

## DEPOSIT ACCOUNT TERMS AND CONDITIONS



**AGREEMENT:** This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the signature card, open or maintain your account with us, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the state of Indiana (except to the extent that this agreement can and does vary from such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean First Internet Bank of Indiana and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

**LIABILITY:** You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

You agree to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficiency including, to the extent permitted by law, our reasonable attorneys' fees.

Any multiple-party account owner is authorized and deemed to act for the other owner(s) and we may accept orders and instructions regarding the account, requests for future services, and any transaction from any other account owner. Each multiple-party account owner guarantees the signature of the other owners. Any account owner may withdraw all funds in the account, stop payment of items drawn on an account, transfer, or pledge to us all or any part of the funds of any account without the consent of the other account owner(s) and we shall have no duty in such event to notify any other account owner(s). We reserve the right at any time to require written consent of all account owners for a change of ownership or termination of a multiple-party account. If we receive written notice of a dispute between account owners or receive inconsistent instruction from them, we may: (1) suspend or terminate the account; (2) require an account owner to obtain a court order in order to take any action on a transaction; or (3) require that all account owners agree in writing to any transaction concerning the account.

**DEPOSITS:** All items, including both paper and electronic type transactions we accept as deposit credits to your account are provisional until we receive final payment or collection (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open.

If final payment is not received and/or collection does not become final for any item, we may charge your account for the amount of such items and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds. We have the right to charge-back against your account all previously deposited items or other items endorsed by you that are returned to us unpaid, regardless of whether the amount of the item has been available for your use. We may debit your account into overdraft on a charge-back situation, and not be liable for damages to you as a result of the charge-back. Nothing in these Terms and Conditions shall be construed to require us to debit the account into overdraft or to create an arrangement for the extension of credit by means of overdrafts.

**WITHDRAWALS:** We may charge your account for a check even though payment was made before the date of the check. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. We may require not less than seven (7) days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

**ACH TRANSACTIONS:** Under the operating rules of the National Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you. We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by laws of the state of New York as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION:** These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**Joint Account - With Survivorship (And Not As Tenants In Common):** is an account in the name of two or more persons. Each of you intends that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivors. If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

**Revocable Trust or Pay-On-Death Account:** If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating either of these account types may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**Business Account:** We may require the governing body of the legal entity opening the account to provide us a corporate resolution or similar document telling us who is authorized to act on its behalf. This authorization will remain in force until we receive written notice of a change from the governing body of the legal entity.

**Authorized Signer (individual accounts only):** A single individual is the owner. The authorized signer is merely designated to conduct transactions on the owner's behalf. We undertake no obligation to monitor transactions to determine that they are on the owner's behalf.

**CHECKING SUB ACCOUNTS:** For accounting purposes, all checking accounts consist of a checking sub account and a savings sub account. The Bank may periodically transfer funds between these two sub accounts. On a sixth transfer during a calendar month, any funds in the savings sub account will be transferred back to the checking sub account. If your account is one on which interest is paid, your interest calculation will remain the same. Otherwise, the savings sub account will be non-interest bearing. The saving sub account will be governed by the rules governing our other savings accounts. This process will not affect your available balance, the interest you may earn, FDIC insurance protection, or your monthly statement.

**BUSINESS ACCOUNTS:** In compliance with the Unlawful Internet Gambling Enforcement Act (UIGEA), we will not open new accounts nor maintain accounts for any business engaging in a lawful or unlawful Internet gambling activity. We reserve the right to restrict or prohibit further use of your account if you fail to comply with the requirements.

**NEW ACCOUNTS:** Your account may be classified as a new account for the first thirty (30) days following the initial deposit.

**STOP PAYMENTS:** Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Fees for stop-payment orders are set forth on our current fee disclosure. You may not stop payment on any certified check, official check, or any other check, draft, or payment guaranteed by us. Rules for stopping payment of other types of transfers of funds, such as consumer electronic funds transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law, and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. If the stop-payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. When you place your stop-payment order we will tell you what information we need to stop payment. To be binding, an order must be dated, signed, and describe the account and draft number and the exact amount. This information must be exact since stop-payment orders are handled electronically. If your information is not exact, your order will not be effective and we will not be responsible for failure to stop payment. We may also accept a stop-payment order you provide us electronically through our secure website.

You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. Generally, if your stop-payment order is given to us in writing or electronically through the secure website, it is effective for six (6) months. Your order will lapse after that time if you do not renew the order in writing or electronically through the secure website before the end of the six-month period. If the original stop-payment order was verbal, your stop-payment order will lapse after fourteen (14) calendar days if you do not confirm your order in writing or electronically through the secure website within that time period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment order may be made only by an account holder.

Although payment of an item may be stopped, you may remain liable to any item holder, including us. If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

**OVERDRAFTS:** If at any time, the available funds in your account are not sufficient to cover checks, ACH, debit cards and other electronic transactions presented for payment on your account, those checks and items will be handled in accordance with our overdraft procedures. Your account will then be subject to a charge for the item whether paid or returned as set forth in our current fee disclosure. This fee is imposed for any overdraft created by checks, ACH, debit cards, or by other electronic means. Additionally, more than one overdraft fee may be charged against the account per day, depending on the number of checks presented on, and other withdrawals made from the account. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If we pay a check or draft that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time.

If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from a savings account or another deposit account or a loan account, as you have directed up to the approved amount. The fee for these overdraft transfers and excessive transfers, if any, is set forth in our current fee disclosure.

**PAYMENT ORDER OF ITEMS:** To assist you in handling your account with us, we are providing you with the following information regarding how we process your transactions. When posting items drawn on your account, the Bank will pay the smallest items first in ascending dollar amount order by item type, with ACH files (credits and debits) posting first, followed by check debits. Cash items are always paid first regardless of the dollar amount. Generally, debit card transactions and web- or telephone-initiated transactions are processed in real-time as they are transacted. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. Our payment policy will generally direct your smallest items to be paid first, and may decrease the overdraft or NSF fees you have to pay if funds are not available to pay all of the items. This may also cause your largest payments, such as a mortgage payment, to be returned.

**RIGHT TO PAY OR RETURN:** If a paper check, debit card transaction, ACH transaction, website transaction or audio response transaction is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). We may honor overdrafts of electronic transaction types such as, but not limited to, debit card, ACH, point of sale, or online banking transactions. We will **not** honor overdrafts of any type from the ATM or transactions conducted in person with a banking representative. While we reserve the right to pay or not pay any item presented without sufficient funds, you may request that we not pay such items. In that case, we will return any item presented without sufficient funds (NSF). If you prefer that we not pay such items, you must contact us by calling us or by writing us and informing us that you do not want us to pay any items presented without sufficient funds. If you do not notify us, we retain the right, in our discretion, to pay or not pay any item presented without sufficient funds. The amounts of the overdraft and NSF fees are disclosed in our current fee disclosure. We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts without sufficient funds and incurring the resulting fees.

**TELEPHONE TRANSFERS:** A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict

the number of transfers from a savings account to another account or to third parties, to a maximum of six (6) per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

**TRANSFER LIMITATIONS:** For savings and money market accounts you may make up to six (6) transfers or withdrawals by means of a preauthorized, automatic, computer, or telephonic transfer to another account of yours or to a third party by check, debit card, or similar order during any calendar month (or statement cycle of at least four (4) weeks). A preauthorized transfer includes any arrangement with us to pay a third party from your account at (i) a predetermined time; (ii) on a fixed schedule or (iii) upon oral or written orders including orders received through the automated clearing house (ACH). If the transfer or withdrawal is initiated in person, by mail, or at an ATM then there is no limit. Withdrawals by phone are also unlimited if you are requesting that a check payable to you be mailed to you. The fee for withdrawals by check is set forth in our current fee disclosure.

If you exceed the transfer limitations set forth above in any statement period, your account will be subject to the removal of the ability to perform preauthorized transactions or reclassification. In addition, we may charge your account an excess activity fee based on our current fee disclosure.

**AMENDMENTS AND TERMINATION:** We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. You agree to keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

**STATEMENTS:** Statements are a valuable tool to help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your account during the statement period. Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed.

You are responsible for regularly examining your statement with "reasonable care and promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. If you fail to perform these reviews and notifications, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss). The loss you might bear, in whole or part, could be not only with respect to items listed on the statement, but also other items with unauthorized signatures or alterations by the same wrongdoer. Of course, an attempt can be made to recover the loss, but this is often unsuccessful.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but you will not, in any circumstance, have a total of more than thirty (30) days from when we first send or make the statement available to you. You further agree that if you fail to report any unauthorized signatures, alterations, or any other errors in your account within sixty (60) days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and the loss will be entirely yours. This sixty-day limitation is without regard to whether we exercised ordinary care.

Contact us if you do not receive your regular statement. You may receive your statement in paper or electronic form, based upon your agreement with us. If this is a business account, you agree that you will have at least two (2) people review your statements, notices, and returned checks, or in the alternative, the person who reviews these will be someone who does not have authority to transact business on the account.

**ACCOUNT TRANSFER:** This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS:** If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law.

We may also use any other legal remedy to recover the amount of our liability.

**RIGHT OF SETOFF:** We may (without prior notice and when permitted by law) set off the funds in this or any accounts where you maintain a right of withdrawal against any due and payable debt you owe us now or in the future. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance for which we properly accelerate under the note.

This right of setoff does not apply to this account if: (a) it is an IRA or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

**RESTRICTIVE LEGENDS:** The automated processing of the large volume of checks we receive prevents us from inspecting or looking for special instructions or "restrictive legends" on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restriction. We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

**FACSIMILE SIGNATURES:** Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

**STALE-DATED CHECKS:** We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six (6) months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.

**DORMANT/ABANDONED ACCOUNTS:** If your account is inactive for a period of twelve (12) months, we will classify your account as dormant. In order to return a dormant account to active status, you must complete a deposit transaction or transfer between existing accounts. Fees for dormant accounts are set forth in our current fee disclosure. If your account remains dormant for a time period specified by your state's law, it may be classified as abandoned and turned over to that state according to its procedures. To recover your funds, you must file a claim with the applicable state agency.

**FDIC INSURANCE:** Funds in your account(s) with us are insured by the Federal Deposit Insurance Corporation (FDIC) and backed by the full faith and credit of the United States. The amount of insurance coverage you have depends on the number of accounts you have with us, the types of accounts and the ownership of those accounts. For specific information on your accounts, you may ask us, contact the local office of the FDIC, or visit the FDIC website at [www.fdic.gov](http://www.fdic.gov).

**BACKUP WITHHOLDING/TIN CERTIFICATION:** Federal tax law requires us to report interest payments we make to you and to include your taxpayer identification number (TIN) on the report (the taxpayer identification number is your social security number if you are an individual). Interest includes dividends, interest and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. In some circumstances, federal law requires us to withhold and pay to the IRS a mandated percentage of the interest that is earned on funds in your accounts. This is known as backup withholding. We will not have to withhold interest payments when you open your account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. (There are special rules if you do not have a TIN but have applied for one, if you are a foreign person, or if you are exempt from the reporting requirements.) We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income.

**FINANCIAL DATA VERIFICATION:** You agree that we are authorized to verify financial information, data, and employment history by any necessary means, including obtaining a consumer report by any consumer-reporting agency.

**RELEASE OF ACCOUNT INFORMATION:** You understand that in addition to information released to comply with the law or a court order, some information about your account may be disclosed to others. You authorize us to release information regarding the status and history of your account(s) to others, including (without limitation) investment bankers, brokers, or securities dealers to assist in the delivery of information related to their financial services. We may also provide information about your account to verify information you may have given in an application, verify for a merchant a check you have written, or in response to requests by our agents, such as independent auditors, consultants or attorneys.

**CHANGING ACCOUNT PRODUCTS:** We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the change will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.

**TRANSACTIONS BY MAIL:** You may deposit checks by mail. You should endorse the check being sent through the mail with the words "For Deposit Only" and should include your correct account number underneath to ensure the check is credited to the correct account. You should use the pre-encoded checking deposit slips found behind your checks in your checkbook. If you do not use your deposit slip or provide us with instructions indicating how or where the check should be credited, we may apply it to any account or any loan balance you have with us or we may return the check to you. Receipts for such transactions will be mailed to you only if a self-addressed stamped envelope is provided. Following your deposit, examine your statement carefully or call us to ensure that we received the item. Do **not** send cash through the mail for deposit.

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT:** If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**CHECK STORAGE AND COPIES:** You agree that you will not receive your canceled checks. We will store your canceled checks or copies of them for a reasonable retention period. You may request copies from us in the manner we require. Fees for obtaining check copies are set forth on our current fee disclosure.

**MONITORING AND RECORDING TELEPHONE CALLS:** We may monitor or record phone calls for security reasons and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

**EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals):** We may impose early withdrawal penalties on a withdrawal from a time account even if you do not initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

**ADDRESS OR NAME CHANGES:** You are responsible for notifying us of any change in your mailing address, your physical address, your email address, and/or your name. Unless we agree otherwise, change of any address or name must be made in writing or electronically through the secure website by each of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If you fail to keep your contact information current with us, we will impose a service fee as set forth in our current fee disclosure if we attempt to locate you.