

## Funds Availability Disclosure

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

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

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check.

**Longer Delays May Apply.** In some cases, we will not make all the funds you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$100 of your deposits, however, will be available on the first business day.

If we are not going to make all the funds from your deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after your have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

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

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

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

**Business Day Cutoff Times.** (unless noted, time is Central Standard Time)

Stearns Bank N.A. - St. Cloud:	3:00 p.m.
Albany:	3:30 p.m.
Pine City:	4:00 p.m.
North Branch:	4:00 p.m.
Arizona:	5:00 p.m. (MST)*
Stearns Bank Holdingford N.A.	3:00 p.m.
Stearns Bank Upsala N.A.	3:00 p.m. lobby, 4:00 p.m. driveup

\*Mountain Standard Time (MST) does not follow Daylight Savings Time

If an incoming wire transfer is received before 2:00 p.m. Central Standard Time (CST) that will be considered the day of deposit.

**Special Rules for New Accounts.** If you are a new customer, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a US Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the 11th business day after the day of your deposit.

### **Electronic Funds Transfer Disclosure, transfer types & limitations for personal accounts & products**

We offer or you may arrange with a third party for the following types of electronic funds transfers. Some of these services may not be available at all terminals and some or all may not apply to your checking and/or savings account(s). Please review these disclosure terms and retain them for future reference.

**Preauthorized Credits.** You may make arrangements for certain direct deposits to be accepted into your account(s).

**Preauthorized Debits.** You may make arrangements to pay certain recurring bills from your account(s). In addition, you may make arrangements to pay bills directly by phone or Internet from your checking or savings account in the amounts and on the days you request.

**Electronic Check Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using the information on your check to pay for purchases or pay bills.

**Collection of Service Fees.** Upon notice by a merchant, you may also authorize a merchant to collect a fee for the return of an electronic fund transfer or a check unpaid due to insufficient funds in your account.

**ATM Transfers.** You may access your account(s) by Automated Teller Machine (ATM) using your ATM card or Debit/ATM card and personal identification number to: get cash withdrawals from your account(s); make deposits to your account(s); and transfer funds between checking and savings accounts. Some of these services may not be available at all terminals and other terminal operators may have other limits on transfers.

**Point of Sale Transfers.** You may access your checking account(s) in person, by phone, and/or Internet using your ATM card or Debit/ATM card to: purchase goods and service; get cash from a merchant or participating financial institution, if they permit it (in person use only). Some of these services may not be available at all terminals and other terminal operators may have other limits on transfers. If a merchant accepts the card in payment of goods and services, you must raise any claim or defense with respect to goods or services purchased with the merchant who honored the card. We cannot reverse a POS transaction. However, if the use of the card resulted in a loan from us, please refer to your separate loan agreement concerning dispute resolution.

**Telephone Banking Transfers.** You may access your account(s) by telephone 24 hours a day at 1-877-899-2265 using your personal identification number, a touch tone phone and your account numbers(s) to: transfers funds between checking and savings accounts; make payments from your account(s) to make payment on loan account(s) with us; and make inquiry about account(s) balances, deposits and withdrawals from your account(s).

**Internet Transfers.** You may access your account(s) by Internet at [www.stearnsbank.com](http://www.stearnsbank.com) and using your user identification and your password to: transfer funds between checking and savings accounts; make payments from your account(s) to make payment on loan account(s) with us; obtain account(s) balances and information on deposits and withdrawals; and make payments from checking to third parties with Bill Pay (contact a deposit account representative regarding Bill Pay service and fees).

**Transaction Limitations & Conditions.** Preauthorized or automatic transfers out of money market or savings accounts are limited to 6 per month (calendar or statement cycle) by check, electronic check, draft, debit card, Point Of Sale, bill pay or other payment order to a 3rd party as well as transfers out by telephone, internet or through an automated clearing house. Refer to the Truth in Savings Disclosure of Account Terms for additional transaction limitations that apply to your account. Initiation of a transfer may create an overdraft of your account, if we choose to honor the transaction and charge your account. If you overdraw your account, you agree to pay us the overdrawn amount and any applicable fees. If your deposit account has Reserve Banking (overdraft credit plan) attached, any overdraft will be made in accordance with that separate loan agreement. Unless otherwise disclosed to you in writing at card issuance, the daily ATM withdrawal limit is \$100, except that for Stearns Bank N.A. the daily limit is \$300. Unless otherwise disclosed to you in writing at card issuance, the daily point of sale transfer limit is \$500 per day, except that for Stearns Bank N.A. the daily limit is \$1000.

**Fees.** Please refer to the separate fee schedule. In addition, when you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer.

**Documentation.** (1) 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. (2) Preauthorized credits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the number indicated in this pamphlet or on your periodic statement to find out whether or not the deposit has been made. (3) Periodic statements. You will get a monthly statement on checking and money market accounts. If you have a savings account where preauthorized debits may occur, you will get a monthly account statement unless there are no transfers in a particular month. In any case you will get the statement at least quarterly. For savings accounts where the only possible electronic fund transfers are preauthorized credits you will get a semi-annual statement. (4) Receipt for small dollar transactions. If your debit card or ATM card transaction is \$15 or less you may not receive a receipt.

**Preauthorized Payments.** (1) Right to stop payment and procedure for doing so. If you have told us in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. Please refer to the separate fee schedule for the stop payment fee. (2) Notice of varying amounts. If these regular payments may vary in amount, we or the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.) (3) Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages. (4) Other Stop Payment Information. You may not place a stop payment order on an ATM withdrawal, debit card transaction or Point of Sale (POS) purchase. For one time arrangements to pay bills electronically, which may include authorizing a merchant to use information from your check

to make an electronic payment, you may be able to stop payment if we receive your stop payment order in enough time to act on it before the payment has been processed.

**Consumer Liability. Tell us AT ONCE if you believe your ATM card or Debit/ATM card or PIN code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check.** Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days, you can lose no more than \$50 if someone used your card or code without your permission. *Additional Limit on Liability for Visa-branded ATM card or Debit/ATM card: Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen card. This additional limit does not apply to ATM machine transactions or to transactions using your PIN that are not processed by VISA or to commercial cards.*

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

**Right to Bring Civil Action (Minnesota).** You may bring civil action against any person violating the consumer privacy and unauthorized withdrawal provisions of the Minnesota Electronic Funds Transfer Facilities Act and may recover, in addition to actual damages or \$500, whichever is greater, punitive damages together with the court costs and reasonable attorney's fees.

**Contact in Event of Unauthorized Transfer.** If you believe your card or PIN code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write to your Stearns Bank location listed below. You should also call the number or write to the address listed in this pamphlet if you believe a transfer has been made using the information from your check without your permission.

**Financial Institution's Liability.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance: (1) if, through no fault of ours, you do not have enough money in your account to make the transfer. (2) If the transfer would go over the credit limit on your overdraft line. (3) If the automated teller machine where you are making the transfer does not have enough cash. (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer. (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken. (6) There may be other exceptions stated in our agreement with you.

**Error Resolution Procedures.** In case of errors or questions about your electronic transfers, telephone or write your bank at the phone number or address listed in this pamphlet as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. (1) Tell us your name and account number (if any). (2) Describe the error or 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. (3) 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 determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly (5 business days for ATM card or Debit/ATM card POS transactions and 20 business days if the transfer involved a new account). If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question. (90 calendar days if the transfer involved a new account, a POS transaction or a foreign transfer). If we decide to do this, we will credit your account within 10 business days (5 business days ATM card or Debit/ATM card POS transactions) for the amount you think is in error, 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 question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered new for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account was opened. We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

**Time Needed to Complete Terminal Transaction.** Transaction made at a terminal will normally be completed and charged to your account the same business day.

**Business Days.** For purposes of these disclosures, our business days are Monday through Friday. Saturdays, Sundays and holidays are not included.

**Confidentiality.** We will disclose information to third parties about your account or the transfers you make: (i) Where it is necessary for completing transfers, or (ii) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (iii) In order to comply with government agency or court orders, or (iv) If you give us your written permission; or (v) As described in our Privacy Policy.

**Amendment and Termination.** We may amend this agreement upon giving you such notice as may be required by law. You may terminate any electronic funds transfer arrangement by written notice to us. We may terminate any electronic funds transfer arrangement or transaction at any time by written notice to you. Termination shall not affect the rights and obligations of the parties for transactions that occurred before termination.

### **Disclosures for a VISA ATM Card or a Debit/ATM Card for business and personal accounts & products**

**International Transactions.** There will be a Visa International Service Assessment Fee on every international transaction. An international transaction is one where the card is used in a country other than the country in which the card was issued. A transaction over the Internet could qualify as an international transaction. If the transaction is a single currency transaction (i.e. the transaction is settled in US dollars in the foreign country), then the fee will be .80% of the transaction amount. If the transaction involves multiple currencies, the fee will be 1% of the transaction amount. If the transaction occurs in a country and settles in an amount other than US Dollars, the charge will be converted to US Dollars at a currency conversion rate that will be determined by Visa. Either Visa will select the rate from a range of rates available in wholesale currency markets for the applicable central processing date, or the government-mandated rate in effect for the applicable central processing date. Your account will be debited for any third-party fees charged for an international transaction, such as MasterCard's Currency Conversion and Cross-border Assessment Fees.

**Non-Visa Debit Transactions.** Your Visa debit card allows you to conduct transactions on the PULSE debit network, which will generally require you to enter your PIN. Some merchants are authorized to accept non-Visa debit transactions without requiring you to enter your PIN. Provisions of your cardholder agreement that specifically relate to Visa transactions are inapplicable to non-Visa debit transactions, such as the Visa zero-liability program. Examples of the types of actions you may be required to make to initiate a Visa transaction on your Visa debit card include signing a receipt, swiping the card through a point-of-sale terminal, or by providing a card number over the telephone or via the Internet.

**Advisory Concerning Illegal Use of an ATM card or Debit/ATM Card.** You agree not to use your VISA ATM or Debit/ATM Card or other access device for illegal gambling or other unlawful purposes. We may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness and may collect on any debt arising out of any illegal or unlawful transaction. Display of a payment card logo by, for example, an on-line merchant does not necessarily mean that the transactions are lawful in all jurisdictions in which the cardholder may be located.

### **Additional Account Terms & Conditions**

**For Joint Tenancy Accounts.** You agree that any funds deposited into a joint tenancy account ("Account") are owned by all of the joint account holders. This means Stearns Bank may use the funds in the Account to pay a third party in response to legal process, including a garnishment, levy or other administrative or judicial order, unless expressly prohibited by law. Payment from the Account applies regardless of which joint owner contributed the funds to the Account. We may do so notwithstanding any presumption of ownership under applicable law.

**For Interest Bearing & Non-Interest Bearing Checking Accounts.** From time to time, Stearns Bank will be making transfers between checking sub accounts and savings sub accounts for our own internal procedures. These transfers will not affect your available balance, FDIC insurance or bank statement. If you have an interest bearing account, your interest calculation will remain the same. Otherwise the savings sub account will be non-interest bearing. These transfers are for internal procedures only and will not impact your account in any way.

**Payment Order of Items.** You agree that we may pay your checks and other items in any order we choose and can change the order without notice to you. When there is not sufficient funds available in an account to cover all the checks and other items presented on a given day, some order choices may result in more non-sufficient funds fees than others.

### **Disclosure Regarding Illegal Internet Gambling for business and organization accounts**

The Prohibition of Funding of Unlawful Internet Gambling regulation (Reg GG) prohibits the use of any bank account for illegal Internet gambling purposes. As a customer of Stearns Bank NA, these restricted transactions are prohibited from being processed through your account or banking relationship with us. If you do engage in an Internet gambling business and open a new account with us, we will ask that you provide evidence of your legal capacity to do so. You agree to also comply with any bank request for ongoing certification that the Internet gambling engaged in is legal.

### **Our Privacy Policy for personal accounts & products**

**Information We Collect.** We collect, use, and retain non-public personal information about our customers when we reasonably believe that it will help administer our business or to provide products, services, and other opportunities. Non-public personal information is personally identifiable financial

information that we obtain in connection with providing a financial product or service. For example, non-public personal financial information includes information regarding account balance, payment history, and overdraft history. We collect non-public personal information from the following sources, examples listed: • Information from application or other loan & account forms, such as: name, address, Social Security #, assets, & income. • Information about account transactions such as: account balances, payment histories, parties to transactions, and credit card usage. • Information received from a consumer credit reporting agency, such as: credit and payment history.

**Information Disclosed and to Whom.** We may disclose non-public personal information about customers and former customers (examples listed above) to non-affiliated third parties that perform services on our behalf or to other financial institutions with which we have a joint marketing agreement. We are permitted or required under the law to share specific information about accounts or other personally identifiable data to either affiliates (companies related to us by common control or ownership) or non-affiliated third parties. Information shared with affiliates is limited to our experience or transactions with you.

**Safeguarding the Security of Customer Information.** We maintain physical, electronic, and procedural information safeguards that comply with federal standards to guard non-public personal information. We train our staff thoroughly to know that all information is confidential. We restrict access to non-public personal information to those employees who need to know such information to provide products or services to you.

### **Verifying Your Identity *As required by the USA Patriot Act***

**Important Information About Procedures for Opening a New Account.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

**What This Means For You.** When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. We thank you for your understanding and for joining us in securing a safer tomorrow.

### **For additional information, contact your local Stearns Bank or go to [www.stearnsbank.com](http://www.stearnsbank.com).**

**St. Cloud:** 4191 2nd St. S - St. Cloud, MN 56301 ♦ 1-800-320-7262

**Albany:** PO Box 190 - Albany, MN 56307 ♦ 320-845-2151

**Pine City:** 600 Hillside Ave SW - Pine City, MN 55063 ♦ 320-629-6713

**North Branch:** 38877 10th Ave - North Branch, MN 55056  
♦ 651-277-2265

**Holdingford:** PO Box 9 - Holdingford, MN 56340 ♦ 320-746-2261

**Upsala:** PO Box 130 - Upsala, MN 56384 ♦ 320-573-2111

**Arizona:** 9225 E Shea Blvd - Scottsdale, AZ 85260 ♦ 480-314-4200



Member FDIC.  
Equal Housing Lender  12/09

