» DISCLOSURE GUIDE

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Checking Account Summary

This Checking Account Summary is intended to provide a convenient summary of the important terms of your checking account. This Checking Account Summary is not made in lieu of, or intended to supersede or replace, the Disclosure Guide or the Overdraft Protection Coverage Terms and Conditions, if applicable to your account. Certain words in this Account Summary have specific meanings that are designated in the Disclosure Guide. Some of those word terms include Item; Business Day; Available Balance. Please review the Disclosure Guide carefully to understand the definitions for those words, as well as the other terms, conditions and disclosures with respect to a checking account.

Selected Fee Schedule	**Please refer to the Common Features — Fee Schedule for a complete list of applicable fees.**		
Maintenance Service Charge (each)	Varies by product	Money Order (each)	$5.00
Stop Payment Charge (each)	$36.00	Charge-Off Fee (each)	$30.00
Wire Transfer domestic incoming (each)	$15.00	Overdraft Charge (each)	$30.00
Wire Transfer international outgoing (each)	$30.00	Limit of Overdraft Charges	3 per day
Non-Flagstar Domestic or International ATM Withdrawal, Balance Inquiry, Transfer (each)			$2.50
Exchange Rate Adjustment (Currency Conversion Factor) -- POS or ATM (each)			3%

Overdraft Protection Coverage

Overdraft Protection Coverage is an optional, discretionary service available to eligible checking accounts in Good Standing. It is not a line of credit. If enrolled, we may but are not required to pay Items that exceed your Available Balance. Payment of any Item is not guaranteed.

When Fees Apply

An Overdraft Charge of $30.00 per Item applies when we pay an Item using Overdraft Protection Coverage. No more than three (3) Overdraft Charges ($90.00 maximum) may be assessed per Business Day. No fee is charged for Items that are declined or returned unpaid.

Transactions That May Be Covered

If enrolled, Overdraft Protection Coverage may apply to: teller withdrawals, checks, recurring debit card transactions, ACH auto debits, Online Bill Pay, and Zelle®. Online Banking Transfers, Telephone Banking transfers, and Wire Transfers are not covered.

Overdraft Protection Debit Card (Optional Service)

ATM and everyday (one-time) debit card transactions are not covered by default. You must separately provide your affirmative consent (opt in) under Regulation E for these transaction types to be covered. You may revoke this consent at any time.

Exceptions to Overdraft Charges

An Overdraft Charge will not be assessed when:

- Your Available Balance was sufficient when an ATM or one-time debit card transaction was authorized and a Temporary Debit Authorization Hold was placed, even if your Balance is negative when the transaction Posts *(Authorized Positive Transaction Exception)*; or
- The transaction causes your account to be overdrawn by **$10.00 or less** *(Small Amount Exception).*

Overdraft Protection Coverage Eligibility

Your account must be open for at least 60 calendar days, and you must have made aggregate deposits equal to or greater than the applicable coverage limit. Coverage limits are $1,000 for interest-bearing checking and $500 for non-interest-bearing and Private Platinum checking. Not all account types or ownership structures are eligible.
To remain eligible, you must bring your account to a positive Balance of at least $0.01 at least once every 30 calendar days, avoid excessive overdrafts, and have no legal orders, levies, or liens against your account.

Repayment and Account Closure

You must promptly repay any overdraft balance, including fees. If your account remains overdrawn for 60 or more consecutive days, we may close your account and assess a Charge-Off Fee of $30.00.

Overdraft Protection with Linked Accounts (alternative option)

You may reduce or avoid Overdraft Charges by linking an eligible savings or money market account (Overdraft Protection with Linked Accounts) or maintaining a pre-existing overdraft line of credit.

Enrollment / Opt-Out

To enroll or remove Overdraft Protection Coverage, visit a branch or use Online Banking via our website. Removal of Overdraft Protection Coverage will also remove ATM and everyday (one-time) debit card coverage (Overdraft Protection Debit Card).

Please see the Overdraft Protection Coverage Terms and Conditions enclosed in your Disclosure Guide for complete details.

Overdrafts and Non-Sufficient Funds

This section applies to accounts not enrolled in Overdraft Protection Coverage. If enrolled, the Overdraft Protection Coverage Terms and Conditions govern. If an Item exceeding your Available Balance is presented, we may pay it (overdraft) or return/decline it (non-sufficient funds) at our discretion. No Overdraft Charge is assessed on accounts not enrolled in Overdraft Protection Coverage. We are not obligated to pay overdrafts and may change this practice at any time without notice.

Authorized Positive Transaction Exception

No charge will be assessed for ATM or one-time debit card transactions if your Available Balance was sufficient when the transaction was authorized and a Temporary Debit Authorization Hold was placed, even if your Balance is negative when the transaction Posts.

Exception for Next Day Deposits

If an Item is returned for insufficient funds on Day 1, you may make a Qualifying Overdraft Deposit by 4 p.m. ET on the next Business Day (Day 2) to potentially allow the Item to be paid. To qualify, the deposit must consist of funds that are fully available by the 4 p.m. ET deadline on Day 2 (check deposits subject to holds that are not fully lifted by this deadline will not qualify); be sufficient to restore your Available Balance to $0 or greater; and if made by cash or check, be made in person at a branch or branch-premises ATM by 4 p.m. ET on Day 2. Note: This next-day cure opportunity applies to accounts not enrolled in Overdraft Protection Coverage. It also applies to enrolled accounts, but only when an Item exceeds the account's available Overdraft Protection Coverage limit.

Account Closure

If your Available Balance remains negative for 60 or more consecutive days, we may close your account and assess a Charge-Off Fee.

Please see the Terms and Conditions of Your Account enclosed in your Disclosure Guide for complete details.

Posting Order of Items & Credits

The order in which Items are paid matters when funds are insufficient to cover all Items presented and can affect the number of overdraft or non-sufficient funds transactions and the fees you incur.
Credits are processed before debits when received in the same file at the same time. Items are generally Posted in the order received on the same Business Day (Day 1). If funds are insufficient to pay all Items on Day 1, some Items may be reprocessed on the next Business Day (Day 2). The posting order on Day 2 may differ from Day 1 and may affect the assessment of Overdraft Charges for accounts enrolled in Overdraft Protection Coverage.
We reserve the right to change the order of payment without notice if we suspect fraud or illegal activity.

Please see the Terms and Conditions of Your Account and the Overdraft Protection Coverage Terms and Conditions enclosed in your Disclosure Guide for complete details.

Availability of Funds

This section summarizes when deposited funds will generally be available for withdrawal. This disclosure does not apply to Certificate of Deposit accounts. Please review the full Funds Availability Disclosure enclosed in your Disclosure Guide for complete details.

Same-Day Availability:

- Cash deposits
- Wire transfers
- Electronic payments (when finally collected funds are received)

Next-Day Availability (deposit must be made to payee's account unless noted):

- U.S. Treasury Checks
- Checks drawn on Flagstar Bank (next-day regardless of payee)
- Federal Reserve Bank Checks, Federal Home Loan Bank Checks, postal Money Orders, and travelers checks (presented in person to a Bank employee)
- State and local government checks (deposited at a Financial Center in the issuing state, presented in person)
- Cashier's, certified, and teller's checks (presented in person to a Bank employee)

Check Deposit Availability:

Amount Available

First $275	1st Business Day after deposit
Up to $6,725	2nd Business Day after deposit
Over $6,725	Within 7 Business Days after deposit

ATM Deposits made before 8 p.m. ET on a Business Day are credited that day. Deposits after 8 p.m. ET or on non-Business Days are credited the next Business Day.

Longer Delays May Apply when: a check is likely to be returned unpaid; a check is redeposited after return; you have repeated overdrafts in the past six months; or an emergency occurs. We will notify you of any delay and when funds will be available (generally no later than the 7th Business Day after deposit).

New Account Rules *(first 30 calendar days):* The first $6,725 of U.S. Treasury checks and Flagstar-drawn checks generally receive next-day availability. Deposits over $6,725 are available by the 9th Business Day after deposit. Please see the full Funds Availability Disclosure for all new account rules.

Holds on Other Funds: If we cash a check drawn on another bank, we may withhold availability of a corresponding amount in your account. If we accept a check drawn on another bank for deposit, we may delay availability of a corresponding amount in another account you hold with us.

Please see the full Funds Availability Disclosure enclosed in your Disclosure Guide for complete details.

Terms and Conditions of Your Account – Consumer

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1. 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. It is imperative that the required information and documentation are obtained prior to account activity. In the event this data is unavailable, you may not be able to transact on this account.

2. Agreement

This Agreement, your account(s), service(s) provided to you, and any dispute(s) relating to those account(s) and service(s) are governed by applicable federal and state laws, and when not superseded by federal law, the law of the state where your account is located. The state where your account is located is determined by the following:

(a) If you applied for your account in person at one of our bank branches, your account is located in the state where the branch is located, regardless of the state where you reside;

(b) If you applied for the account by mail, digitally, or through any other means other than in person at one of our branches and the address you listed on your application is in a state where we had a branch at the time of your application, your account is located in that state. For joint accounts, the address of the first listed account owner is used to determine the state your account is located in;

(c) In all other cases, your account is located in New York.

In addition to federal and state laws, this Agreement and your account(s) and service(s) are subject to other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing rules (except to the extent the Agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

1. summarize some laws that apply to common transactions;
2. establish rules to cover transactions or events which the law does not regulate;
3. establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested. If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

If you file any lawsuit or other legal proceeding against us that is connected to or arises in any way from your accounts or services including but not limited to any action arising out of these Terms and Conditions or any dispute you have with us, or any of our officers, directors, employees or agents, you agree to do so in an appropriate court in the state where your account is located or otherwise agreed with you in a specific agreement. If we file any lawsuit or legal proceeding that is connected in any way to your accounts or services, you consent to jurisdiction and venue in an appropriate court in the state where your account is located or otherwise agreed with you in a specific agreement.

English is the controlling language of our relationship with you. Items you write such as checks or withdrawal slips must be written in English. For your convenience, we may translate some forms, disclosures, and advertisements into another language. If there is a discrepancy between our English-language and translated materials, the English version prevails over the translation.

As used in this document the words "we", "our", "us", “Bank” and "Flagstar" mean Flagstar Bank and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. Please familiarize yourself with the information provided, so you will be able to take maximum advantage of the many opportunities and programs available at the Bank. We look forward to continuing to serve you with the high degree of personalized service to which we are committed.

These additional terms are defined below:

“Agreement” means Terms and Conditions, Overdraft Protection Coverage Terms and Conditions, Overdraft Protection Coverage Enrollment, Overdraft Protection Debit Card Enrollment, Electronic Funds Transfers, Substitute Check and

Your Rights, Funds Availability Disclosure, Common Features – Fee Schedule, Privacy Notice and Truth-In-Savings Disclosure.

"ATM" means an automated teller machine.

"Available Balance" means funds in your account that are available for withdrawal. In general, it is your Balance minus any outstanding holds on your Balance. Outstanding holds may include, without limitation: (1) all or part of any check deposit without same-day availability, as noted in the Funds Availability Disclosure; (2) a hold on funds in your Balance resulting from a court order, other legal requirement (for example, levy, garnishment, etc.), or notification of a deposit being returned; and (3) Temporary Debit Authorization Holds. The following are not reflected or included in your Balance or your Available Balance: any checks you have written or ACH transactions you have made or authorized that have not yet Posted to your account; your Overdraft Protection Coverage limit (as defined in the Overdraft Protection Coverage Term and Conditions, which varies by account type); and funds from any accounts you have linked to your account for overdraft protection (for example, Overdraft Protection with Linked Accounts and/or a pre-existing overdraft line of credit).

"Balance" means the total amount of funds in your account from Posted transactions. The Balance may include funds that are not yet available for withdrawal under our Funds Availability Disclosure or funds that are “held” for any number of reasons, including for pending transactions.

"Business Day" means Monday through Friday, excluding federal holidays, unless defined elsewhere in the Disclosure Guide. Please review other sections of the Disclosure Guide carefully because Business Day may be defined differently in other sections.

"Calendar Day" means all days in a month including weekends and holidays. Calendar Days are referred to as "day" or "days".

“Fee Schedule” means the document titled Common Features-Fee Schedule.

“Good Standing” has the meaning set forth in the Overdraft Protection Coverage Terms and Conditions for accounts enrolled in Overdraft Protection Coverage. For accounts not enrolled in Overdraft Protection Coverage, 'Good Standing' means your account is not subject to any legal order, levy, or lien, and you are not in violation of any term of this Agreement.

"Item" means any order, instruction or authorization to pay, transfer or withdraw funds or money from your account including, but not limited to, checks, substitute checks, preauthorized drafts, withdrawal tickets, transfers, electronic debits, imaged debits, wire transfers, ATM debits, ACH debits, bill pay debits, photocopy debits, bank generated debits, and debit card point of sale transactions (except as indicated in the Deposits and Night Drop sections of the Terms and Conditions of Your Account and the Funds Availability Disclosure).

“Minor” means an individual under 18 years of age.

"Overdraft Protection with Linked Accounts" (“Linked Account” or “Linked Accounts”) means another account on which you are an owner, such as a savings, money market or checking account, which you requested we link to your checking account for overdraft protection purposes. Certificates of Deposit, Health Savings Accounts and Individual Retirement Account Savings accounts cannot be a "Linked Account."

“Post” means a debit, deposit, or other credit made to your account during our processing at the end of each Business Day. For example, a debit to your account from a signature-based point-of-sale debit card transaction is not “Posted" until it is paid from your account (this is sometimes referred to as “settled” or a “settlement”). Deposits are “Posted” to your account after we accept and process the deposit, although the deposited funds may not yet be available for withdrawal under our Funds Availability Disclosure.

“Temporary Debit Authorization Hold” means a hold on funds in your account resulting from a merchant’s request to authorize a signature-based point-of-sale debit card transaction. Temporary Debit Authorization Holds are not Posted transactions. The amount of a Temporary Debit Authorization Hold will reduce your Available Balance.

3. Liability

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this Agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can

be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the Item or benefited from the charge or overdraft. You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and other joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

4. Deposits

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to any of your account(s) the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit whether or not we can return the item or a copy to you.

You agree we may charge back to any of your account(s) for the amount of any claim that is made, or lawsuit instituted, against us (even if the claim is made after the expiration of the midnight deadline or is otherwise untimely) by another bank or financial institution, or any other person or entity, under the following circumstances: (i) the claim or lawsuit relates to the circumstances described in the preceding paragraph; (ii) an adverse claim is made to the funds in an account, or a dispute develops with respect to such funds, by a third person (including a claim for refund of a direct deposit), or (iii) any other claim arising under applicable lay, including without limitation the Uniform Commercial Code or Regulation CC, is asserted against us.

In lieu of charging back to your account as stated in the above paragraphs, we may hold an amount equal to the amount of the check or other item, or claim, from any of your account(s) pending a resolution of the claim, release of us, or a final court decision.

You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a Business Day or received on a day we are not open for business, as if initiated on the next Business Day. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements or indorse in our presence. Cash deposits will be subject to the Bank Secrecy Act reporting provisions.

DEPOSIT RECEIPTS AND ERROR CORRECTION - When we accept your deposits, consisting of checks, image replacement documents or other negotiable items, we may provisionally credit your account for the amount declared on your deposit receipt and later verify the accuracy of that amount. If later we determine that an amount declared on a deposit receipt was incorrect, we may debit or credit your account for the difference between the amount declared and the actual amount deposited for up to one year as allowed by Federal Reserve guidelines. We may make any such adjustment without prior notice to you and any adjustments will be reflected on the applicable account statement. We are not required to make any corrections to your account for discrepancies of less than $1.00. Adjustments made under this paragraph are separate from and do not affect your rights to report errors under the “Statements” section of this Agreement or under your Electronic Fund Transfer Agreement and Disclosure. Any such adjustments will be reflected on your periodic statement, from which the error reporting periods in the “Statements” section begin to run.

5. Withdrawals

GENERALLY - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the Available Balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us. We reserve the right to refuse withdrawals under other justifiable or appropriate circumstances, to protect us or you. In any event, you agree we are relieved of any and all liability for our failure or refusal to honor any item drawn on your account or any other withdrawal instructions. In addition, if any person or entity asserts that a dispute exists, we are not required to determine whether that dispute has merit in order to refuse to honor the item(s)

or withdrawal instruction(s). We may attempt to contact you by telephone, e-mail, or text message about certain checks or other Item(s) or debits presented for payment against your account.
POSTDATED CHECKS - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received a written notice of the postdating in time to have a reasonable opportunity to act at: Flagstar Bank, N.A., Attn: Branch Administration, 102 Duffy Avenue, Hicksville, NY 11801
Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the account number, check number, date, amount and payee of the Item. If you do not submit a written request to this address and a check is presented to us for the payment before it's date, or if you submit a request, but the check is presented to us before we can take the necessary steps to honor the request, we may, at our discretion, pay the check or may return unpaid.
CHECKS AND WITHDRAWAL RULES - If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. Checks printed by a source other than our third-party vendor may not be read accurately. You acknowledge that we will not be liable to you for any misread checks resulting from checks purchased by you from an unauthorized third-party vendor.
We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We may refuse any withdrawal or transfer request if our computer system is not available, if we have any concern over the authority or identity of the persons involved in transaction or are suspicious of the transaction. In addition, we may place limitations on the account until your identity is verified.
Even if we honor a nonconforming request, we are not required to do so later. When we accept your checks or other negotiable Items, we may debit your account for the written amount rather than the numeric amount, though we reserve the right not to do so in every case.
If we are presented with an Item drawn against your account that would be a "substitute check", as defined by law, but for an error or defect in the Item introduced in the substitute check creation process, you agree that we may pay such Item. Payment of forged or fraudulent Items that could not be detected by a prudent person is not failure to exercise ordinary care. We are not liable for wrongful dishonor of suspect Items or for errors made in dishonoring Items. See the Funds Availability Disclosure for information about when you can withdraw funds you deposit. For those accounts to which our Funds Availability Disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item.
When we accept your checks or other negotiable Items, we may debit your account for the written amount rather than the numeric amount, though we reserve the right not to do so in every case.
MULTIPLE SIGNATURES- We are not required to comply with any multiple-signature requirement, even if your signature card specified that multiple signatures are required, or you have otherwise instructed us to do so. This requirement is for your internal control purposes only and is not binding on us; we may disregard any instructions requiring more than one signature and we have no duty to enforce such internal requirements. This means that we may act on the oral or written instructions of any one signer on the account to make withdrawals, write checks, transfer funds, stop payments, obtain/provide ancillary services (e.g. electronic fund transfer services or wire transfers), and act on any other instructions concerning your account, and because of our use of automated systems to process checks and other items, we cannot compare signatures or determine a dual signature requirement is being violated. We will not be liable to you if we pay out funds from your account if the Item is signed or authorized by any one of the persons authorized to sign on the account, regardless of whether or not you require more than one signature.
ELECTRONIC CHECK CONVERSION, AND SIMILAR TRANSACTIONS- An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions, the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on it.
NOTICE OF WITHDRAWAL – We reserve the right to require no less than 7 days' notice in writing before each withdrawal from a savings or money market account. (The law allows us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. The penalty amount will be stated in a separate disclosure or confirmation for the time account.

6. Ownership Of Account And Beneficiary Designation

These rules apply to this account irrespective of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as to how they determine to whom we pay the account funds. Unless stated otherwise below, we do not maintain a separate record of each joint net contributions to the account (as "net contributions" may be defined by applicable law), or of each joint owner's interest in, contributions to, withdrawals from, pro rata share of interest in the current balance, or other use of the account. We may act on instructions from any joint owner (or any joint owner's agent, attorney- in-fact, or other representative) without another joint owner's consent. This includes, but is not limited to, instructions to withdraw or transfer funds, make payments, close accounts, or any set off processed according to the "Setoff" section of this agreement. You agree not to use this account for business purposes.

INDIVIDUAL ACCOUNT - is an account in the name of one person.

JOINT ACCOUNT - WITH SURVIVORSHIP (AND NOT AS TENANTS IN COMMON) - is an account in the name of two or more persons. Each of which intend that when they die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If there are two or more survivors, each survivor will own the balance in the account as joint tenants with survivorship and not as tenants in common.

INDIVIDUAL OR JOINT PAY-ON-DEATH ACCOUNT OR REVOCABLE TRUST (SUCH AS A TOTTEN TRUST) - is an account that is payable on the account owner's death (or the death of the last surviving co-owner) to one or more beneficiaries named by the owners of the account. If two or more account owners create an account, they own the account jointly with survivorship. A beneficiary cannot withdraw the account's funds unless (i) all of the account's owners die, and (ii) the beneficiary is then living.

If two or more beneficiaries are named and survive the death of all the account's owners, such beneficiaries will own the account's funds in equal shares, without right of survivorship. Any such beneficiary may request his/her share of the account balance at any time if all account owners are deceased. In order for a transfer to a beneficiary to take place, we may require specific documents (e.g., death certificate, Estate Tax Waiver) prior to releasing account funds to the survivor(s).

Any account owner may (i) change beneficiaries at any time by providing us with prior written notice, (ii) change account types, and (iii) withdraw all or part of the account funds at any time.

7. Stop Payments

You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. To be effective, your stop-payment order must precisely identify the number, date and amount of the check and/or ACH, and the payee. You may stop payment on any check and/or ACH drawn on your account whether you sign the Item or not. Our stop-payment cutoff time is one hour after the opening of the next Business Day after the Business Day on which we receive the check and/or ACH.

Stop Payment Orders for Checks will remain in effect until the earlier of (1) until you withdraw the stop payment order, (2) until payment of the Item has been stopped or (3) for six months after the date accepted and will automatically expire after that period unless renewed in writing. Stop Payment Orders for ACH Preauthorized Payments will remain in effect until the earlier of (1) until you withdraw the stop payment order, (2) the return of the debit entry, or (3) where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific originator, the return of all such debit entries. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

We will cancel a stop payment order you have placed only with your written authorization. We will not honor verbal cancellations of stop payment orders.

PLACING A STOP PAYMENT ON BANK CHECKS, CASHIER'S CHECKS AND CERTIFIED CHECKS -

Generally, we will not accept or honor stop payments on Bank, Cashier's or Certified Checks unless the item has been lost, stolen or destroyed and you follow our rules and procedures. In certain limited situations we will accept a stop payment order on a Bank, Cashier's or Certified Check. The stop may be placed by the buyer or drawer and will only be accepted if the party requesting the stop provides us with sufficient information to enable us to identify and stop the item prior to payment. In certain instances, the payee or drawer must provide us with a surety bond for the check or affidavit of non-receipt, when applicable, and the party requesting the stop must complete an affidavit provided by us stating, among other things, that either the check was destroyed, is lost, was stolen, or is in the possession of someone who cannot be located or who cannot be served with legal process. We may also require you to file a police report and prosecute.

Ninety days after the date the stop request is entered on our records, provided no other party has made a claim to the proceeds of the check, we will reimburse the amount of the check to the drawer who placed the stop and have no further liability for the item. We will not honor any request (verbal or otherwise) to cancel a stop placed on a Bank Check, Cashier's Check or Certified Check.

8. Telephone Transfers

A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. All our deposit account holders have automatic authorization to use the 24-Hour Telephone Banking System for inquiries on account balances and other select functions. A request must be submitted for the allowance of transfers between accounts with like ownership. You are solely responsible for the selection and confidentiality of your security code used with the 24-Hour Telephone Banking System. Written notification is mailed to the account holder each time a change is made to the security code. If you feel your security code has been compromised in any way, contact one of our representatives at (888) 248-6423. You further understand that you must report to us any unauthorized transfer to or from the account, in accordance with time requirements as set forth in this document and the Electronic Funds Transfer Agreement and Disclosure. We have no responsibility to contact you prior to executing a transfer beyond the detailed description on your monthly account statement. We shall not be liable for any damages, including consequential damages, should a transfer not occur and items are subsequently returned or paid, whether for inadvertence, negligence or oversight. Transfer authority will begin within five (5) Business Days after receipt of your properly completed application and will remain in full force and effect until revoked in writing. We shall be given reasonable opportunity to act upon termination instructions. Other account transfer restrictions may be described elsewhere.

9. Amendments and Termination

Amendments: We may change this Agreement at any time without prior notice unless prohibited by law. Changes may include deleting or modifying existing terms or rates or the addition of a new term or fee not otherwise contemplated when you opened your account. If required by law, we will give you advance notice. Such notice will be in writing or by any other method permitted by law or to which you have agreed. If your account remains open after the effective date of any change, you agree to the new term(s). This means if you wish to reject a change, you must close your accounts before the effective date of change. There is no penalty or fee for closing an account in order to reject a change in terms.

Termination: We reserve the right to suspend account activity or close your account at any time and for any reason, without advance notice. Examples of reasons that may result in the suspension or closing of an account include but are not limited to: (i) receipt of information that you improperly handled a prior banking relationship; (ii) your failure to provide required information and documentation; (iii) improper handling of your account; (iv) account inactivity, or; (v) undeliverable statement or mail. We may also close your account following three consecutive months in which your account has no Balance (has no funds). If we close your account, funds and accrued interest less any fees, claims, setoffs, or other amounts due will be returned to you personally or by mail to the address on our records. We have the right to advise consumer reporting agencies and other third-party reporting agencies of accounts closed for misuse, such as kiting. The closure of your account may also remove access devices associated with the account.

You may close your account at any time by providing notice to us and signing such forms as we may require, provided that among other reasons, the funds on deposit are not being held as a result of legal action or uncollected deposited checks. When you close your account, you are responsible for ensuring there are no outstanding Items to be paid from the account and that all automatic transfers to and from the account are cancelled. Items presented for payment or deposit after your account is closed may be dishonored and returned. If Items are presented after your account is closed that we cannot dishonor or return, you authorize us to reopen your account to process the transaction; you remain responsible to us for any Items that are processed in such manner. We are not liable for any loss or damage that results from dishonoring any Items after your account has been closed or from reopening your account under the conditions listed here. Closing your account does not relieve you of any responsibility for any fees or other obligations incurred before closing. Refer to the Fee Schedule for any charge in connection with the closing of an account.

10. Notices

Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other Item, you must give us sufficient information to be able to identify the check or Item, including the precise check or Item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Unless prohibited by applicable law, written notice may be provided to you in electronic form, subject to your consent and compliance with other applicable provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act) (15 U.S.C. 7001 et seq.). Written notice we give you electronically is effective when it is sent to the cellular phone number or email address we have on file or populated to your online banking profile. Notice to any of you is notice to all of you.

11. Statements

The statement for the account will identify the merchant, financial institution or electronic terminal at which Electronic Funds Transfers were made, but sales, cash withdrawals, credit vouchers or other slips you sign or receive cannot be returned with the statement. You will retain the copy of such slips furnished at the time of the transaction in order to verify the statement.

YOUR DUTY TO REPORT UNAUTHORIZED SIGNATURES, ALTERATIONS AND FORGERIES

You must examine your statement of account with reasonable promptness. If you discover (or reasonably should have discovered) any unauthorized Transactions, fraudulent activity, forgeries, alterations, missing non-electronic deposits, or any other errors (all such activity referred to as "Errors"), you must promptly notify us of the relevant facts. Error includes, by way of example, but not limited to: (i) an unauthorized or missing drawer's signature; (ii) an alteration (such as a change in the name of the payee or amount); (iii) an unauthorized or missing endorsement; (iv) debiting of your account based upon a check or item you have written for an incorrect amount; (v) failure to credit a deposit to your account; or (vi) unauthorized transfer. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

If you fail to notify us within 30 days of the date the statement is first sent or made available to you, we will not be liable for any additional unauthorized items, forgeries, or alterations made by the same wrongdoer on transactions occurring after that 30-day period, regardless of whether we exercised ordinary care. Ordinary care requires institutions to act in a way that is consistent with industry standards, good faith, and the reasonable expectations of consumers.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 60 days from when the statement is first sent or made available to you. Unlike certain rights available under federal law for electronic fund transfer errors, no extension of this 60-day period is available for errors governed by this section, regardless of the reason for the delay.

Note: The 60-day period described in this section applies only to errors involving checks, non-electronic deposits, and non-electronic transactions, and is governed by the Uniform Commercial Code. A separate 60-day period applies to errors involving electronic fund transfers and is governed by federal law (Regulation E, 12 CFR Part 1005); see your Electronic Fund Transfer Agreement for details. These are independent obligations with different legal consequences and different remedies.

We are not responsible, and you assume the risk for, any statement or notice that is lost in the mail and not received by you. See the section entitled "Address or Name Change" for your obligations to notify us of any change in address or non-receipt of statements or notices.

You further agree that if you fail to report any Errors within 60 days of when we first send or make the statement available, you cannot assert a claim against us based on an unauthorized signature, alteration, or forgery on any Item in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section. This limitation does not apply to errors caused solely by our own processing mistakes unrelated to unauthorized signatures, alterations, or forgeries.

If you have provided us with timely notice of the Error, under the paragraphs above, and we refuse to reimburse you for the alleged loss, you must also commence any legal action or proceeding against us within one year after the statement or items are made available to you if the Error consists of your unauthorized signature on or any alteration on the item. If the Error consists, however, of your unauthorized endorsement on the item, you must commence any legal action or proceeding against us within three years after the cause of action accrues. Your failure to act within these time periods bars any action against us based on such unauthorized signature, alteration, and unauthorized endorsement Errors.

If you report an unauthorized signature, forgery, or alteration, you may be required to cooperate with our investigation and provide additional documentation as described in "Claim of Loss" section of this Agreement.

Errors Relating to Electronic Fund Transfers or Substitute Checks

For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers Agreement and Disclosure and the sections titled Unauthorized Transfers and Error Resolution Notice. For errors relating to substitute checks, refer to your Substitute Checks and Your Rights disclosure, which provides a separate 40-day reporting window that is shorter than the periods described in this section and is triggered from the date the substitute check or the account statement reflecting it is mailed or delivered to you, whichever is later. Nothing in this section limits or modifies your rights under the Electronic Fund Transfer Act, Regulation E, or Substitute Check.

12. Statement Delivery

We will note all your deposits and withdrawals in our records. Our records will be binding upon you if there is a discrepancy in the account Balance, except where you have timely reported an error in accordance with the "Statements" section of this Agreement or your Electronic Fund Transfer Agreement and Disclosure. We will provide a periodic statement, which will contain a record of all transactions during that period. We will mail or electronically deliver a monthly statement when an Electronic Funds Transfer occurs; otherwise we will deliver a quarterly statement. A statement is considered "sent or made available" to you, and the error reporting periods described in the "Statements" section begin to run, on the date your statement is mailed to your address of record or, if you have enrolled in electronic statement delivery, on the date it is posted to your online banking portal.

COMBINED STATEMENTS - You may choose to combine your account statements for accounts where you are the primary owner, at our discretion. The statement cycle of the combined account may be changed to match the primary account cycle. Combined statements will be mailed to the name and address noted in our records for the primary owner of the primary account. Eligible accounts having a joint owner who is not an owner of the primary account (a "third owner") may also be included in the combined statement. You acknowledge and understand information pertaining to the primary or combined account may be accessed by a third owner not associated with the primary or combined account.

You agree that when you or another owner or authorized signer of your account(s) or service(s) link your account(s) or service(s) to another account(s) or service(s) on which another person(s) is an owner, authorized signer or authorized user, or you authorize payment to or from your account by, from or to a third party, you are deemed to give permission for disclosure of information regarding your accounts and service(s) including, without limitation, transaction, balance and account number information to such other person, their other authorized representatives, or to any other person who could lawfully obtain information about such person.

Note: Accounts enrolled in electronic statement delivery by any account owner are not eligible to be combined.

13. Account Transfer

This account may not be transferred, pledged, or assigned without our prior written consent. An account is not considered transferred if ownership of the account changes due to circumstances relating to: death, bankruptcy, marriage, divorce, judicial attachment, incompetence or other legal means; or if it is reissued by us in another's name.

14. Direct Deposits

If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from any of your account(s), without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

15. Temporary Account Agreement

If the account documentation indicates this is a temporary account agreement, each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed.

16. Overdrafts and Non-Sufficient Funds

This section only applies to accounts not enrolled in Overdraft Protection Coverage. If you choose to enroll, the provisions of the Overdraft Protection Coverage Terms and Conditions will govern overdraft payment practices and fees for your account and will replace the overdraft-specific provisions of this section. The account closure provisions and other terms of this section that are not addressed in the Overdraft Protection Coverage Terms and Conditions continue to apply to enrolled accounts. If you later remove Overdraft Protection Coverage, the provisions of this section will immediately apply to your account again. See Overdraft Protection Coverage Terms and Conditions for details applicable to accounts enrolled in Overdraft Protection Coverage.

If an Item exceeds your Available Balance, we may choose to either pay it as an overdraft or decline it at the point of sale as a non-sufficient funds transaction. Your account is overdrawn whenever your Available Balance falls below zero. We do not charge overdraft or non-sufficient funds fees for transactions posted to accounts that are not enrolled in Overdraft Protection Coverage. However, if your Available Balance remains negative by any amount for 60 or more consecutive days, we will close your account and may assess a Charge-Off Fee.

Subject to the Authorized Positive Transaction Exception and Exception for Next Day Deposits detailed below, Items that, if paid, would cause your account to exceed your Available Balance will be returned unpaid. You understand that we may, at our discretion, honor Items presented that overdraw your account or continue to overdraw your account.

The fact that we may honor Items presented that overdraw the account does not obligate us to do so later. You can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as a pre-existing overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. Please note that we rely on how the merchant codes a debit-card transaction to determine whether it is a "one-time" or "recurring" transaction and will not perform an independent review.

AUTHORIZED POSITIVE TRANSACTION EXCEPTION - We will not return unpaid, and will not assess an Overdraft Charge for, ATM or one-time debit card transactions if your Available Balance was sufficient at the time the transaction was authorized and a Temporary Debit Authorization Hold was placed for that transaction, even if your Available Balance is negative at the time the transaction is presented for payment.

Example (Authorized Positive Transaction): If your Available Balance is $100 and you make a one-time debit card purchase for $60, the transaction may be authorized, and a hold may be placed for $60. If a separate transaction later causes your account to become overdrawn before the debit card transaction Posts, we will not assess an Overdraft Charge for that debit card transaction, even if your account has a negative Balance when it is paid.

EXCEPTION FOR NEXT DAY DEPOSITS - If an Item is returned for non-sufficient funds on the Business Day the Item is presented for payment (Day 1), you may make a Qualifying Overdraft Deposit by 4 p.m. ET on the next Business Day (Day 2). If the Qualifying Overdraft Deposit is received by 4 p.m. ET, the Item may be paid, subject to the order in which transactions are processed and Posted and the availability of sufficient funds to cover the Item and any other transactions presented to your account.

Items presented to your account are generally Posted in the order they are received on the same Business Day (Day 1). If sufficient funds are not available to pay all Items on the day they are received, some Items may be reprocessed on the next Business Day (Day 2). On Day 2, the Posting order may differ from the original order of receipt. Items may be grouped and Posted by type, which can include, but is not limited to, inclearing items (such as checks) and Automated Clearing House (ACH) transactions. Within each group or file, Items may be Posted in the order determined by the processing system.

To be a "Qualifying Overdraft Deposit", all of the following conditions must be met:

- Funds Availability: The deposit must consist of funds that become available for use under the Funds Availability Disclosure by the 4 p.m. ET deadline on Day 2. Because check deposits are subject to hold periods, a check must be deposited early enough to ensure the funds are fully available by this deadline. Checks that remain subject to a hold on Day 2 will not qualify;
- Sufficient Amount: The deposit is made to the overdrawn account in an amount sufficient to restore your Available Balance to $0 or greater, and to cover the Item(s) and any other transactions that may be presented to your account; and
- Location and Cut-off Time: If the deposit includes cash or a check, it must be made in person at any of our branches, or at an ATM (that accepts deposits in addition to dispensing cash) located on the premises of one of our branches by 4 p.m. ET on the next Business Day (Day 2) to qualify, provided the funds are available.

We may determine whether your Available Balance is sufficient to pay an Item at any point between (1) the time the Item is presented to us, or we receive notice regarding the Item and (2) the time the Item is paid or returned. We are not required to make this determination more than once. Generally, a subsequent determination cannot be made for ATM and one-time debit-card transactions. Please note that we rely on how your merchant codes a debit-card transaction to determine whether it is a "one-time" or a "recurring" transaction and will not perform an independent review.

EXAMPLE: On Monday (Day 1), you have an Available Balance of $50. A check for $100 is presented to your account. Because your Available Balance is not sufficient to cover the check, the Item is not paid and is rejected.

On Tuesday morning (Day 2), you make a Qualifying Deposit of $75. Your Available Balance would be $125. Later that day, the check is processed for payment. If no other transactions are presented before the check, it may be paid. However, if additional transactions (for example, a $30 ACH debit) are processed before the check, your Available Balance may no longer be sufficient to cover all transactions. In that case, the check may still be rejected.

This example is for illustrative purposes only. Actual outcomes may vary based on the order in which transactions are processed and Posted and other factors, including additional transactions presented to your account.

The Exception for Next Day Deposits described above applies to accounts not enrolled in Overdraft Protection Coverage, as well as to enrolled accounts if an Item exceeds the available coverage amount.

Please see the "Overdraft Protection with Linked Accounts" section for more information on how to avoid overdraft and non-sufficient funds transactions.

ADDITIONAL FEES: A Charge-Off Fee may apply. Please refer to the Fee Schedule for applicable fee amounts, parameters and exclusions.

17. TEMPORARY DEBIT AUTHORIZATION HOLDS

This section only applies to accounts not enrolled in Overdraft Protection Coverage. If you choose to enroll, the provisions of the Overdraft Protection Coverage Terms and Conditions will replace this section of the Terms and Conditions of Your Account. If you subsequently choose to remove Overdraft Protection Coverage from your account, the provisions of this section will be reinstated. See Overdraft Protection Coverage Terms and Conditions for details applicable to accounts enrolled in Overdraft Protection Coverage.

Purchases made using your Flagstar Bank debit card or ATM card are subtracted from your designated Flagstar Bank account. PIN based transactions generally are settled the same day. Signature based transactions, on the other hand, may take longer to settle. A Temporary Debit Authorization Hold is frequently placed on funds in your account when you use your debit card over a credit-card network (generally when you do not enter a PIN). The merchant where you use your debit card requests the Temporary Debit Authorization Hold, and later sends the debit card transaction to us for payment. The merchant controls the amount of the Temporary Debit Authorization Hold, not us. The Temporary Debit Authorization Hold will not necessarily be for the same amount as the transaction eventually presented to us for payment and Posted to your account. The amount of the Temporary Debit Authorization Hold may be more than the actual amount of your purchase. Some common transactions where this occurs involve purchase of gasoline, hotel rooms, or meals at restaurants.

A Temporary Debit Authorization Hold reduces your Available Balance until the Temporary Debit Authorization Hold is released. This is important to you because if an Item exceeding your then-existing Available Balance is presented to us for payment, we may decline or return the item unpaid. We may decline or return the item unpaid even if the amount of the Temporary Debit Authorization Hold is more or less than the amount of the Item giving rise to such Hold.

Most Temporary Debit Authorization Holds are released in one of two ways: either (a) when the transaction is presented to us for payment, the Temporary Debit Authorization Hold is released, the amount is returned to your Available Balance, and the transaction is then immediately Posted to your account; or (b) if the transaction is not presented to us for payment after 48 hours of the Temporary Debit Authorization Hold being requested, we will automatically release the Temporary Debit Authorization Hold and the funds will be returned to your Available Balance. Under the second scenario, keep in mind the transaction may still be presented to us for payment and Posted to your account despite the release of the Temporary Debit Authorization Hold.

Remember that we may decline or return an Item exceeding your Available Balance unpaid at the time the Item is presented for payment, unless an exception applies. For instance, an Item exceeding your Available Balance would not be returned unpaid if the Authorized Positive Transactions Exception or the Exception Next-Day Deposits (described above in Section 16) applies.

EXAMPLE:

- Day 1: Your account has an Available Balance of $100. You swipe your debit card for a $50 grocery purchase (Transaction A). We place a Temporary Debit Authorization Hold for $50, reducing your Available Balance to $50.
- Day 2: A check you wrote for $75 is presented for payment (Transaction B). Because it exceeds your $50 Available Balance, it is returned unpaid as a non-sufficient funds transaction. No fee is assessed, and your Available Balance remains $50.
- Day 3 (Morning): The $50 merchant hold from Transaction A is released because the merchant has not yet submitted the final charge. This restores your Available Balance to $100.
- Day 3 (Midday): Under our standard reprocessing procedures, the $75 check (Transaction B) is automatically reprocessed for payment. Because your Available Balance is now $100, the check clears and is paid. This reduces your Available Balance to $25.
- Day 3 (Evening): You attempt to withdraw $60 at an ATM (Transaction C). Because this exceeds your new Available Balance of $25, the ATM transaction is declined. Your Available Balance remains $25.
- Day 4: The grocery merchant submits the final $50 charge for Transaction A. Because your Available Balance was sufficient when authorized on Day 1, we pay the item under the Authorized Positive Transactions Exception. No fee is assessed, and your Available Balance drops to -$25.

Transaction Timing and Balance Summary

Timing	Transaction Description	Transaction Amount	Available Balance
Day 1	Starting Balance	—	$100.00
Day 1	Temporary Debit Authorization Hold — Grocery Merchant (Transaction A)	(-$50.00)	$50.00
Day 2	Check (Transaction B) returned unpaid	—	$50.00
Day 3	Temporary Debit Authorization Hold released — Transaction A	$50.00	$100.00
Day 3	Check (Transaction B) reprocessed and paid	(-$75.00)	$25.00
Day 3	ATM Withdrawal (Transaction C) declined due to insufficient funds	—	$25.00
Day 4	Grocery Merchant (Transaction A) posts	(-$50.00)	(-$25.00)

18. Setoff

We may (without prior notice and when permitted by law) set off the funds in any of your account(s) against any due and payable debt any of you owe us now or in the future. This right of setoff does not apply to this account if prohibited by law.

If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

For Indiana residents only: all joint depositors specifically agree that the provisions of Indiana Code 32-17-11-17 and 3217-11-27, regarding the proportion of net contribution by each joint depositor, shall not apply to any charge to an account under this section, and we shall have the right to deduct from any such account the amount of any due and payable debt to us from any joint depositor up to and including the entire balance of any such account without regard to the contribution to the account.

For New Jersey residents only: You agree we will not be liable for payments made pursuant to the Multiple Party Deposit Account Act of the State of New Jersey, N.J.S.A. 17:16I et seq. (P.L. 1979, c.491) (“The Act”). Any Multiple Party Account (“joint”, “in trust for” or “P.O.D.” Accounts) may be paid, on request, to any one or more of the parties.

19. Authorized Signer

You or any other owner of the account may appoint an authorized signer to the account. One way that an authorized signer can be appointed is through a power of attorney. A power of attorney (or other designation of an authorized signer) must be acceptable to us at our discretion, and we may refuse to honor a power of attorney unless prohibited by law. We may require the authorized signer to present the original power of attorney (not a copy), and may require the authorized signer to confirm that the power of attorney has not been revoked or terminated.

You do not give up any rights to the account by appointing an authorized signer. The authorized signer may not affect your rights or any beneficiary’s rights, except as may occur by transacting on the account.

You are responsible for any transaction of an authorized signer. We undertake no obligation to monitor transactions to determine that they are on your behalf. We may pay any funds on deposit in the account to an authorized signer or at an authorized signer’s request.

You may remove an authorized signer that you appointed at any time. However, we may continue to recognize the authority of the authorized signer (for example, by honoring the authorized signer’s transactions) until: (a) we have received written notice or have actual knowledge of the termination of authority, and (b) we have a reasonable opportunity to act upon it. In addition, the authorization is automatically terminated upon death of the individual who appointed the authorized signer.

We may refuse to accept the designation of an authorized signer.

20. Disputes

Sometimes we are brought into the middle of a dispute between account holders or authorized signers over an account or a dispute between account holders or authorized signers claiming to be owners of, or the person entitled to control or withdraw funds from, a deposit account. When we know or suspect that this is happening, we may choose any of the following courses of action:

- We may ignore instructions (such as an instruction by one account holder or authorized signer not to honor items or other withdrawal orders by another account holder or authorized signer) for the account unless all account holders or authorized signers sign the withdrawal, deposit, check or instructions;
- We may freeze the account and withhold payment from all of you until we receive written proof (in a form and substance satisfactory to us) of your right and authority over the account and its funds;
- We may require that all account holders or authorized signers sign any instruction, check, item or other withdrawal order even though the signature card for the account does not require all those signatures to authorize a withdrawal. If your account is a power of attorney account, we may require approval of the principal, or if a trust account, we may require approval of other trustees or the beneficiary(ies);
- We may return checks or other items, marked “Refer to Maker” (or similar language), or we may “restrict” the account, until satisfactory evidence has been received by us confirming your right or authority over the account or that the dispute has been resolved, or we may close the account and issue a single cashier's check for the account balance jointly payable to all account holders, and we may mail or deliver that check to any one of the account holders;
- We may request instructions from a court of competent jurisdiction at your expense regarding the ownership or control of the account;
- At our discretion and without liability to us, we may or may not continue to honor checks, withdrawals or other instructions given to us by any individual(s) with actual, implied or apparent authority on our records to access the account;
- We may deposit the account balance with the clerk of a court in connection with an interpleader action we bring or in response to a court action naming us as a party. The court would then decide who is entitled to the funds. If we make an interpleader deposit with the court, the court may be asked to award us our costs, including attorney’s fees (including in-house attorney fees), which may be payable out of the deposit;
- We may close your account; or
- We may take any other action we believe to be reasonable under the circumstances even if the action is not listed here.
- The existence of the rights set forth above shall not impose an obligation on us to assert such rights or to deny a transaction.

21. Restrictive Legends or Indorsements

The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than $1,000.00." The payee’s signature accompanied by the words “for deposit only” is an example of a restrictive indorsement.

22. Posting Order of Items & Credits

The order in which Items are paid is important if there is not enough money in your account to pay all of the Items that are presented. The posting order can affect the number of Items exceeding your Available Balance resulting in overdraft transactions or non-sufficient funds transactions and the amount of the fees you may have to pay. The order we pay your Items may create multiple overdrafts and/or nonsufficient funds transactions in a Business Day and you will be charged the applicable fees for overdraft transactions, unless otherwise noted in the Terms and Conditions of Your Account. We encourage you to make careful records and practice good account management. Record every transaction and keep a running total of your Available Balance and Balance and leave extra funds available for potential charges. This will help you to avoid creating Items without sufficient funds and potentially incurring the resulting fees. To assist you in managing your account, we are providing you with the following information regarding how we process those Items and credits.

Our policy is to process all Items and credits in the order they are received, subject to the following conditions. When Items or credits are received at the same time within the same file, credits will be processed first. Wire transfers, phone transfers, online banking transfers, in branch transactions, ATM transactions, debit card transactions, ACH transactions, bill pay transactions, and Items we are required to pay, such as returned deposited items, are processed next (but not necessarily in that order) as they occur on the effective date for the Business Day on which they are processed. Checks and similar Items are processed in batches and in the order in which they are received, for the Business Day on which they are processed. Items presented to your account are generally Posted in the order they are received on the same Business Day

(Day 1). If sufficient funds are not available to pay all Items on the day they are received, some Items may be reprocessed on the next Business Day (Day 2). On Day 2, the Posting order may differ from the original order of receipt. Items may be grouped and Posted by type, which can include, but is not limited to, inclearing items (such as checks) and Automated Clearing House (ACH) transactions. Within each group or file, Items may be Posted in the order determined by our processing system. As a result, the order in which Items are posted on Day 2 may impact the assessment of fees, including Overdraft Charges. Please see Overdraft Protection Coverage Terms and Conditions for details on Overdraft Charges, which only are applicable to those enrolled in the service.
We reserve the right to change the order of payment without notice to you if we suspect fraud or possible illegal activity affecting your account.

23. Facsimile Signatures

Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor Items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders or Items, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. We will not be liable to you if use of the Facsimile Signature Device (or similar device utilized to affix your signature) was unauthorized. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

24. Stale-Dated Checks

We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.

25. Indorsements

We may accept for deposit any Item payable to you or your order, even if it is not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine. To ensure that your check is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable. As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.
You will be liable to us for any losses, claims, damages, expenses and delays caused by any restrictive or conditional indorsement or other qualifying words on the back or front of a check that makes a bank’s endorsement illegible or attempts to limit the negotiability of the check.

26. Unclaimed Property

Your property may be transferred to the appropriate state if no activity occurs in the account or if you have not taken any other action permitted under applicable state law, within the time period specified by, and under the procedures established by state law.
Generally, the funds in your account are considered unclaimed if you have not had any activity or communication with us regarding your account over a period of years. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds. We may assess a fee for escheated accounts, where permitted by state law. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed.

27. Death or Incompetence

You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, other Items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) Business Days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

28. UTMA Accounts

Under the Uniform Transfers to Minors Act ("UTMA"), the funds in the account are owned by the Minor child who has unconditional use of the account when he or she reaches the age of majority, depending on the law of the state where the Account is opened, unless otherwise agreed or required by UTMA. Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the Minor. The custodian cannot pledge the custodial account as collateral towards any personal loan to the Custodian. We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the custodian (or successor custodian) are for the child's benefit. We are not responsible to monitor age or eligibility for an UTMA account, even though our records may include the Minor's date of birth. It is the custodian's responsibility to properly distribute the funds in the account upon the Minor's death or attainment of the age of majority. The Bank shall not be liable or responsible at any time for the acts or omissions of the custodial or the application of funds withdrawn from the account by or at the direction of the custodian. For this type of account, the child's tax identification number is used for the Backup Withholding Certification. Annual Tax statements (IRS Form 1099) are reported under the minor's Social Security Number and such number, under law, must be provided to the Bank when the Account is opened.

29. Fiduciary Accounts

Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

30. Credit Verification

By completing a deposit account opening application or signing up for additional services, you certify that the information you provide is true and accurate You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency. We may do so at the time you apply for and/or open an account, request a service, at any time while your account is open, or the service is available, or after your account or service is closed if you owe us any amounts related to your account or service and we may use such information for any purpose, except as prohibited by law.

31. Withholding of Income Tax

Unless you are exempt under federal law, we are required to withhold a portion of your taxable interest and certain other payments (this is referred to as backup withholding) if: (1) you fail to supply us, under penalties of perjury, with your correct taxpayer identification number (TIN); (2) you fail to provide us with the required certified information; (3) the IRS instructs us to withhold; or (4) the IRS notifies you that you are subject to backup withholding. You must provide your TIN whether or not you are required to file a tax return. You also must certify that you are not subject to backup withholding.

We may report interest and other payments to you to the Internal Revenue Service (IRS), along with your TIN.

We may refuse to open, and we may close, any account for which you do not provide a certified TIN, even if you are exempt from backup withholding and information reporting. To avoid possible erroneous backup withholding, an exempt payee should furnish its TIN and indicate on the signature card that it is exempt.

Non-resident aliens and foreign entities that are not subject to information reporting must certify their exempt status by completing an appropriate IRS certification form (e.g., W-8 BEN, W-8 BEN-E, etc.) and by providing any other information and/or certifications requested by the Bank in order to verify their foreign status. Non-resident aliens and foreign entities may be required to certify their exempt status every three years (or earlier upon request) to avoid backup withholding.

In addition, certain foreign entities may be required to provide additional information under the Foreign Account Tax Compliance Act (FATCA), and under FATCA the Bank may be required to withhold on certain payments.

You may be subject to civil and criminal penalties if you fail to provide us with a correct TIN or falsify information with respect to withholding. For additional information on interest reporting and withholding, contact your tax advisor or the IRS.

32. Changing Account Products

We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the changes to your account

terms will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.

33. Legal Actions Affecting Your Account

Legal actions includes a writ of attachment, execution, garnishment, tax withholding order, levy, restraining order, subpoena, warrant, injunction, government agency request for information, search warrant, forfeiture or other similar order. We may accept and comply with legal process that we reasonably believe to be valid that is served in person, by mail, by facsimile transmission, or by other means. You may have rights to contest such process on your own behalf under applicable law; the Bank has no obligation to ascertain or assert such rights. Any such legal process is subject to the Bank's security interest and the right of setoff. The Bank will not notify you of a grand jury subpoena affecting you or your account. Any fees or expenses the Bank incurs in responding to any such legal process may be charged against any account you maintain with the Bank. We may, but are not required to, send a notice to you of the legal process. The Bank will not pay interest on any funds that are held pursuant to legal process. You understand and agree that the Bank will not be liable for dishonoring checks, drafts, or other items because of insufficient funds in your account due to a hold or freeze placed on your account or resulting from levies, garnishments, lien claims, or other legal processes. If the legal process directs us to release information about one or more, but not all, accounts reported on a combined statement, we may release the combined statement. If the legal process directs us to release information only from a certain timeframe, we may release the entire statement or other record that contains information within the requested timeframe even if it includes information outside the directed timeframe. If the legal process requests information about one or more, but not all, account owners or co-signers, we may release information about all of the cosigners on the account and all accounts owned by such persons. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

34. Account Inquiries

We may answer inquiries about our relationship and experience with you unless the inquiry is prohibited by applicable law. You authorize us, in our sole discretion, to provide funds availability verification upon oral (including telephone) or written inquiry, made by a person whom we, in good faith, believe to be the payee or other holder of a check that you have written, regarding sufficient funds to cover the check. This provision does not obligate us to verify funds availability and we can refuse to verify such availability without cause and without giving you prior notice, even if we have honored similar requests on prior occasions, for the same person or other persons. We shall have no liability to you based upon any claim that we did or did not provide such information.

35. Check Processing

The use of the term “items” in this section is limited to those Items that are received by us with magnetic ink character recognition (“MICR”) information capable of being processed through the use of our automated systems. Our automated systems are calibrated to review checks formatted and printed by our third-party vendor by relying solely on the information encoded in magnetic ink along the bottom of the items. Using an automated process helps us keep costs down for you and all account holders. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect
each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

If we do visually review any check or other item, we may disregard any restrictive instructions or notations, such as an instruction to permit withdrawals only upon more than one signature. We may return the item unpaid if, in our opinion, it does not bear a signature matching any specimen signature we have on file for your account. You agree, however, that we will not be liable to you for honoring any checks or other item bearing a signature that, in our sole opinion, resembles the specimen signature on file with us.

For information on your rights and obligations to report errors discovered on your periodic statement, including errors related to check processing, see the “Statements” section of this Agreement.

36. Check Cashing

We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or Item written on your account. We may also require reasonable identification to cash such a check, draft or Item. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

37. Security

It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your account number or electronic access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

Your obligation to examine your periodic statement and report errors as described in the “Statements” section of this Agreement also applies to unauthorized transactions involving your checks. Failure to timely report such errors under the “Statements” section may affect how any loss is allocated between you and us under this section.

38. Remotely Created Checks

Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection:

1. you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check;
2. you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask;
3. if a check is returned you owe us the amount of the check, regardless of when the check is returned which shall be payable to us immediately and without demand;
4. you are liable if you are giving routing and account numbers;
5. if you deposit a remotely created check, you give warranties to the bank and subsequent financial institutions: and you agree to indemnify and hold us harmless from all loss, expense (including attorneys’ fees) and liability related to a claim that such a draft or remotely created check was not authorized by the person on whose account it was drawn. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance. We may refuse to honor remotely created checks without cause or prior notice, even if we have honored similar items previously.

39. Telephonic Instructions

Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission, or leave by voice mail or on a telephone answering machine.

40. Monitoring and Recording Telephone Calls and Consent to Receive Communications

We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

* To provide you with the best possible service in our ongoing business relationship for your account, we may need to contact you about your account from time to time by telephone, text messaging or email. You authorize us to contact you regarding any of your accounts with us using any telephone numbers or email addresses you have previously

provided to us or that you may subsequently provide to us as authorized by applicable law and regulations. This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

* If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.
* Your authorization does not provide us permission to contact you through the use of text messaging, pre-recorded or artificial voice messages or automated dialing devices for telemarketing purposes, unless documented elsewhere.

41. Claim of Loss

Before making a claim under this section for a forgery, alteration, or unauthorized withdrawal discovered on a periodic statement, you must have complied with the error reporting requirements and time periods described in the “Statements” section of this Agreement, as applicable. For claims involving electronic fund transfers, the error reporting requirements in your Electronic Fund Transfer Agreement and Disclosure apply. If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you. You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

42. Address or Name Change

You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders (a written change of address request includes requests initiated through Online Banking). Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us and unless properly notified of the address change any notice we provide will be valid if sent to your most recent address. Address changes on accounts will be authorized if Flagstar Bank receives notification from either an account owner or the United States post office. If provided elsewhere, we may impose a service fee if we attempt to locate you.

You must inform us when making an Address Change with the Post Office. By informing us of an Address Change, (either a Seasonal or Permanent Address Change), we can help you safeguard your personal information and potentially prevent you from becoming a victim of Identity Theft. We can even set an expiration date on Seasonal Address Changes so that when you return, your bank statements will be directed to the proper address. If you fail to notify us regarding a Change of Address or Forwarding instructions (either for Seasonal or Permanent Address Changes), the following will occur: In accordance with the Terms and Conditions of the account, when we receive your first returned statement a return mail fee will be charged to your account. If you still do not change your address, a return mail fee will be charged after the second returned statement and again after the third statement. For your protection, your account will be frozen, after the third return mail fee is assessed and all transaction activity will be declined until you update your mailing address information with us. After the third returned statement, your statement delivery will be suppressed and no additional return mail fees will be assessed. Once you notify us of your Change of Address, we will update your address on the account(s) you indicate and your account(s) will then be reactivated. You will then begin to receive your account statement(s), and all other notices at your new, or temporary/seasonal address and normal banking activity will resume on your account(s).

43. Resolving Account Disputes

We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us

that the dispute has been resolved. We will not be liable for any Items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

44. Waiver of Notices

To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

45. Subaccount Organization

For regulatory accounting purposes, we may organize your checking account as two subaccounts. When applicable, the following details will define the organization of the two subaccounts. One of these accounts is a transaction subaccount (e.g., a checking subaccount). You will transact business on this subaccount. The other is a nontransaction subaccount (e.g., a savings account). You cannot directly access the nontransaction subaccount, but you agree that we may automatically, and without a specific request from you, initiate individual transfers of funds between subaccounts from time to time at no cost to you. This account organization will not change the amount of federal deposit insurance available to you, your Available Balance, the information on your periodic statements, or the interest calculation, if this is an interest-bearing account. You will not see any difference between the way your checking account operates and the way a traditionally organized checking account operates, but this organization makes us more efficient and helps to keep costs down.

46. ACH and Wire Transfers

This Agreement is subject to Article 4A of the *Uniform Commercial Code - Fund Transfers* as adopted in the state in which you have your account. We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Funds Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws as adopted in the state in which you have your account with us.

You agree to be bound by the National Automated Clearing House Association rules, as they may be amended from time to time, which are applicable to ACH transactions involving your account. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give next day notice of the payment order or credit and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you. If we receive a wire or ACH credit or debit to an account you have with us and the item is suspected of being in violation of sanctions imposed by the Office of Foreign Assets Control of the U.S. Department of Treasury, we may delay the Posting beyond the effective date due to the review of the transaction. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the *Uniform Commercial Code*. If we do not receive such payment or are obligated to return such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If you originate a fund transfer for which Fedwire or ACH is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. Wire transfers are not covered by Overdraft Protection Coverage. ACH transactions may be covered; see the Overdraft Protection Coverage Terms and Conditions for details.

47. Funds Transfer

A funds transfer is a transaction or series of transactions initiated by a payment order, for the purpose of transferring funds from an originator to the beneficiary. Funds transfers are governed by Article 4A of the Uniform Commercial Code as adopted in the state where your account is located, except where federal law applies or this Agreement provides otherwise. You may submit a payment order to us orally, electronically, or in writing, subject to the verification and authentication requirements described in this Agreement and an applicable service agreement. A payment order may specify the time of payment but may not impose any other condition on payment to the beneficiary. Please note that our ability to act on oral instruction is limited as described in the "Telephonic Instructions" section of this Agreement.

Funds transfers may be executed through wire transfer or the Automated Clearing House (ACH) network, as further described in the "ACH and Wire Transfers" section of this Agreement. The terms and rules governing each transfer method, including provisional payment rules and finality of settlement, are addressed in the same section. You are responsible for providing accurate and complete payment instructions, including the correct account number and financial institution routing information for the beneficiary. We and any receiving financial institution may rely on the identifying numbers you provide, such as account numbers and routing numbers, even if those numbers identify a different person or institution than the name you provide. You bear the risk of loss resulting from incorrect payment instructions.

48. Overdraft Protection with Linked Accounts

If you request that we link your checking account to a Linked Account, you agree that we may transfer funds from the Linked Account to your checking account automatically when an Item exceeding your checking account's Available Balance is presented for payment. We will not assess a Linked Account fee. The Linked Account will generally transfer only enough money to return your checking account's Available Balance to zero. However, if the Linked Account's Available Balance is not sufficient to return your checking account's Available Balance to zero but the Item can still be paid by also using another overdraft protection option (for example, Overdraft Protection Coverage, another linked account arrangement, or a pre-existing overdraft line of credit), then your Linked Account's remaining Available Balance will be transferred and the remaining amount of the Item will be covered by the other overdraft protection option in the order it was associated with your account.

We have no duty to link accounts on your behalf. In our sole discretion, we may limit the types and number of accounts that may be linked and impose restrictions on linking any specific account you may have. You agree that information regarding your linked accounts may be made available to any other owner on any of the accounts that are linked. We reserve the right to limit the types and number of transactions that may be paid from the Linked Account. The linking of your accounts in this manner may be canceled upon your request or at our discretion.

If your Linked Account earns interest, transferring funds to prevent an overdraft could result in earning less interest. You should decide whether this amount would be greater than the Overdraft Charges you anticipate you would avoid. You may request our Truth-in-Savings Disclosures for the type of linked account you propose to use to obtain information regarding how interest is determined and any minimum Balance or other requirements to earn interest.

49. Night Drop

If you utilize one of our outside depositories you agree to be bound by the terms for the night depository service contained herein and all applicable fees and service charges. Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the signature card are authorized to perform night depository transactions. This authorization will continue until you give us written notice to the contrary. All items placed in a night depository must be secured in sealed or locked in a tamper-evident container. You must include in the sealed or locked container an itemized deposit slip documenting the container's contents and retain a copy of the deposit slip for your records. Items deposited in the night depository may only contain cash and checks, drafts, or other similar items that would be presented to a teller for deposit. We will remove and open the containers and credit the contents to your designated account no later than the end of the next Business Day after they are placed in the night depository. Nothing in this disclosure is intended to determine the extent, if any, to which the items are insured once they are deposited. Prior to the items placed in the night depository becoming deposited, our responsibility will be limited to the exercise of reasonable care, and unless otherwise required by law we will not insure such items, and our not insuring them will not constitute failure to exercise reasonable care. We will not under any circumstances be liable for consequential damages. If there are any discrepancies between the amounts shown on your deposit slip and the actual contents of the container, we will promptly notify you in writing of the discrepancies. You will only be entitled to credit for the actual contents, as determined by a bank officer or employee who is present to witness and record the contents of the containers, when opened, regardless of what is stated on the deposit slips. We are only responsible for provable losses that are directly sustained by you and only to the extent that such losses were caused by our gross negligence or willful misconduct. Unless otherwise required by law, you agree that we are not liable for any loss or damage, neither direct or consequential, that results (i) from a delay in accepting a deposit, applying a payment or otherwise processing a deposited transaction; (ii) from the operation, mechanical failure, or general condition of the night depository, the keys for it or any other equipment in connection with the night depository service; (iii) to property placed in the night depository in breach of this disclosure or left outside of the night depository; or (iv) from delay in processing a deposited transaction while we are waiting for your instructions. You agree that any action

taken by us in offering the night depository service to you in accordance with this disclosure constitutes an act of courtesy and convenience; and therefore we shall have no responsibility or liability in the event that your deposit does not comply with the terms of this disclosure and/or the contents of your deposit fail to conform to the accompanying deposit ticket. The bank records to any deposit in the night depository shall be conclusive as between you and the bank with respect to the fact of the deposit or claimed deposits. You assume full responsibility for and risk of any shortage resulting from such discrepancy. We may temporarily suspend use of the night depository, without any resulting liability, by posting a sign to that effect at or near the night depository in the event of an emergency or to make alterations or repairs.

50. Notice of Negative Information

We may report information about your accounts to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your consumer report. Federal law requires us to provide the following notice to customers before any negative information may be furnished to a nationwide consumer reporting agency. Negative information includes information concerning delinquencies, overdrafts or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about customers that have not done what they are required to do under this Agreement. After providing this notice, additional negative information may be submitted without providing another notice.

If you believe the information we reported is in error, you may dispute the information by contacting us at 102 Duffy Avenue, Hicksville, NY 11801.

51. Limitation Of Liability

Unless otherwise provided by law, you agree we will not be liable for any damages, of whatever nature, unless we have acted in a manner that would constitute gross negligence or willful misconduct, and your loss or damages are the direct result of such gross negligence or willful misconduct. You agree that in no event will we be liable for indirect, special, consequential, punitive, or exemplary damages, regardless of the form of the action, and even if we have been informed of the possibility of such damages.

Our liability will be limited to the face amount of an Item if a claim relates to our failure to stop payment of the Item or our payment of an Item bearing an unauthorized or forged drawer's signature, forged endorsement or an alteration.

52. Waiver Of Trial By Jury

We and you hereby waive right to trial by jury in any lawsuit, action, proceeding, including counterclaims, of whatever nature or type, including actions in contract or tort, arising out of or relating to these terms and conditions, your relationship with us, or any account, service or product used by you.

53. Severability

In the event that any Term, Condition or provision of this agreement is held unenforceable, the validity or enforceability of the remaining Terms, Conditions and provisions will not be affected, and the unenforceable Term, Condition or provision will be replaced with an enforceable Term, Condition or provision that comes closest to the intention underlying the unenforceable provision.

54. No Waiver

Unless specifically set forth in this booklet, we will not be deemed to have waived any of our rights or remedies unless such waiver is in writing and signed by us. No delay or omission on our part in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

55. Dispute Resolution by Binding Arbitration

This arbitration provision is optional. If you do not wish to accept it, you must follow the instructions in subsection (11) below to reject arbitration. Unless you timely reject arbitration, this arbitration provision is binding on you and us.

1. CLAIMS SUBJECT TO ARBITRATION - Except as specified in subsection (2) below, any dispute or claim between you and us must be arbitrated if either party elects arbitration of that dispute or claim. This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:

a. claims arising out of or relating to any aspect of the relationship between you and us, whether based in contract, tort, fraud, misrepresentation, or any other statutory or common-law legal theory;

b. claims that arose before this or any prior Agreement (including, but not limited to, claims relating to advertising or disclosures for any of our products or services);

c. claims for mental or emotional distress or injury not arising out of bodily injury;
d. claims asserted in a court of general jurisdiction against you or us, including counterclaims, cross-claims, or third-party claims, that you or we elect to arbitrate in the answer or other responsive pleading;
e. claims relating to the retention, protection, use, or transfer of information about you or any of your accounts for any of our products or services;
f. claims relating to communications with you, regardless of sender, concerning any of our products or services, including emails and automatically dialed calls and text messages; and
g. claims that may arise after the termination of this Agreement.
h. In this arbitration provision only, references to "we," "us," and "our" mean Flagstar Bank and its parents, subsidiaries, affiliates, predecessors, successors, and assigns, as well as each of those entities' agents and employees. In addition, references to "you" and "your" mean the account owners, all authorized or unauthorized users or beneficiaries of the account, each of those person's assignees, heirs, trustees, agents, or other representatives, and if the account owner is a business, the account owner's parents, subsidiaries, affiliates, predecessors, successors, assigns, and each of those entities' agents and employees. This arbitration provision does not preclude you or us from bringing issues to the attention of federal, state, or local agencies. Such agencies can, if the law allows, seek relief against you or us on the other's behalf. Nor does this arbitration provision preclude either you or us from exercising self-help remedies (including setoff), and exercising such a remedy is not a waiver of the right to invoke arbitration of any dispute. You and we each waive the right to a trial by jury or to participate in a class action whenever either you or we elect arbitration. This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this Agreement.

2. CLAIMS NOT SUBJECT TO ARBITRATION - You and we agree that the following disputes or claims cannot be arbitrated:
   a. claims arising from bodily injury or death;
   b. claims seeking only individualized relief asserted by you or us in small claims court, so long as the action remains in that court and is not removed or appealed to a court of general jurisdiction, in which case either party may elect arbitration;
   c. claims relating to residential mortgages or an extension of credit under a separate agreement or note (such as a separate loan agreement, promissory note, or bank card agreement), which shall be governed by the dispute-resolution procedures set forth in that separate agreement or note; and
   d. disputes over the scope and enforceability of this Dispute Resolution by Binding Arbitration section, whether a dispute or claim can or must be brought in arbitration, or whether subsections (4) or (8) have been violated.
3. PRE-ARBITRATION NOTICE OF DISPUTES AND INFORMAL RESOLUTION - Before either you or we commence arbitration, the claimant must first send to the other a written Notice of Dispute ("Notice"). The Notice to us should be sent to: Flagstar Bank, N.A., Attn: Deposit Account Arbitration, P.O. Box 9085, Hicksville, NY 11802-9085 ("Notice Address"). The Notice to you will be sent to your address on file with your account. The Notice must include: (a) the claimant's name, address, and phone number; (b) the account number(s) at issue; (c) a description of the nature and basis of the claim or dispute; and (d) the specific relief sought. In addition, the Notice must be personally signed by you (if you are the claimant) or by a bank representative (if we are the claimant). Moreover, to safeguard your account, if you have retained an attorney to submit your Notice, you must also provide your signed written authorization for us to discuss your account and share your confidential account records with anyone but you, including your attorney ("Attorney Authorization").
   Whoever sends the Notice must give the other party 60 days after receipt of a fully complete Notice (including your Attorney Authorization, if required) to investigate the claim. During that period, either you or we may request an individualized discussion (by telephone or videoconference) regarding settlement ("Informal Settlement Conference"). The parties must work together in good faith to select a mutually agreeable time during business hours for the Informal Settlement Conference (which can be after the 60-day period). If we request the Informal Settlement Conference, we will suggest at least two times during the following 30 days for your consideration. You and a bank representative must personally participate in the Informal Settlement Conference, unless otherwise agreed in writing. Your and our lawyers (if any) also can participate.
   Any applicable statute of limitations or contractual limitations periods will be tolled during the "Informal Resolution Period," which is the period between the date that a fully complete Notice (and Attorney Authorization, if required) is received by the other party and the later of (i) 60 days later or (ii) the date an Informal Settlement Conference is completed, if timely requested.
4. COMMENCING ARBITRATION - An arbitration proceeding cannot be commenced until after the Informal Resolution Period has ended. A court will have authority to enforce this subsection, including the power to enjoin the filing or prosecution of arbitrations without first providing a fully complete Notice and participating in a timely

requested Informal Settlement Conference. The court also may enjoin the assessment or collection of arbitration fees incurred as a result of such arbitrations. Further, unless prohibited by applicable law, the arbitration provider shall not accept nor administer any arbitration nor assess any fees unless the claimant has complied with the Notice and Informal Settlement Conference requirements of subsection (3).

5. ARBITRATION PROCEDURE - The arbitration will be governed by the Consumer Arbitration Rules ("AAA Rules") of the American Arbitration Association ("AAA"), as modified by this arbitration provision, and will be administered by the AAA. (If the AAA is unavailable or unwilling to administer arbitrations consistent with this arbitration provision, another arbitration provider shall be selected by agreement of the parties or, if there is not agreement, by the court.) The AAA Rules are available online at www.adr.org or by writing to the Notice Address. As in court, you and we agree that any counsel representing someone in arbitration certifies that they will comply with the requirements of Federal Rule of Civil Procedure 11(b), including a certification that the claim or the relief sought is neither frivolous nor brought for an improper purpose. The arbitrator is authorized to impose any sanctions available under that rule, the AAA Rules, or applicable federal or state law against all appropriate represented parties and counsel. The arbitrator may consider rulings in arbitrations involving other customers, but an arbitrator's ruling is not binding in proceedings involving other customers. Except as provided in subsection (8) below, the arbitrator shall apply the same substantive law that a court would apply and can award the same individualized remedies (including punitive and statutory damages and statutory attorney's fees and costs) that a court could award under applicable law and this Agreement. Unless you and we agree otherwise, any arbitration hearings will take place in the county of your address on file with your account. If your claim is for $10,000 or less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic or videoconference hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds $10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based.
6. MINIMUM RECOVERY - During the arbitration, the amount of any settlement offer shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you are entitled. If you are the claimant, you had complied with this subsection and subsections (3) and (4), and the arbitrator awards you an amount of money that exceeds the value of our last written settlement to you before the appointment of the arbitrator, then we will pay you $1,000 in lieu of any smaller award (the "Minimum Recovery"). In determining whether you are entitled to the Minimum Recovery, the arbitrator shall not consider amounts offered or awarded for attorneys' fees or costs. Any disputes as to recovery of the Minimum Recovery shall be resolved by the arbitrator and must be raised within 14 days of the arbitrator's ruling on the merits.
7. ARBITRATION FEES - We will pay all AAA filing, administration, case-management, hearing, and arbitrator fees ("AAA Fees") if we initiate an arbitration. The AAA Rules will govern the allocation of AAA Fees if you initiate an arbitration. But if your claims are valued at $10,000 or less, we will pay all AAA Fees, so long as you have fully complied with the requirements of subsections (3) and (4). In such cases, we will pay the filing fee directly to the AAA upon receiving a written request at the Notice Address that you have commenced arbitration or, if the AAA makes you pay the filing fee, we will send that amount to the AAA and request that the AAA reimburse you. If, however, the arbitrator finds that you violated the standards set forth in Federal Rule of Civil Procedure 11(b), then the payment of all AAA Fees will be governed by the AAA Rules. In such case, you agree to reimburse us for all monies previously disbursed that are otherwise your obligation to pay under the AAA Rules.
8. REQUIREMENT OF INDIVIDUAL ARBITRATION - The arbitrator may award relief (including monetary, declaratory, or injunctive relief) only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. YOU AND WE AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR OUR INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS, REPRESENTATIVE, OR PRIVATE ATTORNEY GENERAL PROCEEDING. Further, unless both you and we agree otherwise, the arbitrator may not consolidate the claims of more than one person (except for the claims of co- or joint account owners pertaining to that account), and may not otherwise preside over any form of a representative, class, or private attorney general proceeding. If, after exhaustion of all appeals, any of these prohibitions on non-individualized relief, non-individualized proceedings, or consolidation are found to be unenforceable with respect to a particular claim or with respect to a particular request for relief (such as a request for injunctive relief), then that claim or request for relief shall be severed and decided by a court after all other claims and requests for relief are arbitrated.
9. ADDITIONAL PROCEDURES FOR COMPLEX DISPUTES - If you are a business and the relief sought by either you or us in an arbitration exceeds $75,000 in value (not counting amounts sought for punitive or treble damages or for attorneys' fees or costs), then the AAA's Commercial Arbitration Rules rather than the Consumer Arbitration

Rules shall apply, and the Commercial Rules will govern the allocation of AAA Fees instead of subsection (7). If you are a consumer and the relief sought by either you or us in an arbitration exceeds $1,000,000 in value (not counting amounts sought for punitive, treble, or emotional harm damages or for attorneys' fees or costs), then the same switch to the Commercial Arbitration Rules shall apply if both you and we agree. In addition, in such cases, regardless of whether you are a business or consumer customer, either party may appeal the final award to a three-arbitrator panel pursuant to the AAA's Optional Appellate Rules by providing written notice within 30 days of the award. The appellant shall pay all fees and costs for the appeal unless the panel determines that the appellant is the prevailing party, in which case the panel shall have the discretion in its final award to reallocate the fees and costs as justice or otherwise applicable law requires. If there is a cross-appeal, the costs shall be borne equally by both sides, subject to reallocation by the panel in its final award as justice or otherwise applicable law requires.

10. FUTURE CHANGES TO ARBITRATION PROVISION - Notwithstanding any provision in this Agreement to the contrary, you and we agree that if we make any future change to this arbitration provision (other than a change to the Notice Address), you may reject that change by sending us written notice, personally signed by you and containing the account numbers for which you wish to reject the changes, within 30 days of the first notice change to the Notice Address provided above. By rejecting that future change, you are agreeing that you will arbitrate any dispute or claim between you and us in accordance with the language of this provision, as amended by any changes that you did not timely reject.
11. RIGHT TO REJECT ARBITRATION PROVISION - If you do not wish to arbitrate, you may reject this arbitration provision by sending a rejection notice to the Notice Address above ("Rejection Notice"). To be valid, a Rejection Notice must: (a) include your name, account number(s), and a statement personally signed by you that you are rejecting the arbitration provision in this Agreement; and (b) be received by us within 30 days after the opening of your account. If an arbitration provision has been added for the first time to the agreement for an existing account, your Rejection Notice must be postmarked on or before the effective date of that amendment to that agreement. If your Rejection Notice complies with these requirements, this arbitration provision will not apply to you with respect to any claims that you or we commence in litigation or arbitration after we receive your Rejection Notice. Rejecting this arbitration provision will not affect your other rights or responsibilities under this Agreement. Nor will it affect any other arbitration agreements between you and us, such as arbitration provisions in other contracts between you and us.
12. MILITARY LENDING ACT - If you are a covered member of the armed forces or the dependent of a covered member within the meaning of the Military Lending Act and your Agreement with us involves an extension of consumer credit under that Act, then you are not required to arbitrate disputes.
13. FORUM SELECTION - Unless you and we agree otherwise, to the greatest extent permitted by law, the state and federal courts in New York will have exclusive jurisdiction over any disputes (except for disputes brought in small claims court) that are not subject to arbitration or over any action involving the applicability or enforceability of the section entitled Dispute Resolution by Binding Arbitration or any of its parts. You and we consent to the jurisdiction and venue of those courts and waive any objections as to personal jurisdiction or venue or any right to seek to transfer or change venue to another court.

Overdraft Protection Coverage Terms and Conditions

Overview

This Overdraft Protection Coverage Terms and Conditions document ("Agreement") governs overdraft and non-sufficient funds (NSF) practices for your deposit account.

This Agreement should be read together with the Terms and Conditions of Your Account, Fee Schedule, and Funds Availability Disclosure. Other capitalized terms used in this document not otherwise defined shall have the meanings ascribed to such terms in the Terms and Conditions of Your Account document. In the event of a conflict, the Terms and Conditions of Your Account will dictate, unless otherwise stated.

Overdraft Protection Coverage is a discretionary service we offer and is not a line of credit. We may, but are not required to, pay Items that exceed your Available Balance. We apply our overdraft payment practices using consistent, objective criteria; however, payment of any Item is not guaranteed. You should not rely on this service to cover transactions or avoid declined or returned Items.

How Overdraft Protection Coverage Works

Overdraft Protection Coverage is a service under which we may, at our discretion, pay Items that exceed your Available Balance and assess an Overdraft Charge, rather than declining or returning the Item unpaid.

We may decline or return any Item at our discretion, based on our standard criteria and risk consideration, even if:

- Your account is in Good Standing.
- The Item is within your Overdraft Protection Coverage limit.
- We have previously paid similar Items.

We may consider factors such as your account status and Overdraft Protection Coverage limit when deciding whether to pay an Item, but we are not obligated to do so. Payment of any Item is not guaranteed.

Items that would cause your account to exceed your Overdraft Protection Coverage limit may be returned unpaid.

"Good Standing," for the purposes of Overdraft Protection Coverage, means you (1) deposit sufficient funds to bring your account to a positive Balance of at least $0.01 (after payment of all bank fees and charges) by the end of a Business Day and that Balance remains at or above $0.01 through the end of the next Business Day at least once every 30 calendar days, (2) avoid excessive overdrafts, and (3) have no legal orders, levies, or liens against your account.

Transactions That May Be Covered

We may pay the following types of transactions using Overdraft Protection Coverage:

- Withdrawals from a Flagstar Teller, checks, recurring debit card transactions,* ACH–Auto Debit transactions, Online Bill Pay, and Zelle®. Not included are Online Banking Transfers, Telephone Banking, and/or Wire Transfers.

*ATM and everyday (one-time) debit card transactions are not covered by default and are described below.

Overdraft Protection Debit Card (Optional Service)

Overdraft Protection Debit Card allows us to pay overdrafts for ATM and everyday (one-time) debit card transactions.

- You must provide affirmative consent (opt in)
- You may revoke your consent at any time.
- You must have Overdraft Protection Coverage to enroll.
- If Overdraft Protection Coverage is removed, this service will also be removed.

If you opt in, we will assess an Overdraft Charge for each covered transaction we pay, subject to applicable exceptions

described in this Agreement. Certain rights and protections related to debit card transactions apply only to consumer accounts.

Overdraft Protection with Linked Accounts and Other Overdraft Options

You may reduce or avoid Overdraft Charges by using:

- Overdraft Protection with Linked Accounts (such as savings accounts)
- A pre-existing overdraft line of credit

These alternatives may be less expensive than Overdraft Charges depending on your usage. If you have a Linked Account or other overdraft option, we generally use those funds before using Overdraft Protection Coverage; however, we are not required to do so in every instance and may apply our standard processing order and system limitations. If your Linked Account earns interest, transferring funds to prevent an overdraft could result in earning less interest. You should decide whether this amount would be greater than the Overdraft Charges you anticipate you would avoid. You may request our Truth-in-Savings Disclosures for the type of linked account you propose to use to obtain information regarding how interest is determined and any minimum Balance or other requirements to earn interest. If those funds are not sufficient to cover an Item, we may use Overdraft Protection Coverage for the remaining amount.

You may direct the order in which these options are applied. You may change or remove these options by visiting a branch or accessing your online banking.

Example (Linked Account Covers Item in Full):

If your Available Balance is $10 and a $50 Item is presented for payment, and $40 is transferred from your linked account to cover the Item in full, we will not assess an Overdraft Charge.

Example (Partial Coverage Using Linked Account and Overdraft Protection Coverage):

If your Available Balance is $10, a $50 Item is presented for payment, and $20 is transferred from your linked account, we may use Overdraft Protection Coverage to pay the remaining $20. In that case, an Overdraft Charge may be assessed because Overdraft Protection Coverage was used.

When Fees Apply

You agree to pay applicable fees, including but not limited to Overdraft Charges. Refer to the Fee Schedule for the most current fee amounts and additional details.

In general, an Overdraft Charge applies only in those circumstances when we pay an Item using Overdraft Protection Coverage that exceeds your Available Balance, unless an exception described in this Agreement applies. We do not charge fees for Items that are declined or returned unpaid due to non-sufficient funds (NSF).

We will not assess Overdraft Charges for ATM or one-time debit card transactions unless you have opted into Overdraft Protection Debit Card.

Example (When an Overdraft Charge Applies):

If your Available Balance is $20 and we pay a check for $50 using Overdraft Protection Coverage, your account will be overdrawn and an Overdraft Charge may be assessed for that Item, unless an exception described in this Agreement applies.

Overdraft Charge

- $30.00 per Item
- Maximum of three charges per Business Day (up to $90.00 per day)

We may assess an Overdraft Charge when we pay an Item that causes or increases an overdraft.

Example:

If we pay three Items using Overdraft Protection Coverage on the same Business Day that exceed your Available Balance, you will be charged three Overdraft Charges, up to the daily limit described above (see “Exceptions to Overdraft Charges” for circumstances where this does not apply). If we pay additional Item(s) later that same Business Day in the same manner, no further Overdraft Charges will be assessed because the daily maximum has already been reached.

Exceptions to Overdraft Charges

We will not assess an Overdraft Charge in certain circumstances, including:

- **Authorized Positive Transaction Exception** – We will not assess an Overdraft Charge for ATM or one-time debit card transactions if your Available Balance was sufficient at the time the transaction was authorized and a Temporary Debit Authorization Hold was placed for that transaction.

  Example (Authorized Positive Transaction): If your Available Balance is $100 and you make a one-time debit card purchase for $60, the transaction may be authorized, and a hold may be placed for $60. If a separate transaction later causes your account to become overdrawn before the debit card transaction Posts, we will not assess an Overdraft Charge for that debit card transaction, even if your account has a negative Balance when it is paid.

- **Small Amount Exception** – An Overdraft Charge will not be assessed on any transaction that causes the account Balance to become overdrawn by $10.00 or less.

Overdraft Protection Coverage Limits and Eligibility

Coverage Limits (By Type of Checking Account)

- Interest-bearing checking: $1,000
- Non-interest-bearing checking: $500
- Private Platinum Checking: $500
- Business checking: $500

If you have multiple qualifying accounts, a separate limit may apply to each eligible account. We may limit participation or discontinue this service at any time.

Eligibility Requirements

Overdraft Protection Coverage enrollment requires your affirmative consent, and that your account is in Good Standing. Overdraft Protection Coverage will not be activated until your account has been open for at least 60 calendar days, and you have made deposits in an aggregate amount equal to or greater than the applicable Overdraft Protection Coverage limit.

Ineligible Accounts and Ownership Types

Overdraft Protection Coverage is available to individually/jointly owned or certain business accounts in Good Standing. It is not available for certain account types or ownership structures, including, but not limited to savings accounts, money market accounts, certificates of deposit, IRAs, HSAs, trusts, fiduciary, estates, accounts owned by a Minor, and certain business entities such as IOLTA, Municipal, Financial Institutions, Corporations, Business Sweep and/or those associated to/with any of these account types or ownership structures.

Transaction Processing, Available Balance, and Authorization

Transactions are generally processed and Posted on the Business Day they are received. Transactions presented for payment to your account are generally Posted in the order received on that day (Day 1).

Transactions may be grouped and processed by type. These types may include, but are not limited to, in-clearing Items (such as checks) and Automated Clearing House (ACH) transactions. Within each group or file, Items may be processed in the order determined by our processing systems.

Transactions may not be processed in the same order in which they occur and may be Posted either on the day they are received or on a later Business Day. The order in which transactions are processed can affect whether Items are paid or returned and may result in additional overdrafts and Overdraft Charges if your account does not have sufficient funds. In some cases, multiple overdraft charges may be assessed in a single day; however, no more than three overdraft charges will be charged per day. We generally determine whether your Available Balance is sufficient at the time an Item is presented for payment. We are not required to make this determination more than once.

You are responsible for maintaining a sufficient Available Balance in your account.

Authorization of a transaction (such as a debit card purchase) does not guarantee that sufficient funds will be available when the transaction is presented for payment.

Your Available Balance may change throughout the day as transactions are authorized, processed, or Posted.

Temporary Debit Authorization Holds

When you use your debit card, a merchant may place a Temporary Debit Authorization Hold on your account.

- The merchant determines the amount of the hold.
- The hold may differ from the final transaction amount and may be higher or lower.
- The hold reduces your Available Balance.

Other transactions presented while a hold is in place may cause your account to become overdrawn.

Holds are typically released when the transaction Posts or within a short period of time (for example, up to 48 hours) if the transaction is not presented. A transaction may still Post after a hold is released. We may determine whether your Available Balance is sufficient to pay an Item at any point between (1) the time the Item is presented to us, or we receive notice regarding the Item and (2) the time the Item is paid or returned. We are not required to make this determination more than once. Generally, a subsequent determination cannot be made for ATM and one-time debit-card transactions. Please note that we rely on how your merchant codes a debit-card transaction to determine whether it is a “one-time” or a “recurring” transaction and will not perform an independent review.

Example: If you have $100 in your Available Balance and a merchant places a $75 hold, your Available Balance may be reduced to $25. If another $50 Item is presented for payment while the hold is in place and we pay it, your account may become overdrawn, and an Overdraft Charge may apply if we pay the Item using Overdraft Protection Coverage.

Account Monitoring and Alerts

You are responsible for monitoring your account and Available Balance.

If you are enrolled in Online or Mobile Banking, you may establish Balance alerts by email or text message. Alerts may not reflect all transactions immediately.

Suspension, Termination, and Account Closure

We may suspend or terminate your Overdraft Protection Coverage, including any Overdraft Protection Debit Card, or close your account at our discretion. This may occur if you no longer meet eligibility or Good Standing requirements, or if we suspect fraud, misuse, or other risk-related activity.

You are required to promptly repay any overdraft amount on your account, including all applicable fees, and return your account to a positive balance as described in this Agreement. We may apply any deposits to your account, including direct deposits, toward repayment of overdraft amounts before paying other items.

If your account remains overdrawn for 60 or more consecutive days, we may close your account. If your account is closed with a negative balance, a $30.00 Charge-Off Fee may be assessed.

Failure to repay overdraft amounts may result in suspension or termination of Overdraft Protection Coverage, account closure, and/or collection activity. Upon demand, you must immediately repay all overdraft amounts owed, including applicable collection costs to the extent permitted by law.

Please refer to the Terms and Conditions of Your Account for additional information.

Changes to This Agreement

We may change the terms of this Agreement at any time as permitted by law. Changes will be provided in accordance with applicable notice requirements.

Questions and Opt-Out

If you have questions about Overdraft Protection Coverage or Overdraft Protection Debit Card, you may contact us through Online or Mobile Banking, by calling 888-248-6423, or by visiting a branch. You can remove Overdraft Protection Coverage or Overdraft Protection Debit Card from your account at any time. Please visit a branch or use a similarly authenticated electronic means used for enrollment.

If Overdraft Protection Coverage is removed, Overdraft Protection Debit Card will also be removed.

OVERDRAFT PROTECTION COVERAGE ENROLLMENT

Client Name:_____ Account Number: _____

Overdraft Protection Coverage is a service under which we may, at our discretion, pay Items that exceed your Available Balance and assess an Overdraft Charge, rather than declining or returning the Item unpaid. We may decline or return any Item at our discretion, based on our standard criteria and risk consideration, even if: (i) your account is in Good Standing, (ii) the Item is within your Overdraft Protection Coverage limit, or (iii) we have previously paid similar Items. We may consider factors such as your account status and Overdraft Protection Coverage limit when deciding whether to pay an Item, but we are not obligated to do so. Payment of any Item is not guaranteed. Items that would cause your account to exceed your Overdraft Protection Coverage limit may be returned unpaid. Please review the Terms and Conditions of Your Account for additional details and definitions of terms, including the sections titled "Overdrafts and Non-Sufficient Funds" and the separate "Overdraft Protection Coverage Terms and Conditions" disclosure document.

Overdraft Protection Coverage covers checks and other transactions (such as Flagstar teller withdrawals, recurring debit card payments, ACH – Auto Debit, Online Bill Pay and Zelle®) that exceed your Available Balance. If we pay an Item using Overdraft Protection Coverage that exceeds your Available Balance, we will assess an Overdraft Charge of $30 per Item. However, we will not charge you more than three Overdraft Charges per day (a maximum of $90). An Overdraft Charge will not be assessed on any transaction that causes your account to become overdrawn by $10 or less.

Overdraft Charges under Overdraft Protection Coverage are assessed on a per-transaction basis at the time an Item is paid using Overdraft Protection Coverage. Because charges are assessed per transaction rather than at the end of the Business Day, the Exception for Next Day Deposits available to non-enrolled accounts does not apply to accounts enrolled in Overdraft Protection Coverage.

ATM and everyday (one-time) debit card transactions are not included in Overdraft Protection Coverage unless you separately opt in to Overdraft Protection Debit Card through a separate consent form. You must be enrolled in Overdraft Protection Coverage to be eligible to opt in to Overdraft Protection Debit Card. If you provide that consent, we may authorize and pay ATM transfers or withdrawals, and everyday (one-time) debit card purchases that overdraw your account using Overdraft Protection Coverage and charge you an Overdraft Charge if the transaction exceeds the Available Balance in your account at the time it is authorized.

Overdraft Protection Coverage is a discretionary service we offer and is not a line of credit. We may, but are not required to, pay Items that exceed your Available Balance. We apply our overdraft payment practices using consistent, objective criteria. Payment of any Item is not guaranteed, and you should not reply on this service to cover transactions or avoid declined or returned Items.

You may remove Overdraft Protection Coverage from your account at any time. Please contact us at (888) 248-6423, visit a branch, or use a similarly authenticated electronic means used for enrollment.

By signing below, you request enrollment of this account in Overdraft Protection Coverage for eligible transactions as described above on the earliest available date of activation.

Client Signature: _____ Date: _____

If you would like to enroll in Overdraft Protection Coverage, you may do so using one of the following methods:

1. **Self-Enrollment Online:** If available, you may use your online banking accessed via flagstar.com
2. **Mail the form to:** Flagstar Bank, Mail Stop 4-318, 301 W Michigan Ave., Jackson, MI 49201-9987
3. **Visit a branch:** Visit flagstar.com/locator to find your nearest branch.

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OVERDRAFT PROTECTION DEBIT CARD ENROLLMENT

WHAT YOU NEED TO KNOW ABOUT OVERDRAFTS AND OVERDRAFT CHARGES

An overdraft occurs when you do not have enough money in your account to cover a transaction, and we pay it anyway.

WHAT OVERDRAFT PRACTICES COME WITH MY ACCOUNT?

If you are enrolled in Overdraft Protection Coverage, we may, at our discretion, authorize and pay overdrafts for certain types of transactions, including checks, ACH transactions, recurring debit card transactions, and teller transactions. Overdraft Protection Coverage is not a line of credit, and we are not required to pay any overdraft or guarantee that any transaction will be paid.

We determine whether sufficient funds are available based on your Available Balance, and we do not authorize and pay overdrafts for ATM and everyday (one-time) debit card transactions unless you ask us to.

We offer other ways of covering your overdrafts that may be less expensive, such as linking your account to another account (Overdraft Protection with Linked Accounts) or using a pre-existing overdraft line of credit.

WHAT FEES WILL I BE CHARGED IF FLAGSTAR BANK PAYS MY OVERDRAFT?

If we pay an overdraft using Overdraft Protection Coverage (including Overdraft Protection Debit Card), we may charge an Overdraft Charge of **$30** per Item.

- We will not charge more than three Overdraft Charges per Business Day (up to $90 per day).
- We will not assess an Overdraft Charge on any transaction that causes your account to be overdrawn by $10 or less (Small Amount Exception).
- If your Available Balance was sufficient at the time a one-time debit card transaction was authorized, we will not assess an Overdraft Charge for that transaction (Authorized Positive Exception) even if your account is overdrawn at the time it is paid.
- If your Available Balance continues to be negative by any amount for 60 or more consecutive days, we will close your account. If your account is closed with a negative balance, a Charge-Off Fee in the amount of **$30** may be assessed.

Overdraft Charges can add up quickly if multiple transactions are paid while your account is overdrawn.

WHAT IF I WANT FLAGSTAR BANK TO AUTHORIZE AND PAY OVERDRAFTS ON MY ATM AND EVERYDAY DEBIT CARD TRANSACTIONS?

If you want us to authorize and pay ATM and everyday (one-time) debit card transactions that exceed your Available Balance, indicate 'Yes' by checking the box, fill out the information as follows, and sign below where indicated.

☐ YES - I authorize Flagstar Bank to pay overdrafts on my ATM and everyday (one-time) debit card transactions for this account.

Print Name: _____ Signature: _____

Date: _____ Account Number: _____

By signing above, you acknowledge your selection and provide your consent for ATM and everyday (one-time) debit card overdraft services (Overdraft Protection Debit Card), effective on the earliest available date of activation.

If you do not opt in, ATM and everyday (one-time) debit card transactions will decline if you do not have sufficient funds.

Your selection applies only to ATM and everyday (one-time) debit card transactions. This consent is separate from your enrollment in Overdraft Protection Coverage for other types of transactions.

You may remove Overdraft Protection Debit Card from your account at any time. Please contact us at (888) 248-6423, visit a branch, or use a similarly authenticated electronic means used for enrollment.

If you would like to enroll in Overdraft Protection Debit Card, you may do so using one of the following methods:

1. **Self-Enrollment Online:** If available, you may use your online banking accessed via flagstar.com
2. **Mail the form to:** Flagstar Bank, Mail Stop 4-318, 301 W Michigan Ave., Jackson, MI 49201-9987
3. **Visit a branch:** Visit flagstar.com/locator to find your nearest branch.

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Electronic Fund Transfers

Flagstar Bank
102 Duffy Avenue
Hicksville, NY 11801
(888) 248-6423

Definitions for Reference

"Business Day" means Monday through Friday, excluding federal holidays, for purposes of this Electronic Fund Transfers notice.

“Account” means a checking, savings or other consumer asset account held either directly or indirectly by us and established primarily for personal, family or household purposes. The term does not include an account held under a bona fide trust agreement such as a Health Savings Account (HSA) or an Individual Retirement Account (IRA).

“Access Device” means a card, code, or other means of access to a consumer’s Account, or any combination thereof, that may be used by the consumer to initiate electronic fund transfers.

“Electronic Funds Transfer” and “Transfer” mean any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purposes of ordering, instructing, authorizing the Bank to debit or credit your Account, including, but not limited to, ATM, online banking, telephone banking, point-of-sale, debit card (Visa® debit card) (whether or not an electronic terminal is used), check electronification, and pre-authorized transfers or payments (i.e., Automated Clearing House (ACH) transactions). The term does not include:

1. any transfer of funds the primary purpose of which is the purchase or sale of a security or commodity, if the security or commodity is:
    a. regulated by the Securities and Exchange Commission or the Commodity Futures Trading Commission;
    b. purchased or sold through a broker-dealer regulated by the Securities and Exchange Commission or through a futures commission merchant regulated by the Commodity Futures Trading Commission; or
    c. held in book-entry form by a Federal Reserve Bank or Federal agency:
2. any transfer of funds under an agreement between a consumer and a financial institution which provides that the institution will initiate individual transfers without a specific request from the consumer
    a. between a consumer's accounts within the financial institution;
    b. from a consumer's account to an account of a member of the consumer's family held in the same financial institution; or
    c. between a consumer's account and an account of the financial institution.

“Preauthorized Electronic Fund Transfer” means an electronic fund transfer authorized in advance to recur at substantially regular intervals including but not limited to direct deposits (for example, from Social Security or payroll) or payment of certain recurring bills.

As used in this document the words “you”, “your” and “Authorized User” means each person who has been given access by the Bank to make deposits, transfers, withdrawals or payments to or from an Account via Electronic Funds Transfer.

Other capitalized terms used in this Electronic Fund Transfers notice not otherwise defined shall have the meanings ascribed to such terms in the Terms and Conditions of Your Account document.

Electronic Fund Transfers - Your Rights and Responsibilities

As a consumer who uses Electronic Funds Transfer services, you have certain rights and responsibilities. These rights and responsibilities are defined by the Electronic Fund Transfers Act (“EFTA”) and Regulation E of the Federal Reserve Board. This Electronic Funds Transfer Disclosure Statement (“EFT Disclosure Statement”) applies to your Accounts with respect to transactions subject to the EFTA and Regulation E (for example: ATM/Visa® debit card, Online Banking, ACH transactions, telephone banking).

Electronic Fund Transfers Initiated By Third Parties

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TYPES OF TRANSFERS. You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and financial institution information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers.
Examples of these transfers include, but are not limited to:

1. You may arrange with another party, such as your employer or a government agency, to electronically deposit funds on a one-time or recurring basis directly to your Account.
2. You may authorize another party, such as an insurance company or mortgage company, to have payments sent directly to them on a regular basis from your Account.
3. You may also direct that funds be transferred from one of your deposit accounts to another account, by use of telephone and personalized access codes, and through Online Banking.
4. You may also direct that funds be sent to a third party via person-to-person payments.
5. You may authorize a merchant or other payee to make a one-time electronic payment using account information from your check to pay for purchases and to pay bills.
6. Merchants and others who honor the Access Device(s) may give credit for returns or adjustments, and they will do so by initiating a credit to us. We will credit that amount to your account.

LIMITATIONS. To protect your accounts, there are daily dollar limits for Transfers using specific Access Device(s), such as ATM withdrawals, point-of-sale (POS) purchases or Person to Person transfers, even if your Available Balance is higher than the daily dollar limits. However, we may allow transactions that exceed your limits. Limitations on transfers, amounts and frequency of transactions applicable to your Access Device(s) are provided in the agreements and disclosures for the Access Device such as your Online Banking Terms and Conditions. We may change your limits and will notify you if we do so. If we suspect fraud on your account, if the balance information is unavailable, or for any other reason where we believe there is a risk to you or us, we may temporarily lower your limits or suspend your Access Device(s) without notice. We may, from time to time, limit or block Transfers involving some countries or merchants due to suspected fraud. We may suspend access to or deactivate and purge your Access Device(s) from our system, if your it is inactive for 180 consecutive days or more.

FEES. A currency conversion fee may be assessed any time you transact with a foreign merchant, even if you are physically located in the United States. An international transaction is any transaction where the country of the merchant or ATM is outside the United States. Please refer to the Fee Schedule for applicable fee amount.
To protect your accounts, there are daily dollar limits for Transfers using specific Access Device(s), such as ATM withdrawals, point-of-sale (POS) purchases or Person to Person transfers, even if your Available Balance is higher than the daily dollar limits. However, we may allow transactions that exceed your limits. Limitations on transfers, amounts and frequency of transactions applicable to your Access Device(s) are provided in the agreements and disclosures for the Access Device such as your Online Banking Terms and Conditions. We may change your limits and will notify you if we do so. If we suspect fraud on your account, if the balance information is unavailable, or for any other reason where we believe there is a risk to you or us, we may temporarily lower your limits or suspend your Access Device(s) without notice. We may, from time to time, limit or block Transfers involving some countries or merchants due to suspected fraud. We may suspend access to or deactivate and purge your Access Device(s) from our system, if your it is inactive for 180 consecutive days or more.

Documentation

Terminal Transfers. You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is $15 or less.

Preauthorized Credits. If you have arranged to have direct deposits made to your account at least once every 60 days

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from the same person or company:

- the person or company making the deposit will tell you every time they send us the money.
- you can call us at (888) 248-6423 to find out whether or not the deposit has been made.

Periodic Statements. You will get a monthly account statement from us for your checking, money market and statement savings account. If your account has no activity, meaning no electronic funds transfers were made during one complete statement cycle, we will send you a statement at least quarterly. When activity resumes on the account, we will revert to sending monthly statements. If you receive a quarterly statement, service charges will continue to be assessed, when applicable, based on monthly statement cycles.

Preauthorized Payments

Right to Stop Payment and Procedure for Doing So.

If you have told us in advance to make regular electronic funds transfer payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request three 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 or it shall cease to be binding. There will be a service charge for each stop payment order as specified in the Fee Schedule.

Notice of Varying Amounts.

If these regular payments may vary in amount, 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.)

Liability for Failure to Stop Payment of Preauthorized Transfer.

If you order us to stop one of these payments three Business Days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Financial Institution's Liability

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 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 you have an overdraft line of credit and the transfer would go over the credit limit.
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. If a merchant, machine or others does not honor or retains an Access Device due to their inability to determine your actual Available Balance or Balance other limits or requirements.
7. There may be other exceptions stated in our agreement with you.

Confidentiality

We will disclose information to third parties about your account or the transfers you make:

1. where it is necessary to complete transactions or resolve errors involving your Account; or
2. to verify the existence and condition of your Account to third parties, such as a credit bureau or merchant; or
3. to comply with legal process(es), such as orders or subpoenas from government agencies or court orders; or
4. if you give us written permission.

Regulatory Authority

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If you believe that any provision of the Electronic Funds Transfer Act has been violated you should notify the Bureau of Consumer Financial Protection at:
P.O. Box 2900
Clinton, IA 52733-2900

Consumer Liability

Generally. Tell us AT ONCE if you believe your Access Device(s) and/or 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 or Access Device(s). Calling us is the best way of keeping your possible losses down. If you do not notify us promptly, you could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 Business Days after you learn of the loss or theft of your Access Device(s) and/or code, you can lose no more than $50 if someone used your Access Device(s) and/or code without your permission.

If you are a California resident, you can lose no more than $50 if someone used your Access Device(s) and/or code without your permission and you notify us within 60 days after the statement was delivered to you.

If you do NOT tell us within 2 Business Days after you learn of the loss or theft of your Access Device(s), and we can prove we could have stopped someone from using your Access Device(s) without your permission if you had told us, you could lose as much as $500.

Also, if your statement shows transfers that you did not make, including those made by Access Device(s), code or other means, tell us at once. If you do not tell us within 60 days after the statement was delivered 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.

Contact in Event of Unauthorized Transfer.

If you believe your Access Device(s) has been lost or stolen, call: US & Canada: (888) 248-6423; International: (248) 312-2325 or write us at the address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check without your permission.

Error Resolution Notice

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this disclosure, 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. Tell us your name and account number (if any). 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. 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. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 Business Days 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.
For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error. Your account is considered a new account 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 is opened. For errors involving Individual Retirement Account or Health Savings Account, we will determine whether an error occurred within 90 days. We will not credit an Individual Retirement Account or Health Savings Account until we have determined whether an error occurred.
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.

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Substitute Checks and Your Rights

Financial Institution Name and Address

Flagstar Bank
102 Duffy Avenue
Hicksville, NY 11801

(888) 248-6423

Definitions for Reference

"Calendar Day" means all days in a month including weekends and holidays. Calendar Days are referred to as "day" or "days".

"Business Day" means Monday through Friday, excluding federal holidays, for purposes of this Substitute Checks and Your Rights notice. Please review other sections of the Disclosure Guide carefully because Business Day may be defined differently in other sections.

Other capitalized terms used in this Substitute Checks and Your Rights notice not otherwise defined shall have the meanings ascribed to such terms in the Terms and Conditions of Your Account document.

What is a substitute check?

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

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

What are my rights regarding substitute checks?

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

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

If you use this procedure, you may receive up to $2,500.00 of your refund (plus interest if your account earns interest) within 10 Business Days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 days after we received your claim.

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

How do I make a claim for a refund?

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

Item Processing Department
Flagstar Bank
102 Duffy Avenue
Hicksville, NY 11801

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You must contact us within 40 days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

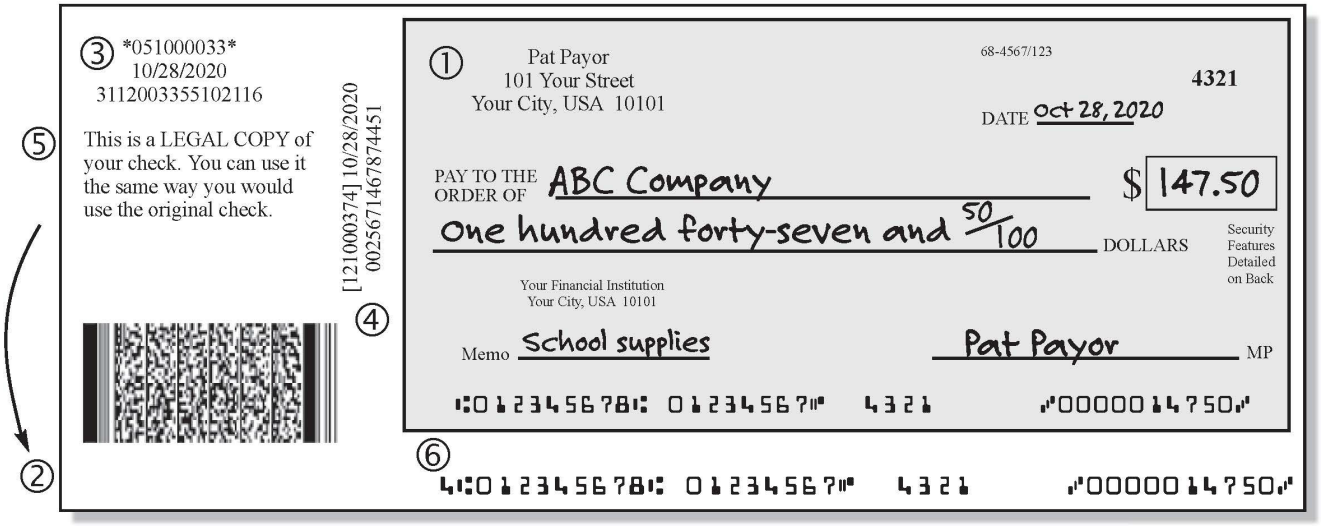
Your claim must include -

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check:
  - Check Number,
  - Amount of the check,
  - Date of the check,
  - Name of the person to whom you wrote the check, and
  - Account Number

Substitute Check Image

SUBSTITUTE CHECK IMAGE

Below is an image of a sample substitute check. The numbers listed below the image correspond with the numbers on or near the substitute check image and the corresponding text explains the various components of a substitute check.



1. An image of the original check appears in the upper right-hand corner of the substitute check.
2. A substitute check is the same size as a standard business check.
3. The information in asterisks relates to the "reconverting bank" - the financial institution that created the substitute check.
4. The information in brackets (appears sideways facing check image) relates to the "truncating bank" – the financial institution that took the original check out of the check processing system.
5. The legal Legend states: *This is a legal copy of your check. You may use it the same way you would use the original check.*
6. The MICR lines at the bottom of the image of the original and at the bottom of the substitute check are the same except for the "4" at the beginning of the substitute check number, which indicates that it is a substitute check being moved forward for collection purposes. It is also possible for a substitute check number to begin with a "5" if the item is being returned. The rest of the MICR line is the same as the original check to ensure that it is processed as though it were the original.

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Funds Availability Disclosure

Definitions for Reference

- Account: The applicable deposit account or accounts that customer has at Bank, except where otherwise noted or clarified.
- ATM: An Automated Teller Machine.
- Bank: Flagstar Bank, N.A.
- Business Day: Any day other than a Saturday, Sunday, a Federal Reserve holiday, or any other day the Bank is legally closed.
- Check: Has the meaning ascribed in Subparts C and D of Regulation CC promulgated by the Federal Reserve Board, as amended from time to time, including, without limitation, checks, Substitute Checks, Remotely Created Checks, Money Orders, drafts, and other instruments or Items payable in U.S. Dollars.
- Financial Center: An office, branch or Private Client office of Bank at which a customer can open Accounts and conduct Account financial transactions and other Bank business.
- Mobile Deposit: A service that provides customers the ability to access and make deposits from a single Check into an Account through Bank's mobile app.
- Remote Deposit Capture: A service that allows customers to capture images of eligible Checks using a scanner and transmit those images and other data to Bank electronically for deposit to the Account.

Note that definitions may have different meanings in other sections of disclosures that may be provided to you concurrently with this Funds Availability Disclosure.

Funds Availability

This funds availability disclosure (the "**Funds Availability Disclosure**") provides information that you should use to determine when funds deposited in your Account will be available for withdrawal. While the Bank's policy is to make funds available expeditiously, various factors may delay the availability of deposited funds. The amount of time it takes for deposited funds to be made available for withdrawal will vary depending on the type of deposit and the physical location of the bank on which a Check deposited into the Account is drawn, among other factors. During any such delay, you may not withdraw the funds you deposited, and the Bank will not use the funds to pay any transactions that you have authorized. This Funds Availability Disclosure governs the availability of funds deposited at the Bank and other rules and Bank policies related to the availability of deposited funds. This Funds Availability Disclosure does not apply to Certificates of Deposit accounts. The Bank may, in its sole discretion and in accordance with applicable law, make funds available more expeditiously than set forth in this Funds Availability Disclosure, although it undertakes no obligation to do so.

1. Determining the Availability of a Deposit

The length of a delay in availability of deposited funds is equal to the number of Business Days between the date of your deposit and the date the deposited funds are made available for withdrawal. If you make a deposit on a Business Day in person with a Bank employee, the Bank will consider that day to be the date of your deposit. Please note that additional funds availability terms may apply to Remote Deposit Capture and/or Mobile Banking services. These terms are provided at the time of enrollment in those services.

Checks mailed to the Bank are deemed deposited on the Business Day they are received by the Bank. The Bank does not accept cash deposits by mail. Funds deposited to a night depository, lockbox or similar facility (other than the Bank's proprietary ATMs) are considered deposited on the Business Day on which the deposit is removed from such facility and is thereby made available for processing by the Bank.

If you make a deposit at an ATM before 8 p.m. ET on a Business Day that we are open, we will consider that Business Day to be the Business Day of your deposit. However, if you make a deposit at an ATM after 8 p.m. ET or on a day we are not open, we will consider that the deposit was made on the next Business Day we are open.

Please note that a Check you deposit may be returned unpaid after the Bank has made the funds available in your Account. If this happens, the amount of the returned Check will be deducted from your Account balance, and the Bank may impose a fee as set forth in the Fee Schedule. Even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid.

2. Same-day Availability

Funds from the following deposits are generally made available on the day of your deposit:

a) Cash deposits.
b) Wire transfers.
c) Electronic Payments when received, provided we have collected finally paid funds, and have the information necessary to credit your account.

3. Next-day Availability

Funds from the following deposits are generally made available on the first Business Day after the day of your deposit, provided that the deposit is made to an Account of the payee unless otherwise noted:

a) U.S. Treasury Checks.
b) Checks drawn on the Bank. Checks drawn on the Bank are not required to be deposited into an account of the payee for next-day availability.
c) Federal Reserve Bank Checks, Federal Home Loan Bank Checks, postal Money Orders, and travelers Checks when presented in person to a Bank employee.
d) State and local government Checks deposited in a Financial Center located in the state that issued the Check when presented in person to a Bank employee.
e) Cashier's, certified, and teller's Checks when presented in person to a Bank employee.

4. Check Deposit Funds Availability

For checks not subject to next-day availability, the first $275 is generally available on the first Business Day after the deposit. Remaining funds up to $6,725 are generally available on the second Business Day after the deposit. Amounts greater than $6,725 will generally be available within seven business days after the deposit.

5. Longer Delays May Apply

Funds you deposit by Check may be delayed for a longer period of time under the following circumstances:

- A deposited check is believed likely to be returned unpaid;
- A check is redeposited after being returned unpaid;
- You have repeated overdrafts in the last six (6) months;
- An emergency occurs (such as equipment or communications failure).

The Bank will notify you if the Bank delays your ability to withdraw funds for any of these reasons, and the Bank will notify you when the funds will be made available. The funds will generally be available no later than the seventh Business Day after the day of your deposit. You agree that, subject to any requirements under applicable Law, the Bank is not responsible for the acts of any agent of yours or person or persons who you have authorized to act on your behalf with respect to Accounts at the Bank or for any other act that the Bank deems is appropriate; provided, that the Bank has acted in good faith.

6. Holds on Other Funds

a) Check Cashing. If the Bank cashes a Check for you that is drawn on another bank, then the Bank may withhold the availability of a corresponding amount of funds already in the Account. Those funds are made available at the time funds from the Check the Bank cashed would have been made available if the Bank had deposited it.
b) Other Account. If the Bank accepts for deposit a Check that is drawn on another bank, the Bank may make funds from the deposit available for withdrawal immediately but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another Account with the Bank. The funds in such other Account are made available for withdrawal in accordance with the availability rules for the type of Check that you deposited as provided elsewhere in this disclosure.

7. Special Rules for New Accounts

If you are a new customer opening an account, then the following special rules apply during the first thirty (30) calendar days during which your Account is open.

Funds from the deposit of cash (if made in person), wire transfers, and direct deposits are made available on the first Business Day after the day of your deposit. Cash deposits not made in person at a Financial Center are made available on the second Business Day after the day of your deposit.

The first $6,725 of a new account deposit of U.S. Treasury checks and checks drawn on Flagstar Bank are generally given next day availability. Federal Reserve Bank checks, Federal Home Loan Bank checks, postal money orders, traveler's checks, in-state deposited state and local government checks, cashier's, certified, and teller's checks presented in person to a bank employee are also generally given next day availability.

Deposits in excess of $6,725 are made available by the ninth Business Day after the day of your deposit. Funds deposited into a new Account from any other type of Check may be subject to longer delays in availability in accordance with applicable law.

TRUTH-IN-SAVINGS DISCLOSURE-ADDENDUM

CHECKING ADDENDUM: The following disclosures are provided to supplement the Truth-In-Savings Disclosure for your new Flagstar Checking account.

Refer-A-Friend Checking Account Terms & Conditions: The person making the referral (Referrer) will earn a $50 Visa® Reward Card for each individual referred (Referred Person) to Flagstar Bank who registers for the offer using the Referrer's shared referral link, opens a new, eligible Flagstar Bank personal checking account within 180 days of completing the offer registration, and completes the offer requirements within 90 days of account opening. The Referred Person must be a new personal checking account customer of Flagstar Bank. The Flagstar Referral Program is available with Flagstar Ready Checking, Flagstar Elite Checking, and Flagstar One Checking. Flagstar Bank employees and Flagstar Private Bank clients are not eligible to participate in the Flagstar Referral Program. Offer subject to change or cancellation at any time without notice.

To make a referral, the Referrer must first register for the program and share the offer with their friends, family, or coworkers. A Referrer may receive up to ten (10) Visa® Reward Cards ($500 value) within a calendar year, but only one Referrer may receive a Visa® Reward Card for each Referred Person who fulfills the requirements. The Referrer must be a current Flagstar customer at time of the Referred Person meeting the offer requirements to receive the Visa® Reward Cards.

The Referred Person will earn a $200 Visa® Reward Card when the Referred Person first registers using the shared referral link, and then completes all the following:

- Open a new, eligible Flagstar Bank personal checking account; AND
- Maintain an open account status in the eligible account for 90 days; AND
- Within 90 days of account opening:
    - Complete 10 or more debit card purchases OR make at least 10 payments using Bill Pay - or Zelle®; AND
    - Have one or more direct deposits (ACH credits) totaling at least $1,000.

If the Referred Person has been paid a cash checking bonus previously or has closed any Flagstar Bank checking account within the last 365 days, the Referred Person is ineligible to receive this offer. This offer is limited to one checking bonus per customer. Early account closure fee and reclamation of bonus may be imposed for accounts closed within 180 days. This offer cannot be combined with any other offers or promotions.

The Referrer authorizes the sending of communications to each Referred Person. The email may not be recovered if the person has "opted out" of marketing material from Flagstar Bank or ReferLive®. Each person who registers at ReferLive® authorizes future communications including emails regarding the program unless they "opt out" by making an election at ReferLive® or within such email. The Referred Person acknowledges that a Visa® Reward Card will be issued to the Referrer after all conditions have been met in the time frames provided.

Please allow 4-6 weeks after completion of all requirements for delivery of the Visa® Reward Card. The Visa® Reward Cards are subject to Terms and Conditions delivered with the card. Rewards Cards may be reported as income to the IRS.

Visa® is a registered trademark of Visa®, Inc. Visa® is not a participant or sponsor of this promotion.

ReferLive® is a trademark of CustomerStream, LLC.

Zelle® and the Zelle® related marks are wholly owned by Early Warning Services, LLC and are used herein under license. This promotion is in no way sponsored, endorsed, administered by or associated with Early Warning Services, LLC or Zelle®.

For questions about program eligibility, please contact our customer service at 888-248-6423.
Flagstar Bank, N.A. Member FDIC.

Common Features - Fee Schedule

Flagstar Bank
102 Duffy Avenue
Hicksville, NY 11801
(888) 248-6423

Fee Schedule

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

Fees are assessed each Business Day, where applicable. “Business Day” means Monday through Friday, excluding federal holidays, for any fees listed, unless otherwise noted. Please review other sections of the Disclosure Guide carefully because Business Day may be defined differently in other sections.

“Calendar Day” means all days in a month including weekends and holidays. Calendar Days are referred to as “day” or "days".

COLLECTIONS

Cashier's check (each)	$8
Counter check (per page)	$2
Money Order (each)	$5
On-us check cashing fee, non-customer (each)	$10
Incoming Wire, Domestic, customer (each)	$15
Incoming Wire, International, customer (each)	$15
Outgoing Wire, Domestic, customer (each)	$30
Outgoing Wire, International, customer (each)	$50
Incoming Collection, Domestic (each)	$25
Outgoing Collection, Domestic (each)	$40
Incoming Collection, Foreign (each)	$40
Outgoing Collection, Foreign (each)	$40
Account closed within 180 days of opening (each) This fee does not apply to Flagstar One accounts	$30
Returned deposited item or Returned check charge (each)	No Charge
Coin charge (each)	7.5%
Check printing orders	Dependent on type of checks ordered
Direct deposit	No Charge
Charge-Off Fee (each) If your Balance continues to be negative by any amount for 60 consecutive days, we will close your account and will assess a Charge-Off Fee to your account.	$30

RESEARCH AND ADMINISTRATION

Stop Payments or Stop Payment Removal (each)	$36
Non-Sufficient Funds (NSF) Charge (each)	No Charge
Overdraft Charge (each) Overdraft Charge applies when we pay an Item using Overdraft Protection Coverage that exceeds your Available Balance. There is a limit of three Overdraft Charges per Business Day. Please see the Overdraft Protection Coverage Terms and Conditions for additional details on how to avoid this charge.	$30
Linked Account (Deposit Overdraft (OD) Protection) transaction fee	No Charge
Levy, garnishment, child support or other legal action (each)	$100
Account Inactivity fee (each month)	No Charge
Returned Mail Monthly Processing	$15
Statement/Notice Mailing to Additional Address (no images)	$20
Activity Printout/Document Copies (each)	$5
Account research, per hour charge (one hour minimum charge)	$50
Reconcile bank statement, per hour (one hour minimum charge)	$30
Photocopy, each page	$1
Notary service, customer (each)	No Charge
Ownership change fee (each account)	$25

ABANDONED PROPERTY

Escheated account fee (each) If and when permitted by law	Up to $10
Newspaper Publication	Cost varies
Certified Mail Notice	Cost varies

ELECTRONIC SERVICES

Flagstar ATM Withdrawal, Deposit, Balance Inquiry, Transfer (each)	Free
Non-Flagstar Domestic ATM Withdrawal, Balance Inquiry, Transfer (each, even if in the same session)	$2.50
Non-Flagstar International ATM Withdrawal, Balance Inquiry, Transfer (each, even if in the same session)	$2.50
Exchange Rate Adjustment (Currency Conversion Factor) - POS or ATM	3%
Additional or replacement ATM/Debit card (each)	$5
Expedited Debit Card Delivery (each)	$75

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U.S. Consumer Privacy Notice

Rev July 14, 2025

FACTS	WHAT DOES FLAGSTAR DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ■ Social Security number and income ■ Credit history and credit scores ■ Account balances and payment history
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Flagstar chooses to share; and whether you can limit this sharing.

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

Questions?	Call us at (800)-634-6486 or visit us at www.flagstar.com.

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Who we are	
Who is providing this notice?	**Flagstar Bank N.A. and Flagstar Advisors.**
What we do	
How does Flagstar protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Flagstar collect my personal information?	We collect your personal information, for example, when you: ■ Open an account or apply for a loan ■ Deposit money or use your debit card ■ Pay your bills We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ■ sharing for affiliates' everyday business purposes—information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies.
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. Nonaffiliates we share with can include: ■ Flagstar does not share with nonaffiliates so they can market to you.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ■ Our joint marketing partners include categories of companies such as other banks, insurance companies, credit card companies, and financial service providers.

Other important information

California Residents – In accordance with California law, we will not share information we collect about California residents with nonaffiliates except as permitted by law, such as with the consent of the customer or to service the customer's accounts. We will also limit the sharing of information about you with our affiliates to the extent required by applicable California law.

Vermont Residents – In accordance with Vermont law, we will not share information we collect about Vermont residents with nonaffiliates except as permitted by law, such as with the consent of the customer or to service the customer's accounts. We will not share creditworthiness information about Vermont residents among Flagstar's affiliates except with the authorization or consent of the Vermont resident.