, it may charge your account for such items. Depositor further agrees that there is no and will not be any agreement that the Bank will pay an item of a certain dollar amount or otherwise upon special conditions such as, but not limited to, the number of signatures and that only one signature is required to pay any item.

**13. 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.

The Bank reserves the right of setoff against any of your accounts, including lines of credit, without prior notice to you to repay any debt or obligation owed to us by you or any co-owner of your account as principal, indorser or guarantor. 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, and should the account have overdraft protection or if you have a credit line, we draw on either to pay any amounts you may owe the Bank. 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 right of setoff also applies: (i) when we cash a third party check which is returned to us unpaid for any reason or is counterfeit;

(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, attorneys' fees and the costs of litigation. We may exercise our right of setoff 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 results in insufficient funds in your account to cover the items. Our right of setoff 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. 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 applies to all funds deposited into your account including funds received from the Social Security Administration and other federal or state agencies. 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.

**14. POSTDATED ITEMS.** You should not issue a postdated check. The Bank is authorized to disregard the date which appears on an item submitted for payment from your account. The Bank is not bound by notice of a postdated item. The Bank shall not be responsible for paying the item and debiting your account prior to the date on the item, regardless of whether or not the Bank has received notice of the postdated item. If the Bank re-credits 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 the Bank in any legal action taken against that person.

**15. INCOMPLETE OR CONDITIONAL ITEMS.** The Bank may pay or refuse to pay any item which is incomplete or where, by its terms, payment is conditional and the condition has not been satisfied. For example, we may pay or refuse to pay a check which says "void after 30 days" even though the check is presented more than 30 days after its date. You agree that the Bank will use, as the Bank has adopted, automated collection and payment procedures for processing items. These automated procedures rely primarily on information encoded onto each item in magnetic ink. You agree that in paying or taking a check for collection, the Bank may disregard all information on the check other than the signature it may be required by law to review, the identification of the drawee bank and payee, should that also be required by law, the amount of the item and any information on the magnetic ink character recognition line.

**16. NON-SUFFICIENT FUNDS/OVERDRAFTS.** An NSF/Overdraft is created when your account has insufficient funds to cover a check, personal withdrawal, automatic transfer, electronic transaction (e.g., ATM or point-of-sale purchase), returned deposited item or any other electronic purchase, payment check or debit presented against your account for payment. If your account is linked to Overdraft Protection, the NSF/Overdraft will be paid subject to the terms of the Overdraft Protection agreement and you will not be charged a NSF/Overdraft fee unless you have exceeded your credit limit or available account balance. For all other NSF/Overdrafts, the Bank has implemented both an automated and manual system of review to determine whether to pay or return the NSF/Overdraft. Any NSF/Overdraft not covered by Overdraft Protection will be subject to NSF/Overdraft fees and other charges as may be described in the Fee Schedule whether paid or returned. If you have multiple NSF/Overdrafts on a given day, we may honor any one or more and return the others in any order. More than one NSF/Overdraft fee can be charged against your account per day on these occasions.

You will not be notified prior to incurring NSF/Overdraft. You are in the best position to ensure that your account has sufficient funds to cover any check or other debit by maintaining an accurate and current record of your deposits and withdrawals. You have the ability to confirm your account balances through any VCB ATM, VCB telebanking, VCB Online or by contacting any branch prior to writing a check, withdrawing cash, or initiating any electronic or debit transaction. Because payment of an NSF/Overdraft will create a debt owed to the Bank, if you do not wish to have your account subject to NSF/Overdraft review (and therefore, have your NSF/Overdraft items returned unpaid), you must contact us in writing by letter addressed to your local branch.

Should the Bank pay NSF/Overdraft that is not covered by Overdraft Protection, upon receipt of

notice, you agree to immediately repay the Bank or deposit into your account sufficient funds to cover the NSF/Overdraft and all related fees. You agree and acknowledge that NSF/Overdraft fees are designed to compensate the Bank for its costs in processing the NSF/Overdraft, to discourage NSF/Overdrafts, to provide a profit, and to compensate the Bank for its risk in electing, at its discretion, to pay certain NSF/Overdrafts. You further agree that such NSF/Overdrafts fees do not constitute a penalty. If you fail to reimburse the Bank for any NSF/Overdrafts and related fees, the Bank will be entitled to recover the expenses it incurs in collecting the NSF/Overdraft and any related charges including, without limitation, attorney's fees and legal costs. The payment of one or more NSF/Overdrafts does not obligate the Bank to honor or pay future NSF/Overdrafts, and you should not rely upon the Bank to honor or pay any NSF/Overdraft. As to any account with multiple owners, each owner agrees that they are jointly and severally liable for any NSF/Overdraft paid by the Bank. Each owner also agrees that the Bank may debit funds from any other account held by such owners to repay the NSF/Overdraft and any related fees, attorney's fees and legal costs.

**17. OVERDRAFT PROTECTION.** Overdraft Protection is a service that automatically transfers funds to a qualifying checking account to cover NSF/Overdrafts pursuant to one or more of the following methods: (i) transfer funds from a designated credit account; (ii) transfer funds from a designated savings account; (iii) transfer funds from a designated credit account first and if funds are not available, from a designated savings account; or (iv) transfer funds from a designated savings account first and if funds are not available (or the transfer limit has been exceeded), from a designated credit account.

Any credit account is subject to qualification and the terms and conditions contained in the applicable credit agreement. All fees applicable to your credit account are also contained in the credit agreement. Transfers made from a designated savings account are limited to six (6)-preauthorized transfers per statement period. The transfer limitations and the other terms and conditions governing the designated savings account are more fully described in this Agreement under the heading "Regular Savings Account."

The Bank reserves the right to return any NSF/Overdraft that cannot be covered by an automatic transfer from your credit account or designated savings account. Any NSF/Overdraft that cannot be covered by Overdraft Protection will be subject to the Bank's current NSF/Overdraft fee.

**18. LEGAL PROCESS AGAINST YOUR ACCOUNT.** The Bank has the right to comply with any tax levy, attachment or garnishment request from the Internal Revenue Service, any state department of revenue or any other government agency, and any legal process, levy, attachment, garnishment, subpoena, or other process issued by or through any court, without having to determine whether such process was properly issued, properly served or of any legal effect. The Bank may honor such levy, attachment or garnishment requests to the extent that the Bank itself has no claim to the money. The Bank may freeze any account until such time as it is instructed to release the levy, attachment or garnishment or until the Bank remits, or is ordered to remit, the funds to the appropriate government agency or department, court or judgment creditor.

The Bank is also authorized, upon receipt of any notice of lien, process in attachment, garnishment, execution or other legal proceeding relating to you or your account, to withhold payments of as much of the balance in your account as may be the subject of such notice or process and to pay such amount to the court, creditor or other party in accordance with applicable state or federal law. You agree that the Bank is not to determine whether such process is proper and that however received by the Bank, the Bank is to attach the account and place a hold on the funds in the amount identified in the process, unless otherwise directed by the party who caused the process to be issued or by order of a court of competent jurisdiction. The Bank may also, in its discretion, place a hold on your account for a reasonable period of time to permit the parties or the Bank an opportunity to file any additional legal proceedings or to informally resolve the action involving the account. You understand and agree that the Bank will not be liable for dishonoring checks, drafts or other items because of insufficient funds in your account due to a hold placed on your account or resulting from service charges, setoffs, levies, garnishments, lien claims, or other legal process. If the Bank incurs any expense, including, without limitation, administrative costs, attorneys' fees or any costs of litigation in responding to any legal proceeding or process relating to you or your account that is not otherwise reimbursed by you, the Bank may charge such expenses to your account without prior notice or future liability to you. In addition, the Bank may deduct a fee prior to complying with any legal process served on your account. If there are insufficient funds in your account to reimburse us fully for any of the aforesaid, you will be liable for the balance. Any legal actions against your account are first subject to the Bank's security interest and right of setoff, as you agree that any such amounts would be owing to the Bank prior to the receipt of the process.

All funds held in a joint account can be used to satisfy any legal process against you or your account notwithstanding any claim or assertion of actual ownership of the funds in the account. In the event the Bank finds it necessary in its sole judgment to retain counsel to address any levy, attachment, garnishment, subpoena or legal process affecting or regarding your account, you agree that you will owe the Bank all costs, expenses and fees thereof and that the Bank may charge or offset any of your accounts or any account in which you hold an interest. You further agree that should the Bank charge any account in which you hold an interest for any charge, cost, fee, or expense, as permitted under any provision of this Agreement or by law, that you will fully indemnify the Bank should any other party in interest to such account make a claim upon the Bank for such charge or offset.

**19. DISPUTES CONCERNING YOUR ACCOUNT.** If we have been notified, or we reasonably believe there is a legitimate dispute among any parties who have or claim an interest in your account, including the Bank, we may, at our discretion: (i) continue to rely on the signature cards, resolutions, and other account documents in our possession; (ii) freeze all or any portion of the funds we deem appropriate until the dispute is resolved; (iii) pay the funds into an appropriate court of law or equity for resolution; (iv) honor the competing claim upon receipt of evidence we deem satisfactory to justify such claim; or (v) close the account and pay any proceeds to: (a) all who have or claim an interest in the account; or (b) the account owner(s) as indicated in our records. In addition, we may, at our option, commence a lawsuit to determine the ownership of your account. The Bank's right to freeze or place a hold on your account includes prohibiting any type of withdrawal or transfer from the account and/or preventing any deposits or credits from being made to the account. The Bank's right to freeze or place a hold on your account shall also apply if the Bank, in its sole discretion, believes: (i) it has a claim against you or the funds in your account or something has occurred or is reasonably expected to occur which will result in the Bank having a claim or dispute against you or the funds in the account; or (ii) that placing a hold on the account will best protect the interest of anyone of the Depositors or signers on the account; or (iii) placing a hold on the account would protect the Bank from any claims regarding disposition of the funds in the account. You further agree that as a result of a hold placed on your account the Bank shall have no liability based on any item which is returned unpaid, causes the account to go into overdraft status, results in any item being declared an "NSF/Overdraft Item" or causes any other loss or damage and that all expenses and costs incurred by the Bank including its actual attorney's fees may be deducted, without prior notice to you, from the balance of your account(s) before the funds are deposited with the Court or otherwise disbursed as set out herein, or should the Bank not do so prior to depositing the funds with the Court, you agree that such amounts shall be paid from the funds so deposited, or if there are not funds available, you agree to pay the Bank such amounts upon demand. You further agree that should you permit any person to issue or sign any check against your account or indorse or deposit with out indorsement any check, that the Bank, at its sole option, may rely upon such authorization for all subsequent checks issued, signed, indorsed or deposited by that person.

**20. RESPONSIBILITY FOR BANK'S EXPENSES.** You agree to be liable to the Bank for any loss, costs or expenses, including, without limitation, all attorneys' fees, the costs of litigation, and the costs to prepare or respond to subpoenas, depositions, child support enforcement matters (all as incurred by the Bank), or other discovery that the Bank incurs as a result of any dispute or any subpoena served on the Bank involving you or your account, and you authorize the Bank to deduct any such loss, costs or expenses from your account without prior notice to you. This obligation includes, but is not limited to, disputes between you and the Bank involving the account and situations where the Bank becomes involved in a dispute between you and an authorized signer, another joint owner or a third party claiming an interest in the account. It also includes situations where you, an authorized signer, another joint owner or a third party take action with respect to the account that causes the Bank, in its sole discretion, to seek the advice of counsel, whether or not the Bank actually becomes involved in the dispute.

**21. 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 Court of competent jurisdiction.

**22. DELAYED RETURN OF ITEM.** The Bank will not be liable to the Depositor because an item deposited into your account is returned after the time set by applicable law if the delay in returning the item is caused by markings on an item in the space reserved for the depository bank's indorsement that were made by the Depositor or a prior indorser. Similarly, you will be

liable to the Bank for any loss or expense, including, without limitation, attorneys' fees we incur because we are unable to properly return an item drawn on your account within the time set by applicable law where the delay in properly returning the item is caused by markings on the item in the space reserved for the depository bank's indorsement.

**23. ITEMS PAYABLE JOINTLY.** If an item is drawn so that it is unclear whether one payee's indorsement or two is required, only one indorsement will be required and the Bank shall not be liable for any loss incurred by the maker as a result of there being only one indorsement.

**24. RELATIONSHIP OF BANK AND DEPOSITOR.** When you open any account with the Bank, a debtor/creditor relationship is created. Opening an account with the Bank does not create a fiduciary relationship between the Bank and the Depositor. You agree not to assert any claim against the Bank based on an assertion that the Bank serves in a fiduciary capacity. You agree that the Bank may close your account at any time, without recourse and that you will fully indemnify the Bank in the event the Bank does close your account when such closure is not done at your request.

**25. 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, your account number, or other magnetic ink character recognition (MICR) data, and any of this information is thereafter used to debit your account, you authorize the Bank to pay such items. You agree to accept responsibility and liability for the amount of any drafts debited from your account. You may cancel this authorization only by giving a valid and timely stop payment order to the Bank in accordance with the terms of this Agreement.

**26. DUAL SIGNATURES/SPECIAL PURPOSE ACCOUNTS.** Signature cards, banking resolutions, or other documents may contain language that requires two or more signatures for items drawn on the account or an indication that the account is established for a special purpose. Notwithstanding any such language, or any prior understanding between the Bank and the Depositor(s), you agree that any such provision or prior understanding is solely for your personal or internal control purposes and does not bind the Bank in any way. As long as an item bears at least one authorized signature, the Bank will not be liable to you if the Bank pays an item which does not have any additional signature(s) or which is not used for the special purpose indicated.

**27. POWER OF ATTORNEY.** The Bank has the discretion to accept or decline a Power of Attorney. If we accept a Power of Attorney we may continue to recognize the authority of your 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. On a case by case basis, we reserve the right to restrict the nature or size of the transactions the Attorney-in-Fact may conduct on your behalf and to require that you appear in person to conduct such transaction, but you agree that the Bank is not obligated to do so. The Bank further reserves the right to permit you or any authorized signer on your account to conduct transactions against the account even if the Bank has previously recognized a Power of Attorney with respect to the account. The principal shall maintain access to an account opened in his/her name under a Power of Attorney despite not having signed a signature card.

**28. LITIGATION.** You agree to waive any and all rights to a trial by jury.

## **D. NON-INTEREST BEARING ACCOUNTS**

The Bank offers various non-interest bearing demand deposit accounts, each with different qualifiers. In addition to the applicability, if not otherwise prohibited, of the forgoing terms of this Agreement to such an account, refer to your local branch 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.

## **E. INTEREST BEARING ACCOUNTS**

The Bank offers interest bearing accounts. In addition to the applicability, if not otherwise prohibited, of the forgoing terms of this Agreement to such an account, refer to your local branch for disclosures, interest rates and fee schedules.

**"Annual Percentage Yield."** The Annual Percentage Yield ("APY") is a measure of the total

amount of interest paid on an account based upon the interest rate and frequency of compounding. The APY is expressed as an annualized rate, based on a 365-day year or a 366-day year 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. 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. In making the calculation it is assumed that all principal and interest remain on deposit for the entire term and that no other transactions (deposit or withdrawals) occur during the term. For variable-rate accounts, the 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.

**Variable Rate Accounts.** Except as otherwise provided, interest bearing transaction accounts will be variable rate accounts. The interest rate and APY may change at any time and in our sole discretion. For such accounts, you are entitled 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.

**Compounding and Crediting of Interest.** Interest begins to accrue no later than the business day the Bank receives credit for the deposit of non-cash items (for example, checks), i.e., interest is paid on collected balances. The Bank relies upon the available schedule of the Federal Reserve Bank to establish when credit is received for the deposit of non-cash items. Depending upon on the specific account, interest is compounded and credited monthly or quarterly. Refer to the Truth in Savings disclosure for specific account information. If your account is closed before interest is credited, you will not receive the accrued interest.

**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.

**Tiered Interest Rate.** Tiered interest rate disclosures are contained under the separate account descriptions when applicable.

**Withdrawal Notice.** We reserve the right to require at least seven (7) days' written notice prior to withdrawal of all or part of your funds deposited.

**Transfers and Withdrawals.** You may make transfers and withdrawals to or from the account in any amount 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 deposited) and by any means acceptable to the Bank. However, Regulation D requires the Bank to place transaction limitations upon certain interest bearing accounts. Refer to the Truth in Savings account disclosure for details on limitations to account transactions.

## **F. CERTIFICATES OF DEPOSIT**

**General Applicability.** The terms, conditions and disclosures set forth hereinabove and hereinafter apply to all 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, or if not otherwise prohibited. 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. These disclosures are in addition to the interest rate schedule, the Fee 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 business day we receive credit for the deposit of non-cash items. We calculate and accrue 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 principal in the account each day. 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 Deposits is compounded quarterly and credited quarterly, unless a monthly withdrawal is requested in which case interest will be credited monthly.

**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.

**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 upon proper notice. You may change the term of a Certificate of Deposit by notice to the Bank during the ten (10) day period beginning after the renewal date and including the next ten (10) calendar days. Thereafter, the Certificate of Deposit will automatically renew for the modified term.

Partial withdrawals of principal and interest may be made at renewal. Additional deposits and partial withdrawals of principal and interest may be made for ten (10) calendar days beginning on the day following the renewal date and including the next ten (10) calendar days.

**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 for ten (10) calendar days (after the maturity date) following any maturity. If the Certificate of Deposit is redeemed within ten (10) calendar days (after the maturity date), interest will be accrued and paid at the current rate for Certificates of the same term, type, and amount through the date of redemption. If not redeemed within ten (10) calendar days (after the maturity date), interest shall accrue at the current rate for Certificates of Deposit of the same term, type, and amount.

**Early 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 without penalty. A withdrawal of interest will reduce earnings.

**Early Withdrawal of Principal.** Withdrawals of principal from a Certificate of Deposit prior to maturity may be permitted. In addition, certain early withdrawal penalties will apply and the interest rate may also be reduced.

**No-Risk Certificates of Deposit.** You are permitted one withdrawal without penalty of up to 100% of the balance once funds have been on deposit for 14 days or such other time period as permitted by applicable law or regulation.

**Early Withdrawal Penalties.** Except as otherwise disclosed, for Certificates of Deposit with a term of less than one (1) year, the penalty shall be an amount equal to three (3) months of interest that would have been earned during the term of the Certificate of Deposit. For Certificates of Deposits with a term of one (1) year or greater, the penalty shall be an amount equal to six (6) months of interest that would have been earned during the term of the Certificate of Deposit.

**Death or Incompetency.** If a Depositor dies or is judicially declared mentally incompetent after purchasing a Certificate of Deposit, the Bank may honor one (1) request for withdrawal of the deposit prior to maturity without penalty.

**NOTE: Additional penalties may be set forth on the Certificate of Deposit. If the amount of the penalty exceeds the actual interest accrued for the term, whether paid or unpaid, the penalty shall be withheld from the principal of the Certificate of Deposit.**

## G. FUNDS AVAILABILITY

**General Withdrawal Policy.** This policy statement applies to "transaction" accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third parties (whether by check, point-of-sale transaction, debit card, ACH, or preauthorized transfer), and an unlimited number of telephonic and prearranged automatic transfers to other accounts you have with the Bank.

As further explained or modified herein, our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Funds from electronic direct deposit to your account will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written. You agree that should the Bank provide immediate credit to any deposit to such account made by you or anyone, whether with or without your authority to do so, that as set out above, the credit is provisional and you will not rely upon any hold or

lack of hold on any such deposit to alter your agreement to reimburse and indemnify the Bank for all losses, expenses, attorney's fees and costs it may incur associated with such deposit.

**Branch Deposits.** For determining the availability of your deposits made at VCB branches, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before two o'clock p.m. on a business day that we are open, we will consider that the day of your deposit. Any deposits made after this time or on a day we are not open, will be considered made on the next business day we are open.

**ATM Deposits.** For determining the available of your deposits made at VCB ATMs, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before two o'clock p.m. on a business day, we will consider that the day of your deposit. ATM deposits made after two o'clock p.m. will be considered to be deposited on the next business day. Although the deposit may be delayed until the following business day in some cases, you should consult your transaction receipt for the exact posting date of any ATM deposit.

**Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your 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. However, the first \$100 of your deposit may be available on the first business day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the first business day following 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 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.

In addition, withdrawal of funds you deposit by check may be delayed for a longer period under one or more of the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the preceding six (6) months.
- There is an emergency, such as failure of communications or computer equipment.
- You deposit checks to a new account (\$100 may not be given).

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 generally will be available no later than the eleventh business day after the day of your deposit.

**Wire Transfers and Official Checks.** An exception from our general policy of next day availability exists where funds which you deposit to your account are to be transferred by wire or used to purchase an official check. In that event, funds from deposit of local checks shall be available no later than the second business day following the day of deposit and funds from deposit of non-local checks shall be available no later than the fifth business day of deposit.

If you will need the funds from a deposit right away, you should ask when the funds will be available.

**Special Rules for New Accounts.** If you are a new customer, the following special rules may apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks, U.S. Treasury checks, U.S. Postal Service Money Orders, and checks drawn on Federal Reserve Banks and Federal Home Loan Banks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, these checks (other than U.S. Treasury checks) must be deposited in an account held by the payee and must be deposited in person to an employee of the Bank.

If you deposit one of these checks (other than U.S. Treasury checks) and it is not made in person to one of our employees, the first \$5,000 may not be available until the second business day after the day of your deposit. The excess over \$5,000 will be available by the

ninth business day after the day of your deposit. Proceeds of a U.S. Treasury check which are deposited in an account held by the payee will be available on the first business day after the day of your deposit even if not deposited in person to one of our employees.

Funds from all other check deposits generally will be available on the first business day after the day of your deposit unless they are held by the Bank as set forth in the section entitled "LONGER DELAYS MAY APPLY." You agree that should the Bank provide immediate credit to any deposit to the account made by you or anyone, whether with or without your authority to do so, that as setout above, the credit is provisional and you will not rely upon any hold or lack of hold on any such deposit to alter your agreement to reimburse and indemnify the Bank for all losses, expenses, attorney's fees and costs it may incur associated with such deposit.

## HOLDS ON OTHER FUNDS

**Check Cashing.** If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

**Other Accounts.** If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

## H. BACKUP WITHHOLDING & TAXPAYER IDENTIFICATION

**Backup Withholding.** Unless you are exempt as described below, federal law requires that a payor of interest or dividends, such as the Bank, withhold a statutory amount of interest payments or dividend payments (this is referred to as backup withholding) if you, as payee:

- Fail to furnish the payor 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 because of certain underreporting.

If a correct TIN is not furnished at the time the account is opened, backup withholding will commence immediately. If you do not have a TIN, but have applied (or will soon apply) for one, you may indicate this, and, in that case, you will not be subject to withholding for a period of sixty (60) days, but you must provide us with your TIN promptly after you receive it in order to avoid withholding after the end of the sixty (60) day period. (Please refer to the paragraph entitled **Obtaining a TIN** for instructions on obtaining a TIN.) After sixty (60) days, if a certified TIN is not furnished, the account may be closed.

Also, certain Internal Revenue Service penalties may apply if your TIN is not provided.

The TIN for a U.S. citizen or an eligible resident alien individual is a Social Security Number.

**Obtaining a TIN.** To obtain a TIN, get Form SS-5, Application for a Social Security Card (for individuals), from your local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office, or Form W-7, Application for IRS Individual Taxpayer Identification Number (for individuals who are ineligible to obtain a Social Security number).

The following table indicates the name and number to be provided for each type of account. For this type of Account Give the name and Social Security of:

Individual	The individual
Two or more individuals (multiple party account)	The actual owner of the (multiple party account) account, or, if combined funds, the individual listed first on the account
Custodian account of a minor (Uniform Transfers to Minors Act)	The minor
Personal Trust Account, Living Trust, and Grantor Trust	Grantor/Trustee
A valid trust or estate	Legal entity
A broker or registered nominee	The broker or nominee

**Exempt Payees.** If you are exempt from backup withholding and information reporting, you must complete a certificate to that effect provided by the Bank. You must also provide the Bank with your TIN to be considered exempt.

**Privacy Act Notice.** Section 6109 of the Internal Revenue Code requires most recipients of dividends, interest, or other payment to give Taxpayer Identification Numbers to payors who must report payments to the Internal Revenue Service. The Internal Revenue Service uses the numbers for identification purposes and to verify the accuracy of your tax return. Payors must be given numbers whether or not recipients are required to file tax returns.

## FOR ADDITIONAL INFORMATION, CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

### I. BANK SECRECY ACT

The Bank Secrecy Act and its implementing regulation require a bank to maintain records and/or report certain transactions to federal government agencies. The act and regulation have been amended periodically and focus on issues such as anti-money laundering and anti-terrorist financing.

**Important Information About Opening a New Account.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**Reporting Certain Activities.** 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. You agree that you and the Bank are subject to the Bank Secrecy Act. Financial institutions, financial institution employees, and individuals may all be subject to prosecution for evading the reporting requirements. There are both civil and criminal penalties associated with violations of these regulations that may carry significant monetary fines and imprisonment. The Depositor agrees to assist the Bank in gathering information to meet Bank Secrecy Act requirements.

### J. ELECTRONIC FUND TRANSFER AGREEMENT & DISCLOSURES

This 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 federal Electronic Fund Transfer Act and Regulation E of the Federal Reserve Board. 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, 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 debit funds from your account using information from the check that you provide to the third party. This may occur at the point of sale or when you send a check by mail or deliver a check to a third party's lockbox location. In addition, some third parties may initiate an electronic fund transfer to collect a fee if your check is returned to the third party 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 VCB Check Card (Check Card) and Personal Identification Number (PIN) 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

Access Device privileges, with or 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, any separate agreement and disclosure provided in connection with the issuance of any particular Access Device, and all agreements governing your accounts. The repayment of any advances on a credit line initiated electronically will be governed by the terms and conditions of the applicable agreement governing the credit line. Please refer to the online banking services agreement for important additional information concerning electronic fund transfers initiated using a personal computer.

**4. VERIFICATION OF TRANSACTION.** Transaction records issued with respect to an electronic fund transfer will be subject to verification and adjustment in accordance herewith and with the rules and regulations 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. OVERLINES 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 which 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 NSF/Overdrafts and subject to applicable NSF/Overdrafts fees.

**6. POINT OF SALE TRANSACTIONS/HOLDS ON FUNDS.** If you use your ATM Card or Check 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 withdrawal from the account, even though the transaction may not actually be posted to that account until a later date. The merchant may submit a preauthorization for the transaction to us which is either accepted or declined by us. In certain circumstances, VISA and other payment networks permit the preauthorization amount to be estimated by the merchant, which may be more or less than the final transaction amount. Because we are obligated to pay the preauthorization amount submitted by the merchant if we accept it, the available balance in your primary deposit account will be reduced by the amount of the preauthorization submitted by the merchant (a "hold") even if the final settlement transaction has not yet been received or processed by us. This hold, which may be more or less than the final transaction amount, may affect the availability of funds in your account to authorize and pay checks and electronic transactions. As a result, checks or electronic transactions may be declined, dishonored, or not paid which can result in NSF/Overdraft fees and/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 checking account while such a hold is placed on your account. By conducting point of sale transactions, you authorize us to rely on preauthorized amounts submitted by merchants electronically or otherwise, to place such a hold or holds on your account, and to determine the balance available to pay checks and/or authorize other electronic transfers from your account. Your account will be debited when the settlement transaction corresponding with the preauthorized amount has cleared through us, or the hold on your account will be released in three (3) business days, whichever first occurs. Additionally, you should know that a merchant may reverse the 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. No cash refunds will be made to you by the Bank on ATM Card/Check Card purchases. Any claim or dispute regarding goods or services purchased with your ATM Card/Check Card must be directed to the merchant or other business establishment at which you made the purchase. The amount of the credit, if any, will be reflected on your periodic account statement. You may not stop payment on ATM Card/Check Card purchases.

**7. ZERO LIABILITY POLICY FOR CHECK CARD PURCHASES.** You may have no liability for unauthorized Check Card purchases, subject to the following terms and conditions:

- a. Our zero liability policies apply only to unauthorized purchases using your Check Card. Any claims of unauthorized Check 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 Regulation E Disclosures below, 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 reexamine your claim in accordance with the Regulation E Disclosures below.

- b. Our zero liability policy may not apply if: (i) we determine that the unauthorized transaction was a result of gross negligence, authorization 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 that the transaction was not "unauthorized" as defined below; or (iv) you fail to report the loss, theft, or unauthorized use of your Check Card or card number within a reasonable period of time. A reasonable period of time will be determined by the Bank in its sole discretion, but in no event will it be shorter than the time periods specified in the Regulation E Disclosures below.
- 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 the Bank concludes that the facts and circumstances do not reasonably support a claim of unauthorized use.

**8. 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.

**9. INTERNATIONAL TRANSACTIONS.** Visa 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 Visa currency conversion procedures then in effect. Under the currency conversion procedure that Visa 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 Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa receives, or the government mandated rate in effect for the applicable central processing date. The currency conversion rate is subject to change by Visa. The date the conversion rate is applied by Visa 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. Any fees imposed by us in connection with foreign currency conversions and in connection with transactions occurring outside of the United States, Puerto Rico, and the U.S. Virgin Islands (international transactions) are contained in the Fee Schedule.

**10. MISCELLANEOUS.** If we must collect what you owe us, you will be responsible for our actual expenses of collection, including court costs and attorney's fees. 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.

## REGULATION E DISCLOSURES

**11. YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS.** Tell us AT ONCE if you believe your Access Device has been lost or stolen, or that someone may have electronically transferred money from your account without your permission. Telephoning us is the best way of keeping possible losses down. Except in situations governed by the zero liability policy described above, 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, your loss shall not exceed the lesser of \$50.00 or the amount of unauthorized transfers that occur before notice is given by you to the Bank, if someone makes unauthorized electronic transfers. 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, your loss shall not exceed \$500.00 provided we establish that these transfers would not have occurred had you notified us within the two-day period.

Also, if your periodic statement shows electronic transfers that you did not make, 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 establish that these transfers would not have occurred had you notified us within the sixty-day period and prove that we could have stopped someone from taking the money if you had told us in time. If your delay in notifying was due to extenuating circumstances, for example, your extended travel or hospitalization, the Bank will extend the time periods in this section entitled **"11. YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS."** as a reasonable period, which you agree would be no more than another five (5) calendar days, depending on those extenuating circumstances.

## 12. TELEPHONE NUMBER AND ADDRESS TO BE NOTIFIED IN EVENT OF

**Unauthorized Transfer.** If you believe your Access Device has been lost or stolen, or an unauthorized person has obtained your PIN, or that someone has transferred or may transfer money from your account without your permission, IMMEDIATELY contact Virginia Commerce Bank 5350 Lee Highway, Arlington, VA 22207 at 703-534-0700.

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

## 14. TYPES OF AVAILABLE TRANSFERS AND LIMITS ON TRANSFERS.

- a. 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
- b. Limitations on Frequency of Transfers:** For savings accounts only (including money market accounts), there is a limit of no more than six (6) transfers or withdrawals during any statement cycle to or from your deposit accounts, or to a third party by means of either a preauthorized or automatic transfer or by telephonic agreement (which includes VCB Online and VCB telebanking), and no more than three of the six transfers may be made by check, draft, Check Card or ATM Card Point-of-Sale transactions or similar order made by you and payable to third parties.
- c. Limitations on Dollar Amounts of Transfers:**

- You may withdraw up to a maximum of \$300 each day from our ATMs. For security reasons, there may be other limits imposed on the amount you may withdraw from our ATMs.
- The daily limits for Check Card Point-of-Sale transactions are the lesser of your available balance or \$1,000.
- Other limitations may apply to transfers made using VCB Online.
- Other limitations may apply at ATMs that do not display the VCB name.

**15. 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 funds transfer. In addition, you may incur surcharges when using an ATM that does not display the VCB logo.

## 16. DOCUMENTATION OF TRANSFERS.

- a. Electronic Terminal Transfers.** You may get a receipt at the time you make a transfer using an ATM terminal or point-of-sale terminal.
- b. 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 your local branch, during normal business hours, or VCB Telebanking at 1-800-861-4356 to find out whether or not the deposit has been made.
- c. Periodic Statements.** You will receive a monthly account statement, or less frequently if the account is inactive, that will show your electronic fund transfers.

## 17. PREAUTHORIZED TRANSFERS/PAYMENTS.

- a. 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: You may call or write your local branch, but we must receive notice of 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 require you to also put your request in writing and get it to us within fourteen (14) days after you call. You should call 703-534-0700 for the procedure to stop an online payment. Refer to the Fee schedule for the fee(s) related to performing this stop payment.
- b. 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.
- c. Liability for Failure to Stop Payment of Preauthorized Transfer.** If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**18. 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 YOUR LOCAL BRANCH.

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 determine whether an error occurred within ten (10) business days (5 business days if involving a Visa transaction or 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (5 business days if involving a Visa transaction or 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. An account is considered a new account for thirty (30) days after the first deposit is made, if you are a new customer.

We will tell you of 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.

**19. 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 VCB Consumer Privacy Notice.

**20. NOTICE OF SAFETY PRECAUTIONS.** You should enjoy the following basic safety precautions while using an automated teller machine ("ATM") during hours of darkness: (i) be aware of your surroundings when using an ATM, particularly during the hours of darkness; (ii) be accompanied by another person when using an ATM during the 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.

## K. SUBSTITUTE CHECK DISCLOSURES

If you currently receive your cancelled checks in your bank statement, some or all of them may look different than the checks you wrote. 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 us may be substitute checks. The notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks, imaged copies or to electronic debits to your account. However, you have rights under other law with respect to those transactions. The Check 21 Act indemnity discussed herein protects against losses that any recipient of a substitute check suffers due to receipt of a substitute check instead of an original check.

In certain cases, federal law provides 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 we withdrew the wrong amount from your account or that we 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 (for example, bounced check fees).

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 law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we received your claim and the remainder of the your refund (plus interest if your account earns interest) not later than forty-five (45) calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### To make a claim for a refund:

If you believe you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Virginia Commerce Bank  
5350 Lee Highway  
Arlington, VA 22207  
703-534-0700

You must contact us within forty (40) days of the date that we mailed (or otherwise delivered by a means to which we provided) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. If your delay in notifying was due to extenuating circumstances, for example, your extended travel or hospitalization, the Bank will extend the time periods specified in this section entitled "**K. Substitute Check Disclosures**" as a reasonable period, which you agree would be no more than another five (5) calendar days, depending on those extenuating circumstances.

### Your claim must include:

A) A description of the consumer's claim, including the reason why the consumer believes his

or her account was improperly charged for the substitute check or the nature of his or her warranty claim with respect to such check;

- B) A statement that the consumer suffered a loss and an estimate of the amount of that loss;
- C) The reason why production of the original check or a sufficient copy is necessary to determine whether or not the charge to the consumer's account was proper or the consumer's warranty claim is valid; and
- D) A copy of the substitute check or the following 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.

You may submit such a claim orally, but you then must follow up with a written claim by the 10th business day after the banking day on which we received the oral claim.

## L. FAIR CREDIT REPORTING ACT

### You have the right under the Fair Credit Reporting Act to notify us if you believe we have reported inaccurate information to Consumer Reporting Agencies.

Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to the following address:

Virginia Commerce Bank  
Loan Operations Department  
PO Box 221405  
Chantilly, VA 20153-1405

**Notice of Reporting Negative Information.** We may report information about your account to credit reporting agencies.

Late payments or other defaults on your account may be reflected on your credit report. *Negative information means information concerning your delinquencies, late payments, insolvency, or any form of default.*

**Identity Theft and Fraudulent Activity.** If you suspect that you might be a victim of Identity Theft and one or more of your VCB account(s) are involved, please send us a written letter mailed to the following address:

**Virginia Commerce Bank  
Security Department  
PO Box 222363  
Chantilly, VA 22153**

You may also contact one of your local branches in writing or in person at which time you will write a letter containing the following information:

- Your name, address and telephone number
- The dollar amount or type of suspected fraud;
- A description of the fraud, suspected fraud, or identity theft; and
- A copy of the police report evidencing the claim of identity theft (if applicable).

**Summary of right of Identity Theft Victims.** Not later than thirty (30) days after the date we receive a written request and verify the identity of the victim and the claim of identity theft, we will provide a copy of any application and transaction records, at no charge, evidencing any transaction alleged to be a result of identity theft to:

- You;
- Any Federal, State, or local government law enforcement agency or officer specified by you in such a request; or
- Any law enforcement agency investigating the identity theft

As allowed under the Identification Theft Prevention section of the Fair and Accurate Credit Transaction of 2003, which amended the Fair Credit Reporting Act. The Bank may require the presentation of a government issued identification card or other type of identification typically required by the Bank to open an account at the time of the request; a copy of the police report evidencing the claim of the victim of identity theft; and a properly completed Affidavit of Identity Theft as required by law or acceptable to the Bank.

The Bank reserves the right as provided by law to decline to provide the information if the Bank does not have a high degree of confidence in knowing the true identity of the individual requesting the information, the request is based on a misrepresentation of fact by the individual requesting the information, or the information requested is Internet navigational data or similar information about a person's visit to a website or online service.

If in good faith you, or an individual legally acting on behalf of you, suspects that you have been or are about to become a victim of fraud or related crime, including identity theft, **you have the right to notify a credit reporting agency** of such suspicion. The credit reporting agency, after taking steps to identify you, will place fraud alerts in your customer file with the credit reporting agency. This alert will remain on your account for not less than ninety (90) days, unless requested by you or an individual legally acting on your behalf to remove it before the end of such period, and the credit reporting agency has received the appropriate proof of the identity of the requester.

The credit reporting agency is required to provide you with a **summary of rights** that contains all the information required by the Fair Credit Reporting Act as amended by the Fair and Accurate Credit Transaction Act of 2003.