



BANK OF UTICA DISCLOSURE

January 2022

www.bankofutica.com

222 Genesee Street
Utica, New York

Information	315-797-2700
Deposit	315-797-2761
Operations	
Toll Free	800-442-1028
24 Hr. Banking	315-797-2710

DEPOSIT ACCOUNT RULES AND AGREEMENT

Introduction - Thank you for establishing your banking relationship with Bank of Utica. This agreement outlines certain terms and conditions of your accounts. Please read it carefully. If you have any questions about your account, please call us at (315) 797-2700 or visit our banking office.

Laws, Rules and Regulations - All bank accounts are subject to applicable government laws, rules and regulations, including the New York State Banking Laws and the Uniform Commercial Code (UCC). Accounts are also subject to the rules and regulations of various federal agencies including the Federal Deposit Insurance Corporation (FDIC) and the Department of the Treasury. Generally accepted business practices will also apply.

ACH transactions - 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 Funds Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of New York as provided by operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions.

By signing the signature card and making the initial deposit to your account, you agree to be bound by this agreement and other disclosures, which you acknowledge receiving, including *Understanding Your Deposit Account, Electronic Funds Transfer and Quickdraw® VISA Debit, and Check Clearing Polices and Funds Availability* as well as any later changes which may be effective of which you will be notified.

Business Day - A Business Day is any day the Bank is open for business. These hours are Monday through Friday, 9:00 a.m. to 5:00 p.m. In addition, our drive-in is open until 5:30 p.m. on Fridays.

Signature - You authorize the Bank to recognize the signature(s) on your signature card for transactions on your account. The Bank reserves the right to refuse a withdrawal by a person whose signature, in the Bank's sole opinion does not match that on the signature card.

Changes To Your Account - Any change that you want to provide us should be in writing and signed with the same signature which we have on file for you and you may deliver such notice in person or by mail. You must also notify the Bank, promptly and in writing, of any changes in your mailing address. Mail will be sent to the most recent address appearing on the account records. Your account is not transferable, assignable or negotiable. You cannot change the account owner once the account has been opened.

Deposits and Withdrawals - Deposits may be made in person, by mail, using Online Banking, Mobile Banking or our Corporate Banking Suite, by wire transfer or direct deposit, such as Social Security benefits or payroll payments.

If the Bank receives any item payable to you and not endorsed, you authorize the Bank to endorse it for you and deposit it into your Account. If any check or similar instrument you deposit is returned unpaid for any reason, we have the right to charge the item back to your account and adjust related interest. You will be liable for reimbursement of the amount of the item and any costs associated with its return.

Unless otherwise clearly indicated on the account records, anyone who signs the signature card, may withdraw or transfer all or any part of the account balance at any time.

You must maintain sufficient collected funds in your account to cover the withdrawals you make. "Collected Funds" means the value of any check(s) or other instrument(s) which you deposited into your account for which the Bank has received payment from the bank on which it was drawn. Funds will be considered accepted and available for withdrawal as set forth in our *Check Clearing Policies and Funds Availability* disclosure.

If your check is presented to us at any time when there are not sufficient or collected funds, we may, at our discretion, pay or return the check irrespective of whether prior to that we had paid your check(s) against insufficient funds. In either case, we may charge you a service charge.

Withdrawals Not Permitted - Under certain circumstances, we can refuse to permit withdrawals from the account. For example, we can refuse to permit a withdrawal from the account if:

- The withdrawal would consist of funds deposited to your account in the form of a check or other instrument and proceeds for the item have not been received by us.
- There is a dispute about the account of such a nature that to permit you to withdraw from the account might expose us to liability.
- Someone whose name is on the account requests the Bank, in writing, not to permit the withdrawal. The decision whether to honor such a request rests solely with the Bank.
- The account is pledged as collateral for a debt.
- The balance is lower because we have taken money to pay a debt due the Bank by the account holder (right of offset).
- If you have failed to present to us any other document, credential, evidence or identification we require or law requires, in connection with the withdrawal.
- We have been lawfully ordered not to permit the withdrawal of all or part of the funds in the account.
- A problem with our computer system prevents us from knowing your account balance.

Direct Deposits - If, in connection with a direct deposit plan, we deposit any amount in this account which we are later required to return for any reason, you authorize us to deduct the amount of our liability from this account or from any other account you have with us, without prior notice and at any time.

Posting of Transactions to Your Account – Deposits and debits are posted to your account in the following order:

- Deposits
- Express transfers done using online banking
- Debit card purchases and ATM withdrawals
- ACH debits
- Checks in dollar amount order from smallest to largest amount each day
- Credits of interest payments
- Internal recurring transfers such as loan payments made from your checking account

Regarding the posting of checks, we post checks by dollar amount from smallest to largest order as they are presented for payment on any single day. For example, if you write check number 210 for \$65 and check number 211 for \$50, we will first post check number 211 and then check number 210. This will not necessarily be the order in which your checks will appear on your statement.

Stop Payments - You may request that the Bank stop payment on a check orally or in writing, but you must confirm the oral request in writing within fourteen (14) days otherwise it will expire. Stop payments will be effective for six (6) months unless renewed by you in writing and you will be charged a fee for any stop payment you request. Each renewal will be treated as a new request for the purpose of fee assessment. The Bank will not be responsible for stopping payment on the check unless all information you give us is accurate.

Post Dated/Conditional Checks - You agree not to postdate (put a future date on) any check, or put a condition for payment on any check drawn on your account. If you do, and the check is presented for payment before its date or if a condition has not been met, the Bank may at its discretion pay the check or return it unpaid. You hold the Bank harmless for paying any stale dated (a check written more than six months ago), postdated, conditional, or overdraft check.

Fees, Service Charges and Balance Requirements- You agree to pay the Bank and are responsible for any fees, charges or minimum balance requirements which apply to your account, and to pay charges for special services such as stop payment orders, certified checks and returned checks. The amount of the charges may change from time to time. You will be liable for any expenses arising from attachment, garnishment or levy of your account. The Bank will give you prior written notice of any change in fees. If one is sent, it may be sent to you by mail or included with your periodic account statement. See the “Understanding Your Deposit Account” disclosure.

Right of Offset - If you owe the Bank money for any reason, the Bank can, without prior notice, charge any account you have with the Bank to pay any debt you may owe the Bank. If we do exercise our right of offset, we will mail you a notice explaining the charge on the same business day that we charge your account. If the account is held jointly, the Bank may offset funds for the debt of any one of the joint owners. This right of offset does not apply to the account if: (a) it is an Individual Retirement Account or Health Savings Account, or (b) Social Security or SSI payments are deposited directly into this account. We will not be liable for the dishonor of any check when the dishonor occurs because we offset a debt against this account.

Closing Your Account - You may close your account at any time, unless any of the circumstances listed under “Withdrawals Not Permitted” section on page 2 apply. If the account is a Certificate of Deposit and we give our consent, there may be a penalty for withdrawals made prior to the maturity date. The Bank also may close your account for good reason at any time. If we do so, we will notify you in writing and may mail you our official Bank check for the account balance.

Interest Reporting - The Bank is required to provide the Internal Revenue Service (IRS) and State of New York with a statement of interest earned each year on your account, if any. Interest will be reported in the name of the depositor whose Taxpayer Identification Number (TIN), either a Social Security Number (SSN) or Employer Identification Number (EIN), appears first on the signature card.

It is your responsibility to provide the Bank with the correct SSN or EIN for your account(s) OR a properly executed W-8, Certificate of Foreign Status. If you have not done so, you may be subject to backup withholding or a penalty imposed by the IRS. The Bank can also refuse to open an account if you do not provide us with a Certified TIN or W-8.

Joint, Trust, Custodial and Fiduciary Accounts - The Bank may make any payments from your account in accordance with applicable laws and relevant legal documents without incurring any liability from you.

Joint Account - All deposits made to a joint account become the property of each owner as joint tenants and, as such, the bank may release the entire account to any owner during the lifetime of all owners. See Bank of Utica Joint Account Disclosure for details.

Totten Trust Accounts (Revocable) - This account may be opened by an individual owner, or by joint owners, “in trust for” one or more persons as beneficiaries. The owner(s) maintains sole control of the funds on deposit. The beneficiary has no power to withdraw funds from the account while any owner is alive. Upon the death of the owner(s) the funds on deposit will belong to the named beneficiary. If there are multiple beneficiaries named, the account balance will be divided equally among them. The Tax Identification Number (TIN) of the owner must be on the account, not that of the beneficiary.

Irrevocable Trusts – These are trusts that cannot be modified or terminated by the grantor. The grantor, having transferred assets into the trust, effectively removes all of his or her rights of ownership to the assets and the trust. The trustee has legal title to the trust property and owes a fiduciary duty to the beneficiaries who are the “beneficial” owners of the trust property. The trust is governed by the terms under which it was created. The bank will honor withdrawals made only by the trustee. The TIN will be that of the trust, not the grantor or trustee.

Power of Attorney - A power of attorney is, in effect, an order signed by an account owner, directed to the Bank, authorizing us to honor the signature of the attorney-in-fact. The account owner may revoke the power of attorney at any time by providing us with written instructions to do so. Otherwise, the death of the account owner automatically terminates the power of attorney. The funds in the account are always those of the owner. A Power of Attorney will remain in effect even after the account owner’s disability or incompetence only if it contains a provision stating “this power of attorney shall not be affected by the subsequent disability or incompetence of the Principal” or similar wording. We will not honor a power of attorney for any trustees on a trust account.

Inactivity – When your account has not had any activity for a period of 24 months, it will be considered inactive and after 36 months, it will be considered dormant. At that time, you will be asked to re-activate the account or verify that you are aware it exists. After three years, the money in the account will be turned over to New York State as abandoned property unless a deposit or withdrawal is made or we receive documentation that someone entitled to the account is aware of it within that three year period.

Notices – Under the operating rules of the National Automated 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 do not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Errors, Lost or Misplaced Items - It is your responsibility to review all statements sent to you and report any errors you find to us within 30 days of receipt of the statement. If the Bank encloses copies of checks or other items in your statement, it is your obligation to examine these to determine whether they contain unauthorized signatures. If you find an error in your account you must notify the Bank immediately telling us of the error.

Forgeries - In the case of forgeries on your account where you find that your signature was signed by someone other than you or a check or other instrument has been signed or endorsed by an unauthorized person, in addition to notifying us within 30 days of receipt of your statement, you must sign a forgery affidavit and file a police report so that we can contact the police, conduct an investigation, and prosecute the criminal.

If you do not notify us within thirty (30) days from the date you receive the statement containing the error or forged item, you agree that you will not hold the Bank responsible for any loss.

Indemnity - If you ask the Bank to follow instructions that, in the judgment of the Bank, expose it to potential liability under the law, the Bank may refuse to follow your instructions or may require you to give the Bank adequate security to protect it from any and all losses and expenses incurred in the following your instructions.

If any one of the provisions or rules in this Agreement is determined by governmental authority to be ineffective, the remaining provisions or rules will continue to be in effect.