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# **GENERAL ACCOUNT TERMS AND CONDITIONS**

This Consumer Deposit Account Agreement and Disclosure (“Disclosure Booklet”), and the other agreements referred to in this Disclosure Booklet, including the CityNET Consumer Online Banking Agreement, Consumer Deposit Accounts Brochure, and the account opening documents for your account, and including any subsequent amendments and updates, make up the contract between you and City National Bank & Trust Company of Lawton, Oklahoma, that governs your account (“Agreement”).

By signing the account opening documents, requesting an account, or maintaining an account, you represent that you understand and agree to the terms and provisions of the Agreement.

In the event there is a conflict between the terms of (A) this Consumer Deposit Account Agreement and Disclosure and (B) any other agreement referred to, including the CityNET Consumer Online Banking Agreement, Consumer Deposit Accounts Brochure, or any account opening documents, the terms of the Consumer Deposit Account Agreement and Disclosure shall control.

**Please carefully read the Disclosure Booklet and the other agreements referred to in this Booklet, including the CityNET Consumer Online Banking Agreement, Consumer Deposit Accounts Brochure, and the account opening documents for your account, because these documents tell you your rights and obligations for your account and other products and services. You should keep these documents, including any subsequent amendments and updates, for future reference regarding your account and other products and services.**

## **TERMS AND DEFINITIONS**

- City National Bank & Trust Company of Lawton, Oklahoma, is referred to throughout the Agreement as “City National Bank,” “CNB,” the “Bank,” “Us,” and “We.”
- “Account” or “Accounts” shall mean your CNB checking, savings, loan, or certificate of deposit accounts and other CNB products.
- “You,” “your,” and “yours” in the Agreement refer to the account holder(s) and authorized signer(s) of an account, any person that is authorized to access account information, and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account.
- “CityNET” refers to the personal banking online service that City National Bank makes available to its customers, including internet banking, mobile banking and text banking services.

## **EXAMINING STATEMENTS AND REPORTING PROBLEMS**

You agree to promptly and carefully review your account statement and any items reflected on the statement. You must report problems or unauthorized transactions to the Bank immediately. **Call us during our business hours at 1-866-385-3444, write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch.** Our customer service business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays. You agree that 60 days after the Bank sends a statement or makes items available either by mail or electronically is the maximum reasonable amount of time for you to review your statement or items and report any problem or unauthorized transaction related to a matter shown on the statement or items. This section does not apply to electronic fund transfers that are subject to Regulation E, the disclosure for which can be found in the section of this *Disclosure Booklet* titled *Disclosures for Electronic Fund Transfers-Your Rights and Responsibilities*.

**If you do not notify City National Bank in writing of suspected problems or unauthorized transactions within 60 days after CNB sends your statement or makes items available, you agree that you cannot make a claim against the Bank relating to the unreported problems or unauthorized transactions, regardless of the care or lack of care the Bank may have exercised in handling your account.** In addition, if you fail to report an unauthorized transaction on your account within 60 days following the closing date of the statement containing information about the first unauthorized transaction, the Bank is not liable to you for subsequent unauthorized transactions on your account by the same person.

If there are any unauthorized transactions on your account (such as missing, stolen, or unauthorized checks), City National Bank may require you to close your current account and open a new one. If you do not do so, CNB is not liable to you for subsequent losses or damages on the account due to forgery, fraud, or other unauthorized use. When you open a new account, you are responsible for notifying any third parties that need to know your new account number.

If you report to the Bank that a forgery, alteration, or other unauthorized transaction has occurred on your account, you agree to cooperate with the Bank in the investigation and prosecution of your claim and any attempt to recover funds. You agree to provide the Bank with an affidavit containing the information the Bank requires concerning the transaction. City National Bank may deny your claim if

you fail to provide the Bank with any affidavit it requires. You also agree to assist CNB in identifying and prosecuting suspected wrongdoers.

You agree that the Bank has a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that the Bank has no obligation to provisionally credit your account. City National Bank's maximum liability is the lesser of your actual damages proved or the amount of the missing deposit or forgery, alteration, or other unauthorized withdrawal, reduced in all cases by the amount of the loss that could have been avoided by your use of ordinary care. The Bank is not liable to you for special or consequential losses or damages of any kind, including loss of profits and opportunity, or for attorneys' fees you incur.

## **CUSTOMER INFORMATION**

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### **MONITORING OF COMMUNICATIONS**

You agree on behalf of yourself, your employees and agents that we may monitor and record your telephone and electronic communications in connection with your account, including but not limited to the use of CityNET Online Banking, at any time, without further notice to you or any party to the communication.

### **CUSTOMER IDENTIFICATION POLICY**

City National Bank is required by law, including the USA PATRIOT ACT, to obtain, verify, and record identification and other information about you while processing your account application.

Identification and other information will be requested of individuals opening new accounts and those with existing accounts. In all cases, the protection of our customer's identity and confidentiality is City National Bank's pledge to you. We will rely on the information that you provide until you notify City National Bank of a change in that information, and we have had a reasonable time to act on that change.

In the event that we are unable to verify the information you provide, a CNB representative may call you at the phone number you provided to further verify your information. We may restrict or prohibit further use of your account if you fail to comply with requirements necessary to verify your identity. If we are unable to verify your identity, we may close your account.

We may also request from you, either at the time you open a new account or by your request to use the telephone banking system, a Security Access Code (SAC). This code must be a confidential code that you do not share with anyone other than a City National Bank employee by phone or in person as additional verification of your identity.

### **CREDIT REPORTS AND FINANCIAL INFORMATION**

You authorize City National Bank to obtain credit reports and other information about you from credit reporting agencies and other third parties as the Bank may deem necessary from time to time. You agree to provide us with a financial statement or information on your financial condition upon our request.

### **NOTICE OF CHANGE OF INFORMATION, DEATH, OR INCOMPETENCE**

You must always keep us informed of any address, telephone, or email changes. If CNB receives notice from the United States Post Office or one of its agents that your address has changed, City National Bank may change your address on its records to the address specified by the post office, and the Bank may send statements and notices regarding your account to that new address.

You must update us if you have a name change, including being aware that the Social Security Administration must be informed as well, or you may incur an Incomplete TIN Verification Fee. See the Bank's Consumer Deposit Account Brochure for a schedule of current fees.

You must notify the Bank promptly if any account holder or authorized signer on your account dies or is declared incompetent by a court. CNB may place a hold on your account and refuse to accept deposits or permit withdrawals when an account holder dies or is declared incompetent. The Bank may hold any funds in your account until the Bank knows the identity of the successor. If a deposit that is payable to the deceased account holder is credited to the account after the date the deceased account holder died, including salary, pension, Social Security and Supplemental Security Income, the Bank may debit the account for the deposit and return it to the payer.

### **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

We may release information about your accounts and the transactions you perform to third parties as required or permitted by law or in accordance with customary banking practices, including for the following:

- When it is necessary for completing transfers; or
- In order to verify the existence and condition of your account with us upon request by a third party, such as a credit bureau or merchant; or
- In order to comply with government orders or legal processes; or
- In accordance with your instructions or written permission.

## **PRIVACY POLICY AND NOTICE**

City National Bank & Trust is required by law to disclose our privacy practices to our customers annually. We reserve the right to modify them as needed, along with related provisions, at any time. You may view our privacy policy at <https://www.cnb1901.com>. A copy of our privacy policy is also available through CityNET. Or, you may **call us during our business hours at 1-866-385-3444, write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch**. Our customer service business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## **OWNERSHIP OF ACCOUNTS**

City National Bank determines the ownership of accounts and beneficiary designation, if any, from the information in its records. We may rely on the information you provide. Changes you request to your account are not effective until the Bank has had a reasonable time to act. We make no representations as to the appropriateness of the account ownership selection or as to the appropriateness and effect of beneficiary designations, if any, except as such designation may determine to whom we pay the account funds.

### **FORM OF OWNERSHIP**

You are solely responsible for selecting the form of ownership of your account and for meeting any applicable requirements for establishing the desired form of ownership.

### **INDIVIDUAL ACCOUNT**

An individual account is an account owned by one person.

### **JOINT ACCOUNTS**

Joint accounts are accounts owned by two or more persons. Joint accounts cannot be owned as tenants by the entirety or tenants in common but must be held as joint tenants with rights of survivorship. Each owner's intent is that when one owner dies 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, the surviving account owners will own the balance in the account as joint tenants with rights of survivorship and not as tenants in common. For any joint account where a joint account holder has died, City National Bank reserves the right to not release funds in the account until sufficient legal documentation is delivered to CNB, and the Bank has had a reasonable opportunity to review the documentation provided. Each joint account holder authorizes any other joint account holder to withdraw funds, make deposits, transact on the account, or close the account without the consent of any other joint account holder. Bank may rely on the instructions of any one joint account holder without liability to any other joint account holder. Each joint account holder is jointly and severally liable to Bank for: (1) all fees and charges assessed against the account; (2) all amounts owed to Bank on the account; and (3) all costs and liabilities related to this Agreement or the account. This liability will apply whether such fees, charges, amounts, costs, and liabilities are caused by you or by another person with access to your account. Each joint account holder authorizes the Bank to exercise set-off and enforce its security interest in the entire joint account, even though only one of the joint account holders is the debtor, and irrespective of who contributed the funds to the account. CNB may also, to the extent permitted by law, pay all or any part of the funds in the account to a court or governmental agency upon receipt of a garnishment order, tax levy, or similar legal process identifying any one of the joint account holders.

### **PAYABLE-ON-DEATH ("POD") ACCOUNTS**

You may designate a deposit account to be payable on your death to a designated beneficiary or beneficiaries. Payment to the POD beneficiary or beneficiaries is subject to the payment of account proceeds to any secured party with a valid security interest in the account and the Bank's right to charge the account for any amount the deceased owner, joint account holder, or payee owes to the Bank. See the Security Interest and Right of Set-Off section for additional information. Furthermore, the payment to the POD beneficiary is subject to any other applicable legal requirements that may require the Bank to pay claims or obligations of the deceased person's estate.

A designated POD beneficiary can be a trust, an individual, or a non-profit organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3). If there is only one primary beneficiary designated on a deposit account, and that beneficiary is an individual, the account owner may designate one or more contingent beneficiaries to whom the funds shall be paid if the primary beneficiary is not living when the last surviving owner of the account dies.

The primary beneficiary or beneficiaries of a POD account acquire the right to withdraw only if: (1) all persons creating the account die, and (2) the beneficiary is then living. If, at the death of the owner(s) of your account, one or more of the primary beneficiaries are not living, the deceased beneficiary's estate acquires ownership of that beneficiary's share of the account. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating the POD account reserve the right to: (1) change the beneficiaries, (2) change the account type, and (3) withdraw all or part of the account funds at any time.

## **TRUST ACCOUNTS**

**TOTTEN TRUST ACCOUNTS** - A Totten Trust Account is an informal trust account, reflected in our records, but without a written trust agreement. These may be referred to as "in trust for" or "fbo" accounts. A deposit to an account at the Bank made in trust for another, with no further notice to the Bank of the existence or terms of a legal valid written trust, shall be deemed to constitute a Totten Trust and administered pursuant to the provisions of Okla. Stat. Title 6, Section 902(A). In the event of the death of the trustee, the account may be paid to the person or persons for whom the deposit was made. A revocation of such a trust may only be made in writing to the Bank, and the Bank shall not incur any liability for the payment of the funds pursuant to the trust unless the Bank receives written notice of revocation.

**FORMAL TRUST ACCOUNTS** - A formal trust account is an account held by one or more trustees for the benefit of one or more beneficiaries according to the terms of a written trust agreement. City National Bank may request such documentation from the trustee or trustees as the Bank deems necessary and advisable to set-up and maintain a trust account, including but not limited to copies of the trust agreement, memorandums of trust, or certificates of trust. Notwithstanding the review of any trust documentation, the Bank acts only as custodian of the trust funds in the account and is under no duty or obligation to act as trustee or to inquire as to the application of the funds held in the trust account or the powers or duties of the trustees. The trustee or trustees opening the account, in their capacity as trustee and individually, jointly and severally agree to indemnify and hold the Bank harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the trust account. City National Bank reserves the right to require a Certificate of Trustee and to accept and administer the trust account under the terms and provisions of Okla. Stat. Title 6, Section 902(B).

## **BUSINESS ACCOUNTS**

A business account is payable only to or on the order of the business and not to any individual director, shareholder, member, or partner of the business except as they may be a payee on a check or other item drawn on the account. 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 actually receive written notice of a change from the governing body of the legal entity. Earnings in the form of interest, dividend, or credits will be paid only on collected funds, unless otherwise provided by law or our policy.

If the account holder is a corporation, unincorporated association, limited liability company, limited liability partnership, partnership, sole proprietorship, or other entity holding an account in a capacity other than an individual capacity, each person signing the signature card or other account documents represents and agrees that:

- They are fully authorized to execute all documents in their stated capacity;
- They have furnished all documents necessary to demonstrate that authority;
- They will furnish any other documents in such form as the Bank may request from time to time;
- All documents delivered to the Bank in connection with the business account are true, accurate, complete, and will be kept up to date and may be conclusively relied on by the Bank; and
- The Bank will have no responsibility or duty, beyond those required by law, to monitor the business account or the use of funds paid from it, nor any liability for any act or omission by any such person.

**For additional information on the terms and provisions related to business accounts, businesses should call the Treasury Cash Management Department at 1-580-354-1199 or visit a City National Bank branch.**

## **OTHER NON-PERSONAL ACCOUNTS**

If an account is opened as an estate account, guardianship account, conservatorship account, custodial account (including a Uniform Transfers to Minors Act "UTMA" or similar account), donation assistance account or other similar type of account, the Bank reserves the right to require such documentation and authorizations as it may reasonably deem necessary or appropriate to satisfy the Bank that the person requesting or directing the withdrawal of funds from the account has the authority to do so. The relationship between you and the Bank for an estate, guardian, conservatorship, custodian or other similar account is a debtor/creditor relationship. The Bank has no duty or obligation, beyond those required by law, to monitor the account or the status of the designated fiduciaries or beneficiaries; however, should the Bank conclude you are not complying with applicable laws and regulations, we will consider this a conflicting claim.

**See the section titled *Conflicting Claims About Your Account* for more information.**

## **TRANSFER AND ASSIGNMENT OF ACCOUNT OWNERSHIP**

You may not transfer or assign ownership of an account without CNB's express written consent. The Bank may require that the account be closed and a new account opened in order to transfer or assign ownership. A transfer that results from death, incompetence, marriage, divorce, attachment, or otherwise by operation of law will not be binding on the Bank until the Bank has received sufficient documentation of the transfer as determined by the Bank.

City National Bank is not liable for the validity or sufficiency of any assignment of the account. An assignment will be binding on CNB only if it is in a written instrument signed by all account holders and after the Bank acknowledges the assignment in writing. The assignment will be subordinate to and subject to any right of the Bank to collect from the account any debt you owe the Bank. The Bank may require that the assignment be notarized.

## **AUTHORIZED SIGNERS, AGENTS AND ATTORNEYS-IN-FACT**

An authorized signer is merely designated to conduct transactions on the owner's behalf. Your account opening record, a signature on a check you have used to make a withdrawal from the account, or other documentation provided to the Bank identifies who is authorized to make withdrawals, write checks, transfer funds, stop payments, obtain ancillary services, and otherwise give City National Bank instructions regarding your account. The Bank may act on the signature or instruction of any one of the authorized signers on your account.

The Bank undertakes no obligation to monitor transactions initiated by an authorized signer to determine that they are on the owner's behalf.

If you want to grant someone power of attorney over your account, the Bank may ask that you complete a specific power of attorney form, or the Bank may accept any power of attorney form that it believes was executed by you and is valid under applicable state law. The Bank may act on instructions the Bank receives under that form from your agent without any liability to you. You agree to reimburse the Bank for all claims, costs, losses, and damages the Bank may incur in accepting and acting on any power of attorney form that the Bank believes is executed by you. In some cases, the Bank may require that the agent or attorney-in-fact confirm in an affidavit that the power has not been revoked or terminated, that the power met applicable legal requirements when executed, and that the principal that executed the power is not deceased or incapacitated at the time the power is offered.

Additionally, the Bank may require that the power be recorded or registered in the appropriate county records. The Bank may also restrict the types or sizes of transactions it permits an agent or attorney-in-fact to conduct on your account. The Bank may require a separate form for each agent or attorney-in-fact and for each account for which you want to grant the power of attorney. If you do not present the power to the Bank yourself, or your agent or attorney-in-fact does not present the original power to the Bank, the Bank may refuse to honor any power of attorney you grant, with or without cause, and with no liability to you. When the Bank accepts a power of attorney, the Bank may continue to recognize the authority of your agent or attorney-in-fact until the Bank receives written notice from you of the revocation of the power and has had a reasonable time to act on the notice.

Unless otherwise specifically authorized by this Agreement or by the Bank, you will not allow others to provide instructions to us (e.g., debit card, ATM or ACH entries) on your behalf without our prior written consent. You will be solely responsible for the acts and omissions of such agents. You agree to indemnify, defend and hold us harmless from any actions, claims, proceedings, damages, losses and costs which you or we incur as a result of their actions or omissions.



## CONFLICTING CLAIMS ABOUT YOUR ACCOUNT

If there is any uncertainty regarding the ownership of an account or its funds, or if there are conflicting demands over an account's ownership or control, or if the Bank is unable to determine any person's authority to give instructions, or if the Bank believes a transaction may be fraudulent, unauthorized, irregular or suspicious, or may violate any law, the Bank may, at its sole discretion and without liability to you:

- Freeze the account and refuse transactions until the Bank receives proof (in form and substance satisfactory to the Bank) of each person's right and authority over the account and its funds;
- Put a hold on the account balance or transaction amount under review until such review is completed;
- Refuse transactions and return checks, marked "Refer to Maker" (or similar language);
- Modify, restrict, or disable access to any bank product or service;
- Require signatures of all authorized signers for the withdrawal of funds, the closing of an account, or any change in the account regardless of the number of authorized signers on the account;
- Request instructions from a court of competent jurisdiction at your expense regarding the account or transaction;
- Continue to rely on any current signature cards and other account documents;
- Honor the competing claim upon receipt of evidence the Bank deems satisfactory to justify such claim; or
- Close the account and send payment for the balance in the account, payable to you or to you and each claimant, to the address of record on the account.

The Bank is not obligated to assert any of the rights set out above or to deny a transaction. The Bank is not required to determine whether a dispute has merit in order to exercise any of the rights set out above. You are liable for all expenses and the fees the Bank incurs, including attorneys' fees, and the Bank may charge them directly to your account.

## PROTECTING AND MANAGING YOUR ACCOUNT

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### GUARDING AGAINST IDENTITY THEFT

If you're a victim of identity theft, place a fraud alert on your credit reports and review your reports. Fraud alerts can help prevent an identity thief from opening any more accounts in your name. Contact the toll-free fraud number of any of the three nationwide consumer reporting companies to place a fraud alert on your credit report. You need to contact only one of the three companies to place an alert. The company you call is required to contact the other two, which will then place an alert on their versions of your report.

**TransUnion:** 1-800-680-7289; [www.transunion.com](http://www.transunion.com); Fraud Victim Assistance Division, PO Box 6790, Fullerton CA 92834-6790

**Equifax:** 1-800-525-6285; [www.equifax.com](http://www.equifax.com); PO Box 740241, Atlanta GA 30374-0241

**Experian:** 1-888-EXPERIAN (397-3742); [www.experian.com](http://www.experian.com); PO Box 9554, Allen TX 75013-9554

Once you place the fraud alert on your file, you are entitled to order free copies of your credit reports; if you ask, only the last four-digits of your Social Security Number will appear on your credit reports. Once you get your credit reports, review them carefully. Look for inquiries from companies you have not contacted; accounts you did not open; and debts on your accounts that you cannot explain. Check that information like your Social Security Number, address, and name or initials are correct. If you find fraudulent or inaccurate information, get it removed. See the Federal Trade Commission's comprehensive identity theft recovery guide, **Take Charge: Fighting Back Against Identity Theft**, at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) for additional information. Continue to check your credit reports periodically, especially for the first year after you discover the identity theft, to make sure no new fraudulent activity has occurred.

Skilled identity thieves use a variety of methods to steal your personal information, including, but not limited to:

**Dumpster Diving** - They rummage through trash looking for bills or other papers with your personal information on it.

**Skimming** - They steal credit/debit card numbers by using a special storage device when processing your card.

**Phishing** - They pretend to be financial institutions, companies or government agencies, and send email or pop-up messages to get you to reveal your personal information.

**Hacking** - They hack into your email or other online accounts to access your personal information, or into a company's database to access its records.

**"Old-Fashioned" Stealing** - They steal wallets and purses; mail, including bank and credit card statements; pre-approved credit offers; and new checks or tax information. They steal personnel records from their employers, or bribe employees who have access.

## PREVENTATIVE MEASURES TO PROTECT YOU

- Always keep your Visa Debit Card PIN and CityNET Online Banking passwords confidential. Do not write your PIN or passwords down.
- Always keep your Security Access Code (SAC) confidential and only share your SAC with a City National Bank employee when requested for identification purposes.
- Select passwords that would be difficult for another person to decipher. Use a combination of letters, symbols and numbers.
- Keep your check register up-to-date to track how much money is in your account.
- Review your statements, notices, and correspondence from us and notify us immediately of any discrepancies. Keep accurate records of your transactions and reconcile your statements regularly.
- Use Text Banking, CityNET Online Banking, Mobile Banking or Telephone Banking to monitor your account.
- Call us if your new check order or Visa Debit Card/PIN does not arrive within a reasonable period of time.
- Do not pre-print your driver's license or social security number on your checks. Write and sign your checks clearly to deter forgeries. Store blank checks in a safe place, do not pre-sign blank checks, and destroy by shredding old checks.

Please carefully read the Disclosures Booklet and the other agreements referred to in this Booklet, including the CityNET Consumer Online Banking Agreement, Consumer Deposit Accounts Brochure, and the account opening documents for your account, because these documents tell you your rights and obligations for your account and other products and services. You should keep these documents, including any subsequent amendments and updates, for future reference regarding your account and other products and services. However, additional copies are available upon your request. **Call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch.** Our customer service business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## BALANCE YOUR CHECKBOOK

Even if you don't carry a checkbook or write many checks, it is still important to balance your checkbook. Learning how to balance (or reconcile) your account is easy. It only takes a few extra minutes and dedication to develop good account management habits. By writing down every transaction as it occurs (including any fees, such as ATM fees) in your check register, you will have a running tally of what your current Bank account balance should be. This can be useful when you want to write a check, or withdraw cash, and you need to know whether you have enough money in the account to cover it. See the Bank's Consumer Deposit Account Brochure, available at all City National Bank locations, for a schedule of current fees.

Balancing your checkbook every month helps you:

- Keep track of your money
- Catch mistakes
- Avoid overdrafts

## TRACK YOUR TRANSACTIONS

Part of responsible financial management is good record keeping. CityNET Online Banking can always be your "go to" when it comes to monitoring your transaction history and knowing your current account balance, but it is just as important for you to keep a hard copy of your finances for your own day-to-day records.

Record all transactions you make in your check register, including online bill payments and Visa Debit Card purchases, as you make them. If pen and paper is a little old-fashioned for you, there are mobile check register applications available for some mobile devices. Whether you use the latest technology or go the traditional route, knowing how much money you have in the bank will help you stay on track and avoid any unnecessary fees.

The name “check register” can be slightly misleading – remember that it is not JUST a place to track the checks you write. In order to be a useful tool, you should ALSO record your other transactions in your check register – including Visa Debit Card transactions, ATM withdrawals, bank deposits, and any fees. See the Bank’s Consumer Deposit Account Brochure, available at all City National Bank locations, for a schedule of current fees.

## **BALANCE YOUR ACCOUNT**

Once a month, your bank account statement arrives in the mail, or you get a notice that it is available to you online. If you have tracked all of your transactions over the course of the month, you will find that they match up with what is on your statement when you balance, or reconcile, your account.

Balancing your account only takes about 5 to 10 minutes and is one of the best money management habits you can have. Simply go through your statement, look at each transaction and make sure everything on your statement matches what is in your check register. You can check off the items in your check register that match your statement.

If you find something on your statement that does not match your check register, take a minute to try to figure out why. Did you forget to put something in your register? Did you mix up the numbers in one of your figures? Did the Bank make an error? Although it is rare, it can happen occasionally.

We encourage you to balance your bank account statement with our step-by-step Account Balancing Worksheet that you will find included in your statement each month.

## **PRE-AUTHORIZED OVERDRAFT TRANSFERS**

An overdraft doesn’t necessarily mean you don’t have money. It could simply mean that the money you need is in another account. Pre-Authorized Overdraft Transfers are a convenient way to transfer funds from another CNB account into your checking account before it becomes overdrawn. Funds may be transferred from another account such as a savings account, money market account, or additional checking account.

### **FEATURES OF PRE-AUTHORIZED OVERDRAFT TRANSFERS**

- Automatically transfer funds from another CNB account to your checking account before the account becomes overdrawn;
- Ensure your bill and other transactions are paid as scheduled; and
- Decrease the risk of fees, such as late or returned payment fees from merchants.

### **IMPORTANT INFORMATION**

One transfer is posted to your account during nightly processing at the end of the business day. Pre-Authorized Overdraft Transfers are completed in increments of \$100 and are subject to a \$5 fee. Funds may be transferred in a lesser amount according to the available balance of the account to be debited. Transfers into your checking account are posted with Deposits and Other Credits, before any Withdrawals or Debit Transactions.

Certain account types have restrictions, such as on the number of withdrawals or transfers that can be made on a monthly basis. Review this Disclosure Booklet and your Consumer Deposit Account brochure. **For additional information, you may call us during our business hours at 1-866-385-3444 or write to us at: PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch.**

### **HOW IT WORKS**

Let’s say that you have \$50 dollars in your checking account, but your car payment of \$310 is scheduled to be posted, which would cause your account to become overdrawn. During nightly processing, when transactions are sorted into groups before they are posted to your account, it is determined that you have already set-up Pre-Authorized Overdraft Transfers from your savings account. So, \$300 would be transferred from your savings account to your checking account. Your checking account would not become overdrawn and your account would not incur an overdraft fee; however, the transfer would be subject to the \$5 fee (reflected on your statement as a Sweep Transaction Charge).

### **REQUIREMENTS**

- The customer must enroll in Pre-Authorized Overdraft Transfers before the account becomes overdrawn.
- The transfers must be made from a CNB account, such as a savings account, money market account, or additional checking account to a CNB checking account.

## HOW TO ENROLL

To enroll in Pre-Authorized Overdraft Transfers, visit your nearest City National Bank branch or call us during our business hours at 1-866-385-3444.

**See the section titled *Posting Order Examples* in Supplement A to learn more about how transactions post to your account and how they will appear on your periodic statement.**

**See the section titled *Supplement B – Overdraft Protection* for more information about Overdraft Protection options.**

## OVERDRAFT PROTECTION & NON-SUFFICIENT FUNDS

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Overdrawing your account (spending more money than is in your account) can be a costly mistake. An overdraft occurs when a transaction is posted to an account which causes the available balance to be less than \$0. It's always better not to overdraw your account in the first place, but if you occasionally have trouble tracking the balance in your account and have ever overdrawn your account, you may want to consider Overdraft Protection.

Overdraft Protection is not a free ticket to spend more money than is in your account, but it can help in the event of an inadvertent overdraft. There is no fee for having Overdraft Protection on your account; you are only charged for this service if you overdraw your account. The merchant or retailer to whom you made the payment may also charge you a fee (typically \$25 to \$50) for the transaction that was returned, in addition to what you still owe them from the original purchase.

### FEATURES OF OVERDRAFT PROTECTION

It is never a good idea to overdraw your account. But for those (hopefully rare) times when you make a mistake and become overdrawn, having Overdraft Protection may help:

- Ensure your bills and other transactions are paid as scheduled and
- Decrease the risk of fees, such as late or returned payment fees, from merchants

### HOW OVERDRAFT PROTECTION WORKS

Suppose you do not have an Overdraft Protection limit and your account balance is \$50. If you write a check for \$100, the Bank will return your check unpaid and charge your account a fee (in this example, \$25) for writing a check for more money than was available in your account. In most cases the merchant or retailer that you wrote the check to will also charge you a fee (in this example, \$25). This means that you have now incurred fees of \$50 (\$25 at the Bank and \$25 at the merchant or retailer) for a check that wasn't even paid.

If you enroll in Overdraft Protection and were approved for a \$200 Overdraft Protection limit, then when transactions are processed at the end of the business day, it would be determined that your account balance is only \$50 but with your \$200 Overdraft Protection limit, you are able to overdraw your account up to \$200. This means that the check would be paid. However, the transaction caused your account to become overdrawn, so your account would be charged a \$25 overdraft fee. In this example, you would have incurred fees of \$25 compared to \$50 in the prior example in which you did not have an Overdraft Protection limit. Additionally, you avoided being charged any merchant or retailer related fees.

When you use your Overdraft Protection limit, you must remember to subtract the overdraft fee and the transaction amount from your account balance. In the example above you would have subtracted \$125 from your account: \$100 (the amount of the check) plus \$25 (the amount of the overdraft fee). Your account would be overdrawn by \$75.

Every debit item that is posted to an overdrawn account will be subject to an overdraft fee of \$25. Your account must be brought to a positive balance within 30 days of the first overdraft for at least 1 business day or Overdraft Protection will be suspended from your account.

Overdraft Protection should not be viewed as an encouragement to overdraw your account. As always, we advise you to manage your finances responsibly.

**See the section titled *Posting Order Examples* in Supplement A to learn more about how transactions post to your account and how they will appear on your periodic statement.**

**See the section titled *Supplement B – Overdraft Protection* for more information about Overdraft Protection options.**

## HOW TO ENROLL

If you choose to enroll in Overdraft Protection, visit your nearest CNB branch or call us during our business hours at 1-866-385-3444. You must make an affirmative consent to enroll in Overdraft

Protection. An Overdraft Protection limit will not be placed on your account unless qualifications are met. Limits are, in part, based upon initial and regular deposit activity. If an Overdraft Protection limit is added to your account, you will be notified, in writing, of the effective date and the limit. City National Bank periodically reviews accounts for appropriate Overdraft Protection limits and notifies customer of any changes to their limit.

**You may un-enroll from Overdraft Protection at any time by contacting us at 1-866-385-3444 or writing to us at City National Bank, Attn: Overdraft Protection Department, PO Box 2009, Lawton OK 73502-2009.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## USING OVERDRAFT PROTECTION WITH YOUR VISA DEBIT CARD

Customers with a Visa Debit Card who have made an affirmative consent to enroll in Overdraft Protection have additional options regarding overdrafts. When making Visa Debit Card or ATM transactions, the following rules apply.

If you would like to access your Overdraft Protection for everyday Visa Debit Card transactions, you must choose, by “opting-in”, for the Bank to authorize and pay these items. Checks or bill payments that are set up to be paid on a recurring basis with your Visa Debit Card, such as your mortgage, rent or utilities, do not require an “opt-in” to be paid using Overdraft Protection.

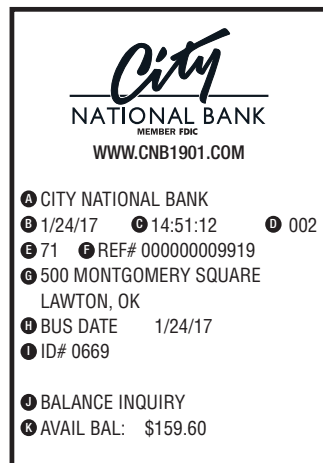
If you do not “opt-in”, then we cannot allow access to your Overdraft Protection for everyday Visa Debit Card transactions. These transactions will be declined when you don’t have enough money in your account and you will not be charged a non-sufficient item fee; however, you may be charged a Visa Debit Card denial fee. See the Bank’s Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees. If you choose not to “opt-in” initially, you can do so later.

**You may opt-in or opt-out of this service 24 hours a day, 7 days per week, by calling our Automated Telephone Service and selecting the “Debit Card Services” option. You may un-enroll from Overdraft Protection and/or opt-out of the payment for everyday Visa Debit Card transactions at any time by contacting us at 1-866-385-3444 or writing to us at City National Bank, Attn: Overdraft Protection Department, PO Box 2009, Lawton OK 73502-2009.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays

## UNDERSTANDING YOUR CNB ATM RECEIPT & OVERDRAFT PROTECTION

### Legend

- A. Bank Name
- B. Transaction Date
- C. Time
- D. ATM #
- E. Transaction Type Code
- F. Record #
- G. Machine Address
- H. Date Transaction Will Post
- I. Last 4 of Card Number
- J. Transaction Type
- K. Available Balance without Overdraft Protection



Your available Overdraft Protection limit will not show as part of your available balance at an ATM; however, the machine will allow you to overdraw your account up to your available Overdraft Protection limit. If your account balance is zero, the ATM receipt may not list a dollar amount on the available balance line detailed above.

## IMPORTANT INFORMATION

Every debit item, including checks written, ATM withdrawals, ACH debits, point of sale debit card transactions or any other electronic transaction, on an overdrawn account will be charged an overdraft

fee. However, you must “opt-in” (as described above) to access your Overdraft Protection limit for your everyday Visa Debit Card transactions. **Each overdraft paid or returned will be subject to a fee (\$25), not to exceed five overdraft fees per day (\$125), and will be deducted from your available Overdraft Protection limit. Any overdraft items in excess of your Overdraft Protection limit may be paid or returned at the Bank’s discretion and assessed a fee. Even if Overdraft Protection is available, this does not guarantee all items that overdraw the account will be paid.** See the Bank’s Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees.

Each overdraft, including the overdraft fees, should be paid in full within thirty (30) days after the overdraft first occurs. The account must remain positive for at least 1 business day or Overdraft Protection will be suspended. In addition, Overdraft Protection will be suspended for excessive use if 10 or more items are returned in a statement cycle. A suspension is defined as the removal of an Overdraft limit until the account is returned to a positive balance, and the account must remain positive for 5 consecutive business days.

The Bank will promptly notify you, in writing, under the following circumstances:

- Your Overdraft Protection limit is accessed;
- Your account remains overdrawn for an extended period of time;
- Overdraft Protection is suspended or revoked from your account; or
- To secure repayment of any overdraft, fee, or services charges owed to the Bank.

Notices will be sent by mail, or electronically, if you have opted to receive electronic communications. In addition, monthly account statements which include overdraft and return item fees for the statement cycle and year to date will be provided to you.

## **TIPS TO AVOID OVERDRAFT AND NON-SUFFICIENT FUNDS FEES**

- Practice responsible account management, keep track of your transactions and know how much money is in your account.
- Avoid using Overdraft Protection as a short-term loan. It is a costly form of credit.
- Record checks and all other transactions when you make them. Don’t forget to record spending by other account owners/signers.
- Pay special attention to record your ATM withdrawals and fees, Visa Debit Card purchases, and other online payments.
- Make sure you record all automatic payments (such as utility, insurance & loan payments) and account fees in a timely manner.
- Remember that some checks and automatic payments may not have cleared your account yet.
- Review your monthly account statements. Between statements, use Text Banking, CityNET Online Banking, Mobile Banking or Telephone Banking to check your balance and view which payments have cleared.
- When possible, keep extra funds in your checking account.
- Ask us how to set up a Pre-Authorized Overdraft Transfer from another account at City National Bank.
- Use the following low-cost tools available to you to help manage your account and transfer funds when needed: Text Banking, CityNET Online Banking, Mobile Banking or Telephone Banking.
- Limit the number of times you access your Overdraft Protection limit. Withdraw all funds needed in one transaction at a CNB branch or CNB ATM.
- Remember that the order in which transactions post may affect the total number of fees that are incurred. Transactions may not be processed in the order in which they occurred.

**See the section titled *Posting Order Examples* in Supplement A to learn more about how transactions post to your account and how they will appear on your periodic statement.**

## **OVERDRAFT PROTECTION TERMS AND CONDITIONS**

You must make an affirmative consent to enroll in Overdraft Protection; however, Overdraft Protection will not be placed on your account unless qualifications are met. Limits are, in part, based upon initial and regular deposit activity. City National Bank periodically reviews accounts for appropriate Overdraft Protection limits and notifies customers of any changes to their limit. If you would like to access your Overdraft Protection for everyday Visa Debit Card transactions, you must choose, by “opting-in” for the Bank to authorize and pay these items.

**Overdraft Protection should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly.** You agree to maintain an active checking account relationship with City National Bank while Overdraft Protection is available on your account. Each overdraft, including the overdraft fees, should be paid in full within thirty (30) days after the overdraft first occurs. You agree to bring your account to a positive balance within thirty (30) days of the first overdraft for at least one (1) business day.

**Each overdraft paid or returned will be subject to a fee (\$25), not to exceed five overdraft fees per day (\$125), and will be deducted from your available Overdraft Protection limit. A fee will not be assessed unless the account is overdrawn by more than \$5. Any overdraft items in excess of your Overdraft Protection limit may be paid or returned at the Bank's discretion and assessed a fee. Even if Overdraft Protection is available, this does not guarantee all items that overdraw the account will be paid.** See the Bank's Consumer Deposit Accounts brochure, available at all City National Bank branches, for a schedule of current fees.

City National Bank reserves the right, to the extent permitted by law, to set-off against other related accounts if the account is not paid in full within thirty (30) days from the date of overdraft. You agree to abide by the Bank's rules and regulations governing checking accounts as stated in the Disclosure Booklet, Consumer Deposit Accounts brochure, and any additional documents provided to you as part of your account opening or enrollment in Overdraft Protection.

The Bank will promptly notify you, in writing, under the following circumstances: an Overdraft Protection limit is added to your account, your Overdraft Protection limit is accessed, your Overdraft limit is changed, your account remains overdrawn for an extended period of time, Overdraft Protection is suspended or revoked from your account, or to secure repayment of any overdraft, fee, or service charges owed to the Bank. Notices will be sent by mail, or electronically, if you have opted to receive electronic communications. In addition, monthly account statements which include overdraft and return item fees for the statement cycle and year to date will be provided to you.

Upon written notice to you, the Bank may amend the terms and conditions of the Overdraft Program in any respect, including the overdraft fee. Such notice shall be properly given when enclosed with your checking account statement, in a separate mailing or any other electronic means. See the Bank's Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees. Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

Overdraft Protection will be suspended from your account if you fail to bring your account to a positive balance within 30 days of the first overdraft for at least 1 business day. In addition, Overdraft Protection will be suspended for excessive use if 10 or more items are returned in a statement cycle. **A suspension is defined as the removal of an overdraft limit until the account is returned to a positive balance and the account must remain positive for 5 consecutive business days.**

The Bank, or any one of the account holders, may cancel your Overdraft Protection authorization upon delivery of written notice to the appropriate party. Cancellation by the customer requires written notice to the Bank or verbal discussion, including verification of the customer's Security Access Code (SAC). Cancellation by the customer does not terminate the right of City National Bank to collect any outstanding amounts owed by customer as herein above set forth. If the Agreement needs to be amended because of a change in State or Federal Regulations, the change shall be effective immediately without notice.

**For further information about CNB's Overdraft Protection, or to un-enroll from Overdraft Protection, and/or opt-out of the payment for everyday Visa Debit Card transactions at any time, contact the Overdraft Protection department by phone at 1-866-385-3444 or by mail at City National Bank, Attention: Overdraft Protection Department, PO Box 2009, Lawton, OK 73502.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## **PROCESSING TRANSACTIONS**

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### **TRANSACTION POSTING ORDER**

Posting order is the order in which transactions (debits and credits) are applied to your account during processing at the end of a business day. It is important to understand how the Bank posts items and how transaction posting order may affect your account balance. Please remember, transactions may not be processed in the order in which they occur.

## CREDITS & DEBITS

Credits are deposits or transfers of money into your account. Such as:

- Cash;
- Check deposits made at the teller line;
- Automated Clearing House (ACH) such as automated payroll deposits; and
- Online banking transfers from another account.

Debits are withdrawals or transfers of money out of your account. Such as:

- Write a check;
- Use your Visa Debit Card to withdraw funds or make a purchase; and
- Make online transfers out of your account.

These transactions officially post to your account during the nightly processing. They are posted in the order outlined in the Bank's Transactions Posting Order. (See posting order chart below.)

## TRANSACTION POSTING ORDER

In the normal course of business, the Bank generally posts transactions during nightly processing at the end of each business day in the following order unless otherwise noted in the Transaction Posting Order Chart or section titled **Helpful Transaction Posting Order Facts below**.

Deposits and other credits post to an account before any withdrawal or debit transactions after they are sorted from lowest to highest by dollar amount.

Withdrawals and other debit transactions are separated into groups: chargebacks & wire transfers, internal transfers, in-branch cash withdrawals, ATM withdrawals, debit card transactions, ACH transactions, checks, other bank transactions, and service charges; they are then sorted within those groups from lowest to highest, generally by dollar amount.

The table below shows the usual order for the most common transactions that post to an account during nightly processing.

<b>Transaction Posting Order Chart</b>			
Sequence	Transaction Group Order	Sort Order	According To
1	Deposits and Other Credits	Low to High	Dollar Amount
2	Chargebacks & Wire Transfers	Low to High	Dollar Amount
3	Internal Transfers	Low to High	Dollar Amount
4	In-Branch Cash Withdrawals	Low to High	Dollar Amount
5	ATM Withdrawals	Low to High	Dollar Amount
6	Debit Card Transactions	Low to High	Dollar Amount
7	ACH Transactions (with no check number)	Low to High	Dollar Amount
8	ACH Transactions (with a check number)	Low to High	Check Number
9	Checks (with no check number)	Low to High	Dollar Amount
10	Checks (with a check number)	Low to High	Check Number
11	Other Bank Transactions	Low to High	Dollar Amount
12	Service Charges and Fees	Low to High	Dollar Amount



## HELPFUL TRANSACTION POSTING ORDER FACTS

- Nightly processing occurs on regular business days (e.g. no Saturdays, Sundays or federal holidays).
- Deposits and other credits post before any withdrawal or debit transactions.
- ACH transactions with no check numbers post before those with check numbers. Transactions that have a check number post in check number order, from low to high.
- Checks with no check numbers post before those with check numbers. Transactions that have a check number post in check number order, from low to high.
- Overdraft fees post after each transaction that causes an account to be overdrawn.
- Transactions may not be processed in the order in which they occur.
- The order in which transactions post may affect the total number of fees that are incurred.

**See the section titled *Posting Order Examples* in Supplement A to learn more about how transactions post to your account and how they will appear on your periodic statement.**

## DEPOSITS AND CASHED ITEMS

Deposits are not accepted by City National Bank until received at the Bank's headquarters office in Lawton, Oklahoma, or such other processing center as the Bank may use, even though the Bank may provide you with provisional credit.

### CASHING ITEMS OR ACCEPTING ITEMS FOR DEPOSIT

CNB may accept a check or other item for deposit to your account from anyone. The Bank has no obligation to question the authority of the person making the deposit. If your account is overdrawn, the Bank will use the deposit to pay the overdraft and any fees or interest you owe to the Bank. All deposits must be accompanied by your deposit slip, account number, and account name, and all checks must be properly endorsed.

CNB may refuse, accept for collection only, or return all or part of any deposit. The Bank may refuse to accept for deposit to your account items which are payable to another person or entity. City National Bank acts only as your collecting agent for items deposited, and the Bank assumes no responsibility beyond the exercise of ordinary care, including care in selecting collecting banks. The Bank is not responsible for errors and delays made by others in the collection process. If the Bank has given you credit for an item and it is not paid for any reason, the Bank may revoke the credit and charge the amount of the item back to your account, even if this causes your account to be overdrawn.

If you use a blank deposit slip rather than your personalized deposit slip, you agree that the Bank will not be liable for errors that may result from your or the Bank's manually encoding the account information. You agree that you will not knowingly deposit items into your account that do not have either a true original signature of the person on whose account it is drawn or an authorized mechanical reproduction of that person's signature.

### DIRECT DEPOSITS

If, in connection with a direct deposit plan, CNB deposits 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 your 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 legally available remedy to recover the amount of your liability.

### ENDORISING CHECKS

CNB may require your personal endorsement before accepting any item for deposit. The Bank may require that checks and other items you want to deposit or cash be endorsed by all parties to whom the items are payable. Before accepting an item, CNB may require verification of any endorsement, either through personal identification or through an endorsement guarantee by another financial institution acceptable to the Bank. For acceptance of deposits on Mobile Check Deposit through our Online Banking app, checks must legibly be endorsed, on two lines, within the endorsement box:

For Deposit Only

City National Bank

You must endorse checks in the area that extends 1 ½ inches from the trailing edge of the back of the check. The trailing edge is the left side of the check when you look at it from the front. If you endorse a check outside of this area, or if you mark or otherwise obscure other areas of the check, or if your endorsement is illegible or incomplete, you agree to assume responsibility for and to indemnify the Bank for any loss, delay, liability, claim or damage which occurs as a result.

### **IDENTIFYING THE ACCOUNT**

You must correctly identify the account in which you want your funds deposited. You are responsible for any claim, cost, loss or damage caused by your failure to properly identify the account to which a deposit is made or intended to be made. The Bank may credit an account based solely on the account number listed on the deposit slip or other instruction to credit an account, even if the name on the deposit slip or other instruction differs from the name on the account.

### **DEPOSIT ERROR CORRECTION**

Upon receipt of your deposits, the Bank may provisionally credit your account for the amount declared on the deposit slip, subject to later verification. You must ensure that the amount declared on the deposit slip is correct even if you did not prepare the deposit slip. If the Bank later determines that the amounts declared on the deposit slip are incorrect, the Bank may adjust (debit or credit) your account accordingly. The Bank reports adjustments on your account statement.

### **BANK CHECKS**

If CNB cashes or accepts for deposit, a money order, cashier's check, teller's check, or similar item, and later learns that the item is fraudulent, counterfeit, or invalid for some other reason, the Bank may charge your account for the amount of the item. This may occur even if the Bank previously provisionally made the funds available to you.

### **OVERPAYMENTS AND REVERSALS**

If funds to which you are not entitled are deposited to your account by mistake or otherwise, CNB may deduct these funds from your account, even if the deduction results in an overdraft. The Bank can do this without giving you any prior notice or demand.

### **RETURNED ITEMS**

If a check or any other item deposited in your account is returned to City National Bank by the bank on which it was drawn through the Federal Reserve, a Clearing House or other normal check return channels, we may accept that return and charge the check or other item back against your account without regard to whether the bank on which the check or other item was drawn returned the check before its midnight deadline. Furthermore, if, after a check or other item deposited into your account is finally paid, it is returned to us by the bank on which it was drawn because someone has made a claim that the check or other item was altered, forged, unauthorized, or should not have been paid for some other reason, we may withhold the amount of such check or other item from your account until a final determination as to the validity of the claim has been made.

CNB may debit your account for any interest you may have provisionally earned on the item. CNB may charge you a fee for each returned item as provided in the service fees section of the current Consumer Deposit Accounts Brochure. Different fees may apply to domestic and foreign items. The Bank is not liable for any action or inaction to recover payment of a returned item. If you do not have sufficient available funds to cover a returned item, the Bank may overdraw your account and charge an overdraft fee. The Bank is not liable to you if there are non-sufficient funds to pay your items because the Bank withdraws funds from your account or in any way restricts your access to funds due to a hold or debit to your account in connection with a returned item. You agree to immediately repay an overdraft caused by a return of a cashed or deposited item.

In some cases the financial institution on which the returned check or other item is drawn may send an electronic notice of return, an indemnified copy of the original, or an image replacement document ("IRD"), instead of returning the item. CNB may act on, and you agree to be bound by, the electronic notice of return, or indemnified copy, or IRD just as if the original item had been returned.

### **COLLECTION ITEMS**

The Bank may accept certain items on a collection basis only, including payments on oil and gas leases, certain securities and checks payable in foreign currencies or at foreign locations. The Bank routes and processes collection items separately. The Bank normally credits your account for collection items only after the Bank receives payment for them. If the Bank credits your account and then does not receive payment, the Bank may debit your account for the amount of the item. The Bank may charge fees for processing collection items. These fees apply even if the collection item is returned unpaid. See the current Consumer Deposit Accounts Brochure for current collection fees.

The financial institution on which the collection item is drawn may also charge you fees. If the other financial institution requires payment of a fee before that institution will process the collection item, the Bank may pay the fee and charge your account. Otherwise, the other financial institution may subtract its fee from the amount of the payment the Bank receives. These fees also may apply even if the collection item is returned unpaid.

### **FOREIGN INSTRUMENTS**

CNB may refuse to accept for deposit or collection a check, draft, or other item that is payable in a currency other than U.S. dollars or that is drawn on a bank or a branch of a bank located outside of the United States ("foreign instrument"). If the Bank accepts a foreign instrument for deposit or collection, you bear all of the risks associated with the collection process and foreign currency fluctuation (exchange rate risk). Actual credit for deposits of, or payable in, foreign currency will be at the Bank's exchange rate then in effect on final collection in U.S. dollars. A foreign instrument may be returned unpaid much later than instruments that are drawn on banks located in the United States, sometimes several months after the Bank processes the foreign instrument. You bear all the risks of a late return. Generally, the Bank will not credit a foreign instrument to your account until the Bank receives the proceeds in cleared funds from the paying bank. If the Bank does provide credit, such credit is provisional and the Bank may reverse the credit at any time if the foreign instrument is returned unpaid or is initially paid but then subsequently returned for fraud. You agree that the Bank may use the then-current exchange rate for such reversals and the Bank may charge your account for the full value of the foreign instrument, including any applicable fees, which may result in a loss to you.

### **CHECKS LOST DURING COLLECTION**

If a check is lost during the collection process, the Bank may charge your account for the amount of the check. If the financial institution on which the check is drawn gives the Bank a photocopy of the check or a debit slip representing the check, the Bank may charge your account for the amount of the check. A lost check may not be returned to the Bank for some time.

Despite any delay, the Bank may charge your account when the Bank receives either the returned check, a copy of the check, or a notice of return.

### **DEPOSIT DELIVERY AND PREPARATION**

You may deliver deposits through various methods. The method and time of delivery determines when you receive credit for the deposit. If CNB credits your account for the amount shown on the deposit slip, the credit is subject to the Bank's subsequent verification, and the Bank's determination of the amount of your deposit is final and binding.

You agree to prepare and deposit in accordance with CNB's instructions which may include the use of an approved deposit slip and deposit envelope, if applicable. The Bank may charge a fee for deposits made without an applicable deposit slip. You authorize the Bank to open the deposit envelope in your absence and credit the contents to your account. The Bank may treat the contents of the deposit envelope as not accepted for deposit until the Bank has verified the contents. If your deposit includes items that the Bank does not accept for deposit, the Bank may hold those items until you claim them. If you make deposits through a mechanical or automated depository such as an ATM, you agree to exercise due care in opening, closing and properly securing the depository.

### **DEMAND DRAFTS AND REMOTELY CREATED CHECKS**

If you deposit a demand draft or remotely created check (an unsigned draft or a pre-authorized draft) into your account, you warrant and guarantee that the draft or remotely created check is authorized according to the terms on its face by the person identified as drawer.

### **SUBSTITUTE CHECKS**

You agree that you will not deposit "substitute checks" as defined by federal law or Image Replacement Documents ("IRD") that purport to be substitute checks and have not been previously endorsed by a bank. If you deposit such an item, you give the Bank the same warranties and indemnities that the Bank, as a reconverting bank would give under applicable law or regulation and you agree to reimburse the Bank for any claims, losses, costs and damages the Bank may incur. If you provide the Bank with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse the Bank for all claims, losses, costs, and damages the Bank incurs because of the substitute check resulting from the electronic representation does not meet applicable substitute check standards or causes duplicate payments.

### **WITHDRAWALS**

Transactions you perform are not completed until the Bank processes them at its headquarters office in

Lawton, Oklahoma, or such other processing center as the Bank may use, even though the Bank may provide you with provisional credit.

We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations.

### **CHECK CASHING**

If any person, including you, wants to cash a check in the Bank's offices, the Bank may require identification satisfactory to the Bank. If the person with our check fails or refuses to satisfy the Bank's requirements, the Bank may refuse to cash the check. The Bank is not liable to you for refusing to cash the check.

CNB may cash checks payable to any signer on your account when endorsed by any other signer.

CNB may refuse to cash a check written to you for any reason. If the Bank does cash such a check and it is returned to us as unpaid, the Bank may deduct the amount of the check from your account and may charge you a fee.

If you ask the Bank to cash a check or other items for you, the Bank may apply the proceeds of the check or other item to fees, overdrafts, and other amounts you owe the Bank.

### **ORDER OF CHECK AND ITEM PROCESSING**

The Bank may accept, pay, certify or charge to the appropriate account checks and other items in any order it chooses. An "item" includes a check, substitute check, purported substitute check, electronic item or transaction, draft, demand draft, remotely created item, image replacement document indemnified copy, ATM withdrawal or transfer, point-of-sale transaction, pre-authorized payment, automatic transfer, telephone-initiated transfer, ACH transaction, online banking transfer or bill payment instruction, withdrawal slip, in-person transfer or withdrawal, cash ticket, deposit adjustment, any other instruction or order for the payment, transfer or withdrawal of funds, and an image or photocopy of any of the foregoing.

The Bank may establish different processing orders for checks and other items. The Bank may establish different categories for checks and other items. A category may include more than one type of item. The Bank may establish a processing priority for each category. Within each category, the Bank may process checks and other items in any order it chooses. The Bank may, in its sole discretion, change its priorities, categories, or orders at any time without notice to you, including, but not limited to occurrences in which we suspect fraud or possible illegal activity affecting your account. Even if the Bank provisionally posts checks or other items to your account during the day, the Bank may treat them as if the Bank received all of them at the end of the day and process them in any order it chooses. The Bank does not necessarily process transactions in the order in which they occurred.

When you do not have enough available funds in your account to cover all of the checks and other items presented that day, some processing orders may result in more non-sufficient funds or overdraft items and result in more fees than others. The Bank may choose its processing orders at its sole discretion and without notice to you, except where required by governing regulation.

### **CHECK PROCESSING AND REVIEW**

City National Bank uses automated check processing procedures. In accordance with standard industry practice, CNB does not review every check processed. This means that most checks are processed on the basis of the MICR (Magnetic Ink Character Recognition) line printed along the bottom edge of the check, and are not individually examined for dates, maker signatures, legends, or endorsements. You agree that the Bank will have exercised ordinary care if the Bank examines only those items that the Bank has identified according to certain minimum criteria which the Bank may establish for inspection. You agree to promptly review your account statement, and immediately report any suspicious or unauthorized activity to the Bank. You agree that automated processing of your checks is reasonable and that you accept responsibility for preventing and reporting forgeries, alternations, and other unauthorized uses of your checks or accounts. You agree that the exercise of ordinary care will not require the Bank to detect forgeries or alterations that could not be detected by a person observing reasonable commercial standards.

City National Bank may elect, at its sole discretion, to make further inquiries about certain checks or other paper items which are presented for payment against your account. If the Bank is unable

to contact you, or take other steps to determine with reasonable certainty that you authorized these payments, the Bank may return the checks or other paper items unpaid, and the Bank will not have any liability to you with respect to these items.

If the Bank elects to review an item, the Bank may refer to a check or other document upon which your signature appears in order to determine the authenticity of your signature. The Bank may use an automated process to reproduce and retain your signature from a check or other document on which your signature appears.

### **LARGE CASH WITHDRAWALS**

City National Bank may require reasonable advance notice for large cash withdrawals, as determined by the Bank. CNB may refuse to honor a request to withdraw funds in cash from your account or to cash a check (including a cashier's check or other official item) if CNB believes that the amount is unreasonably large or that honoring the request would cause the Bank an undue hardship or security risk. CNB is not responsible for providing your security for any such transaction.

### **NOTICE OF WITHDRAWALS**

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See the Certificates of Deposit and Individual Retirement Accounts sections for additional information, as well as your notice of penalty for each early withdrawal.

### **RESTRICTIVE LEGENDS**

The Bank is not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days", "not valid for more than \$1,000" or "two signatures required". If the Bank does pay or accept checks or other items bearing restrictions or notations, you agree that such restrictions or notations apply only between you and the payee or maker of the check. The notation will have no effect on the Bank, and you agree to accept responsibility for payment of the item and the Bank is not liable to you for any claims, costs, losses, or damages that result from the placement of these restrictions or other notation on checks or other items, or from the Bank's disregarding them.

### **POSTDATED, INCOMPLETE, OR CONDITIONAL CHECKS**

You agree not to issue postdated, incomplete or conditional checks, or to present them for deposit to your account. The Bank has no duty to discover, observe, or comply with postdated, incomplete, or conditional checks, or checks more than six months old. The Bank shall not be liable for accepting for deposit, paying, refusing to pay or rejecting any such item.

### **OVERDRAFTS**

When you transmit a transfer or payment request to us, you authorize us to charge your account for the amount indicated. If your account does not have sufficient available funds, we may reject the transaction. We may charge a fee for each payment or transfer request presented against an account with non-sufficient funds. **For details on the Bank's Overdraft Protection program and to understand your rights and obligations related to Overdraft Protection, please see the *Overdraft Protection and Non-Sufficient Funds* section.**

Our allowance of any overdraft will not obligate us to honor future overdrafts at a later time and we may refuse to do so without cause or prior notice. **See the *Funds Availability* policy discussion for information about when you can withdraw funds you deposit.**

### **SIGNATURES**

The Bank may transfer funds between your accounts and take other action on the oral or written instructions of any authorized signer on your account. The Bank may require written authorization for some actions. The Bank only offers accounts which require one signature for a withdrawal. Even if you indicate on your checks or signature card or other account documents that more than one signature is required for withdrawal, you authorize the Bank to pay out funds from your account if the check, item, or other withdrawal instruction is signed or approved by any one of the persons authorized to sign on the account. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to the account or any other transaction with us.

### **RETURNED OR UNPAID ITEMS**

If the Bank decides not to pay a check or other item drawn on your account, the Bank may return the original or a copy of the item or send an electronic notice of return and keep either the original or a

copy of the item in the Bank's records. If the Bank sends an electronic notice of return, you agree that any person who receives that electronic notice may use it to make a claim against you to the same extent and with the same effect as if the Bank had returned the original item.

### **SUBSTITUTE CHECKS, INDEMNIFIED COPIES, IMAGES, AND IMAGE REPLACEMENT COPIES**

In some cases, the Bank may receive an indemnified copy of your original check, an image replacement document ("IRD"), a substitute check, or an image of your check, instead of the original item. The Bank may act upon presentation of an IRD, indemnified copy, substitute check, or image of your check and pay these items against your account, just as if the original item had been presented.

### **MONEY MARKET WITHDRAWALS AND TRANSFERS**

During any statement cycle, your money market deposit account is limited to six (6) withdrawals or transfers to a third party or another financial institution. These limited withdrawals or transfers include: preauthorized or automatic transfers, electronic transactions, and transactions conducted by check, draft, debit card or similar order to a third party. This limit does not apply to in-person withdrawals, withdrawals at an ATM, or transfers between accounts at City National Bank. Should withdrawals or transfers exceed the limit on more than an occasional basis, the money market deposit account may be converted to a transaction deposit account.

### **PENDING TRANSACTIONS**

Pending transactions are credits or debits which reflect information that the Bank has received; however, the transactions have not been processed and are not posted to the account. The pending transactions will permanently post to your account, generally, in 1 - 3 business days, but occasionally this may take longer. In addition, pending transactions may be subject to overdraft fees if the transaction posts to the account after the account becomes overdrawn. Some transactions do not post to the account for the same amount that was pending. The authorization process used by certain merchants such as restaurants, gas stations, hotels, telephone- and online-initiated transactions, retail stores, and airlines may result in a pending debit or credit on your account.

When transactions are pending on your account, your account's available balance reflects these items. Your available balance is the balance available to you at this moment. The available balance does not include any transactions that the Bank has not received, such as Debit Card or ATM transactions, electronic checks or paper checks written.

You may become aware of the difference between the authorized amount and the actual amount through an inquiry via Telephone Banking, Internet Banking (CityNET), or at an ATM, or on your periodic statement. You may also **visit your local branch or you may call us at 1-866-385-3444**. Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

### **FUNDS AVAILABILITY**

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Our policy is to make cash and electronic direct deposits provisionally available to you on the business day we receive your deposit. Electronic deposits will also be available on the day we receive your deposit. Once the funds are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturday, Sunday and federal holidays. If you make a deposit on a business day that we are open at any CNB branch before 8:00 PM CST or at one of our ATMs before 8:00 PM CST, we consider that day to be the day of your deposit. However, if you make a deposit in a CNB branch or ATM after such stated time, or on a day when we are not open, or it is not a business day, we consider the deposit to be made on the next business day.

We will give only provisional credit until collection is final for any items, other than cash, that we accept for deposit (including items drawn "on us"). We are not responsible for transactions by mail or by outside depository until we actually record them at the Bank at its headquarters office in Lawton, Oklahoma. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next following business day that we are open.

If you have questions about how our funds availability policy applies to your account, you can ask us when you make a deposit when these funds will be available for withdrawal. Please see the Returned Items section for additional information on how the Bank handles cashed or deposited items that are returned to the Bank. **You may call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding

federal holidays.

## **LONGER DELAYS MAY APPLY**

In some cases, we will not make all of the funds that you deposit by check available to you on the business day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$200 of your deposit will be available immediately. 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 with one of our employees, or if we decide to take this action after you have left the premises, we will mail you a notice by the following business 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.

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

- We believe a check you deposit will not be paid;
- You deposit checks totaling more than \$5,000 on any one business day;
- You redeposit a check that has previously been returned unpaid;
- You have overdrawn one or more of your accounts repeatedly in the last six months;
- There is an emergency, such as failure of computer or communications equipment at the Bank.

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

## **SPECIAL RULES FOR NEW CUSTOMERS**

If you are a new customer, the following special rules may apply during the first 30 days your account is open:

- Funds from electronic direct deposits into your account will be available on the day we receive the deposit.
- Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state and local government checks will be available on the business day of your deposit if the deposit meets certain conditions. For example, the checks must be made payable to you. The excess over \$5,000 will be available on the seventh business day after the day of your deposit.
- If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.
- Funds from all other check deposits may be available as late as the seventh business day after the day of your deposit.

We welcome further questions that you may have regarding the availability of your deposited funds.

## **DORMANT OR INACTIVE ACCOUNTS**

If you have not made a deposit to or a withdrawal from your account for a period of time that the Bank considers substantial, then the Bank may charge various dormant account fees on the account in addition to regular monthly maintenance and other fees and, if the account received interest, the Bank may stop paying interest on the account. If you re-establish contact with the Bank, the Bank does not have to reimburse you for these fees and the Bank is not liable to you for any interest that would otherwise have accrued on your account.

The Bank may refuse withdrawals or transfers from inactive accounts if you are not available to confirm the transaction's authorization. The Bank may terminate card or code access to a dormant or inactive account. The Bank may be required to turn over (or escheat) account funds to the state if the account remains inactive. If the Bank does turn over the account funds to the state, you will need to file a claim with the state to recover the funds.

## **INTEREST ON YOUR FUNDS**

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### **CHECKING AND SAVINGS ACCOUNTS**

Interest may not be paid if your accrued interest is \$0.01 or less at the time interest is due to be



credited. If an account is closed before accrued interest is credited, any accrued interest may be forfeited. Earnings in the form of interest, dividends or credits will be paid only on ledger balance, unless otherwise provided by law or our policy.

## CERTIFICATES OF DEPOSIT

Your deposit will earn interest at the fixed annual percentage rate and yield as stated on your certificate throughout the original maturity period. We use the daily balance method to calculate the interest on your certificate. This method applies a daily periodic rate to the principal of the certificate each day. Interest begins to accrue the next business day after the deposit. Interest will not be compounded unless the certificate is designated as stated on the certificate as a compounding certificate. You may withdraw accrued interest before maturity by indicating the manner of payment you desire in a written notification delivered to the Bank. If you choose to change the timing or manner in which your interest is paid during the term of the certificate you may be charged a \$15 administrative penalty. If the COMPOUNDING MONTHLY option is selected on the certificate, the certificate must have a minimum term of 18 months, and the interest will be added back to the Certificate monthly. The annual percentage yield assumes that interest will remain on deposit until maturity. A withdrawal of the interest before maturity will reduce the yield and may result in a \$15 administrative penalty.

## INDIVIDUAL RETIREMENT ACCOUNTS

For additional information on interest payments for your IRA account, please see the *Individual Retirement Accounts* section.

## ADDITIONAL RATE INFORMATION

For additional information on the general rules on interest bearing accounts, current interest rates, minimum deposit and minimum balance requirements, please see the Bank's current rate sheet. The rate sheet is available on the bank's website (<https://www.cnb1901.com>) or through the Bank's Telephone Banking service, or in person at any CNB Branch.

## STOP PAYMENT PROCEDURES AND NOTICE OF VARYING AMOUNTS

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### RIGHT TO STOP PAYMENT AND PROCEDURE FOR DOING SO

You can place a Stop Payment on any check you have written, any Automated Clearing House item you have authorized, or any Bill Payment by paper check you have generated through CityNET Online Banking – as long as the item has not cleared your account and you give us prior notice.

Placing a Stop Payment on one of these items will result in City National Bank returning the item to the person or entity. If you need to request a Stop Payment on an item, here's how: call, write or use CityNET Online Banking to contact us in time for us to receive your request three days or more before the payment is scheduled to be withdrawn from your account. Our telephone number, mailing address and Website address are listed on the back cover of this Booklet. If you call or use CityNET Online Banking, we may require you to put your request in writing and get it to us within 14 days, otherwise your Stop Payment may be deleted from your account. We will charge you a non-refundable fee for each Stop Payment Order you request on your account. Stop Payments CANNOT be placed on your Visa Debit Card transaction or CityNET Electronic Bill Payment transactions. See the Bank's Consumer Deposit Account Brochure for a schedule of current fees.

### REQUIREMENTS FOR STOP PAYMENTS

The following information must be provided depending on the type of Stop Payment you are requesting:

**Check or CityNET Bill Pay Check:** You must provide us with the exact dollar amount, the person or entity the check is made payable to and the check number. Once City National Bank receives your signed Stop Payment Order, your Stop Payment will expire 6 months after the stop was initially placed on your account or until a signed Stop Payment Release is received.

**Single Entry ACH/EFT Stop Payment:** You must provide the exact dollar amount and the person or entity the payment is made payable to. This type of stop will only stop the next payment and allow all future payments to post to your account.

**Non Expiring ACH/EFT Stop Payment:** You must provide the name of the person or entity the payment is to. This type of Stop Payment may be placed against the specific person or entity for any dollar amount or to a specific person or entity for a specific dollar amount. Non Expiring ACH/EFT Stop Payments will remain on the account until a signed Stop Payment Release is received.



Stop Payment fees are non-refundable. It is your responsibility to review all withdrawals from your account for accuracy. If there is an error, notify us immediately. (*See the Error Resolution section.*)

## **REQUIREMENTS FOR STOP PAYMENT RELEASES**

You must provide CNB with your signed, written request and include the EXACT information on the Release as was on the original Stop Payment Order before the Release will be acted upon. **Write to us at PO Box 2009, Lawton, OK 73502-2009, call us at 1-866-385-3444, or visit any CNB branch.** Our customer service business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays. The Stop Payment Fee is non-refundable.

## **BANK'S LIABILITY FOR FAILURE TO STOP PAYMENT**

If you order us to stop one of these payments three business days or more before the transfer is scheduled and you provide us with the above requirements, and we do not do so, we will be liable for your financial losses or damages.

## **SPECIAL RULES FOR CITY NATIONAL BANK PERSONAL MONEY ORDER STOP PAYMENTS**

You must be the Purchaser of the personal money order to request a Stop Payment. You may call us at 1-866-385-3444. We may require you to put your request in writing and get it to us within 14 days, otherwise your Stop Payment may be deleted. We will charge you a fee for each Stop Payment Order you request by either deducting the fee from your checking or savings account, or by you paying for the fee in cash.

## **SPECIAL RULES FOR CITY NATIONAL BANK CASHIER'S CHECK REFUNDS OR REISSUES**

You cannot place a Stop Payment on a cashier's check. If after 90 days from the business date the check was purchased, the check has been lost, destroyed or stolen, the Remitter may be able to request a refund or reissue to replace the original check. The Remitter will be required to complete a declaration of loss statement on a form acceptable to the Bank, and may be requested to indemnify the Bank by signing a cashier's check indemnity form, before the Bank will consider processing a refund or reissue. You must provide to us the exact dollar amount, the person or entity the check is made payable to and the check number.

## **VISA DEBIT CARDS**

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### **VISA DEBIT CARDS**

The City National Bank Visa Debit Card provides access to your funds at any point of sale terminal nationwide on the Cirrus, PLUS, Pulse, Visa and ACCEL/Exchange Networks. Your card will allow you to access the services listed below (some of these services may not be available at all terminals.) You must know your PIN to use your card.

- Withdrawals of cash from your checking and savings accounts
- Inquire about your checking and savings account balances
- Transfer funds between your checking and savings accounts
- Access your Overdraft Protection limit
- Funds deposited at an ATM may not be available for immediate withdrawal. Please review the Funds Availability section for more information.

The Bank will charge against your account all purchases made with your card. To obtain a Visa Debit Card, you may have to sign a new Visa Debit Card application. After approval, you may choose to get your card and select your PIN at one of our instant issue machine's located in selected City National Bank branches. If you choose to receive your Visa Debit Card in the mail, you will receive your card first and your PIN will be sent in a separate mailing. You may also bring the card to any one of the CNB branches to re-PIN the card.

### **CITY SAVERS**

With your Visa Debit Card, you may enroll in our City Savers program. This program "rounds up" to the nearest dollar your Point of Sale (POS) and Signature-Based Visa Debit Card transactions. The difference between your purchase amount and the round up will be deposited into the savings account you have selected.

For example, if you use your Visa Debit Card for \$9.10, the \$9.10 transaction will post to your checking account. During our nightly processing, we will "round up" the transaction by withdrawing the amount

that rounds the original transaction amount to nearest dollar, in this example \$0.90, and deposit the \$0.90 in your savings account.

If you have more than one Visa Debit Card transaction posting to your account on one business day, all City Savers “round up” amounts will be added together for each card holder, resulting in one withdrawal from your checking account and one deposit into the selected savings account for each card holder. The checking account withdrawal and the savings account deposit will both be described as a “City Savers Roundup Transaction” and will reference the last four digits of the Visa Debit Card used for the original transaction. If there are multiple cards on one account or multiple card holders that have selected the same savings account number, there will be multiple City Savers transactions on a business day.

Keep in mind the following if you participate in the City Savers program:

- Your City Savers transactions descriptions will be described as a City Savers Roundup transaction and will note the last four digits of the Visa Debit Card account number.
- You must be an owner or authorized signer on the savings account you select.
- ATM transactions are not a part of City Savers and will not round up to the nearest dollar.
- When reviewing memo posted transactions, dollar amounts will show as the actual purchase price payable to your merchant. All City Savers round-up transactions post during nightly processing.
- If you have a savings account attached to your Visa Debit Card so you have the ability to withdraw money from an ATM, this does not mean you are automatically enrolled in City Savers.
- Each owner on an account can choose to have City Savers added to their Visa Debit Card and select the same or different savings account(s) for the round-up deposit.
- If you have Overdraft Protection, your transactions will continue to round up to the nearest dollar.

**To sign up for City Savers, visit your nearest CNB branch or call 1-866-385-3444.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays. You must identify the savings account you wish to have your deposits made to when the request is made. This selected savings account does not have to be the same account you have attached to your Visa Debit Card to have the ability to withdraw money from an ATM.

## LIMITATIONS ON YOUR VISA DEBIT CARD TRANSACTIONS

ATM cash withdrawals are generally limited to \$400 per transaction occurrence. ATM cash withdrawals are normally limited to \$400 per business day, per account. Purchases with the Visa Debit Card are generally limited to \$1000 per day, per account, as long as your available balance is sufficient to cover the aggregate of all purchases. This is a security feature to protect both you and City National Bank in the event that someone attempts to use your Visa Debit Card without your approval. Upon customer request and at the Bank’s discretion, the ATM cash withdrawal and Visa Debit Card purchase limit may be raised.

As with any banking transaction, City National Bank will limit the amount of withdrawals to the available balance and all deposits are accepted on a provisional basis, subject to collection through normal banking procedures.

- You cannot place a stop payment on any transaction made with your Visa Debit Card.
- There are no limitations on transactions between your own accounts.
- We reserve the right to refuse cash withdrawals.
- You may only use the Visa debit card to charge purchases against the account designated with your request for the card.
- Your Visa Debit Card may not be used for any illegal transactions.
- We reserve the right to cancel your Visa debit card.

## POINTS TO REMEMBER ABOUT VISA DEBIT CARDS

- ATM withdrawals are generally limited to \$400 during any one day. The Bank may, upon request, raise the ATM cash withdrawal limit.
- Purchases are generally limited to \$1000 during any one day. The Bank may, upon request, raise the purchase limit.
- Using ATM’s not owned by City National Bank, or CNB’s sister bank, FSNB, N.A., will result in a charge for each transaction, balance inquiry or incomplete transaction.
- If you use an ATM that is not operated by City National Bank (or FSNB, N.A.), you may also be charged

a fee by the operator of the machine and/or by an automated transfer network.

- Your actual balance must be sufficient to cover your Visa Debit Card purchases otherwise the transaction will be denied.
- If you chose to “opt-in” to access your Overdraft Protection for everyday Visa Debit Card transactions, Overdraft Protection will not show as part of your available balance at an ATM; however, the machine will allow you to overdraw your account up to your available Overdraft Protection limit. If you access your Overdraft Protection limit at an ATM, you will be charged an Overdraft fee.
- Your PIN (Personal Identification Number) is confidential.
- CNB does not store your PIN.
- Notify us immediately if your card is lost, stolen or otherwise compromised at 1-866-385-3444.
- Visa Debit Card purchases may memo post immediately to your account. They will clear your account on a later date once the merchant has processed them (may take up to three days).
- If your Visa Debit Card transaction is denied because of non-sufficient funds in your account, you will be charged a fee for each denial.
- When enrolled in City Savers, your Point of Sale (POS) and Signature based Visa Debit Card transactions will post to your account. During our nightly processing, we will “round up” the transaction by withdrawing the amount that rounds the transaction amount to the nearest dollar and depositing that amount into your designated savings account.
- Review the Disclosures for *Electronic Funds Transfers – Your Rights and Responsibilities* section to know your rights and responsibilities if your card is lost, stolen, or otherwise compromised.
- Funds deposited at an ATM may not be available for immediate withdrawal. Please review the Funds Availability section for more information.

## CURRENCY CONVERSION

When you use your Visa-branded Debit Card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either:

- A rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central process date, which rate may vary from the rate Visa itself receives; or
- The government-mandated rate in effect for the applicable central processing date; and in each instance, plus 1%.
- The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.
- The 1% adjustment is made for all international transactions regardless of whether there is a currency conversion associated with the transaction.

## CARD HOLDER'S LIABILITY

Tell us AT ONCE if you believe your debit card, PIN or similar code have been lost, stolen, learned by an unauthorized person or otherwise compromised, or if you believe that an electronic fund transfer has been made without your permission by calling the Bank. **If you believe your card has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, please call us at 1-866-385-3444 or you can write us at City National Bank, PO Box 2009, Lawton, OK 73502-2009.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays. Telephoning is the best way of keeping your possible losses down, however we may request that you follow up your phone call with notification in writing. You may also access Card Control options by logging into CityNET Online banking on the web or mobile app, where you can freeze or permanently disable your card.

If you notify us of the loss or theft within two business days, your loss is limited to no more than \$50 for an unauthorized electronic funds transfer or a series of related unauthorized transfers should someone use your card or code without your permission.

If you do not tell us within two business days after you learn of the loss or theft, of your card or code, and the Bank can prove we could have stopped someone from using your card or code without your permission if you had told the Bank, you can lose as much as \$500.

You could lose all of the money in your account plus, if you have an overdraft protection plan linked to your account, any transfers from another account, or any advances on a credit line or credit card up to your maximum limit.

Please review your regular checking account statements carefully. If your statement shows Visa Debit Card or other transactions that you did not make, TELL US AT ONCE. If you do not tell the Bank in writing within 60 days after the statement was mailed to you, or you receive notice that it is available to you online, you may not get back any money you lost after the 60 days, if the Bank can prove we could have stopped someone from taking the money if you had told us in time.

If unauthorized activity occurs, you agree to cooperate during the investigation and to complete an affidavit regarding the unauthorized activity.

**For additional information, see the Section titled Disclosures for *Electronic Fund Transfers – Your Rights and Responsibilities*.**

## **DISCLOSURES FOR ELECTRONIC FUND TRANSFERS - YOUR RIGHTS AND RESPONSIBILITIES**

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### **REGULATION E DISCLOSURE – ACCOUNTS, DEBIT CARDS, AND OTHER ELECTRONIC TRANSACTIONS**

The Electronic Fund Transfers we are capable of handling are indicated below, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for these transactions. You should keep this notice for future reference. You may be asked to authorize a merchant or service provider to electronically collect a charge in the event the check is returned for non-sufficient funds. Paying such a fee electronically is an electronic funds transfer.

#### **Types and Limitations on Transactions**

Pre-authorized Transfers - We are equipped to:

- Accept certain direct deposits to your checking and savings accounts;
- Pay certain recurring bills from your checking and savings accounts;
- Pay Electronic check conversion - Your check can result in an electronic funds transfer.

For example, you can purchase goods or pay for services and authorize a merchant or service provider to convert your check into an electronic funds transfer. At the time you offer a check to a merchant or service provider, your authorization to make these types of electronic funds transfers may be expressed in writing or implied through the posting of a sign.

**Limitations on Frequency of Transfers** - There is no limit on the frequency of cash withdrawals from ATMs. Withdrawals and transfers from a money market deposit account are limited to six (6) per statement cycle to a third party or another financial institution. For details see the Money Market Withdrawals And Transfers section.

**Limitations on Dollar Amounts of Transfers** - ATM cash withdrawals are limited to \$400 per transaction occurrence. ATM cash withdrawals are normally limited to \$400 per business day, per account. Purchases with the Visa Debit Card are normally limited to \$1000 per day, per account. Upon customer request and at the Bank's discretion, the ATM cash withdrawal limit and Visa Debit Card limit may be raised.

### **DISCLOSURE OF CHARGES FOR ELECTRONIC FUND TRANSFERS**

- There is no charge for initial Visa Debit Card issuance.
- There is no additional transaction charge when using your Visa Debit Card, if you use any of the City National Bank's ATM's, or the ATM's for CNB's sister bank, FSNB, N.A..
- At machines not owned by City National Bank (or FSNB, N.A.), you will be charged an additional transaction fee for each withdrawal, transfer, deposit, incomplete transaction or inquiry.
- If you use an ATM that is not operated by City National Bank (or FSNB, N.A.) you may be charged an additional fee by the operator of the machine and/or by an automated transfer network.
- There is no additional charge for using the City National Bank Visa Debit Card for retail purchases.
- You may be charged a per transaction fee for Visa Debit Card transactions if your checking account plan charges you for debits to your account. See the Bank's Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees.
- We do not charge for direct deposits to any type of account.
- City National Bank reserves the right to make future changes in the checking account, Visa Debit Card service charges.

- If your Visa Debit Card transaction is denied because of non-sufficient funds in your account, you will be charged a fee for each denial. See the Bank's Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees.

## **RIGHT TO DOCUMENTATION**

**TERMINAL TRANSFERS:** You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines (ATM).

**POINT OF SALE TRANSFERS:** If there is no electronic terminal, a receipt may not be generated and your periodic statement may not disclose the terminal location.

**DIRECT DEPOSITS:** 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 1-866-354-3444 to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits, you will receive a quarterly statement from us.

**PERIODIC STATEMENTS:** You will get a monthly account statement from us on checking accounts. If the only transfers to or from your savings accounts are pre-authorized deposits, you will get a quarterly statement from us. If you have any other type of electronic transactions you will receive a monthly statement from us.

## **BANK'S LIABILITY FOR FAILURE TO MAKE TRANSFERS**

If we do not complete a transfer to or from your account on time or in the correct amount according to the Agreement with you, we will be liable for your financial losses or damages. However, there are some exceptions. We will NOT be liable, for instance:

- If, through no fault of the Bank's, you do not have enough money in your account to make the transfer.
- If the transfer would go over the limit on your Overdraft Protection limit. (See the section in this brochure titled *Non-Sufficient Funds and Overdraft* section for additional information regarding Overdraft Protection.)
- If the automated teller machine (ATM) where you are making the transfer does not have enough cash.
- If the transfer will exceed the daily amount that we allow to be withdrawn on a given day.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as power outages, equipment failure, fire or flood) prevent the transfer, despite reasonable precautions we have taken.
- If your card has been revoked by you or the Bank for any reason, including, but not limited to suspected fraud, loss or theft, or other such circumstances.
- If the funds in your account are subject to legal process or other encumbrance restricting the transfer.
- If a retail establishment fails to honor your card.
- If an account becomes dormant or inactive, in which case the Bank may terminate card or code access to that account.
- If your card or code has been revoked due to inactivity or at the Bank's discretion.

There may be other exceptions in our Agreement with you. Please see the Indemnification and Limitation of Liability section for additional information on limitations to the Bank's liability. See the Bank's Consumer Deposit Account Brochure, available at all City National Bank branches, for a schedule of current fees.

## **ERROR RESOLUTION**

**In case of errors or questions about your electronic transfers, call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB Branch.** Our customer service business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. If you are unable to resolve the error with the merchant, then:

Tell us your name, account number and the date the error occurred. Describe the error on the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will tell you the results of our preliminary investigation within 10 business days after you report a Visa Debit Card error. We will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate an ATM transaction error and up to 90 days to investigate a Visa Debit Card error. If we decide to do this we will provisionally re-credit your account for the amount you think is in error, within 10 business days, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or questions in writing and we do not receive it within 10 business days, we may not re-credit your account. If our investigation proves no error occurred, we will notify you in writing that the funds provisionally re-credited to your account will be withdrawn from your account 5 days after the transmittal of this notification and will also specify the exact date the withdrawal will occur. We will tell you the results within 3 business days after completing our final investigation. You may ask for copies of the documents we used in our investigation.

## **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

We may release information about your accounts and the transactions you perform to third parties as required or permitted by law or in accordance with customary banking practices, including for the following:

- When it is necessary for completing transfers; or
- In order to verify the existence and condition of your account with us upon request by a third party, such as a credit bureau or merchant; or
- In order to comply with government orders or legal processes; or
- In accordance with your instructions or written permission.

## **NOTIFICATION PROCEDURES**

If your card, PIN or any password has been lost, stolen or otherwise compromised, call us immediately at the phone number below. You will be prompted to select the option to report your card lost or stolen.

If we have a question about your request, you may be contacted by a City National Bank Representative on the following business day. **If you suspect an unauthorized transfer has taken place, call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009.** Our business hours to report your issue or concern are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## **SECURITY INTEREST AND RIGHT OF SET-OFF**

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You grant us a security interest in your Bank accounts to secure the repayment of any overdraft, debt or other obligation that you have with the Bank, whether direct or indirect, and/or any fees or service charges owed to the Bank. We may (without prior notice and when permitted by law) set-off the funds in your Bank account(s) 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 person's 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 from which we properly accelerate under the note.

You expressly agree that such rights extend to any federal or state benefit payments electronically deposited in your account, to the fullest extent allowable by law. You understand and agree that if you do not want your benefits applied in this way, you may change your direct deposit instructions to the benefits payor or close your account at any time.

The Bank may use funds held in joint accounts to repay debts on which any one of the joint owners is liable, whether jointly with another or individually. The Bank may charge any such debt against your account at any time, without regard to the origin of deposits to the account or beneficial ownership of funds. Funds held in individual accounts may be used to repay debts, whether such debts are owed jointly with another or individually. Your debts include: those owed by you arising out of another joint account of which you are a joint account holder, even if they are not directly incurred by you; those on which you are secondarily liable; or any amounts for which the Bank becomes liable to any governmental agency or department or any company as a result of recurring payments credited to any of your accounts after the death, legal incapacity, or other termination of entitlement of the intended recipient of such funds.

If the Bank uses funds from a CD or time deposit account, the Bank will waive the early withdrawal penalty if possible.

If you or any joint account holder authorizes withdrawals not presented for payment until after the drawer's death, or if any joint account holder is indebted to the Bank at the time of his or her death,

City National Bank is authorized to pay such withdrawals and exercise its right of set-off against the account after such death, notwithstanding any rights that a surviving joint account holder, POD payee, or beneficiary of a “trustee for” account may have to the funds in the account.

The right of set-off does not apply to your 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); (c) the debtor’s right of withdrawal only arises in a representative capacity; or (d) if set-off is otherwise prohibited by law. We will not be liable for the dishonor of any items where withdrawals described in this section result in non-sufficient funds in your account.

You agree to hold us harmless from any claim arising as a result of our exercise of our right to set-off.

## **AUTOMATED CLEARING HOUSE (ACH) NOTICE**

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ACH entries transmitted by the ACH System are governed by the operating rules of the National Automated Clearing House Association and, in some cases, by Article 4A of the Uniform Commercial Code – Funds Transfers as adopted in the state of Oklahoma. For a credit entry subject to Article 4A, the entry may be transmitted through the ACH. Under these rules, we are not required to give you next day notice of ACH items credited to your account. You will continue to receive notice of such items in the periodic statement we provide to you. These rules also 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 final settlement, we are entitled to a refund from you in the amount credited to you in connection with that ACH entry.

## **NO THIRD-PARTY USE**

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Unless you have the Bank’s prior written consent, you may not use any services related to your accounts with City National Bank, including but not limited to CityNET Online Banking, to process transactions for third parties or permit others to initiate service transactions on your behalf. Third parties include businesses that you own, operate, control, or otherwise have an interest in.

## **TELEPHONE BANKING**

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Telephone Banking will assist you in accessing your account balance and history information on checking, savings, certificate of deposit, individual retirement account, and loan accounts, as well as fund transfers between your deposit accounts. Telephone Banking also provides multiple debit card services and current interest rate information on deposit accounts.

A telephone transfer of funds from your account to another account with us, if otherwise arranged for or permitted by this Agreement, 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 Money Market account to another account or to third parties, to a maximum of six per month (less the number of “pre-authorized transfers” during the month).

You may choose your own Security Access Code (SAC) for secure access. Account numbers and a Security Access Code are required for account access. **If you would like to use Telephone Banking for assistance with your accounts, please select a Security Access Code (SAC) by calling us during our business hours at 1-866-385-3444 or by visiting any CNB Branch.**

Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

For additional information and instructions on how to use Telephone Banking, including the phone numbers for access to the 24/7 Automated Telephone Banking system, **see the informational brochure provided to you with your account opening documents or you may request a copy from your local branch or you may call us at 1-866-385-3444.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

## **CONSUMER ONLINE, MOBILE AND TEXT BANKING**

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A full copy of the CityNET Consumer Online Banking Agreement, which describes in detail all aspects of using these services and Online Banking Security education, can be found at:

<https://www.cnb1901.com/html/citynet/citynet-agreement.html>



## BROWSER AND OS REQUIREMENTS

To access CityNET online banking services, you are responsible for using a compatible web browser that has a high security standard. For your security and general user experience, City National Bank & Trust recommends always having the most up-to-date browser version available. Recommended browsers include:

Google Chrome: <https://www.google.com/intl/en/about/products/>

Apple Safari: <http://www.apple.com/safari/>

Mozilla Firefox: <https://www.mozilla.org/en-US/firefox/new/>

Internet Explorer: <https://support.microsoft.com/en-us/help/17621/internet-explorer-downloads>

Please refer to your CityNET Online Banking Agreement for specific information regarding minimum browser requirements.

## MOBILE AND TEXT BANKING

Mobile banking and text banking services are offered as a convenience and supplemental service to our online internet banking services. They are not intended to replace access to internet banking from your personal computer or other methods you use for managing your accounts and services with us. Mobile Banking Service allows you to access your CNB account information, use bill pay, and conduct other limited banking transactions with the Bank. You may use the Mobile Banking Services to transfer funds between your eligible CNB accounts (internal transfer), subject to certain limitations for savings and money market accounts discussed in the Limitations on Frequency of Withdrawals and Transfers section set out above. You may not currently transfer to or from an account at another financial institution using our Online Financial Services.

Mobile Check Deposit is a service available within City National Bank's Mobile Banking Application through iPhone and Android. It allows you to deposit checks directly into your City National Bank account(s) by taking a picture of a check using your smartphone. Approval required.

To utilize the Mobile Banking Services, you must be enrolled in CityNET online banking. Some Mobile Banking Services, such as text banking, require you to register your Mobile Device from a desktop computer.

By registering for text banking services and entering your phone number you acknowledge that you agree to the terms of service for text banking services. CNB text banking works with numerous wireless service providers including Alltel, AT&T, Boost Mobile, Cincinnati Bell, Sprint PCS, T-Mobile, U.S. Cellular, Virgin Mobile USA, and Verizon Wireless. However, CNB text banking is not compatible with all handsets. When registering for text banking services you must confirm that you hold the account corresponding to the mobile phone number you have entered, or that you have the account holder's permission to use this service.

**Your wireless carrier may assess you additional fees for data or text messaging services, and/or additional charges may apply for Internet usage depending on your wireless carrier. Please consult your wireless provider/carrier for details on correlated rates and charges.**

## MOBILE BANKING RESTRICTIONS

We reserve the right to limit the types and number of accounts eligible and the right to refuse to make any transaction you request through mobile and text banking. Additionally, we reserve the right to modify the scope of the mobile banking and text banking services at any time. Mobile banking and/or text banking may not be accessible over some network carriers. In addition, the Mobile Banking Services may not be supportable for all Mobile Devices. CNB does not guarantee nor is it responsible for the availability of data services provided by your mobile carrier such as data outages or "out of range" issues.

## ONLINE AND MOBILE BANKING SECURITY

You agree to take every precaution to ensure the safety, security and integrity of your account and transactions when using CityNET Online Financial Services, including but not limited to internet, mobile and text banking services, Bill Pay and E-Statements. You agree not to leave your Access Device unattended while logged into online Internet, mobile or text banking and to log off immediately at the completion of each access by you. You agree not to provide any of your access information to any unauthorized person. You are responsible for keeping your password, account numbers, personal identification information and other account information confidential.

You will be solely responsible for the use and access to the Access Device, whether authorized or unauthorized. You further agree to hold us harmless for any unauthorized use of the Access Device.



You shall be responsible for keeping us informed of any change in your phone number, loss or theft of the Access Device or breach of any security application.

If you permit other persons to use your Access Device, login information or other means to access CityNET Online Financial Services, you will be held responsible for any transactions they authorize and we will not be liable for any damages resulting to you.

## **PROTECTING YOUR INFORMATION**

Your role is extremely important in the prevention of any wrongful use of your account. You are responsible for keeping your password, account numbers, personal identification information and other account information confidential.

CNB is not responsible for customer errors or negligent use of CityNET and will not be liable for losses due to negligent handling or sharing of passwords leading to unauthorized access to the accounts, along with data input errors, leaving your computer unattended during access (be sure to sign off at the end of the session), and/or failure to report known incidents of unauthorized account access within 2 business days.

**To contact CityNET about stolen information or suspected fraudulent activity:**

**USA Phone: Toll Free 1-866-385-3444**

**Email: [report@cnbok.com](mailto:report@cnbok.com)**

**Write: CNB, Attn: CityNET Banking Dept., PO Box 2009, Lawton OK 73502-2009**

## **CERTIFICATES OF DEPOSIT**

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A minimum deposit is required to establish a Certificate of Deposit. Please see the Bank's current rate sheet for current interest rates, minimum deposit and minimum balance information, and additional information on the general rules for interest bearing accounts. The rate sheet is available on the Bank's website (<https://www.cnb1901.com>), or through the Bank's Telephone Banking service, or in person at any CNB branch.

## **WITHDRAWALS AND TRANSFERS**

Those of you named as owners on the face of your certificate are entitled, with proper identification, to withdraw from or cash the certificate. We will only require one endorsement for withdrawal. This means that any one of the account owners acting alone may withdraw the entire account balance and we have no duty to obtain the consent of any other person to the account. Those individuals who have the right to withdraw funds also have the right to request other changes to the account.

## **TYPES OF CD ACCOUNTS**

See the Ownership of Accounts section for information on the various types of CD accounts that may be available to you. For court approved CD accounts, the Bank may require that a current court approved withdrawal agreement be on file with the Bank.

## **PLEDGES**

Your certificate may not be pledged or used as security for a loan or debt without our consent, which we will not unreasonably withhold. If we consent to a pledge, no one may cash, redeem or withdraw from your certificate (including any beneficiary or survivor) until the pledge is removed.

## **AUTOMATIC RENEWALS**

We will automatically renew your certificate on each succeeding maturity date. Each renewal term will be the same as the original term, beginning on the maturity date and will earn interest at the rate offered for new certificates with the same term on that date. Interest on all future renewals will be paid in the same manner as designated on your certificate. If you do not wish to renew the certificate you must either inform us in writing on or before the next maturity date or visit any CNB location to request payment within the applicable grace period. The grace period for stopping a renewal or cashing the certificate is 10 calendar days after the maturity date for certificates with terms of 31 days or longer and within one calendar day for certificates with terms less than 31 days. Any transactions conducted outside of this grace period will be subject to early cashing penalties. Any interest accrued within the ten day grace period will be forfeited if the certificate is cashed.

## **SINGLE MATURITY**

You may request that we not automatically renew this certificate. Interest will not accrue after the maturity date.

## **EARLY WITHDRAWAL PENALTY**

By purchasing a certificate you have contracted to leave your funds on deposit until the stated maturity date. If we consent to a request for a withdrawal, which is not permitted by the terms of the certificate, you may have to pay a penalty. The penalty will be computed as follows. Any certificate with a term of 12 months or greater will forfeit the equivalent of six months interest. Any certificate with a term of less than 12 months will forfeit the equivalent of three months interest. We will charge the penalty first against accrued interest and any excess will be deducted from the principal of the certificate at the time of the withdrawal. We are permitted to waive the above penalties if any account owner dies or is declared incompetent. In the event you decide to redeem a Certificate of Deposit prior to the maturity date and interest has been paid out twice we reserve the right to reverse the ACH Direct Deposit. This only applies to a Certificate of Deposit that was set to pay interest by direct deposit to another financial institution. If this certificate is part of an Individual Retirement Account ("IRA"), please read the IRA section below and the applicable IRA custodial agreement provided to you when you opened the account for any additional penalties that may be imposed in the event of a withdrawal.

## **INDIVIDUAL RETIREMENT ACCOUNTS**

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A minimum deposit is required to establish an Individual Retirement Account ("IRA"). The original deposit will establish a 12-month IRA Certificate of Deposit. You may make additional deposits, not to exceed your allowable contribution limit, into your account at any time.

Please see the Bank's current rate sheet for current interest rates, minimum deposit and balance information, and additional information on the general rules for interest bearing accounts. The rate sheet is available on the Bank's website (<https://www.cnb1901.com>), or through the Bank's Telephone Banking service or in person at any CNB branch.

### **AUTOMATIC RENEWALS**

Your certificate will automatically renew on each succeeding maturity date. Each renewal term will be the same as the original term, beginning on the maturity date. Your renewed certificate will change to the current 12 month Certificate of Deposit rate and annual percentage yield on the first business day of any calendar quarter and will earn interest at the rate currently offered for IRA accounts. The IRA owner will have a ten (10) day "grace period" after the maturity date to withdraw funds without any "early cashing" penalties.

### **EARLY WITHDRAWAL PENALTIES**

According to the term of your certificate an "early cashing" penalty equivalent to six months of interest computed using the IRA interest rate on your account will be assessed. We will charge the penalty first against accrued interest and any excess will be deducted from the principal of your certificate at the time of the withdrawal. We are permitted to waive the above penalties if the account owner dies or is declared incompetent.

Unless the IRA depositor dies or becomes disabled, any withdrawals occurring prior to age 59-1/2 will be considered "premature". Premature withdrawals may be in the form of partial withdrawals or actual closing of the account.

This includes transfers from City National Bank to another IRA Custodian.

In addition to the "early cashing" penalties described above, City National Bank may charge a fee of \$25 for a "premature" partial withdrawal and a fee of \$50 for "premature" closing of the account.

### **INTEREST**

The interest rate on your IRA Certificate of Deposit is variable and is subject to change without limitation at the discretion of City National Bank. Your IRA Certificate of Deposit rate and annual percentage yield may change to the current 12 month Certificate of Deposit rate and yield on the first day of any calendar quarter.

Interest is compounded and credited annually. We use the daily balance method to calculate the interest on your certificate. This method applies a daily periodic rate to the principal of the certificate each day. You must maintain a minimum balance in the account each day to obtain the disclosed annual percentage yield. Interest begins to accrue the business day after the deposit. If you close your account before interest is credited, you will receive the accrued interest less the amount of applicable penalties.

For additional information about your IRA account see the applicable IRA custodial agreement provided to you when you opened the account.

# **ADDITIONAL TERMS AND CONDITIONS**

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## **ASSIGNMENT AND WAIVER**

This Agreement is made for the exclusive benefit of you and City National Bank. No third party has any rights under this Agreement. The Bank may assign our rights and delegate our duties under this Agreement to a company affiliated with us, or to a third party including independent contractors. You may not assign any right or delegate any obligation under this Agreement without CNB's prior written consent.

Any waiver by City National Bank to the terms and provisions of this Agreement must be made by the Bank in writing to be effective. The Bank's waiver of any right under this Agreement will not be deemed a waiver of other rights or of the same right at another time.

## **RELATIONSHIP**

Unless the Bank has expressly agreed in writing to assume special or fiduciary duties or obligations, no such duties or obligations will be imposed on the Bank with respect to You as a depositor of the Bank or as a borrower, guarantor or surety, and no special or fiduciary relationship shall be deemed to exist. City National Bank's relationship with you is that of a debtor and creditor. No fiduciary, quasi-fiduciary, or other special relationship exists between You and City National Bank regarding your deposit account.

## **CHANGES TO AGREEMENT AND TERMINATION**

Except as may be otherwise specifically set forth in the Agreement or as may be required by law, the Bank may change the Agreement, including adding to, deleting from or changing the terms of the Agreement from time to time, without notice to you.

The Bank will generally provide advance notice of an adverse change to account terms by mailing, emailing, or delivering a notice, a message with your statement, or an amended Agreement to the last address (street location or email) on file for you. If you do not agree with a change, you may close your account. However, if you continue to use your account or keep it open, you accept and agree to the change. The current version of the Agreement supersedes all prior versions and contains the terms governing your account.

Rules governing changes in the interest rates will be provided to you separately and are subject to change without notice. We may amend our security procedures without prior notice if immediate changes are required for security reasons or the changes do not have a material effect on your account, including your use of CityNET.

The Bank, in its sole discretion, may also close your account at any time upon reasonable notice to you and tender the account balance personally or by mail. For joint accounts, notice from the Bank to any one of the joint owners will be considered notice to all of the joint owners.

## **LEGAL PROCESS**

City National Bank may accept and act on any legal process, without any liability to you, that the Bank believes to be valid, whether served in person, by mail, by facsimile transmission, or by other means, at locations other than the Bank's office at which the account, property, or records are held, or if served in a state other than the state where the account, property, or records are held. "Legal Process" includes a subpoena, restraining order, injunction, writ of attachment or execution, levy, garnishment, tax withholding order, search warrant, forfeiture, or other similar order related to your account.

CNB will hold and turn over funds or other property to the court or creditor as directed by the legal process. The Bank does not pay interest on the funds during the period the Bank holds them. If the Bank uses the funds from a time deposit account, the Bank may impose an early withdrawal penalty.

The Bank may charge your account a legal process fee for each order. You agree to pay the Bank's fees and expenses for research and copying of documents and all other expenses, including administrative expenses that the Bank incurs in responding to any legal process related to your account. These may include attorneys' fees. The Bank may deduct these fees and expenses from any of your accounts without prior notice to you. Any garnishment, attachment or other levy against your account is subject to the Bank's right of set-off and any security interest the Bank has in the account, to the extent allowable by law. The Bank is not liable to you for not paying items because the Bank has held or withdrawn funds from your account or in any way restricted your access to funds because of a legal process. See the Bank's Consumer Deposit Account Brochure for a schedule of current fees.

## **GOVERNING LAW AND COMPLIANCE**

Your accounts and this Agreement will be governed by federal laws and regulations applicable to national associations like City National Bank, and, to the extent local law applies, construed in accordance with the

laws of the state of Oklahoma, without reference to Oklahoma's conflict of law provisions. If Oklahoma law and federal law are inconsistent, federal law governs. The body of state and federal law that governs Our relationship with You, however, is too large and complex to be reproduced here. The purpose of this document is to: (1) Summarize some laws that apply to common transactions; (2) Establish rules to cover transactions or events which the law regulates but permits variation by agreement; and (3) Give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

You agree to comply with all applicable federal and state laws and regulations, including when using CityNET and Mobile Banking. You agree not to initiate any ACH entry or other payment type that would violate the economic sanctions administered by the U.S. Treasury's Office of Foreign Assets Control. As a customer of the Bank, you agree that your account will not be used either directly or indirectly in any internet gambling business or for any restricted transactions as defined in Regulation GG, 12 CFR Part 233.

You agree that, except as may otherwise be stated in this Agreement, all deposit transactions between you and the Bank will only be final and completed when proceeds are received in cash or its equivalent and entered on the records of the Bank at its headquarters office in Lawton, Oklahoma. Although we may provide you with provisional or interim deposit credit (such as through the use of an ATM machine), you agree that any deposit-related transactions remain conditional until accepted by City National Bank at its headquarters office in Lawton, Oklahoma.

### **INDEMNIFICATION AND LIMITATION OF LIABILITY**

You agree to reimburse the Bank for all claims, costs, losses, and damages (including fees paid for collection) that the Bank may incur with respect to overdrafts or returned deposits in connection with your account.

The Bank is not liable to you for any claim, cost, loss, or damage caused by an event that is beyond the Bank's reasonable control. In particular, City National Bank is not liable to you if circumstances beyond the Bank's reasonable control prevent the Bank from or delay the Bank in, performing its obligations for a service, including acting on a payment order, crediting a funds transfer to your account, processing a transaction, or crediting your account.

Circumstances beyond the Bank's reasonable control would include, but not be limited to: a natural disaster, for example a tornado, earthquake, ice storm or flood; emergency conditions, for example a war, terrorist attack, riot, fire, theft or labor dispute; a legal constraint or governmental action or inaction; the breakdown of the Bank's equipment for any reason, including a loss of power; the breakdown of any private or common carrier communication or transmission facilities, or any mail or courier service; the potential violation of any guideline, rule, or regulation of any government authority; suspension of payments by another bank; or your act, omission, negligence or fault.

The Bank is not liable for any special, incidental, exemplary, punitive or consequential losses or damages of any kind.

Each joint account holder will be jointly and severally (individually) liable to the Bank, as is more specifically set forth in the Joint Accounts section. 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 attorneys' fees.

### **OTHER TERMS AND CONDITIONS**

- If any provision of this Agreement is found to be void or invalid or unenforceable according to its terms, the remainder of this Agreement will remain in full force and effect.
- The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this Booklet should be construed so the singular include the plural and plural includes the singular.

## SUPPLEMENT A - TRANSACTION POSTING ORDER

Posting order is the order in which transactions (debits and credits) are applied to your account during processing at the end of a business day. It is important to understand how the Bank posts items and how transaction posting order may affect your account balance. Please remember, transactions may not be processed in the order in which they occur.

### CREDITS & DEBITS

Credits are deposits or transfers of money into your account. Such as:

- Cash;
- Check deposits made at the teller line;
- Automated Clearing House (ACH) such as automated payroll deposits; and
- Online banking transfers from another account.

Debits are withdrawals or transfers of money out of your account. Such as:

- Write a check;
- Use your Visa Debit Card to withdraw funds or make a purchase; and
- Make online transfers out of your account.

These transactions officially post to your account during the nightly processing. They are posted in the order outlined in the Bank's Transactions Posting Order. (See posting order chart below.)

### TRANSACTION POSTING ORDER

Posting order is the order in which transactions (debits and credits) are applied to your account during processing at the end of a business day. It is important to understand how the Bank posts items and how transaction posting order may affect your account balance. Please remember, transactions may not be processed in the order in which they occur.

Transaction Posting Order Chart			
Sequence	Transaction Group Order	Sort Order	According To
1	Deposits and Other Credits	Low to High	Dollar Amount
2	Chargebacks & Wire Transfers	Low to High	Dollar Amount
3	Internal Transfers	Low to High	Dollar Amount
4	In-Branch Cash Withdrawals	Low to High	Dollar Amount
5	ATM Withdrawals	Low to High	Dollar Amount
6	Debit Card Transactions	Low to High	Dollar Amount
7	ACH Transactions (with no check number)	Low to High	Dollar Amount
8	ACH Transactions (with a check number)	Low to High	Check Number
9	Checks (with no check number)	Low to High	Dollar Amount
10	Checks (with a check number)	Low to High	Check Number
11	Other Bank Transactions	Low to High	Dollar Amount
12	Service Charges and Fees	Low to High	Dollar Amount

## HELPFUL TRANSACTION POSTING ORDER FACTS

- Nightly processing occurs on regular business days (e.g. no Saturdays, Sundays or federal holidays).
- ACH transactions with no check numbers post before those with check numbers. Transactions that have a check number post in check number order, from low to high.
- Checks with no check numbers post before those with check numbers. Transactions that have a check number post in check number order, from low to high.
- Overdraft fees post after each transaction that causes an account to become overdrawn.
- The order in which transactions post may affect the total number of fees that are incurred.

## POSTING ORDER EXAMPLES

The following examples are commonly observed groups of transactions. Each example assumes that the transactions are finalized on the date they are posted to the account (Date Posted) and that transactions are performed during the stated business day. The examples do not and are not intended to describe every scenario or transaction type. They do not consider all other factors such as consumer account or transaction related fees. Other terms, conditions, or products may affect posting order, such as those imposed by the Bank's Funds Availability policy. If you have additional questions or concerns about how items are posted to your account, **call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch.** Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.

### Example 1

Jimmy's direct deposit was sent to the bank and posted on Tuesday, January 3rd. Also on January 3rd, he withdrew \$200.00 at his local CNB branch. The transactions that Jimmy had initiated with his debit card a few days earlier, grocery shopping (\$176.00) and cell phone bill payment (\$135.00), were finalized and posted to the account on January 3rd as well.

Posting Order Example #1

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			645.00
1/3/2017	Payroll ACH		950.00	1,595.00
1/3/2017	Counter Withdrawal		-200.00	1,395.00
1/3/2017	D/C TRN		-135.00	1,260.00
1/3/2017	D/C TRN		-176.00	1,084.00

Although not all transactions were initiated on the same day, they were all finalized and posted to the account the same day. This is due to the authorization process used by the retail store. The transactions would post the following morning as displayed, according to the Bank's Transaction Posting Order. Deposits post before withdrawals, therefore the deposit (Payroll ACH) would post first. Withdrawals would post next, first the in-branch cash withdrawal (Counter Withdrawal), followed by the debit card transactions (D/C TRN) sorted by lowest to highest dollar amount.

### Example 2

On Monday, January 16th, Sally purchased a new pair of shoes using her debit card for \$23.56 and paid her water bill using a check (#1456) for \$100.00. She also stopped by the Bank to deposit a check she received for her birthday for \$50.00 and transfer \$200.00 from her checking account to her savings account. The same evening, the monthly \$5.00 service fee was processed

The transactions conducted at or by the bank posted on the business day that they occurred. The deposit (Counter Deposit) would post first, then the (Transfer), and finally the monthly service charge (Service Charge). Although the debit card transaction and check were initiated on the same day as the

other transactions, they did not finalize and post to the account until a couple of days later, on January 18th. This is due to the authorization process used by the retail store and time needed to process checks between financial institutions. According to the Bank's Transaction Posting Order, the debit card transaction (D/C TRN) would post first followed by the check (Check).

**Posting Order Example #2**

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			680.00
1/16/2017	Counter Deposit		50.00	730.00
1/16/2017	Transfer to Savings		-200.00	530.00
1/16/2017	Service Charge		-5.00	525.00
1/18/2017	D/C TRN		-23.56	501.44
1/18/2017	Check	1456	-100.00	401.44

**Example 3**

On January 11th, Mark purchased groceries with a check (#1649) for \$115.00. Later that day, he wrote a check (#1650) to pay his electric bill for \$95.00 and another check (#1651) at a mass merchant retail store for \$86.00. On the same day Mark withdrew cash at a non-CNB ATM for \$303.00.

The transaction at the non-CNB ATM were finalized and posted to the account on January 13th. The withdrawal (ATM W/D) would post first followed by an ATM transaction fee (ATM Fee) since the ATM that was used did not belong to CNB. All other transactions were finalized and posted to the account a couple of days later on January 13th. In the example above, the check to pay the retail store (#1651) was converted by the merchant to an ACH transaction and will post before the paper checks in accordance with the Bank's Transaction Posting Order. The checks then post in check number order, from lowest to highest.

**Posting Order Example #3**

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			1,569.00
1/11/2017	ATM W/D		-303.00	1,266.00
1/11/2017	ATM Fee		-1.50	1,264.50
1/13/2017	ACH Purchase Retail	1651	-86.00	1,178.50
1/13/2017	Check	1649	-115.00	1,063.50
1/13/2017	Check	1650	-95.00	968.50

**Example 4**

On the morning of Thursday, January 26th, Charles sat down to pay a medical bill. He wrote a check (#1001) to his doctor's office in the amount of \$82 and placed it in the mail. On his way out to work that morning, he withdrew \$400 from a CNB ATM so that he could take his wife out to the theater that coming weekend. Just before lunch, Virginia, who is a joint owner on her husband's checking account, called Customer Service and requested a wire transfer for \$1,500 be sent to her daughter who is attending

college out-of-state. The bank representative informed Virginia that a fee of \$20 would apply to the wire transfer. Charles, unaware of the wire transfer, continued to conduct transactions on the account. That evening, the couple went out to dinner and paid with a debit card, \$65. The next morning, Charles wrote another check (#1002) to pay his utility bill of \$100.

The wire, wire transfer fee, and ATM withdrawal would post to the account on the same business day in the following order: wire (Wire Transfer), ATM withdrawal (ATM W/D), and last the bank wire fee (Wire Transfer Fee). The debit and check transactions would post after they were finalized a few days later. The debit card transaction (D/C TRN) would post first followed by the checks (Check) which then post in check number order, from lowest to highest.

In the example above, funds are not sufficient to pay the checks (#1001 and #1002) therefore a \$25 overdraft fee, reflected on your statement as OD Item Fee, was charged for each item, totaling \$50. Overdraft fees post after each transaction that causes an account to become overdrawn. The account did not have Overdraft Protection or Pre-Authorized Overdraft Transfers. Therefore, the checks were returned and the two overdraft fees (OD Item Fee) were reversed. A \$25 non-sufficient funds fee, reflected on your statement as NSF Return Item Fee, was charged for each transaction that caused the account to become overdrawn. The customer would incur fees totaling \$50. The payee, to whom the checks were written (the doctor's office and the utility company), may also charge a fee due to the checks being returned unpaid.

**Posting Order Example #4**

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			2,020.00
1/26/2017	Wire Transfer		-1,500.00	520.00
1/26/2017	ATM W/D		-400.00	120.00
1/26/2017	Wire Transfer Fee		-20.00	100.00
1/31/2017	D/C TRN		-65.00	35.00
1/31/2017	Check	1001	-82.00	-47.00
1/31/2017	OD Item Fee		-25.00	-72.00
1/31/2017	Check	1002	-100.00	-172.00
1/31/2017	OD Item Fee		-25.00	-197.00
2/1/2017	Return Item Credit		82.00	-115.00
2/1/2017	Return Item Credit		100.00	-15.00
2/1/2017	Reverse OD Item Fee		25.00	10.00
2/1/2017	Reverse OD Item Fee		25.00	35.00
2/1/2017	NSF Return Item Fee		-25.00	10.00
2/1/2017	NSF Return Item Fee		-25.00	-15.00



## SUPPLEMENT B - Overdraft Services

At City National Bank we strive to inform our customers about account options that may be an appropriate solution for their specific needs. The scenarios below highlight available options to help our customers avoid unnecessary fees or returned items. In both scenarios, the customers may have avoided overdraft and non-sufficient funds fees if they had followed the tips described in the section titled Tips to Avoid Overdraft and Non-Sufficient Funds Fees. **If you have additional questions or concerns, call us during our business hours at 1-866-385-3444 or write to us at PO Box 2009, Lawton, OK 73502-2009, or visit any CNB branch. Our customer service business hours are Monday through Friday, 8:00 AM to 7:00 PM, and Saturday, 9:00 AM to 4:00 PM, excluding federal holidays.**

### Example Scenario 1

Mr. and Mrs. Myers always stayed on budget by tracking their monthly income and expenses, but this month there was an unexpected expense. Mr. Myers didn't anticipate having any out-of-pocket expenses for his recent medical procedure, and he simply forgot to tell his wife about the money he had spent.

#### Option A – Without Overdraft Protection

In this example, the account does not have Overdraft Protection or Pre-Authorized Overdraft Transfers. When Mr. and Mrs. Myers opened their account, they chose not to have Overdraft Protection on the account because they had always managed their money so well. Therefore, as transactions posted to the account during nightly processing, it was determined that funds were not sufficient to pay the check (#5364) to the hospital (\$78.22); therefore, a \$25 overdraft fee, reflected on their statement as OD Item Fee, was charged. The following day, the check was returned, and the OD Item Fee was reversed. A \$25 non-sufficient fund fee, reflected on their statement as NSF Return Item Fee, was charged for the transaction that caused the account to be overdrawn. The hospital may also charge a returned check fee because the check was returned unpaid.

Nothing like this had ever happened to them before. So they went to their local branch to inquire about ways to avoid this type of mistake in the future. As well as providing them tips to avoid fees, the Banker also outlined two additional, yet very different, options to help Mr. and Mrs. Myers avoid fees in the future.

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			9.17
2/2/2017	Check (Hospital)	5364	-78.22	-69.05
2/2/2017	OD Item Fee		-25.00	-94.05
2/3/2017	Return Item Credit		78.22	-15.83
2/3/2017	Reverse OD Item Fee		25.00	9.17
2/3/2017	NSF Return Item Fee		-25.00	-15.83

#### Option B – With an Overdraft Protection Limit

The Banker described that if they enrolled in Overdraft Protection and were approved for an Overdraft Protection limit, then an item which would cause the account to become overdrawn may be paid. They were also informed that they must “opt-in” to access their Overdraft Protection limit for everyday Visa Debit Card transactions. Fees were also described: Every debit item paid on an overdrawn account will be subject to a fee of \$25, not to exceed five overdraft fees per day (\$125) and will be included in the Overdraft Protection limit. The Banker advised them to add money back

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			9.17
2/2/2017	Check (Hospital)	5364	-78.22	-69.05
2/2/2017	OD Item Fee		-25.00	-94.05

into the account as soon as possible if it becomes overdrawn. The Myers' asked a few questions and then wanted to learn more about the second option mentioned earlier.

### Option C – With Pre-Authorized Overdraft Transfer

The Banker explained that Pre-Authorized Overdraft Transfers are a convenient way to transfer funds from another CNB account into their checking account before it becomes overdrawn. To take advantage of this product, they would need to sign-up for Pre-Authorized Overdraft Transfers before the account becomes overdrawn. The Banker also informed them that transfers are completed in increments of \$100 and are subject to a fee of \$5 for each transfer (reflected on their statement as sweep transaction charge). They were also advised that this product was not available to cover ATM or debit card transactions. After looking at both products, Mr. and Mrs. Myers agreed that the second option was the appropriate solution to meet their needs.

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			9.17
2/2/2017	Transfer from Savings		100.00	109.17
2/2/2017	Check (Hospital)	5364	-78.22	30.95
2/2/2017	Sweep Transaction Charge		-5.00	25.95

## Example Scenario 2

Aliyah conducted multiple transactions during the week. Aliyah updated the expense log she kept on her smart phone and noticed that she had just under \$100 left in her account, so she decided to stop by the grocery store for a few things (\$59.63). She thought she would have enough in her account until her next pay check in two days. However, she forgot to deduct her car insurance payment (\$78.71), which was automatically withdrawn from her account each month.

### Option A – Without Overdraft Protection

In this example, the account does not have Overdraft Protection or Pre-Authorized Overdraft Transfers. After transactions are sorted according to the Bank's Transaction Posting Order, it was determined that funds were not sufficient to pay her car insurance (\$78.71); therefore, a \$25 overdraft fee, reflected on her statement as OD Item Fee, was charged. The following day, the ACH was returned and the overdraft fee (OD Item Fee) was reversed. Aliyah would incur a \$25 non-sufficient funds fee, reflected on her statement as NSF Return Item Fee, for the transaction that caused the account to become overdrawn. She also may be subject to a return item fee or incur late fees from her Insurance Company.

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			95.03
2/2/2017	D/C TRN (Groceries)		-59.63	35.40
2/2/2017	ACH Car Insurance		-78.71	-43.31
2/2/2017	OD Item Fee		-25.00	-68.31
2/3/2017	Return Item Credit		78.71	10.40
2/3/2017	Reverse OD Item Fee		25.00	35.40
2/3/2017	NSF Return Item Fee		-25.00	10.40

### Option B – With an Overdraft Protection Limit and Opt-in

What would have happened if Aliyah enrolled in Overdraft Protection and was approved for an Overdraft Protection limit of \$200 and opted-in for coverage of electronic items? If Aliyah's Overdraft Protection limit was available and sufficient to cover the amount of her car insurance (\$8.71), then the transaction would have been paid. However, it caused the account to become overdrawn, so Aliyah would have incurred a \$25 overdraft fee, reflected on her statement as OD Item Fee. She would not, however, need to be concerned about being charged late fees by her insurance company because the bill was paid. The customer should return the account to a positive

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			95.03
2/2/2017	D/C TRN (Groceries)		-59.63	35.40
2/2/2017	ACH Car Insurance		-78.71	-43.31
2/2/2017	OD Item Fee		-25.00	-68.31

balance as soon as possible and keep in mind that every debit item paid on an overdrawn account will be subject to a fee of \$25, not to exceed five overdraft fees per day (\$125) and will be included in the Overdraft Protection Limit.

### Option C – With Pre-Authorized Overdraft Transfer

What would have happened if Aliyah had previously set up Pre-Authorized Overdraft Transfers from her savings account at the Bank to help cover incidental overdrafts? If funds were available in Aliyah's savings account, then \$100 would have been automatically transferred from the her savings account into her checking account. Her car insurance would have been paid and the transfer would be subject to a \$5 fee (sweep transaction charge). Pre-Authorized Overdraft Transfers are completed in increments of \$100 and are subject to a \$5 fee for each transfer.

Date Posted	Transaction Type	Check #	Transaction Amount	Balance
	Previous Balance			95.03
2/2/2017	Transfer from Savings		100.00	195.03
2/2/2017	D/C TRN (Groceries)		-59.63	135.40
2/2/2017	ACH Car Insurance		-78.71	56.69
2/2/2017	Sweep Transaction Charge		-5.00	56.69

### TIPS TO AVOID OVERDRAFT AND NON-SUFFICIENT FUNDS FEES

- Practice responsible account management, keep track of your transactions and know how much money is in your account.
- Avoid using Overdraft Protection as a short-term loan. It is a costly form of credit.
- Record checks and all other transactions when you make them. Don't forget to record spending by other account owners/signers.
- Pay special attention to record your ATM withdrawals and fees, Visa Debit Card purchases, and other online payments.
- Make sure you record all automatic payments (such as utility, insurance & loan payments) and account fees in a timely manner.
- Remember that some checks and automatic payments may not have cleared your account yet.
- Review your monthly account statements. Between statements, use Text Banking, CityNET Online Banking, Mobile Banking or Telephone Banking to check your balance and view which payments have cleared.
- When possible, keep extra funds in your checking account.
- Ask us how to set up a Pre-Authorized Overdraft Transfer from another account at City National Bank.
- Use the following low-cost tools available to you to help manage your account and transfer funds when needed: Text Banking, CityNET Online Banking, Mobile Banking or Telephone Banking.
- Limit the number of times you access your Overdraft Protection limit. Withdraw all funds needed in one transaction at a CNB branch or CNB ATM.
- Remember that the order in which transactions post may affect the total number of fees that are incurred. Transactions may not be processed in the order in which they occurred.

**See the section titled *Posting Order Examples* in Supplement A to learn more about how transactions post to your account and how they will appear on your periodic statement.**