

## ACCOUNT DISCLOSURE INFORMATION

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## FDIC INSURANCE

Federal Deposit Insurance Corporation (FDIC) will insure each depositor to \$250,000 backed by the full faith and credit of the United States Government. Depending on account ownership, you may exceed the \$250,000. The types of accounts that are insured are traditional types of bank accounts (i.e. checking, savings, trusts, certificates of deposit, and Money Market deposit accounts) which earn interest at a rate specified by the Bank and usually limit the customer to a certain number of transactions within a stated period of time. Individual Retirement Accounts (IRAs), traditional and ROTH, are insured up to \$250,000 by the FDIC. Certain trust accounts (where the assets of the account consist of securities rather than deposits) are not insured by the FDIC.

All funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least \$250,000 available to depositors under the FDIC's general deposit insurance rules.

The term "noninterest-bearing transaction account" includes a traditional checking account or demand deposit account on which the insured depository institution pays no interest. This includes Interest on Lawyers Trust Accounts ("IOLTAs"). It **does not** include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts, and money-market deposit accounts.

For more information about temporary FDIC insurance coverage of transaction accounts, visit [www.fdic.gov](http://www.fdic.gov).

For more information about deposit insurance coverage, write to:  
Deposit Insurance Outreach  
Division of Depositor and Consumer Protection  
550 17th Street, NW  
Washington, DC 20429

Or write to the FDIC Regional Office at:  
Chicago Regional Office  
300 South Riverside Plaza, Suite 1700  
Chicago, IL 60606

Or visit any of our Customer Service Representatives.

## TERMS AND CONDITIONS OF YOUR ACCOUNT

**Agreement:** This information along with any other information 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 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 contact us at (219) 362-7511.

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 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 information is to:

- Summarize some laws that apply to common transactions;
- Establish rules to cover transactions or events which the law does not regulate;
- Establish rules for certain transactions or events which the law regulates but permits variation by agreement, and;
- 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 information, 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 information 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 use 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 deposit (including items drawn “on us”). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on the 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, as received on the following business day that we are open. Daily cutoff times may vary by location.

**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 part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each person signing the signature card to endorse any item payable to you or your order of 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 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 draw 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 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 may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

#### **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 representation as to the appropriateness or 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 any 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 survivorship and not as tenants in common.

**Joint Account without Survivorship** (as tenants in common) – Is any account 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 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 this account die, and (2) the beneficiary is then living. If two or more beneficia-

ries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without the right of survivorship. The person(s) creating this account type may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**Pay-on-Death Account with LDPS** - If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless all persons creating the account die. If a named beneficiary does not survive all persons that created the account, that beneficiary's right to a transfer on death transfer belongs to that beneficiary's lineal descendants per stirpes (LDPS) who survive all persons that created the account. LDPS means a class of unnamed persons who are the lineal descendants of a beneficiary and who take upon surviving the beneficiary, in place of the beneficiary they have survived, the interest of the beneficiary as determined under Indiana law. The person(s) creating this type of account type may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**Business Accounts** – Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the legal entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we 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 a 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.

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 Transfer** – 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. 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 any one of you is notice to all of 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 bare 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 that 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.

**Account Transfer** – The account may not be transferred or assigned without 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 the same 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 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 the due date for which we properly accelerate under any note.

This right of set off 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 set off.

**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 or 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 checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing the following information regarding how we process the items that you write. When processing items drawn on your account, our policy is to pay them according to the dollar amount. We pay electronic items first (lowest to highest), and then paper items (lowest to highest). 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). The amount of the overdraft and NSF fees are disclosed elsewhere. We encourage you to keep 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.

## FUNDS AVAILABILITY POLICY

### **Your ability to withdraw funds at LaPorte Savings Bank**

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 your accounts might also be under this policy.

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be 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 the 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 our posted cutoff time 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 our posted cut off time, or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

If you make a deposit at an ATM before 2:30 p.m. CST 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 at an ATM after 2:30 p.m. CST or on a business day we are not open, we will consider that the deposit was made on the next business day we are open. LaPorte Savings Bank owned ATMs where we accept deposits via ATM are at our Main Office, Chesterton Office, Cool-spring Office, Eastside Office, Michigan City Office, Rolling Prairie Office, Westside Office and Westville Office locations.

#### **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 first business day after the day of your deposit. We may delay the availability of your funds up to two (2) business days. The first \$200 of your deposit, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also 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.

Please be aware that a hold may be placed on one of your accounts if we cash a check drawn on another financial institution. A hold may also be placed on one of your other accounts if we accept for deposit a check drawn on another financial institution. The funds will be available according to the disclosed schedule of availability.

**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 \$5,000.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- If 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 (7th) 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 \$5,000.00 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 first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000.00 will be available on the ninth (9th) 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 \$5,000.00 will not be made available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the eleventh (11th) business day after the day of your deposit.

**SUBSTITUTE CHECKS AND YOUR RIGHTS (CHECK 21)  
Important Information Regarding Your Checking Account****What is a substitute check?**

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive with your account statement may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

**What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we receive your claim and the remainder of your

refund (plus interest if your account earns interest) not later than 45 calendar days after we receive your claim.

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

**How do I make a claim for a refund?**

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

**LaPorte Savings Bank Operations Department  
P.O. Box 548  
LaPorte, Indiana 46352  
(219) 362-7511 or 1-866-362-7511**

You must contact us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you think the charge to your account was incorrect (for example, you think the amount withdrawn was incorrect);
- An estimate of how much money you have lost because of the substitute check charge;
- An explanation of why the substitute check is not sufficient to show whether or not the charge to your account was correct; and,
- Provide us with a copy of the substitute check and/or the following information that will help us to identify the substitute check and investigate your claim (for example: the check number, the name of the person to whom you wrote the check, and the amount of the check.)

**TRUTH-IN-SAVINGS DISCLOSURE (REG DD)**

We reserve the right to change your checking or savings account type in the event the requirements of the account are not met. This may result in the assessment of fees. Please see a current fee schedule for charges associated with each account type.

**REGULAR CHECKING ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - a service charge fee will be imposed every statement cycle if the aggregated balance in a Passbook or Statement Savings Account falls below \$300.00 any day during an entire checking cycle.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Twelve (12) months of inactivity constitutes dormancy on a checking account. Assessment of fees or payment of interest on an account does not qualify as activity.

**FREE CHECKING ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees**

- there is no minimum checking balance requirement for this account. There is no minimum savings account balance requirement for this account.

**Requirements** - you must establish and maintain either a direct deposit into this account or receive e-statements to qualify for this account.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Twelve (12) months of inactivity constitutes dormancy on a checking account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### **STUDENT CHECKING ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - there is no minimum checking balance requirement for this account. There is no minimum savings account balance requirement for this account.

**Requirements** - you must establish and maintain either a direct deposit into this account or receive e-statements to qualify for this account. You must also provide proof of student status to qualify for this account. Student status on this account will automatically expire after five (5) years if not renewed by the customer. Once student status expires, this account will be changed to our standard Free Checking account product. See our Free Checking account disclosure information within this brochure for any account qualifications or requirements.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Twelve (12) months of inactivity constitutes dormancy on a checking account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### **INTEREST CHECKING ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$500.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - a service charge fee will be imposed every statement cycle if the balance in the account falls below \$500.00 any day during the cycle.

**Rate Information** - your interest rate and annual percentage yield may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of: Tier I - \$500.00; Tier II - \$5,000.00; Tier III - \$25,000.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded every statement cycle. Interest will be credited to your account every statement 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.

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

**Fees** - a dormant account fee will be assessed on all dormant ac-

counts. Twelve (12) months of inactivity constitutes dormancy on a checking account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### ***MONEY MARKET SAVINGS ACCOUNT***

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - a service charge fee will be imposed every statement cycle if the balance in the account falls below \$1,000.00 any day during the cycle.

**Rate Information** - your interest rate and annual percentage yield may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of: Tier I - \$100.00; Tier II - \$10,000.00; Tier III - \$25,000.00; Tier IV - \$100,000.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded every statement cycle. Interest will be credited to your account every statement 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.

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

**Transaction Limitations** - transfers from a Money Market account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six (6) per statement cycle.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Thirty-six (36) months of inactivity constitutes dormancy on a savings account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### ***PASSBOOK SAVINGS ACCOUNT***

**Minimum Balance to Open the Account** - you must deposit \$500.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - a service charge fee will be imposed every statement cycle if the balance in the account falls below \$300.00 any day during the cycle.

**Rate Information** - your interest rate and annual percentage yield may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of \$500.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded quarterly. Interest will be credited to your account quarterly.

**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.

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

**Transaction Limitations** - transfers from a Passbook Savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six (6) per month with no transfers by check, draft, or similar order to third parties.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Thirty-six (36) months of inactivity constitutes dormancy on a savings account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### **STATEMENT SAVINGS ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - a service charge fee will be imposed every statement cycle if the balance in the account falls below \$300.00 any day during the cycle.

**Rate Information** - your interest rate and annual percentage yield may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of \$100.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded monthly. Interest will be credited to your account monthly.

**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.

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

**Transaction Limitations** - transfers from a Statement Savings account to another account or to third parties by preauthorized, automatic, or telephone transfer are limited to six (6) per month with no transfers by check, draft, or similar order to third parties.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Thirty-six (36) months of inactivity constitutes dormancy on a savings account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### **KIDS' CLUB SAVINGS ACCOUNT**

**Minimum Balance to Open the Account** - you must deposit \$25.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - there is no minimum balance requirement for this account.

**Requirements** - this account is for customers under the age of eighteen (18). Once the customer reaches the age of eighteen (18), this account will automatically be changed to our standard Statement Savings account product. See our Statement Savings account disclosure information within this brochure for any account qualifications or requirements.

**Rate Information** - your interest rate and annual percentage yield

may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of \$25.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded quarterly. Interest will be credited to your account quarterly.

**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.

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

**Transaction Limitations** - transfers from a Kid's Club Savings account to another account or to third parties by preauthorized, automatic, or telephone transfers are limited to six (6) per month with no transfers by check, draft, or similar order to third parties.

**Fees** - a dormant account fee will be assessed on all dormant accounts. Thirty-six (36) months of inactivity constitutes dormancy on a savings account. Assessment of fees or payment of interest on an account does not qualify as activity.

#### **CHRISTMAS CLUB SAVINGS**

**Minimum Balance to Open the Account** - you must deposit at least \$1.00 to open the account.

**Minimum Balance Required to Avoid the Imposition of Fees** - there is no minimum balance requirement for this account.

**Rate Information** - your interest rate and annual percentage yield may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of \$1.00 in the account each day to obtain the Annual Percentage Yield disclosed.

**Compounding and Crediting Frequency** - interest will be compounded at maturity. Interest will be credited to your account at maturity.

**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.

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

**Transaction Limitations** - there are no withdrawals permitted on this account until maturity.

***CERTIFICATES OF DEPOSIT (less than \$10,000)***

**Minimum Balance to Open the Account** - you must deposit \$1,000.00 to open this account.

**Rate Information** - your interest rate is locked in for the duration of the term and is paid this rate until first maturity.

**Compounding Frequency** - interest will typically be compounded semiannually; 91 day CDs will have the interest compounded at maturity.

**Crediting Frequency** - interest will typically be credited to your account semiannually; 91 day CDs will have the interest credited at maturity. Alternatively, you may choose to have interest paid to you or to another account semiannually rather than credited to 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.

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

**Transaction Limitations** - you may not make any deposits into your account before maturity. You may make withdrawals of principal from your account before maturity. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. You cannot withdraw interest from your account before maturity unless you arrange to have interest either distributed by check or credited into another account with us.

**Early Withdrawal Penalties** - a penalty may be imposed for withdrawals before maturity if:

- Your account has an original maturity of less than one year: the fee imposed will equal 100% loss of interest earned on the amount withdrawn.
- Your account has an original maturity of 13 months or more: the fee imposed will equal one year's loss of interest on the amount withdrawn.

In certain circumstances, such as the death of 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.

**Withdrawal of Interest Prior to Maturity** - the annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Automatically Renewable Time Account** - this account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or if we receive written notice from you within the grace period mentioned below, if any. 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 not accrue after final maturity. Each renewal term will be the same as the original term, beginning on the maturity date. 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 (10) calendar days after maturity to withdraw the funds without penalty.

***CERTIFICATES OF DEPOSIT (\$10,000 or more)***

**Minimum Balance to Open the Account** - you must deposit \$10,000.00 to open this account.

**Rate Information** - your interest rate is locked in for the duration of the term and is paid this rate until first maturity.

**Compounding Frequency** - interest will typically be compounded every month; 91 day CDs will have the interest compounded at maturity.

**Crediting Frequency** - interest will typically be credited to your account every month; 91 day CDs will have the interest credited at maturity. Alternatively, you may choose to have interest paid to you or to another account every month rather than credited to 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.

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

**Transaction Limitations** - you may not make any deposits into your account before maturity. You may make withdrawals of principal from your account before maturity. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. You cannot withdraw interest from your account before maturity unless you arrange to have interest either distributed by check or credited into another account with us.

**Early Withdrawal Penalties** - a penalty may be imposed for withdrawals before maturity if:

- Your account has an original maturity of less than one year: the fee imposed will equal 100% loss of interest earned on the amount withdrawn.
- Your account has an original maturity of 13 months or more: the fee imposed will equal one year's loss of interest on the amount withdrawn.

In certain circumstances, such as the death of 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.

**Withdrawal of Interest Prior to Maturity** - the annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Automatically Renewable Time Account** - this account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or if we receive written notice from you within the grace period mentioned below, if any. 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 not accrue after final maturity. Each renewal term will be the same as the original term, beginning on the maturity date. 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 (10) calendar days after maturity to withdraw the funds without penalty.

### **INDIVIDUAL RETIREMENT ACCOUNT (IRAs)**

**Minimum Balance to Open the Account** - you must deposit \$200.00 to open this account.

**Rate Information** - your interest rate is locked in for the duration of the term and is paid this rate until first maturity.

**Compounding Frequency** - interest will be compounded quarterly.

**Crediting Frequency** - interest will be credited to your account quarterly.

**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.

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

**Transaction Limitations** - for maximum amount to deposit, please consult a Tax Advisor. You may make withdrawals of principal from your account before maturity. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. You cannot withdraw interest from your account before maturity unless you arrange to have interest either distributed by check or credited into another account with us.

**Early Withdrawal Penalties** - the fee we may impose will equal three months interest on the amount withdrawn subject to penalty. In certain circumstances, such as the death of 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.

**Minimum Balance Accounts** - 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.

**Withdrawal of Interest Prior to Maturity** - the annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Automatically Renewable Time Account** - this account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or if we receive written notice from you within the grace period mentioned below, if any. 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 not accrue after final maturity. Each renewal term will be the same as the original term, beginning on the maturity date. 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 (10) calendar days after maturity to withdraw the funds without penalty.

**Fees** - a closing fee of \$25.00 will be charged if this account is closed before maturity.

### **HEALTH SAVINGS ACCOUNT (HSA)**

**Minimum Balance to Open the Account** - you must deposit \$100.00 to open this account. If your employer is providing funding for the HSA, the opening balance requirement is waived.

**Minimum Balance to Avoid the Imposition of Fees** - a service

charge fee will be imposed every statement cycle if the balance in the account falls below \$300.00 any day during the cycle.

**Rate Information** - the interest rate and annual percentage yield on your account may change.

**Frequency of Rate Changes** - we may change the interest rate on your account at any time.

**Determination of Rate** - at our discretion, we may change the interest rate on your account.

**Compounding Frequency** - interest will be compounded every statement cycle.

**Crediting Frequency** - interest will be credited to your account every statement cycle.

**Minimum Balance Required to Obtain the Annual Percentage Yield Disclosed** - you must maintain a minimum balance of: Tier I - \$.01; Tier II - \$1,000; Tier III - \$10,000 in the account each day to obtain the Annual Percentage Yield disclosed.

**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.

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

**Transaction Limitations** - for maximum amount to deposit, please consult a Tax Advisor. You may make withdrawals from your account only for qualified medical expenses. For a complete definition of a qualified medical expense, see Publication 502 of the Internal Revenue Service at [www.irs.gov](http://www.irs.gov).

#### **ELECTRONIC FUNDS TRANSFERS (REG E)**

This information pertains to the Electronic Funds Transfers System (EFTS) used by the banking industry. In this system, funds may be deposited to or withdrawn from your account by an electronic communications network, thus eliminating the need for monetary exchange via cash or checks. Electronic Funds Transfers are done only with your authorization. Common types of electronic funds transfers are ATM (Automatic Teller Machines) or POS (Point-of-Sale Terminal) transactions created by the use of a LaPorte Savings Bank ATM or MasterMoney Debit Card. Other types include, but are not limited to: direct deposit payroll, Social Security, direct debit payments, and (ECK) electronic check conversion. (From here on, LaPorte Savings Bank will be referred to as "The Bank" and ATM or Debit Card will be referred to as "The Card.") By retaining or using a Bank issued ATM or MasterMoney Debit Card, you agree:

- Your Card remains the property of the Bank and will be surrendered immediately to the Bank upon request.
- To abide by the rules and regulations of the Bank relating to the use of your Card and the performance of any EFT services.
- To notify the Bank promptly in writing of the loss of your Card.
- To be responsible for all authorized uses of your Card whether used at a full-service ATM, or an electronic cash dispensing machine, or a POS terminal.
- To be responsible for unauthorized use of your Card as disclosed in the section entitled "Lost or Stolen Card and Customer Liability Disclosures."
- If you use your Card to access an account that is no longer

available or lacks sufficient funds to complete the transaction, the Bank may, at its sole discretion, charge or credit the transaction to another account.

- The Bank may cancel your Card at any time without notice.
- The Bank's liability to you for not completing a transaction will be limited as set forth in the section entitled "Bank Liability for Failure to Make Transfers."
- The Bank has the right to refuse a transaction on your account when your Card has been reported lost or stolen or when the Bank has reason to believe there is unusual activity on your account.
- You cannot use your Card for a transaction that would exceed your account balance. The Bank will not be required to complete any such transaction or any transaction that would exceed the daily authorized limit attached to your Card, but if it does, you agree to pay the Bank the amount of improper withdrawal or transfer upon request.
- To never allow anyone to use, borrow or obtain your Card and secret code. By giving your Card and secret code to another person, you take responsibility for all transactions made by that person or anyone else to whom that person gives the Card and secret code until you notify the Bank to cancel the Card and issue a new Card.

#### **ACH and Wire Transfer**

This information is subject to Article 4A of the Uniform Commercial Code – Fund Transfer 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 clearing house association rules. These rules provide, among other things, that payments 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 you have with us by wire or ACH. We are not required to give you any notice of the payment order or credit.

#### **Electronic Fund Transfer Definitions**

An electronic fund transfer is any transfer of funds initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. Electronic fund transfers include, but are not limited to the following:

- Point-of-Sale (POS) transfers.
- Automated Teller Machine (ATM) transfers. A deposit made at an ATM or other electronic terminal (including a deposit in cash or by check) is also considered an EFT if a specific agreement exists between the financial institution and the customer for EFTs to or from the account to which the deposit is made.
- Direct deposits or withdrawals of funds. For example, Social Security benefits under the U.S. Treasury's direct-deposit

program are EFTs, even if the listing of payees and payment amounts reaches the account holding institution by means of a computer printout from a correspondent bank. In addition, a preauthorized transfer credited or debited to an account in accordance with instructions contained on magnetic tape is considered an EFT, even if the financial institution holding the account sends or receives a composite check.

- Transfers initiated by telephone.
- Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal. A transfer from the customer's account resulting from a debit card transaction at a merchant location is considered an EFT (even if no electronic terminal is involved at the time of the transaction) if the customer's account is subsequently debited for the amount of the transfer.
- **Electronic Check Conversion (ECK):** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to:
  - a) Pay for purchases.
  - b) Pay bills.

#### **Account Access**

You may use your card and code to:

- Withdraw cash from your authorized checking or savings accounts through a STAR or CIRRUS ATM.
- Make deposits to your authorized checking or savings accounts via a deposit-taking equipped LaPorte Savings Bank ATM.
- Transfer funds between your authorized checking or savings accounts by using a STAR or CIRRUS ATM.
- Make payments by transfer on your Bank installment or mortgage loans through an ATM. Payments enclosed can only be performed at the Bank's ATM.
- Verify your current account balance(s) through a STAR or CIRRUS ATM.
- Pay for purchases at places that have agreed to accept the MasterMoney Debit Card.

**\*NOTE:** some of these services may not be available at all terminals. Transactions at non-LPSB owned ATMs may be subject to a surcharge assessed by the ATM terminal owner. In addition, a specified ATM or EFT network may not provide you with access to all of your accounts.

#### **Limitations on Amounts and Frequency of Transfers**

- With your ATM Card, you may make various cash withdrawals up to a maximum of \$300.00 each calendar day.
- With your Debit Card, you may make various cash withdrawals up to a maximum of \$300.00 each calendar day.
- With your Debit Card, you may make POS purchases up to a maximum of \$1,000.00 each calendar day.
- Withdrawals, deposits or purchases made on weekends or holidays are considered next business day transactions and are reflected on your statement as such. The maximum daily limit is subject to the balance in your account at the time the transaction is requested.
- For security reasons, there may be other limits on the number of transfers that you can make using an ATM or POS terminal.

**Preauthorized Transfers:** The Bank is equipped to:

- Accept certain direct deposits to your authorized checking or savings account.
- Pay certain recurring bills from your authorized checking or savings account.

**Limitations on Frequency of Transfers:** Transfers from your LaPorte Savings Bank Money Market Account or Statement Savings Account to another account or to third parties by preauthorized withdrawal transactions are limited by government regulation to six (6) per month. Please consult the Truth In Savings Disclosure information for further information regarding these accounts.

**Minimum Account Balance:** Before your access device (card) can become active, you must hold a minimum balance of \$20.00 in either your authorized checking account or your authorized savings account.

**Lost or Stolen Card and Customer Liability Disclosures:** If you believe that your Bank Card has been lost, stolen or that someone has transferred or may have transferred money from your account without your permission:

**Telephone us at: (219) 362-7511 or 1-866-362-7511**  
**After hours call: 1-866-546-8273**  
**Or write us at: The LaPorte Savings Bank**  
**ATM Coordinator**  
**P.O. Box 548, LaPorte, IN 46352**

Tell us **AT ONCE** if you believe your Bank Card has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you contact us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your Bank Card without your permission. If you do NOT contact us within two (2) business days after learning of the loss or theft, and LaPorte Savings Bank can prove that we could have stopped someone from using your Card without your permission if you had contacted us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us AT ONCE. If you do not contact us within 60 days after the statement was mailed to you, you may not get back any money lost after 60 days if LaPorte Savings Bank can prove that we could have stopped someone from taking the money if you had contacted us. If a valid reason (such as travel or hospitalization) prevents you from contacting us, we will extend the notification time periods.

**\*CAUTION:** Knowledge of your Personal Identification Number (PIN) will allow access to your accounts by unauthorized persons if your card is lost or stolen resulting in possible losses to you as described above. **FOR YOUR OWN PROTECTION, DO NOT KEEP YOUR PIN NUMBER WITH YOUR CARD! MEMORIZE IT. IF IT IS NECESSARY FOR YOU TO RECORD AND KEEP YOUR PIN NUMBER WITH YOU, AS A PRECAUTIONARY MEASURE BE**

**SURE TO KEEP IT IN A COMPLETELY SEPARATE LOCATION  
AWAY FROM WHERE YOU KEEP YOUR CARD.**

**Charges / Debits**

There is no usage charge for a ATM owned by LaPorte Savings Bank. We charge \$2.00 for each inquiry, withdrawal, deposit or transfer done at an ATM not owned by LaPorte Savings Bank. Please refer to the Truth In Savings Disclosure or a current Fee Schedule for other possible ATM fees.

**Business Days:** Our business days are Monday through Friday, weekends and holidays excluded.

**Disclosure of Right to Receive Documentation of Transfers**

**Receipts:** You will generally receive a receipt at the time you make any transfer to or from your account by using an ATM or POS terminal. (At some ATM or POS locations, you may have the option to request or refuse a receipt. If your ATM or POS transaction is below \$15.00, you may not receive a receipt at some terminals.)

**Statements:** You will receive monthly, an account statement showing the status of your account(s), EFT transactions made during the past month, and any charges which we may impose for such services or transactions on any account that has had an EFT transaction. You may not receive a monthly account statement(s) if there are no EFT transactions in a particular month. In any case, you will receive a statement at least quarterly.

**Preauthorized Credits:** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (219) 362-7511 to find out whether the deposit has been made. The Bank will credit such transfer as of the day the funds for the transfer are received. The Bank is not required to provide you with next day notification of preauthorized credits made to your account and we will not do so.

**Notice of Varying Amounts:** If regular payments being made from your account vary in amount, the person you are paying will tell you ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

**Stop Payment Orders**

If you have told us in advance to make regular payments out of your account you can stop any of these payments by:

**Telephoning us at: (219) 362-7511 or 1-866-362-7511**

**Or writing us at: LaPorte Savings Bank  
Operations Department  
P.O. Box 548  
LaPorte, Indiana 46352**

We must receive notice of your request at least three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) business days after you call. If you

have correctly followed this procedure and we fail to stop payment as directed, we may be liable for your losses. This will also apply to payments of varying amounts.

#### **Bank Liability for Failure to Make Transfer**

If the Bank does not complete a transfer to or from your account on time or in the correct amount, according to our agreement with you, we may be liable for your losses or damages caused by our failure to complete the transfer. However, there are some exceptions. For instance, we will not be liable if:

- Through no fault of ours, your account does not contain enough money to make the transfer;
- The ATM where you are making the transfer does not have enough cash;
- The terminal or system was not working properly and you knew about the breakdown when you initiated your transfer;
- Technical difficulties prohibit a preauthorized transfer, and you knew about the technical difficulty at the time the transfer should have occurred, or;
- Any other circumstances beyond our control prevent the transfer, despite reasonable precautions that we have taken. (NOTE: There may be other exceptions stated in our agreement with you.)

#### **Account Information Disclosure**

We may disclose information to third parties about your account regarding a transfer you make ONLY:

- When it is necessary to complete transfers;
- In order to verify the existence and condition of your account for the third party, such as a credit bureau;
- In order to comply with government agency or court orders, or;
- If you give us your written permission.

#### **Error Resolution Procedure**

In case of errors or questions about any electronic funds transaction:

**Telephone us at: (219) 362-7511 or 1-866-362-7511**

**Or write us at: LaPorte Savings Bank  
Operations Department  
P.O. Box 548  
LaPorte, Indiana 46352**

Contact us as soon as possible if you think your checking or savings account statement(s), ATM or POS transaction receipt(s) show an error or if you need information about a transfer that appears on your statement. You must contact us within 60 days after we have sent your FIRST checking or savings statement on which the error appeared. When you contact us, please provide us with the following information:

- Tell us your name;
- Tell us your account number you believe the error is associated with;
- Describe the error or transfer you are unsure about and explain as clearly as possible why you believe it is an error or why you are requesting additional information, and;
- Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question(s) in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need additional time to address your concerns, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will re-credit your account within ten (10) business days for the amount you think is in error. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. This enables you to have use of the money during the time it takes us to complete our investigation. If we decide that there was not an error, we will send you a written explanation within three (3) business days after we finish our investigation and, if appropriate, make any necessary adjustments to your account. You may ask for copies of the documents that we used in our investigation.

#### **Amendments**

We reserve the right to alter, amend or rescind these terms and conditions at any time hereafter as permitted by law, but effective only upon 21 days prior written notice if the change will result in increased fees or charges to you, increase liability, fewer types of electronic fund transfer services, or stricter limitations on the frequency or dollar amounts of transfers.

## **NO BOUNCE ADVANTAGE<sup>SM</sup>**

At times, unanticipated expenses or unforeseen problems can leave you with too little cash in your checking account. Having a check returned due to insufficient funds can be a costly, inconvenient and potentially embarrassing experience.

At LaPorte Savings Bank, we do not encourage overdrafts. As always, we encourage you to manage your finances responsibly. However, we want to save you from the additional merchant fees and possible damage to your credit history that might result if a check is returned.

### **What is No Bounce Advantage<sup>SM</sup>?**

No Bounce Advantage<sup>SM</sup> is an overdraft privilege service requiring no action on your part that provides you with a safety net up to an automatically assigned overdraft limit.

Your No Bounce Advantage<sup>SM</sup> limit may be available for checks and other transactions made using your checking account number or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday debit card purchases using your limit.

### **How does No Bounce Advantage<sup>SM</sup> work?**

As long as you maintain your account in "good standing," we may approve your overdrafts within your current available No Bounce Advantage<sup>SM</sup> limit as a non-contractual courtesy.

For overdraft privilege consideration, your account is in "good standing" if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of No Bounce Advantage<sup>SM</sup> as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account.

Please note that the amount of the overdraft plus our Paid or Returned Item fee of \$32 for each item will be deducted from your overdraft limit. If the item is returned, our Paid or Returned Item fee of \$32 will be deducted from your account. No interest will be charged on the overdraft balance.

*\*Please refer to the Customer Overdraft Policy for additional details.*

### **What does my No Bounce Advantage<sup>SM</sup> cost?**

There is no additional cost associated with this privilege unless you use it. You will be charged our Paid or Returned Item fee of \$32 for each item created by a traditional paper-based check, a teller withdrawal, an automatic payment (ACH) transaction, or a recurring debit card payment. Also, if you have requested us to do so, we may authorize and cover ATM transfers or withdrawals and everyday debit card purchases.

As an example, three paid items in one day will result in \$96 in Paid or Returned Item fees. To help you manage your account,

the total fees you have paid for Paid or Returned Items during the current month and for the year-to-date, will be reflected on your monthly checking statement.

**What is my No Bounce Advantage<sup>SM</sup> limit? If I have two checking accounts, can I get No Bounce Advantage<sup>SM</sup> on both?**

Locate your account type below and make note the corresponding limit. If you have multiple accounts for your household, you may have a limit on all eligible accounts.

<b>Regular Checking</b> . . . . .	<b>\$500</b>
Free Checking . . . . .	\$500
Home Free Checking* . . . . .	\$500
Student Checking . . . . .	\$500
Nifty Fifty Checking* . . . . .	\$500
Interest Checking . . . . .	\$1,000
Money Market Account . . . . .	\$1,500

*\*Grandfathered account types; not available for opening.*

**How quickly must I repay my No Bounce Advantage<sup>SM</sup>?**

You should make every attempt to bring your account to a positive end-of-day balance as soon as possible, and must do so within 30 days. If you are not able to do so, you will receive a letter from LaPorte Savings Bank informing you that your No Bounce Advantage<sup>SM</sup> limit has been suspended and additional items will be returned.

**How do I know when I use the overdraft limit?**

You will receive an overdraft notice each time items are paid, including fees. You will need to subtract the total fees when balancing your checkbook.

**What if I go beyond my No Bounce Advantage<sup>SM</sup> limit?**

Overdrafts above and beyond your established No Bounce Advantage<sup>SM</sup> limit may result in checks or other items being returned to the payee. The Paid or Returned Item fee of \$32 will be charged per item and assessed to your account. A Paid or Returned Item fee notice will be sent to notify you of items paid and/or returned.

**How soon can I use my No Balance Advantage<sup>SM</sup>?**

If you are a new customer, you may be able to use the overdraft privilege service 30 days after the account is opened, assuming your account is in "good standing" as defined in this brochure.

**What are some of the ways I can have access to my No Bounce Advantage<sup>SM</sup> limit? Will my limit be reflected in the balance I receive?**

The chart below shows the different ways you can access your No Bounce Advantage<sup>SM</sup> limit and indicates whether or not this limit will be reflected in the balance provided.

Access Points	Is my overdraft privilege limit available?	Does the balance given reflect my overdraft privilege limit?
Teller	YES	NO
Writing a Check	YES	N/A
Debit Card (recurring)	YES	N/A
Debit Card (everyday)	NO**	N/A
ATM Withdrawal	NO**	NO
ACH - Auto Debit	YES	N/A
Online Banking	YES	NO
Bill Pay	YES	N/A
Bank-by-Phone	YES	NO

\*\*No Bounce Advantage<sup>SM</sup> service will be made available for ATM and everyday debit card transactions upon your request. Call 1-866-362-7511 or visit one of our branches to arrange for your ATM and debit card coverage.

**What are some other ways I can cover overdrafts at LaPorte Savings Bank?**

The best way to avoid overdrafts and fees is to keep track of your account balance by entering all checks, debit card purchases and ATM withdrawals in your check register, reconcile your check book regularly and manage your finances responsibly. However, if a mistake occurs, LaPorte Savings Bank offers additional ways to cover overdrafts in addition to our No Bounce Advantage<sup>SM</sup> service.

Ways to Cover Overdrafts Offered by LPSB	Associated Fees
Good Account Management	\$0.00
Overdraft Protection from Savings	\$10.00 for each Automatic Transfer
Overdraft Line of Credit	21% APR*; plus \$20.00 Annual Fee
No Bounce Advantage	Standard Paid or Returned Item Fee of \$32.00 for Each Item

**What if I do not want to have No Bounce Advantage<sup>SM</sup> on my checking account?**

If you would like to have this service removed from your account, please contact our Customer Service Department at (219) 362-7511 or toll free at 1-866-362-7511.

**NO BOUNCE ADVANTAGE<sup>SM</sup> CUSTOMER OVERDRAFT POLICY**

An insufficient balance can result from several events, such as (1) the payment of checks, electronic funds transfers or other withdrawal requests; (2) payments authorized by you; (3) the return of unpaid items deposited by you; (4) bank service charges; or (5) the deposit of items which, according to the bank's Funds Availability Policy, are treated as

not yet available or finally paid. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds.

However, if you maintain your checking account in "good standing," we may approve your overdrafts within your current available No Bounce Advantage<sup>SM</sup> limit as a non-contractual courtesy. For overdraft privilege consideration, your account is in "good standing" if you (1) making sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of No Bounce Advantage<sup>SM</sup> as a continuing line of credit, and (3) there are no legal orders, levies or liens against your account.

In the normal course of business, we generally pay electronic transactions first and then checks, low to high, per the bank's policy. We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activities affecting your account. Also, please be aware that the order of item payment may create multiple overdrafts during a single banking day for which you will be charged our standard paid or returned item fee of \$32 for each overdraft item (paid or returned).

You may opt out of the privilege at any time, but you are responsible for any overdrawn balance at the time of opting out. Normally we will not approve an overdraft for you in excess of the predetermined amount assigned to your account type. So as not to exceed your limit, you should note that the amount of the overdraft plus the bank's standard paid or returned item fee of \$32 per item will be deducted from the overdraft limit.

We may refuse to pay an overdraft for you at any time, even though we may have previously paid overdrafts for you. For example, we typically do not pay overdraft items if your account is not in good standing as defined above, or if based upon our review of your account management, we determine that you have too many overdrafts or are using No Bounce Advantage<sup>SM</sup> as a regular line of credit. You will be charged a standard paid or returned item fee of \$32 for each item returned.

You will promptly be notified by mail of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdraft including our standard paid or returned item fee of \$32 that you owe us shall be due and payable upon demand, but if no demand is made, no later than 30 calendar days after the creation of the overdraft. If there is an overdraft on an account with more than one (1) owner on the signature card, each owner and agent, if applicable, shall be jointly and severally liable for all overdrafts inclusive of fees.

No Bounce Advantage<sup>SM</sup> should not be viewed as an encouragement to overdraw your account. To avoid fees, we encourage you to keep track of your account balance by entering all items in your check register, reconcile your check book regularly, and manage your finances responsibly. If you would like to have this service removed from your account, please call our Customer Service Department at (219) 362-7511 or 1-866-362-7511.

Please note that your No Bounce Advantage<sup>SM</sup> limit may be available for each item paid under the limit created by checks and other transactions made using your checking account number, such as a teller withdrawal, an automatic payment (ACH) transaction, or automatic bill payment and recurring debit card payment. Also, at your request, we may authorize and pay ATM transfers or withdrawals and everyday

debit card purchases using your limit. The limit will not be included in the balance provided during an inquiry.

**LIMITATIONS:** No Bounce Advantage<sup>SM</sup> is a non-contractual courtesy that is available to individually/jointly owned accounts in good standing for personal or household use. LaPorte Savings Bank reserves the right to limit participations to one account per household and to suspend, revoke, or discontinue this service without prior notice.

**NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS**

<b>FACTS</b>	<b>WHAT DOES LAPORTE SAVINGS BANK DO WITH YOUR PERSONAL INFORMATION?</b>
<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>• Social Security number and income</li> <li>• account balances and transaction history</li> <li>• credit history and credit scores</li> </ul> When you are no longer our customer, we continue to share your information as described in this notice.
<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons The LaPorte Savings Bank chooses to share; and whether you can limit this sharing.

<b>Reasons we can share your personal information</b>	<b>Does LPSB share?</b>	<b>Can you limit this sharing?</b>
<b>For our everyday business purposes</b> —such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> —to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes</b> —information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes</b> —information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

<b>Questions?</b>	Call 1-866-362-7511 or visit <a href="http://www.laportesavingsbank.com">www.laportesavingsbank.com</a>
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What we do	
<b>How does The LaPorte Savings Bank protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does The LaPorte Savings Bank collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>• open an account or deposit money</li> <li>• pay your bills or apply for a loan</li> <li>• use your credit or debit card</li> </ul> We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.

Definitions	
<b>Affiliates</b>	<ul style="list-style-type: none"> <li>• <i>LaPorte Bancorp, Inc.</i></li> </ul>
<b>Nonaffiliates</b>	<p><i>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</i></p> <ul style="list-style-type: none"> <li>• <i>LaPorte Savings Bank does not share with nonaffiliates so they can market to you.</i></li> </ul>
<b>Joint Marketing</b>	<p><i>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</i></p> <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include Elan Card Services.</i></li> </ul>