



## **TERMS AND CONDITIONS OF YOUR ACCOUNT**

**Effective August 1, 2011**

**AGREEMENT** – This document, along with any other documents we give you pertaining to your account(s), is a contract that established rules which control your account(s) with us. Please read this carefully. If you sign the signature card or open or continue to have 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 Georgia or Alabama (except to the extent that this agreement can and does vary 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 the financial institution 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 these 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.

Each of you also agrees 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 deficit including, to the extent permitted by law, our reasonable attorney’s fees.

**DEPOSITS** – We will give only provisional credit until collection is final for any items, other than cash, we accept for deposits (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 following business day that we are open.

**WITHDRAWALS** - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the signature card may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. 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 the 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 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. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. We may require not less than 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 for penalty for early withdrawal. We will not monitor checks, withdrawals, or paper drafts for multiple signatures unless dictated by a court order.

**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 of effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**Individual Account** – is an account in the name of one person.

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

**Joint Account – No Survivorship (As Tenants in Common)** – is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the “number of signatures” necessary for withdrawal.

**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 share, 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 ACCOUNTS** – We may require the governing body of the legal entity opening an account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the legal entity.

**STOP PAYMENTS** – You must make any stop payment order in the manner required by law and we must receive it in time to give us reasonable opportunity to act on it before our stop payment cut off time. To be effective, your stop payment order must precisely identify the number, date and amount of the item, and the payee. 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. A release of the stop payment request may be made only by the person who initiated the stop payment order. Our stop payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

**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 per month (less the number of "preauthorized" transfers during the month). Other account transfer restrictions may be described elsewhere.

**AMENDMENTS AND TERMINATION** – We may change any term of this agreement. Rules governing changes in interest rates are provided separately. 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. Notice from us to anyone of you is notice to all of you. If we suspect fraudulent activity, we may close the account without prior notice to you.

**STATEMENTS** – You must examine your statement of account with "reasonable promptness". If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in the statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**CHECKING ACCOUNT CLASSIFICATION** – This Account consists of a checking sub account and a savings sub account. The Bank may periodically transfer funds between these two sub accounts. If your Account is a Plan on which interest is paid, your interest calculation will remain the same. Otherwise, the savings sub account will be non interest bearing. The savings sub account will be governed by the rules governing our other saving accounts. This process will not affect your available balance, the interest you may earn, FDIC insurance protection, or your monthly statement.

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

**DIRECT DEPOSIT** – 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.

**TEMPORARY ACCOUNT AGREEMENT** – If this option is selected, this is a temporary account agreement. Each person who signs in the space designated for signatures on the signature card (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**SETOFF** – We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe to us now, or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. 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 due 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 or right of setoff.

**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.

**RESTRICTIVE LEGENDS** – We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."

**PAYMENT ORDER OF ITEMS** – The law permits us to pay items (such as a check or draft, in-person withdrawal, ATM withdrawal or other electronic means) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items that you write. When processing items drawn on your account that are presented to us by the Federal Reserve daily in-clearing files, our policy is to pay them in check number order. All on-us checks, CharterBank ATM withdrawals and over the counter withdrawals presented by you in person will be debited from your account at the time presented for withdrawal. 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. If an item 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 charge a fee for any item which creates an overdraft on your account whether the item is a check, in-person withdrawal, ATM withdrawal or other electronic means. We will assess a \$28.95 overdraft item fee for each item presented against insufficient funds that we pay that creates or increases an overdraft on your account or that we return unpaid regardless of the type of item. 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.

**ACH AND WIRE TRANSFERS** – This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearinghouse association rules. These rules provide, among other things, that payment made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in article 4A-403 (a) of the Uniform Commercial Code. If we do not receive such, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit. We process all ACH credits first and we then process all ACH debits.

**EXPENSES** – Any expenses arising from attachment, garnishment, or levy of your account will be your responsibility.

**DORMANT ACCOUNTS** - If your account becomes dormant, you will be charged a fee specified in the Account Disclosure and we may stop paying interest on your account, if applicable. CharterBank is relieved of all liability if your account balance is escheated.

**ADDRESS OR NAME CHANGE** – You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address must be in writing by the account holder whose address has changed. 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. We may impose a service fee for returned mail. We may require proof of any name change with the Social Security Administration and additional legal documentation before changing a name. In some instances, we may also request verification of address such as a utility bill.

**ACCOUNT DISCLOSURE** – You acknowledge that at the time you opened this account you received an Account Disclosure which provided a schedule of all fees and charges applicable to the account, the interest rate, and the applicable Annual Percentage Yield, minimum balance requirements, compounding and crediting of interest and other pertinent information related to the account.

**NO WAIVER** – You agree that no delay or failure on CharterBank's part to exercise any right, remedy, power or privilege available to it under this agreement shall affect or preclude CharterBank's future exercise of that right, remedy, power or privilege.

**RELEASE AND INDEMNIFICATION** – You release and indemnify us for any and all wrongful or unauthorized acts of any of you and you release and indemnify us for any actions or inactions taken by us in reliance upon any instructions, statements or requests made by any of you.

**ENTIRE AGREEMENT** – This agreement is to be read in conjunction with and incorporates the Account Disclosure and the Signature Card. Otherwise, this agreement supersedes any and all other agreements either oral or in writing between the parties hereto with respect to the account.

**NO ORAL REPRESENTATIONS** – Each party to this agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this agreement, the signature card, or the Account disclosure shall be valid or binding.

Effective 08/01/2011

## **YOUR ABILITY TO WITHDRAW FUNDS**

**Effective July 21, 2011**

This policy statement applies to "transaction" accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts. Feel free to ask us whether any of our other accounts might also be under this policy.

Our general policy is to make funds from your deposits this includes cash, checks, and electronic direct deposits available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### **LONGER DELAYS MAY APPLY**

**Case-by-case delays.** In some cases, we will not make all of the funds that you deposit by check available to you on the same day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, may be available on the same day of your deposit.

If we are not going to make all of the funds from your deposit available on the same day, 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 by the day after we receive your deposit.

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

**Safeguard exceptions.** In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check you deposit will not be paid.

You deposit checks totaling more than \$5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

### **SPECIAL RULES FOR NEW ACCOUNTS**

If you are a new customer, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the same day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you, (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees; the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the eleventh business day after the day of your deposit.

## **TRUTH-IN-SAVINGS DISCLOSURE**

### **TIME DEPOSITS**

**Minimum balance to open the account** - You must deposit at least \$1,500.00 to open this account.

**Rate Information** – See below for current rate and annual percentage yield information. You will be paid this rate until first maturity.

**Frequency of Rate Change** – Your initial interest rate will not change until first maturity. We may change the interest rate on your account at that time and each maturity thereafter.

#### **Compounding and Crediting**

• **Frequency** – For certificates with an account term less than 12 months, interest is not compounded and will be credited to your account at maturity. For certificates with an account term of 12 months or greater, interest is compounded daily and will be credited to your account quarterly.

• **Effect of closing an account** – If you close your account before interest is credited, you will receive the accrued interest.

**Balance Computation Method** – 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.

**Accrual of interest on non-cash deposits** – Interest begins to accrue no later than the business day you deposit non-cash items (for example, checks).

**Time Deposit Withdrawal Limitations** – You may not make withdrawals of principal from your account before maturity. You can only withdraw interest credited in the term before maturity of that term without penalty. You can withdraw interest any time during the term of crediting after it is credited to your account. You may make arrangements to have withdrawn interest paid to you by check or credited to another account you have with us. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

#### **Early Withdrawal Penalty** –

• If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. If your account has an original maturity of one year or less, the penalty we may impose will be an amount equal to 91 days interest on the amount withdrawn.

• If we consent to a request for a withdrawal that is otherwise not permitted you may have to pay a penalty. If your account has an original maturity of more than one year, the penalty we may impose will be an amount equal to 6 months (actual days) interest on the amount withdrawn.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below the required minimum initial deposit or minimum balance as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly.

**Additions to Account** – With the exception of the 20-Month "Added Advantage" CD (see below), you may not make any deposits into your account until maturity.

**Renewal Policy** – This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within ten calendar days after maturity) or we receive written notice from you within the ten calendar days after maturity. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, interest will continue to accrue after final maturity for up to ten calendar days. The interest rate will be the same we offer on new time deposits on the maturity date which have the same term, minimum balance (if any) and other features as the original time deposit. You will have ten calendar days after maturity to withdraw the funds without a penalty.

**Renewal Policy for the 11-Month Certificate of Deposit Special** - This account will automatically renew to the 12-month term. You may prevent renewal if you withdraw the funds in the account at maturity (or within ten calendar days after maturity) or we receive written notice from you within ten calendar days after maturity. We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will continue to accrue after final maturity for up to ten calendar days. The interest rate will be the same we offer on a new 12-month time deposit on the maturity date.

**Renewal Policy for the 20-Month "Added Advantage" Certificate of Deposit** - This account will automatically renew at maturity to the 20-month term. You may prevent renewal if you withdraw the funds in the account at maturity (or within ten calendar days after maturity) or we receive written notice from you within ten calendar days after maturity. We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will continue to accrue after final maturity for up to ten calendar days. The interest rate will be the same we offer on a new 20-month time deposit on the maturity date.

**"Bump" Option for the 20-Month "Added Advantage" Certificate of Deposit** - This certificate allows you a one-time "bump" option during the term of the CD to increase your rate and annual percentage yield. The rate and annual percentage yield will be the 20-month rate being offered at the time you exercise the option. The "bumped" rate will be for the remainder of the original term. You must contact the bank to activate the bump-rate option.

**"Add-On" Option for the 20-Month "Added Advantage" Certificate of Deposit** - This certificate allows you the option to increase your CD with additional deposits at any time during the 20-month term without extending the maturity date. Deposits are limited to the amount of the original initial deposit of the CD.

**Renewal Policy for the 35-Month Certificate of Deposit Special** - This account will automatically renew to the 36-month term. You may prevent renewal if you withdraw the funds in the account at maturity (or within ten calendar days after maturity) or we receive written notice from you within ten calendar days after maturity. We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will continue to accrue after final maturity for up to ten calendar days. The interest rate will be the same we offer on a new 36-month time deposit on the maturity date.

**Renewal Policy for the 59-Month Certificate of Deposit with "Bump-Up" Special** - This account will automatically renew at maturity to the 60-Month CD term. You may prevent renewal if you withdraw the funds in the account at maturity (or within ten calendar days after maturity) or we receive written notice from you within ten calendar days after maturity. We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will continue to accrue after final maturity for up to ten calendar days. The interest rate will be the same we offer on a new 60-month time deposit on the maturity date.

**"Bump" Option for the 59-Month Certificate of Deposit with "Bump-Up" Special** - This certificate allows you a one-time "bump" option during the term of the CD to increase your rate and annual percentage yield. The rate and annual percentage yield will be the 60-month rate being offered at the time you exercise the option. The "bumped" rate will remain in effect for the remainder of the original term. You must contact the bank to activate the "bump" rate option.

## TRUTH-IN-SAVINGS DISCLOSURE TRANSACTION ACCOUNTS

### NEW EXPERIENCE CASH ACCOUNT

**Minimum balance to open the account** - There is no required amount to open this account.

**Fees** - An account fee of \$9.95 will be charged each monthly statement cycle.

**Transaction Limitations** - The "New Experience" cash account may only be accessed by an Automatic Teller Machine (ATM), an over-the-counter withdrawal, or by ACH. Checks or paper drafts will be returned as invalid transactions.

### TOTALLY FREE CHECKING

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

### REWARDS CHECKING

**Rate Information** - The interest rates and annual percentage yields may change without notice to the customer. Rewards Checking offers three different interest rate tiers determined by balance and eligibility requirements. Rate tiers are as follows: **Tier 1:** 0.10% APY applies to all daily balances if qualifications are **not** met. **Tier 2:** 1.51% APY applies to daily balances of \$.01 - \$15,000 as long as qualifications are met each qualification cycle and **Tier 3:** 0.50% APY applies to the portion of balances over \$15,000 as long as qualifications are met each qualification cycle. All daily balances will earn 1.51% APY to 0.50% APY as long as qualifications are met.

**Eligibility Requirements** - To earn the Tier 2 or Tier 3 rate and APY and receive ATM refunds up to \$20.00 each qualification cycle you must meet all of the following criteria:

- Have at least 10 debit card transactions post and clear per qualification cycle (Transactions that qualify are point-of-sale transactions, PIN and non-PIN transactions and must be posted and cleared per qualification cycle)
- Have at least one Direct Deposit **OR** Automatic Payment post and clear per qualification cycle
- Enroll and receive Online Statements through Online Banking

**Qualification cycle** - This term means a period beginning one day prior to the current statement through one day prior to the close of the current statement. Refer to REWARDSChecking qualification statement cycle calendar posted on [www.charterbank.net](http://www.charterbank.net) in the **PERSONAL BANKING** section under REWARDSChecking.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every statement cycle. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

**Daily balance computation method** - 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest of non-cash deposits** - Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

### 50+ FREE CHECKING WITH INTEREST

**Rate Information** - There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every statement cycle. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

**Daily balance computation method** - 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest of non-cash deposits** - Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

### DIRECT DEPOSIT FREE CHECKING WITH INTEREST

**Rate Information** - There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every statement cycle. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

**Daily balance computation method** - 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest on non-cash deposits** - Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

### HIGH INTEREST CHECKING

**Rate Information** - There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer. High Interest Checking offers three different interest rate tiers determined by account balance. The amount of interest the customer earns depends on the tier in which the customer's account balance falls, and the applicable interest rate will be paid on the entire balance. The three balance tiers are as follows: \$0 to \$1,499.99, \$1,500 to \$14,999.99 and \$15,000 and over.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every statement cycle. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account**- If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account**- You must deposit \$50.00 to open this account.

**Minimum balance to avoid imposition of fees**- A monthly minimum balance fee of \$6.00 will be imposed every monthly statement cycle if the balance in the account falls below \$1,500.00 any day of the cycle.

**Daily balance computation method**- 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest of non-cash deposits**- Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

## **TRUTH-IN-SAVINGS DISCLOSURE** **SAVINGS AND MONEY MARKET ACCOUNTS**

### **REGULAR SAVINGS ACCOUNT**

**Rate Information**- There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer.

**Frequency of rate changes** – At CharterBank's discretion, we may change the interest on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every quarter. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account**- If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account**- You must deposit \$100.00 to open this account.

**Minimum balance to avoid imposition of fees**- A minimum balance fee of \$10.00 will be imposed every statement cycle if the balance in the account falls below \$200.00 any day of the cycle.

**Daily balance computation method**- 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest on non-cash deposits**- Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

**Transaction Limitations**: Transfers from a Regular Savings account to another account or to third parties by preauthorized, automatic, or telephone transfers are limited to six per month.

**Fees**: A transaction fee of \$1.00 will be charged for each withdrawal in excess of three during a quarterly statement cycle.

### **I-COUNT SAVINGS ACCOUNT**

**Rate Information**- There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every quarter. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** - If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account**- You must deposit \$5.00 to open this account.

**Minimum balance to avoid imposition of fees** – There is no minimum balance requirement or fee for children under the age of 19. At age 19 and older, a minimum balance fee of \$10.00 will be imposed every statement cycle if the balance in the account falls below \$200.00 any day of the cycle.

**Daily balance computation method** - 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest on non-cash deposits** - Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

**Transaction Limitations**: Transfers from an I-Count Savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six per month.

**Fees**: A transaction fee of \$1.00 will be charged for each withdrawal in excess of three during a quarterly statement cycle.

### **HOLIDAY SAVINGS ACCOUNT**

**Rate Information** – There is no minimum balance required to earn interest. The interest rates and annual percentage yields may change without notice to the customer.

**Frequency of rate changes** - At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** - Interest will be compounded and credited to the customer's account every quarter. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** – If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** – You must deposit \$5.00 to open this account.

**Daily balance computation method** - 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest on non-cash deposits** – Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

**Transaction Limitations**: Transfers from a Holiday Savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six per month.

**Fees**: A transaction fee of \$5.00 will be charged for each withdrawal in excess of 1 during the quarterly statement cycle.

### **PREMIERPLUS MONEY MARKET ACCOUNT**

**Rate Information** – Your interest rate and annual percentage yield may change without notice to the customer. The PremierPlus Money Market Account offers four different interest rate tiers determined by account balance. The amount of interest the customer earns depends on the tier in which the customer's account balance falls, and the applicable interest rate will be paid on the entire balance. The four balance tiers are as follows: \$1,000 to \$14,999.99, \$15,000 to \$99,999.99, \$100,000 to \$499,999.99 and \$500,000 and over.

**Frequency of rate changes** – At CharterBank's discretion, we may change the interest rate on the customer's account at any time.

**Compounding and crediting frequency** – Interest will be compounded and credited to the customer's account every month. The customer can access the current rates by calling CharterBank's First Call department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** – If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** – You must deposit \$1,000 to open this account.

**Minimum balance to obtain the annual percentage yield disclosed** – You must maintain a minimum daily balance of \$1,000 to obtain the disclosed annual percentage yield.

**Daily balance computation method**- 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 during the calculation period. The period we use is the monthly statement cycle.

**Accrual of interest on non-cash deposits** – Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example, checks).

**Transaction limitations** – Transfers from a PremierPlus Money Market account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six per month.

## IRA MONEY MARKET ACCOUNT

**Rate Information** – Your interest rate and annual percentage yield may change without notice to the customer.

**Frequency of rate changes** – At CharterBank's discretion, we may change the interest rate on the customers' account at any time.

**Compounding and crediting frequency** – Interest will be compounded and credited to the customer's account every month. The customer can access the current rates by calling CharterBank's FirstCall department at 706-643-4778 or 1-800-763-4444 or online at [www.charterbank.net](http://www.charterbank.net).

**Effect of closing an account** – If you close your account before interest is credited, you will not receive the accrued interest.

**Minimum balance to open the account** – You must deposit \$1,000.00 to open this account.

**Minimum balance to obtain the annual percentage yield disclosed** – You must maintain a minimum daily balance of \$1,000.00 to obtain the disclosed annual percentage yield.

**Daily balance computation method** - We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principle in the account each day during the calculation period. The period we use is the monthly statement period.

**Accrual of interest on non-cash deposits** – Interest begins to accrue on the first business day after the banking day you deposit non-cash items (for example checks).

**Withdrawals** – This account is classified as an Individual Retirement Account (IRA). All withdrawals from this account must be made through a Personal Banker at a CharterBank Branch or can be made if CharterBank receives a Transfer Request on your behalf from another financial institution. All withdrawals will be reported annually to the Internal Revenue Service and you will receive a 1099R for tax purposes. Qualified transfer requests are non reportable to the Internal Revenue Service. There are age limitations on IRA withdrawals. If you are under 59 ½, withdrawals may be subject to a 10% early withdrawal penalty by the Internal Revenue Service. All IRA to IRA transfers to another financial institution will be subject to a \$25.00 transfer fee by CharterBank.

**Contributions** – You may make contributions to this account up to the allowable amount for IRA's annually. This information can be found in IRS Publication 590 or you may want to seek the advice of a Professional Tax Advisor.

**Note:** As with all Retirement accounts, CharterBank recommends that you always seek the advice of a Certified Tax Advisor.

## YOUR ACCOUNT

This is the account(s) you have opened or inquired about. Further details about this account(s) is detailed above on this brochure. If the figures are not filled in, please see the insert that is with this disclosure or your periodic statement.

### TIME DEPOSIT ACCOUNTS

**91-DAY CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**182-DAY CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**12-MONTH CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**18-MONTH CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**24-MONTH CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**36-MONTH CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**60-MONTH CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**11-MONTH CERTIFICATE OF DEPOSIT SPECIAL**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**20-MONTH "ADDED ADVANTAGE" CERTIFICATE OF DEPOSIT**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**35-MONTH CERTIFICATE OF DEPOSIT SPECIAL**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

**59-MONTH CERTIFICATE OF DEPOSIT WITH "BUMP-UP" SPECIAL**

The interest rate for your account is \_\_\_\_\_ %  
with an annual percentage yield of \_\_\_\_\_ %

### TRANSACTION ACCOUNTS

**NEW EXPERIENCE CASH ACCOUNT**

**TOTALLY FREE CHECKING ACCOUNT**

**REWARDS CHECKING**

**Rate Information:**

- **Tier 1** – When the REWARDS Checking qualifications are **NOT** met, the interest rate on your account will be \_\_\_\_\_ % and the corresponding annual percentage yield will be \_\_\_\_\_ %
- **Tier 2** – When the REWARDS Checking qualifications **ARE MET**, if your daily balance is \$15,000 or less, the interest rate paid on the entire balance will be \_\_\_\_\_ % and the corresponding annual

percentage yield will be \_\_\_\_\_%.

- **Tier 3** – When the REWARD Checking qualifications **ARE MET**, and if your daily balance is greater than \$15,000, the interest rate on the daily balance up to \$15,000 will be \_\_\_\_\_% and the corresponding annual percentage yield will be \_\_\_\_\_%, and the interest rate in excess of \$15,000 will be \_\_\_\_\_% and the corresponding annual percentage yield will be \_\_\_\_\_%. Your Annual Percentage Yield (APY) will range from \_\_\_\_\_% to \_\_\_\_\_% depending on the balance in the account.

**50+ FREE CHECKING WITH INTEREST**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%

**DIRECT DEPOSIT FREE CHECKING WITH INTEREST**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%

**HIGH INTEREST CHECKING**

**Rate Information:**

- **Tier 1** - If your daily balance is \$15,000 or more, the interest paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** - If your daily balance is more than \$1,499.99, but less than \$15,000, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** – If your daily balance is less than \$1,500, the interest paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

**SAVINGS AND MONEY MARKET ACCOUNTS**

**REGULAR SAVINGS ACCOUNT**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%.

**I-COUNT SAVINGS ACCOUNT**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%.

**HOLIDAY SAVINGS ACCOUNT**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%.

**PREMIERPLUS MONEY MARKET ACCOUNT**

**Rate Information:**

- **Tier 1** – If your daily balance is \$500,000 or more, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 2** – If your daily balance is more than \$99,999.99, but less than \$500,000, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 3** – If your daily balance is more than \$14,999.99, but less than \$100,000, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.
- **Tier 4** – If your daily balance is more than \$999.99, but less than \$15,000, the interest rate paid on the entire balance in your account will be \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%.

**IRA MONEY MARKET ACCOUNT**

The interest rate for your account is \_\_\_\_\_%  
with an annual percentage yield of \_\_\_\_\_%.

Interest Rates and Annual Percentage Yields are current as of \_\_\_\_\_.  
For current rate information, call (706) 643-4778 or (800) 763-4444 or go online to [www.charterbank.net](http://www.charterbank.net)

**Schedule of Fees and Charges**  
(Effective August 1, 2011)

The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account.

<u>Account Activity Printout, each</u>	\$ 5.00	<u>Counter/Temporary Checks, per check</u>	\$ 0.50	<u>Photocopies, per page</u>	\$ 1.00
<u>Account Closing Fee (within 90 days of opening)</u>	\$25.00	<u>Dormant/Inactivity Account Fee, per month</u>	\$ 5.00	<u>Returned Deposit Item</u>	
<u>Account Reconciliation, per hour, 1 hr. minimum</u>	\$25.00	<u>Garnishment/Levies Processing, per occurrence</u>	\$100.00	Returned, per item	\$ 6.00
<u>Account Research Fee, per hour, 1 hr. minimum</u>	\$25.00			Rejected Item, per item	\$ 6.00
				<u>Replacement 1099 Fee</u>	\$ 5.00
<u>ATM Terminal Fee</u>		<u>Hold Mail, per month, per statement</u>	\$ 5.00	<u>Returned Mail Fee, per month</u>	\$ 5.00
Foreign Withdrawal at a non-CharterBank ATM, per transaction	\$ 2.00	<u>IRA Transfer Fee, per transfer</u>	\$25.00	<u>Stop Payments, all items</u>	\$32.00
Foreign Balance Inquiry or Transfer at a non-CharterBank ATM, per transaction	\$ 2.00	<u>Non-sufficient Funds</u>	\$28.95	<u>Wire Transfers, customers, per wire</u>	
<u>ATM and MasterMoney™ Check Card</u>		Includes overdrafts caused by checks, in-person withdrawals, ATM withdrawal or other electronic means, per item		Domestic (Incoming/Outgoing)	\$20.00
Replacement Card Fee, (lost or stolen), per card	\$ 5.00	<u>Overdraft Protection Transfer, per transfer</u>	\$10.00	International (Incoming/Outgoing)	\$45.00
Expedited Card Fee, per card	\$35.00	<u>Overdraft Protection</u>			
		Ready Reserve Annual Fee	\$15.00		
<u>Cashier's Checks, each</u>	\$ 7.00	<u>Overdraft Collection Fee</u>			
<u>Check Cashing Fee</u>	greater of 2% or \$10.00	Fee charged per day after the 5 <sup>th</sup> consecutive business day the account is overdrawn	\$ 5.00		
(imposed if CharterBank balance is below \$200.00)		<u>Overdraft Protection Transfer, per transfer</u>	\$ 10.00		
<u>Check Copies, per copy</u>	\$ 5.00				
<u>Check Orders</u>	Fees vary depending on quantity and style of check ordered				
<u>Collection Items</u>					
Domestic, per item	\$25.00				
International, per item	\$40.00				

An account is dormant if for 12 months for checking, 24 months for savings you have made no deposits or withdrawals to the account and you have had no communication with us about your account(s).

We may require not less than 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.

Regulation GG went into effect on June 1<sup>st</sup> 2010. CharterBank is required to provide you with this information.

The Department of the Treasury and the Board of Governors of the Federal Reserve System have issued a joint final rule to implement the Unlawful Internet Gambling Enforcement Act of 2006 effective June 1, 2010. The Act prohibits gambling businesses from knowingly accepting payments in connection with the participation of another person in a bet or wager that involves the use of the Internet and that is unlawful under any federal or state law (termed "restricted transactions" in the Act). A joint rule has been issued that designates five payment systems as covered by the Act. The designated payment systems are: (1) automated clearing house (ACH) systems, (ii) card systems, (iii) check collection systems, (iv) money transmitting businesses, and (v) wire transfer systems.

To be compliant with Regulation GG, CharterBank will not open or allow accounts with entities who participate in these activities

August 1, 2011