

Personal Deposit Account Terms and Conditions



Effective February 1, 2025

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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 identifying information, such as your social security number, employer identification number or other government issued identification number. We may also ask to see your driver's license or other identifying documents.

We are required to have an understanding of the nature and purpose of funds processed through our accounts for all customers, including the source of funds and how funds may be used. We may ask our customers for supporting documentation for large dollar transactions as part of our due diligence process to help us to have an understanding of the nature and purpose of transactions processed through our accounts.

INTRODUCTION

This document contains important information about your account(s) and contains specific terms, conditions, fees and rules that govern your account(s). It is divided into five sections: 1) Personal Deposit Account Disclosures and Fees; 2) Personal Deposit Account Rules; 3) Funds Availability Policy; 4) Electronic Fund Transfer Agreement; and 5) Phone Banking Agreement (collectively, "terms and conditions").

We may add new terms and conditions or change these terms and conditions from time to time, and we will generally give you advance notice of adverse changes. We may not give you advance notice of a change if notice is not required by law, it involves the security of your account or any of our systems that support your account, or when we are improving account features, such as lowering fees or raising the interest rate(s). When we make a change, the then-current version of the terms and conditions supersedes prior versions. By continuing to use your account or keeping your account open, you are deemed to accept and agree to any changes in the terms and conditions. These terms and conditions apply to the various checking, savings, money market and certificate of deposit accounts, or other types of deposit accounts we currently offer, have offered in the past and continue to maintain, or may offer in the future. The headings in these rules are for convenience only and are not part of the terms and conditions.

In this document, the terms "ASB," "we," "us," and "our" refer to American Savings Bank, F.S.B. The terms "you" and "your" refer to each and every account owner. "Account" means the checking, savings, money market, or certificate of deposit account, or other types of deposit accounts we offer, have offered, or may offer in the future that you open with us.

Your deposit accounts with us are insured to the regulatory limits by the Federal Deposit Insurance Corporation (FDIC). For further information regarding insurance of accounts, you may call the FDIC's Contact Center at (877) 275-3342 or visit its FDIC Information and Support Center webpage at www.fdic.gov.

Please read this document and keep it for future reference.

PERSONAL DEPOSIT ACCOUNT DISCLOSURES AND FEES
CHECKING ACCOUNTS

KALO ESSENTIALSSM CHECKING

Minimum Requirements

- Minimum Opening Deposit \$20
- Minimum Balance for No Monthly Service Fee[†] None

[†] We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.

Rate Information

This account does not earn interest.

Periodic Statement

A monthly statement will be provided.

Fees

- Monthly Service Fee[§] \$5 per month
§ No charge if enrolled in Online Banking and eStatements.
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this checking account.

KALO PLUSSM CHECKING

Minimum Requirements

- Minimum Opening Deposit \$20
- Minimum Requirements for No Monthly Service Fee[†]:
 - Combined Personal Monthly Average Deposit^{††} Balance and Outstanding Loan* Balance \$7,000OR
 - Total direct deposit(s)** per statement period \$2,500

[†] We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.

^{††} Deposit balances include checking, savings, money market, CD, and IRA balances.

* Loan balances include HELOCs and other consumer loans and lines of credit, except residential mortgage and credit card balances.

** Direct deposit means electronic government or payroll deposits made to the account during the statement period.

Rate Information

This account does not earn interest.

Periodic Statement

A monthly statement will be provided.

Fees

- Monthly Service Fee if minimum balance and direct deposit requirements are not met..... \$15 per month
The Monthly Service Fee will be imposed each month in which **both** the monthly average deposit balance(s) plus the outstanding loan balance(s) combined are below \$7,000 and the total direct deposits made to the account are less than \$2,500 during the statement period. The monthly fee will not be charged if you meet either the balance requirement or the direct deposit requirement.
The monthly average deposit balance is calculated by adding the ending balance in the account for each day of the statement period and dividing that figure by the number of days in the statement period.
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this checking account.

Service/Product Discounts and Benefits

The following discounts/benefits are available for the Kalo Plus Checking account. If you convert to another checking product or close your account, you will no longer receive these discounts/benefits, and will be charged the applicable fee(s) associated with the service/product.

- Paper Image Statement Fee Waived
- Incoming Wire Transfer Fee Waived
- Savings Overdraft Transfer Fee \$5 assessed per day to checking account when a transfer is made from a Statement Savings or Tiered Savings account
- Preferred CreditLineSM Annual Fee..... Waived
Subject to application, credit qualification, underwriting and credit policy of American Savings Bank.
- Statement Savings Account Monthly Service Fee Waived

- ATM Fee Rebate..... Up to \$8 per statement period
If you use a domestic ATM that is not owned or operated by ASB within the United States, we will refund up to \$8 per statement period in ATM withdrawal fees charged by either ASB or the other bank or ATM operator.
- Loans and lines of credit are subject to application, credit qualification, underwriting and credit policy of American Savings Bank. Kalo Plus customers will be offered a discount for Preferred CreditLineSM accounts. The Kalo Plus Checking account must be open at the time of application or loan closing for the discount to be applicable. For details, please refer to your loan documents or disclosures.

KALO DELUXESM CHECKING

Minimum Requirements

- Minimum Opening Deposit \$20
- Minimum Requirements for No Monthly Service Fee[†]:
 - Combined Personal Monthly Average Deposit^{††} Balance and Outstanding Loan* Balance \$30,000
 - OR
 - Total direct deposit(s)** per statement period \$5,000

[†] We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.

^{††} Deposit balances include checking, savings, money market, CD, and IRA balances.

* Loan balances include HELOCs and other consumer loans and lines of credit, except residential mortgage and credit card balances.

** Direct deposit means electronic government or payroll deposits made to the account during the statement period.

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet ("Rate Sheet"). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

We pay interest on your account based on the following balance tiers. If the daily balance in your account meets the minimum balance of a tier, the interest rate and APY shown in the Rate Sheet for that tier will be paid on the entire balance in your account. In addition to interest rate changes that we make at our discretion, your interest rate could change daily based on your balance.

Balance Tiers	
\$0 - \$4,999.99	\$50,000 - \$74,999.99
\$5,000 - \$9,999.99	\$75,000 - \$99,999.99
\$10,000 - \$24,999.99	\$100,000 - \$499,999.99
\$25,000 - \$49,999.99	\$500,000 and over

Interest is compounded daily and credited to your account monthly. If your account is closed or is transferred to a non-interest bearing account before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the statement period is less than half a cent, interest will not be paid, and the accrual will not carryover to the next month.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Periodic Statement

A monthly statement will be provided.

Fees

- Monthly Service Fee if minimum balance and direct deposit requirements are not met..... \$25 per month

The Monthly Service Fee will be imposed each month in which **both** the monthly average deposit balance(s) plus the outstanding loan balance(s) combined are below \$30,000 and the total direct deposits made to the account are less than \$5,000 during the statement period. The monthly fee will not be charged if you meet either the balance requirement or the direct deposit requirement.

The monthly average deposit balance is calculated by adding the ending balance in the account for each day of the statement period and dividing that figure by the number of days in the statement period.

- See "Miscellaneous Fees" on page 12 for other fees that may apply to this checking account.

Service/Product Discounts and Benefits

The following discounts/benefits are available for the Kalo Deluxe Checking account. If you convert to another checking product or close your account, you will no longer receive these discounts/benefits, and will be charged the applicable fee(s) associated with the service/product.

- Paper Image Statement Fee Waived

- Incoming Wire Transfer Fee Waived
- Savings Overdraft Transfer Fee..... Waived
when a transfer is made from a Statement Savings or Tiered Savings account
- Preferred CreditLineSM Annual Fee Waived
Subject to application, credit qualification, underwriting and credit policy of American Savings Bank.
- Statement Savings Account Monthly Service Fee Waived
- Cashier's Check Fee Waived
- Notary Fee..... Waived
- ATM Fee Rebate..... Up to \$12 per statement period
If you use a domestic ATM that is not owned or operated by ASB within the United States, we will refund up to \$12 per statement period in ATM withdrawal fees charged by either ASB or the other bank or ATM operator.
- Receive a preferred rate on promotional or regular CDs.
- Loans and lines of credit are subject to application, credit qualification, underwriting and credit policy of American Savings Bank. Kalo Deluxe customers will be offered a discount for Preferred CreditLineSM accounts. Certain fees may be waived. The Kalo Deluxe Checking Account must be set up by loan signing for the discount or fee waiver to be applicable. For details, please refer to your loan documents or disclosures.
- \$150 off Lender Fees on Residential Mortgage (new purchase or refinance). Subject to application, credit qualification, underwriting and credit policy of American Savings Bank.

SAVINGS ACCOUNTS

TIERED SAVINGS

Minimum Requirements

- Minimum Opening Deposit \$20
- Minimum Monthly Average Balance for No Monthly Service Fee[†] \$500
[†] We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY None

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet ("Rate Sheet"). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

We pay interest on your account based on the following balance tiers. If the daily balance in your account meets the minimum balance of a tier, the interest rate and APY shown in the Rate Sheet for that tier will be paid on the entire balance in your account. In addition to interest rate changes that we make at our discretion, your interest rate could change daily based on your balance.

Balance Tiers	
\$0 - \$4,999.99	\$100,000 - \$499,999.99
\$5,000 - \$9,999.99	\$500,000 - \$749,999.99
\$10,000 - \$24,999.99	\$750,000 - \$999,999.99
\$25,000 - \$49,999.99	\$1,000,000 - \$2,499,999.99
\$50,000 - \$99,999.99	\$2,500,000 and over

Interest is compounded daily and credited to your account monthly. If your account is closed or is transferred to a non-interest bearing account before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the monthly cycle is less than half a cent, interest will not be paid, and the accrual will not carryover to the next month.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

If you have a checking account with us, you may use this account as part of our Savings Overdraft Transfer overdraft protection service. See the "Personal Deposit Account Rules", section 40, for more information on our Savings Overdraft Transfer overdraft protection service.

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Periodic Statement

A statement will be provided to you at the end of each calendar quarter which will include information for the entire quarterly period (3 months). You will receive an additional statement for any month in which there are electronic fund transfers. If your savings account is part of a combined statement, a monthly statement will be provided instead of a quarterly statement.

Fees

- Monthly Service Fee if Balance Falls Below the Minimum Monthly Average Balance \$5 per month
The Monthly Service Fee will be imposed each month in which the monthly average balance in your account falls below \$500.
The monthly average balance is calculated by adding the principal in the account for each day of the statement period and dividing that figure by the number of days in the statement period.
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this savings account.

STATEMENT SAVINGS

Minimum Requirements

- Minimum Opening Deposit\$20
- Minimum Daily Balance for No Monthly Service Fee†\$300
† We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY\$100

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

Interest is compounded daily and credited to your account monthly. If your account is closed or is transferred to a non-interest bearing account before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the monthly cycle is less than half a cent, interest will not be paid, and the accrual will not carryover to the next month.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

If you have a checking account with us, you may use this account as part of our Savings Overdraft Transfer overdraft protection service. See the “Personal Deposit Account Rules”, section 40, for more information on our Savings Overdraft Transfer overdraft protection service.

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Periodic Statement

A statement will be provided to you at the end of each calendar quarter which will include information for the entire quarterly period (3 months). You will receive an additional statement for any month in which there are electronic fund transfers. If your savings account is part of a combined statement, a monthly statement will be provided instead of a quarterly statement.

Fees

- Monthly Service Fee if Balance Falls Below the Minimum Daily Balance \$4.50 per month
The Monthly Service Fee will be imposed each month in which the daily balance in your account falls below \$300.
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this savings account.

MONEY MARKET

Minimum Requirements

- Minimum Opening Deposit\$20
- Minimum Balance for No Monthly Service Fee† \$1,000 daily balance or \$2,500 monthly average balance
† We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

We pay interest on your account based on the following tiers. If the daily balance in your account meets the minimum balance of a tier, the interest rate and APY shown in the Rate Sheet for that tier will be paid on the entire balance in your account. In addition to interest rate changes that we make at our discretion, your interest rate could change daily based on your balance.

Balance Tiers	
\$0 - \$2,499.99	\$100,000 - \$499,999.99
\$2,500 - \$9,999.99	\$500,000 - \$999,999.99
\$10,000 - \$24,999.99	\$1,000,000 and over
\$25,000 - \$99,999.99	

Interest is compounded daily and credited to your account monthly. If your account is closed or is transferred to a non-interest bearing account before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the monthly cycle is less than half a cent, interest will not be paid, and the accrual will not carryover to the next month.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Acceptable Form of Check

You may only use the preprinted check forms approved by us for this account. Any check you write on an unacceptable form may be returned unpaid.

Periodic Statement

A monthly statement will be provided.

Fees

- Monthly Service Fee if Balance Falls Below the Minimum Daily Balance and the Monthly Average Balance..... \$10 per month
The Monthly Service Fee will be imposed each month in which the daily balance in your account is below \$1,000 and the monthly average balance in your account is below \$2,500. The fee is not imposed if one or the other of the Minimum Requirements is met.
The monthly average balance is calculated by adding the principal in the account for each day of the statement period and dividing that figure by the number of days in the statement period.
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this savings account.

HOLIDAY SAVINGS

Minimum Requirements

- Minimum Opening Deposit \$20
- Minimum Balance for No Monthly Service Fee..... None
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY \$5

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

Interest is compounded daily and credited to your account annually through October 31st. If your account is closed before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the annual cycle is less than half a cent, interest will not be paid, and the accrual will not carryover to the next year.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

You may make an unlimited number of deposits into your account at any time from the business day following the day we disburse the proceeds of your Holiday Savings account through October 31st of the following year. You may not make withdrawals from this account. If you decide to make any withdrawals from the account before we pay the proceeds to you, the account will be closed.

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Special Conditions

- You must have an American Savings Bank checking or savings account to open or maintain a Holiday Savings account.
- The proceeds of your Holiday Savings account will be paid to you automatically on October 31st (or on the previous business day if October 31st is not a business day) by transfer to the American Savings Bank checking or savings account you designate.
- After the proceeds of your account are transferred to your checking or savings account, your Holiday Savings account will remain open for 90 calendar days with a balance of \$0. We will close the account automatically if you do not make a deposit to the account before the end of the 90 calendar day period.

- If you close the American Savings Bank checking or savings account that you designated to receive the proceeds from your Holiday Savings account, then you must designate another American Savings Bank deposit account to receive your proceeds. If you do not designate another account to receive the proceeds and there is a balance in your Holiday Savings account, we will convert your Holiday Savings account to a Statement Savings account, subject to those terms and fees, which may change from time to time. Otherwise, we will close your Holiday Savings account, which will be subject to any fees applicable at the time of closing.

Periodic Statement

A statement will be provided to you at the end of each calendar quarter which will include information for the entire quarterly period (3 months). You will receive an additional statement for any month in which there are electronic deposits. If your savings account is part of a combined statement, a monthly statement will be provided instead of a quarterly statement.

Fees

- Monthly Service Fee None
- See “Miscellaneous Fees” on page 12 for fees that may apply to this savings account.

MONEYHUNE SAVINGSSM

Minimum Requirements

- Minimum Opening Deposit \$5
- Minimum Balance for No Monthly Service Fee[†] None
- † We reserve the right to close an account that has a zero balance for 30 or more consecutive calendar days.
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY \$5

Rate Information

The interest rate and annual percentage yield (APY) on your account are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

Interest is compounded daily and credited to your account monthly. If your account is closed or is transferred to a non-interest bearing account before interest is credited, you will not receive the accrued interest. If the interest amount calculated for the monthly cycle is less than half a cent, interest will not be paid, and the accrual will not carryover to the next month.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Special Conditions

- You must be under the age of 18 and accompanied by a parent or guardian, whom should be identified at account opening.
- This account is not available for Hawaii Uniform Transfers to Minors Act (HUTMA) purposes.
- When a minor accountholder reaches age 18, the Moneyhune Savings account will be converted into a Statement Savings account, subject to those terms and fees, which may change from time to time.

Periodic Statement

A statement will be provided to you at the end of each calendar quarter which will include information for the entire quarterly period (3 months). You will receive an additional statement for any month in which there are electronic fund transfers. If your savings account is part of a combined statement, a monthly statement will be provided instead of a quarterly statement.

Fees

- Monthly Service Fee None
- See “Miscellaneous Fees” on page 12 for other fees that may apply to this savings account.

CERTIFICATE OF DEPOSIT (CD) ACCOUNTS

You will receive a Certificate of Time Deposit Account notice containing the specific terms of your new CD, including certificate issue date, maturity date, interest rate, etc. Your account is not opened until you receive the certificate issue date from us, and the account has been funded.

Minimum Requirements

- Minimum Opening Deposit \$1,000

Rate Information

The applicable interest rates and annual percentage yield (APY) are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”) and will be set forth in the separate Certificate of Time Deposit Document. Interest will accrue as of the certificate’s issue date. You will be paid this interest rate until the maturity date of the CD. Your deposit must remain in the account for the length of the CD term to obtain the APY. A withdrawal prior to maturity will reduce earnings.

Interest for your account will be compounded daily and paid at your request monthly, quarterly, annually, or at maturity. Interest payment for CD terms longer than 12 months will be paid at your request either monthly, quarterly or annually. Interest will be paid, at your request, either by transfer to an American Savings Bank checking, savings or money market account or added to the principal of this CD.

Grace Period

You will have 10 calendar days after the maturity date ("Grace Period") to withdraw your funds without being charged an early withdrawal penalty. During the Grace Period, deposits made on a business day will begin to accrue interest on that day. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account, which applies a daily periodic rate to the principal in the account each day.

Transaction Limits

You may not make deposits to or withdrawals from the account until the maturity date. You must maintain the minimum deposit every day during the term of your CD to obtain the disclosed annual percentage yield.

An uncollected funds hold may be placed on any check drawn on another financial institution that we accept as a deposit to open a new account, add to an existing account (if deposits are permitted during the term of the account) or at maturity to an existing account. Until the hold has been released, the funds cannot be withdrawn. Once any hold has been released, the funds will be available for withdrawal, but an early withdrawal penalty may be imposed (see Early Withdrawal Penalty section below). Depending on the term of your account, the hold may be in effect for the entire term of the account. In such case, no withdrawals may be made, even with the imposition of an early withdrawal penalty.

Renewals

Your account will automatically renew at maturity. We will send you a maturity notice prior to maturity, and you will have 10 calendar days after the maturity date ("Grace Period") to withdraw your funds without being charged an early withdrawal penalty. The renewed account will be for the same term as the original term, at the interest rate and APY in effect on your maturity date. Any promotional interest rates in effect on the maturity date for the term of your account will not automatically apply to your renewed account. Contact us during the Grace Period to change the interest rate or term of your renewed account. Interest on the renewed deposit will be paid in the same manner as you previously requested. After the Grace Period expires, your renewed account will be subject to a penalty for early withdrawal until it matures once again. If you change the terms of your renewed account during the Grace Period (such as selecting a new term or promotional interest rate), the new maturity date will be based on the date on which the changes are made.

Early Withdrawal Penalty

If you withdraw any principal before the maturity date, a penalty, as specified below, may be imposed. The penalty amount, or any portion thereof, will be deducted from the amount withdrawn. The penalty will not be imposed if the withdrawal is due to the death or legal incompetence of any depositor listed in the account name. Early withdrawal penalties are as follows:

Account Term	Penalty
30 to 89 days	1 month of simple interest on the amount withdrawn, whether or not that much interest has been earned.
90 days to 12 months	3 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
13 to 35 months	8 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
36 to 120 months	11 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.

Fees

- See "Miscellaneous Fees" on page 12 for fees that may apply to this CD account.

INDIVIDUAL RETIREMENT ACCOUNTS (IRAs)

You may open Statement Savings accounts or Certificate of Deposit (CD) accounts and designate them as your IRA. If you open a CD, the terms for this account appear in the separate Certificate of Time Deposit Document. The "Personal Deposit Account Rules" and the terms described here also apply to IRAs.

You should consult with your tax advisor regarding your situation and use of an IRA.

Special Conditions for IRAs

- All withdrawals from either your IRA savings or CD must be authorized by the plan trustee, unless otherwise permitted by the plan document. Unauthorized withdrawals from this account or unauthorized transfers to an account that is not part of your individual retirement plan could result in unfavorable income tax consequences as well as Internal Revenue Service (IRS) penalties.
- We will charge a fee if you direct us to transfer your IRA to another financial institution. This fee applies to all IRA holders, including those over the age of 59½ and those who are disabled.
- You may not use your IRA as collateral for a loan.
- Your IRA is subject to IRS limitations relating to the amount you can deposit to your IRA and penalties for withdrawals made before you reach the age of 59½.

Fees

- Monthly Service Fee None
- Transfer out to a new trustee \$50 per transfer
The Trustee Transfer fee is not assessed when the account is being transferred to American Insurance and Investments – rather, the fee is assessed to all external transfers outside of American Savings Bank.
- Duplicate retirement statement or annual form (1099-R, 1099-Q, 5498 or 5498-ESA) \$5 each
- See “Miscellaneous Fees” on page 12 for other fees that may apply to your IRA.

IRA STATEMENT SAVINGS

Minimum Requirements

- Minimum Opening Deposit \$100
- Minimum Balance for No Monthly Service Fee None
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY \$100

Rate Information

The interest rate and annual percentage yield (APY) on your account are the same as those shown for Statement Savings accounts in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

Interest is compounded daily and credited to your account monthly. If your account is closed before interest is credited, you will not receive the accrued interest.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

You may deposit no more than the annual limit allowed by the IRS for IRAs. You may make withdrawals from this account subject to limitations and penalties determined by the IRS. You should consult with your tax advisor regarding your situation.

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Periodic Statement

An annual statement by Retirement Plan will be provided.

IRA CDs

Minimum Requirements

- Minimum Opening Deposit \$1,000

Rate Information

The applicable interest rate and annual percentage yield (APY) are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”) and will be set forth in the separate Certificate of Time Deposit Document. Interest will accrue as of the certificate’s issue date. You will be paid this interest rate until the maturity date of the CD. Your deposit must remain in the account for the length of the CD term to obtain the APY. A withdrawal prior to maturity will reduce earnings.

Interest for your account will be compounded daily and added to principal of this CD monthly.

Grace Period

You will have 10 calendar days after the maturity date (“Grace Period”) to withdraw your funds without being charged an early withdrawal penalty. During the Grace Period, deposits made on a business day will begin to accrue interest on that day. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account, which applies a daily periodic rate to the principal in the account each day.

Transaction Limits

For 18-month IRA CDs, you may make deposits into the account after the account is opened. For all other IRA CDs, you may not make deposits to or withdrawals from the account until the maturity date. Electronic deposits are not allowed into CDs. IRAs are subject to Internal Revenue Service (IRS) deposit and withdrawal limits.

An uncollected funds hold may be placed on any check drawn on another financial institution that we accept as a deposit to open a new account, add to an existing account (if deposits are permitted during the term of the account) or at maturity to an existing account. Until the hold has been released, the funds cannot be withdrawn. Once any hold has been released, the funds will be available for withdrawal, but an early withdrawal penalty may be imposed (see Early Withdrawal Penalty section below). Depending on the term of your account, the hold may be in effect for the entire term of the account. In such case, no withdrawals may be made, even with the imposition of an early withdrawal penalty.

Renewals

Your account will automatically renew at maturity. We will send you a maturity notice prior to maturity. You will have 10 calendar days after the maturity date ("Grace Period") to withdraw your funds without being charged an early withdrawal penalty. The renewed account will be for the same term as the original term, at the interest rate and APY in effect on your maturity date. Any promotional interest rates in effect on the maturity date for the term of your account will not automatically apply to your renewed account. Contact us during the Grace Period to change the interest rate or term of your renewed account. Interest on the renewed deposit will be paid in the same manner as you previously requested. After the Grace Period expires, your renewed account will be subject to a penalty for early withdrawal until it matures once again. If you change the terms of your renewed account during the Grace Period (such as selecting a new term or promotional interest rate), the new maturity date will be based on the date on which the changes are made.

Early Withdrawal Penalty

If you withdraw any principal before the maturity date, a penalty, as specified below, may be imposed. The penalty amount, or any portion thereof, will be deducted from the amount withdrawn. The penalty will not be imposed if the withdrawal is due to the death or legal incompetence of any depositor listed in the account name. Early withdrawal penalties are as follows:

Account Term	Penalty
6 to 12 months	3 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
13 to 35 months	8 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
36 to 120 months	11 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.

COVERDELL EDUCATION SAVINGS ACCOUNTS (CESAs)

You may open Statement Savings accounts or Certificates of Deposit (CD) and designate them as your CESA. If you open a CD, the terms for this account appear in the separate Certificate of Time Deposit Document. The "Personal Deposit Account Rules" and the terms described here also apply to CESAs.

You should consult with your tax advisor regarding your situation and use of a CESA.

Special Conditions for CESA

- All withdrawals from either your CESA savings or CD must be authorized by the plan trustee, unless otherwise permitted by the plan document. Unauthorized withdrawals from this account could result in unfavorable income tax consequences as well as Internal Revenue Service (IRS) penalties.
- You may not use your CESA as collateral for a loan.
- Your CESA is subject to IRS limitations relating to the amount you can deposit to your CESA and penalties for unqualified withdrawals.

Fees

- Monthly Service Fee None
- Transfer out to a new trustee \$50 per transfer
- Duplicate statement or annual form (1099-R, 5498-ESA)..... \$5 each
- See "Miscellaneous Fees" on page 12 for other fees that may apply to your CESA.

CESA STATEMENT SAVINGS

Minimum Requirements

- Minimum Opening Deposit\$100
- Minimum Balance for No Monthly Service Fee..... None
- Minimum Daily Balance to Earn Interest and Obtain the Disclosed APY\$100

Rate Information

The interest rate and annual percentage yield (APY) on your account are the same as those shown for Statement Savings accounts in the separate Customer APY and Interest Rate Sheet ("Rate Sheet"). Your interest rate and APY may change. At our discretion, we may change the interest rate on your account at any time.

Interest is compounded daily and credited to your account monthly. If your account is closed before interest is credited, you will not receive the accrued interest.

Deposits made on a business day will begin to accrue interest on the day of your deposit. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in your account each day.

Transaction Limits

You may deposit no more than the annual limit allowed by the IRS for CESAs. You may make withdrawals from this account subject to limitations and penalties determined by the IRS. You should consult with your tax advisor regarding your situation.

We reserve the right to require you to give us seven (7) days advance notice if you plan to withdraw funds from your account.

Periodic Statement

An annual statement by plan will be provided.

CESA CDs

Minimum Requirements

- Minimum Opening Deposit\$1,000

Rate Information

The applicable interest rate and annual percentage yield (APY) are shown in the separate Customer APY and Interest Rate Sheet (“Rate Sheet”) and will be set forth in the separate Certificate of Time Deposit Document. Interest will accrue as of the certificate’s issue date. You will be paid this interest rate until the maturity date of the CD. Your deposit must remain in the account for the length of the CD term to obtain the APY. A withdrawal will reduce earnings.

Interest for your account will be compounded daily and added to principal of this CD monthly.

Opening deposits for new CDs will earn interest as of the certificate’s issue date. You will have 10 calendar days after the maturity date (“Grace Period”) to withdraw your funds without being charged an early withdrawal penalty. During the Grace Period for renewing CDs, deposits made on a business day will begin to accrue interest on that day. Deposits made on a Saturday, Sunday, bank holiday, or after specified cutoff times will begin to accrue interest on the next business day.

We use the daily balance method to calculate the interest on your account, which applies a daily periodic rate to the principal in the account each day.

Transaction Limits

CESAs are subject to Internal Revenue Service (IRS) deposit and withdrawal limits. You may not make deposits to or withdrawals from the account until the maturity date. Electronic deposits are not allowed into CDs.

An uncollected funds hold may be placed on any check drawn on another financial institution that we accept as a deposit to open a new account, add to an existing account (if deposits are permitted during the term of the account) or at maturity to an existing account. Until the hold has been released, the funds cannot be withdrawn. Once any hold has been released, the funds will be available for withdrawal, but an early withdrawal penalty may be imposed (see Early Withdrawal Penalty section below). Depending on the term of your account, the hold may be in effect for the entire term of the account. In such case, no withdrawals may be made, even with the imposition of an early withdrawal penalty.

Renewals

Your account will automatically renew at maturity. We will send you a maturity notice prior to maturity. You will have 10 calendar days after the maturity date (“Grace Period”) to withdraw your funds without being charged an early withdrawal penalty. The renewed account will be for the same term as the original term, at the interest rate and APY in effect on your maturity date. Any promotional interest rates in effect on the maturity date for the term of your account will not automatically apply to your renewed account. Contact us during the Grace Period to change the interest rate or term of your renewed account. Interest on the renewed deposit will be paid in the same manner as you previously requested. After the Grace Period expires, your renewed account will be subject to a penalty for early withdrawal until it matures once again. If you change the terms of your renewed account during the Grace Period (such as selecting a new term or promotional interest rate), the new maturity date will be based on the date on which the changes are made.

Early Withdrawal Penalty

If you withdraw any principal before the maturity date, a penalty, as specified below, may be imposed. The penalty amount, or any portion thereof, will be deducted from the amount withdrawn. The penalty will not be imposed if the withdrawal is due to the death or legal incompetence of any depositor listed in the account name. Early withdrawal penalties are as follows:

Account Term	Penalty
6 to 12 months	3 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
13 to 35 months	8 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.
36 to 120 months	11 months of simple interest on the amount withdrawn, whether or not that much interest has been earned.

MISCELLANEOUS FEES

ATM FEES

- ATM Transaction Fees (refer to the Personal Visa® Debit Card and ATM Card Agreement for more information on the use of your card):

Transactions at American Savings Bank ATMs

- Deposits..... None
- Withdrawals..... None
- Balance Inquiries..... None
- Transfers..... None

Transactions at any other ATM¹

- Withdrawals within the U.S. \$3 per withdrawal
- Withdrawals outside the U.S. \$5 per withdrawal plus Visa® ISA² fee
- Balance Inquiries \$1 per inquiry
- Transfers \$1 per transfer

OVERDRAFT FEES

- Overdraft Fee³ \$30 per item
You will not be charged for more than four (4) Overdraft fees in any one day.
- Savings Overdraft Transfer Fee.....\$10 assessed per day to checking account when a transfer is made from a Statement Savings or Tiered Savings account.

WIRE TRANSFER FEES

- Incoming Wire Transfer Fee.....\$13 per wire transfer
- Outgoing Wire Transfer Fee
 - Domestic or International Fee
 - Wires less than \$5,000.....\$45 per wire transfer
 - Wires \$5,000 or more.....\$75 per wire transfer
 - Outgoing Wire Transfer Tracer Fee⁴ \$35 per tracer
 - Outgoing Wire Transfer Amendment Fee⁴\$35 per occurrence
 - Outgoing Wire Transfer Cancellation Fee⁴\$35 per occurrence
- Third-Party Wire Transfer Fees..... Additional fees may be charged by third parties or other banks. Such fees will be deducted from the wire amount.

ADDITIONAL RELATED SERVICE FEES

- Abandoned Account Handling Fee \$55
- Account Closed Within 180 Days of Opening for Kalo Plus and Kalo Deluxe Checking.....\$75
- Account Closed Within 180 Days of Opening for all other accounts.....\$40
- Cashier's Check \$12 each
- Check Orders Varies
- Collection Fees
 - Outgoing Collection Fee
 - Foreign.....\$100 per item
 - Incoming Collection Fee
 - Domestic\$25 per item

ADDITIONAL RELATED SERVICE FEES (CONT'D)

- Copies of Checks and Deposit Slips:
 - 1-5 copies per statement No Charge
 - 6 or more copies per statement\$2.50 per copy plus research fee
- Dormant Account Fee (begins after 1 year of inactivity for checking and 3 years of inactivity for savings and money market accounts).....\$10 per month
- Foreign Currency Exchange Fee 2% of transaction amount (\$5 minimum; \$15 maximum)
An ASB checking or savings account is required.
- Foreign Item Deposit.....\$2.50 per item
- Legal Process Fee:
 - Attachment/Garnishment/Warrant\$95 per document served
 - IRS and State of Hawaii Levies\$55 per document served
 - Child Support Levies\$50 per document served
- Letter of Verification/Verification of Deposit \$20 each
- Miscellaneous Copies\$2 per page
- Notary Fee \$5 each
- Image of Deposit Items Fee (check images for checking accounts only)\$5 per month
- Research Fee\$35 per hour or fraction thereof
- Returned Mail Fee (per account)\$5 per month
- Signature Guarantee\$25 per stamp
- Special Mailing (for any special mail services)\$5 per request (plus mailing cost)
- Statement – Duplicate..... \$5 each
- Statement – Interim \$5 each
- Statement Reconciliation Service\$35 per hour or fraction thereof
- Stop Payment Fee (Automated Clearing House (ACH), or Paper Check, or Image Replacement Document)..... \$30 each occurrence
- Subpoena Fee
 - Bank Processing Fee.....\$55 per request
 - Research Fee.....\$55 per hour
 - Expedited Request Fee (response due within 10 business days of receipt).....\$15 per request
 - Photocopy Fee.....\$1.50 per page
 - Compact Disc/Secure Share Proof Preparation Fee.....\$5 per format
- Temporary Checks printed in-branch for checking and money market accounts\$3 per page
- Visa® ISA² Fee..... 3% of the transaction amount

1 Some ATM operators impose transaction fees that are separate from and in addition to the ATM fees listed here and imposed by us. Such U.S. ATMs should disclose applicable fees at the beginning of your transaction.

2 Visa International Service Assessment (ISA) Fee applies to international point-of-sale and ATM transactions.

3 This fee applies when a check, in-person withdrawal, ATM withdrawal, or other electronic transaction is paid from your account even though you do not have enough available funds in your account to pay the item. In some cases, you may have funds in your account, but some or all of the funds are not available to pay items from your account (this is referred to as "unavailable funds" or "UAF"). Payment of the item creates a negative balance (overdraft) in your account.

4 Institution(s) involved in the transfer may charge its/their own fee(s), which will be deducted from your account.

PERSONAL DEPOSIT ACCOUNT RULES

1. OPENING AN ACCOUNT; RULES AFFECTING YOUR ACCOUNT

An account is opened when you sign our signature card, and we accept it. For accounts opened online, an account is opened when you indicate that you accept our terms and conditions, and we approve your application. The signature card must be signed, or the account terms accepted, by each owner of the account or by each of your duly authorized representatives. When you open an account, you agree to be bound by the signature card (where applicable), the rules contained in these Personal Deposit Account Rules, including the Funds Availability Policy, the Electronic Fund Transfer Agreement, and Phone Banking Agreement (collectively “rules”), and in the Personal Deposit Account Disclosures and Fees, which may be amended from time to time. The following, in order of priority, governs your account: Federal laws and regulations, Hawaii state law, these rules, our policies and procedures, and general banking practice in Hawaii.

We have the right to refuse to open an account in any name or combination of names or to refuse to remove or add a name to an account.

Our personal accounts are intended to be used **for personal, family, or household purposes**. We reserve the right to require you to open a business account for business activity or transactions. If we determine that you are not limiting use of your personal account to personal, family, or household purposes, we reserve the right to close your personal account and require you to open a business account. We may keep some of our records in digital or electronic format and that such records have the same legal effect as the paper version of those records.

2. TAXPAYER IDENTIFICATION NUMBER (TIN) AND INDIVIDUAL TAXPAYER IDENTIFICATION NUMBER (ITIN)

According to federal law, each accountholder must be identified by a Federal TIN or ITIN. For most individual taxpayers, the TIN or ITIN is the Social Security Number.

We must generally withhold a percentage of taxable interest, dividend, and certain other payments if you fail to furnish us with your correct TIN or ITIN (this is referred to as backup withholding). To prevent backup withholding on these payments, you must notify us of your correct TIN or ITIN when you open your account and certify that you are not subject to backup withholding.

We may provide you with a form to certify that the TIN or ITIN you are giving us is correct and that you are not subject to backup withholding. You are subject to backup withholding if:

- a. You fail to furnish your correct TIN or ITIN to us, OR
- b. The Internal Revenue Service notifies us that you furnished an incorrect TIN or ITIN, OR
- c. You are notified that you are subject to backup withholding, OR
- d. You fail to certify to us that you are not subject to backup withholding under (c) above, fail to certify to us that you are not subject to the Foreign Account Tax Compliance Act requirements, or fail to certify your TIN or ITIN.

We have the right to refuse to open, to refuse to pay interest on, to delay the payment of interest on, or to close an account if you refuse to provide and certify your TIN or ITIN under penalty of perjury. Any account opened without a signed or similarly authenticated certification form will be subject to backup withholding.

3. ACCOUNT OWNERSHIP TYPES

Accounts may be opened in the following types of ownership (we may not allow accounts to be opened online for some of these ownerships):

- Individual Accounts

An individual account can be opened in the name of one (1) person only.

- Joint Accounts

An account opened in the name of more than one (1) individual is a “joint tenancy with right of survivorship,” or simply, a “joint account.” Each individual is a “joint owner.” In joint accounts:

- If a joint owner dies, tell us at once. If an accountholder dies, the account then belongs to the survivor with full rights to the account. To the extent permitted by law, we may have the right of set off against the account in which the deceased accountholder had immediately before the accountholder’s death. If there are more than two (2) joint owners and only one (1) dies, the account remains a joint account in the names of the surviving account owners.
- Each joint owner is an agent of any other joint owner and is authorized to make withdrawals up to the full available balance in the account, stop payment on a check written by any joint owner, deposit into the account checks payable to any joint owner, make address changes, accept the terms of any agreements with us, including online and mobile banking agreements, dispute transactions or report errors on the account, close the account, and otherwise operate the account without the approval of any other joint owner.
- The joint owners agree that each of you is responsible, separately and together, to repay us for any amount of money owed to us by any joint owner. For example, you will each be responsible to repay an overdraft or debt, an overdrawn balance, a returned deposited check, an irregular item amount to be set off against the account, or any fees, charges, outstanding loans, or any other obligation owed to us.
- All joint owners agree that if we are served with any notice of claim, lien, levy, attachment, garnishment, warrant, seizure, distraint, or any other court order or legal process relating to any of the joint owners, we may proceed as though the funds in a joint account are the sole property of the joint owner named in the notice.

- All joint owners agree to use this account legally and honestly and waive any rights and claims against us which could be made because of an act of one (1) of the joint owners.
 - In the event there is a dispute over the ownership or control of this account, we may, in our sole discretion, close the account, return unpaid checks and other items marked “Refer to Maker,” or place a hold (or freeze) on the balance or require the signatures of all authorized signers.
 - We will disclose information about your account to any person who is named with you as a joint account owner, or their authorized representative. Notice to one joint account owner or their representative constitutes notice to all account owners.
- **Guardianship or Agency Accounts**
If the account is covered by any guardianship order or agency relationship, you must provide us with the appropriate documents identifying the parties and their duties and rights. We may refuse to follow your instructions if they are different from the terms of the related order or agency documents.
 - **Formal Trust Accounts**
A Formal Trust Account or Revocable Living Trust, created by a settlor, is an account held by one (1) or more trustees for the benefit of one (1) or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) shall provide necessary trust documents covering the account trust agreement, including subsequent amendments to the trust agreement, covering the account. We act only as a custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any other person opening the account, in their individual capacity or jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure including reasonable attorney’s fees, we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the account.
 - **Payable on Death Accounts**
A Payable on Death (POD) Account (also referred to as an informal trust or Totten Trust) is created by an owner who intends for the deposit account to be payable to the named beneficiaries upon the death of the owner. As the owner of the account, you may withdraw money from the account and may, upon written direction to us, change the beneficiary under the account. If more than one (1) person owns the POD account, each accountholder will be subject to the rules pertaining to joint account ownership as set forth in these rules. Upon the death of all accountholders, we will pay the funds in the account to the named surviving beneficiary upon presentation of a valid death certificate. If there is more than one (1) surviving beneficiary, each will be considered to have an equal share of the funds, unless otherwise stated in ASB’s deposit account records and as allowed by applicable state law. If the beneficiary(ies) predeceased the owner(s), the funds will be paid equally to the surviving beneficiaries, or if there are no surviving beneficiaries, shall be subject to the control of owner’s or owners’ estate.
 - **Hawaii Uniform Transfers to Minors Act (HUTMA) Accounts**
Account established under Haw. Rev. Stat. Chapter 553A in which a custodian receives and manages the property for a minor beneficiary. The account may be opened for the benefit of only one (1) minor by only one (1) person acting as the custodian. Depending on the circumstances leading to the transfer to the minor, the custodian shall transfer the property held in the HUTMA account to the minor when the minor reaches the age of 21 or as provided by law. We will rely on the instructions from the custodian named on the account and we shall have no duty to monitor the account or the status of the custodian or minor.
- 4. NAME, ADDRESS AND CONTACT INFORMATION OF ACCOUNT OWNERS**
It is especially important that we maintain current contact information about you. We will send all mail, including account statements and notices, to the address you designate. You must inform us promptly of any change in name, address, or other contact information; otherwise, you may not receive statements and notices from us. You may lose certain rights to correct problems about which you would have received notice if you had corrected your address. If there is a time limit for your exercise of a right, that time will begin on the date of our notice to you, even if you do not receive it because you did not update your address with us. You also agree (a) to notify us immediately in writing of any change in your name or address on your account, (b) that we may unilaterally conform the address that you designate to U. S. Postal Service standards and/or correct typographical or transpositional errors. We may require you to close your account and open a new account if there is change in ownership.
- 5. FACSIMILE AND ELECTRONIC SIGNATURES**
We may refuse to accept or pay items bearing facsimile or electronic signatures (for example, but not limited to, mechanical signature device, rubber stamp, laser printer, or other electronic means). You hereby indemnify, hold us harmless, and authorize us to honor all checks, drafts, other orders for payment of money drawn on your account, or slips for withdrawal from your account when it bears or purports to bear your facsimile or electronic signature or the facsimile or electronic signature(s) of the person(s) authorized to transact on the account. This limitation is effective regardless of how the actual or purported facsimile or electronic signature may have been affixed to the document or by whom, if such facsimile or electronic signature resembles any specimen signature filed with us.
- 6. TRANSFER OF ACCOUNTS**
Transfers of account ownership cannot be conducted without ASB’s consent. Any transfer must be recorded in our records in order to be effective; those records are determinative.
- 7. INACTIVE/DORMANT ACCOUNTS**
In order to protect your account from unauthorized use, for savings accounts, except certificates of deposit (CDs), you will be sent a Dormant Account notice after 34 months of inactivity; the savings account will be deemed dormant, and the Dormant Account Fee will be assessed after 36 months of inactivity. For checking accounts, you will be sent a Dormant Account notice after 10 months of inactivity; the checking account will be deemed dormant, and the Dormant Account Fee will be assessed after 12 months of inactivity. While your account is dormant, you will not be able to access ATM or point-of-sale (POS) terminals or initiate

transactions via Online Banking. We will charge you a Dormant Account Fee as shown in the “Miscellaneous Fees” on page 12 as allowed by applicable law. To keep your account active or to reactivate your account, you must make deposits to write checks from, make withdrawals from, call us, or visit one of our branches and ask for the account to be reactivated.

8. ABANDONED ACCOUNTS

For all accounts (including CDs), if your account remains dormant for five (5) years, we will charge your account the Abandoned Account Handling Fee specified in the “Miscellaneous Fees” on page 12, and we will turn over any remaining funds to government authorities as required by law. For CDs, your account will be considered abandoned if you do not communicate with us about your account for five (5) years after the original maturity date of the deposit, even if your account renews automatically.

9. PROTECTION OF ACCOUNT AND CHECKS

You are expected to play a significant part in protecting your account from potential misuse. Call us immediately at the number listed on your statement or on asbhawaii.com if you have any reason to suspect that fraudulent activity has occurred or if there are any discrepancies between your records and ours. Depending on the type of fraudulent activity you report, there are forms we will require you to complete and submit to us. We may also require that you file a police report and provide us with the report number or close your account to prevent additional fraudulent activity. Failure to safeguard your ATM or Debit Cards can result in loss of card privileges.

If you have a checking account, store your cards or checks in a secure area. If your cards or checks are misplaced or stolen, let us know immediately. We may advise you to close your account and open a new one. If you decide not to close your account and related losses occur later, we will not be liable. If you report a loss from a forged, altered or unauthorized check to us, we may deny your claim if we discover that you did not safeguard your checks.

10. PROVISIONAL CREDIT

If you notify us of any irregularity or fraudulent activity on your account, you understand that we are under no obligation to credit your account for the amount of such activity while we investigate your claim, unless we are required to do so by law. You understand that we will need a reasonable amount of time to conduct our investigation. If we credit your account during the investigation, that credit to your account is provisional (that is, conditional) until we conclude the investigation.

11. RIGHT TO PROSECUTE

If there is unauthorized activity on your account and a suspect is identified, we reserve the right to prosecute or bring other legal action against the suspect in an attempt to recover our loss, and you agree to cooperate.

12. DETERMINING AVAILABLE BALANCE

The available balance in your account is determined by adding the amount of your deposits that we have collected and after any check hold periods have expired, plus interest credited (if any), less the amount of your withdrawals, service charges or fees, and any Merchant holds (including those placed on point-of-sale transactions you have made but are not yet paid from your account) or restraints that are still in effect on your account. Your available balance may be less than or equal to your current balance. If you have a checking account, your available balance may be supplemented with funds from an overdraft protection line of credit that you were approved for or a Savings Overdraft Transfer arrangement that you signed up for (but is not included as part of the courtesy overdraft payment practice described below).

If you have a checking account, a hold may be placed on your account if we receive notice that an item will be presented for payment or collection against your account (a “Notice of Presentment”). The hold may remain in effect from the time we receive the notice until the item is presented, or we receive notice that the item will not be presented, whichever occurs first. We may conclusively rely on the information received in an electronic presentment or notification when determining the available balance in your account, and we will not be liable for refusing to honor any of your items because of insufficient funds, even if the electronic presentment or notification incorrectly describes the item, including its amount. We may debit your account on the day an item is presented by any means, including, without limitation electronically, or at an earlier time based on notification we receive that an item drawn on your account will be presented for payment or collection.

13. PROCESSING ORDER

We process checks, items, and requests for payment (“items”) presented against your account in an order or sequence that we choose, unless the laws governing your account either require or prohibit a particular order or sequence. Additionally, we reserve the right, at our sole discretion, to change the order or sequence of processing without prior notice to you as permitted by law. Even if we provisionally process items to your account during the business day, we will treat them as if we received all of them at the end of the business day and process them in the order we have chosen.

Currently, our practice, with some exceptions, is to process the items or transactions we receive on the business day in the following order:

- Credits in high to low dollar amount order; then
- Any funds transferred based on any form of legal process (including the Legal Process Fee), any money you owe us, wire transfers, withdrawals, checks cashed over the counter, in serial number order (or in the order the item was received if it does not bear a serial number); then
- ATM and POS transactions in the order they occurred; then
- ACH items and other requests for payment from your account in serial number order (or in the order the item was received if it does not bear a serial number); then
- Checks in serial number order; and then
- Any fees.

If more than one item is presented to us for payment on the same day and we determine there is sufficient available balance to pay one or more but not all of the items, the number and amounts of the items paid and the fees assessed may be affected by the order that we have chosen to pay those items.

14. PAYMENT OF YOUR CHECKS AND ITEMS/INSUFFICIENT FUNDS

It is your responsibility to keep enough money in your account to pay for checks and other items you authorize for payment from your account. Your available balance must always be equal to or greater than the amount of money you request to withdraw. Your available balance may not be the same as your current balance due to merchant holds (for point-of-sale transactions) or deposits in process. Please note that some payment authorization systems allow merchants to ask for authorization of amounts that are more or less than the underlying transaction (for example, but not limited to, a food establishment requests an amount sufficient to include a tip). Thus, with point-of-sale transactions, we may hold your account per the merchant's direction.

When there is a sufficient available balance in your account, we will pay checks written on your account, items, and other requests for payment which are presented to us. Unless you have arranged with us for an overdraft line of credit or Savings Overdraft Transfer, we are not legally required to pay to anyone any amount that exceeds your available balance. If you do not have sufficient funds in your account to pay a check or other item, we may, at our discretion, either pay or refuse payment, without regard to whether we may have previously established a pattern of honoring or dishonoring such items that create an overdraft on your account.

If your account does not have sufficient funds to cover your checks or other items, you have breached your agreement with us to have sufficient funds in your account, and if we pay the transaction or item, we may charge you a fee.

For transactions performed using your debit card (including to make ATM and one-time POS purchases), federal regulations require us to provide you with an opportunity to decide if you want your ATM and one-time debit card transactions to be covered by any discretionary overdraft payment practices we may make available. If you consent to participate, we may charge you the overdraft fee disclosed in the "Miscellaneous Fees" section on page 12 for paying or returning an item or transaction that overdraws your account. Once you consent to participate, you may revoke your consent at any time. If you decide not to consent to participate in our overdraft payment practices for ATM and one-time debit card transactions, then ATM and one-time debit card transactions will be declined at the time of the purchase or transaction if you do not have sufficient funds in your account and you do not have a separate overdraft line of credit or overdraft transfer arrangement with us.

No application for credit is intended if we decide to pay any check or item. Any negative balance on your account is immediately due and payable, unless we agree otherwise, and you agree to reimburse us for the costs and expenses (including attorney's fees and expenses) we incur in recovering the negative balance, including any other fees. Because the payment of overdrafts is discretionary and the limit may change, you should take steps to ensure that your account has sufficient funds to cover each of your transactions.

15. NOTICE OF NEGATIVE INFORMATION

We may report information about your account to consumer reporting agencies. Overdrafts on your account may be reflected on your consumer report.

16. STATEMENTS

When we provide you with a statement, electronically or otherwise, you must promptly and carefully review it to determine if any errors or problems exist and notify us of any issues. Failure to notify us can result in the loss of certain rights. Notification of any irregularities, including unauthorized signatures or alterations on your checks, must be made within 30 calendar days from the time we mail or deliver your statement to you. For electronic transactions, you must notify us of errors within 60 calendar days from the time we mailed or delivered your statement. The Electronic Fund Transfer Agreement section of this document includes instructions for notifying us of errors involving electronic fund transfers on your account.

17. YOUR DUTY TO INSPECT; COINS; CURRENCY

Please verify the country of origin and physical status of all coin/currency that you deposit with us. Do not deposit any foreign, or non-current or mutilated coins/currency. At our discretion, any foreign, or non-current or mutilated coins/currency that you present to us will not be credited to your account or may be converted from foreign coin/currency into U.S. dollars at prevailing bank rates. Regardless of value and also at our discretion, we reserve the right to not return foreign, non-current or mutilated coin/currency to you. If such items are included in your deposit, we may (a) impose special fees for the collection of foreign items as well as for exchange transactions, and/or (b) place a hold on or reverse the deposit. Deposits of foreign coin/currency are subject to the same reporting laws as deposits in U.S. dollars.

18. ADJUSTMENTS

When you make a deposit, we may confirm the amount deposited. If we review your deposit and find any errors, we will make adjustments to your account and may send you a notice which will also be reflected on your account statement. However, we are not required to make adjustments or provide notice of such adjustments.

19. SERVICE CHARGES

Your account, whether active or dormant, is subject to fees or charges. These fees or charges are listed in the "Miscellaneous Fees" on page 12. You agree to pay any fees related to your account.

20. BALANCE REQUIREMENT

We may set minimum balance requirements for your account. The minimum balance is the lowest amount you can keep in your account to avoid a monthly service fee. Please refer to the Personal Deposit Account Disclosures and Fees sections for the amounts of these fees and other terms and conditions related to minimum balance requirements.

21. ACCOUNT CLOSING/RESTRICTION

We have and reserve the right to (a) remove accountholders from your account, and/or (b) close or limit the use of your account, including any debit card you may have – including terminating your previous authorization to pay one time point of sale transactions and ATM withdrawals that will overdraw your account in order to minimize your overdraft fees – at any time with or without cause or reason. You may close your account at any time by filling out the proper forms and paying any applicable fees, charges or debts you owe us. You must tell all third-party payers or payees who send or receive payments electronically to or from your account that it is being closed. We will not be responsible for problems caused because your account is closed. Whether you close the account, or we close it, your obligations under these rules will not be affected, even if we allow any transaction to be completed after the account has been closed. If your account earns interest and you close your account or you convert it to a non-interest bearing account before interest is paid, we will not pay you any interest that has been earned but not yet paid to you. After your account is closed, you will continue to be responsible for any charges, fees or debts you owe us. We will return any unpaid items that are presented to us for payment after your account is closed and for which you have not left enough money to pay. For CDs, we will pay interest up to the day before you close your account. When your account is closed, you will continue to be responsible for any penalty charges, fees or debts you owe us. Your account will close on the maturity date unless it is automatically renewed as indicated in the Certificate of Time Deposit Document.

We also may, but are not required to, refuse, reverse, or block any transaction related to your account if we believe that (1) your account may be involved in any legal dispute, proceeding, or reclamation; (2) you and/or your account may be involved in illegal or fraudulent activity; (3) you or your account may be the victim of or the target of a fraud, even though you represent to us that you authorized the transaction; (4) you lack mental capacity or may be the victim of financial exploitation; (5) our actions are in compliance with any law, rule or regulation; (6) such action is reasonably necessary to reduce the risk of loss or damage to us. You agree that ASB shall not be liable for any action or inaction taken pursuant to this section.

We have the right to charge you an Account Closing Fee. The amount of this fee is shown in the “Miscellaneous Fees” on page 12.

22. AUTOMATED CLEARING HOUSE (ACH) TRANSFERS

The Automated Clearing House is a payment system used to process and transmit certain transactions or transfers electronically. There are several types of transactions that are processed through the ACH, including preauthorized transfers such as utility payments set up to be made automatically each month and direct deposits of payroll or Social Security benefits; Internet or phone-initiated transactions; and checks converted by merchants into electronic ACH transactions.

The following rules apply to ACH transfers:

- If we credit your account for an ACH credit transaction, the credit to your account is provisional (that is, conditional) until we receive final payment for the transaction from the ACH Operator.
- If we do not receive such final payment, we are entitled to a refund of the amount credited to you in connection with such transaction, and the party (that is, the originator of the credit) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.
- Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give you next day notice that we received an ACH transaction for your account, and we will not do so, except to the extent required by law or such rules. However, we will continue to notify you of the receipt of transactions in the periodic statements that we provide to you. If you would like to confirm whether a preauthorized transfer has occurred on your account, call us at (808) 627-6900 or toll-free at (800) 272-2566, from 8:00 a.m. to 7:00 p.m. (HST), Monday through Friday, and from 9:00 a.m. to 3:00 p.m. (HST) on Saturday, Sunday and designated holidays (visit asbhawaii.com/observed-holidays for our holiday hours). If you signed up to use our phone or online banking services, you may also confirm that a transfer has occurred on your account by using those services.
- Payments to your account that have been transmitted through one or more ACH networks may be governed by the Electronic Fund Transfer Act, the laws of the State of Hawaii, and/or the operating rules of the National Automated Clearing House Association. Your rights and obligations with respect to such payments shall be governed by whichever rules are applicable to the specific ACH transactions involving your account.
- You may authorize third parties to initiate electronic fund transfers between your account and the third party's account. These preauthorized transfers may occur once or may be recurring. The transfers may use the ACH or other payment networks.
- A merchant or service provider may ask you for and use information from your check (such as your account number and ASB's bank routing number) to process an electronic transaction. You should only provide this information to third parties that you trust.

Electronic fund transfers can also include electronic check conversions where information from your check is scanned and recorded in digital form, and then the information is used to create an electronic transaction (these conversions may be referred to as “electronified checks” on your statements or in disclosures). Charges imposed by merchants for checks returned unpaid due to insufficient funds may also be processed electronically.

Your authorization to initiate these types of transfers may be in writing or may be implied by a sign posted at the merchant or service provider's location.

23. STOP PAYMENTS

You may make a stop payment on checks you have written or electronic debits (such as ACH transactions described above) by either an oral request or by a written request. You will be charged a stop payment fee. The amount of this fee is shown in the “Miscellaneous Fees” on page 12.

A stop payment order for a check or other item that is not an ACH transaction is only valid for six (6) months; another stop payment

order may be placed via branch, Online Banking, or Customer Banking Center to extend its validity. We must receive a stop payment request within a reasonable time before payment is made so that we have time to act on your request and you must give us detailed information about the check you want stopped. We will not pay or be responsible for expenses and costs incurred because the stop payment order was followed or because of the accidental or inadvertent payment of the check. You must pay us any such charges incurred.

A stop payment order may be placed on a single ACH transaction or a series of ACH transactions. Stop payments for ACH transactions are valid indefinitely, or until we determine that the transaction has been stopped or you revoke the stop payment order. For preauthorized transactions, we must receive your stop payment request at least three (3) business days before the scheduled date of the transfer. For other types of ACH transactions, we must receive your stop payment request within a reasonable time before payment. You must give us detailed information about the transfer(s) you want stopped. We will not pay or be responsible for expenses and costs incurred because the stop payment order was followed or because of the accidental or inadvertent payment of the transfer. You must pay us any such charges incurred.

24. THIRD-PARTY ENDORSEMENTS

We generally do not accept checks made payable to third parties for deposit or cashing. If we approve an exception to this, checks and other items must be endorsed by all parties to whom the items are payable. We may require third parties to have their bank verify or guarantee their endorsements.

25. DEPOSITED OR CASHED CHECKS/ITEMS RETURNED TO US

If you cash or deposit a check, or any other item, into your account and that check or item is returned to us for any reason, we will charge your account for that item or check, and we may charge you a fee.

26. COLLECTION ITEMS

We accept certain items, such as checks payable in foreign currencies or at foreign locations, on a collection basis only. We handle these items separately and process them individually. Collection means that we send the item directly to the bank on which it is drawn and request them to confirm that the item is valid and there are sufficient funds to pay the item – we charge a fee for this service. If the item is valid, the funds are remitted to us. We normally credit your account for collection items only after we receive payment for these items. If we do credit your account before receiving payment and then do not receive payment, we will charge your account. To credit your account for checks payable in foreign currencies, we may use our exchange rate either on the date of your deposit of the item or when we receive payment, whichever we may choose. We and the drawee may impose both collection and exchange fees for such items. Due to currency conversions and third-party bank fees, the amount actually collected may be less than the face value of the check at time of presentment to us.

27. ENGLISH

From time to time, to aid our customers, we may translate a form, disclosure, advertisement, or other communication from English into another language. Unless otherwise stated or specifically required by law or regulation, only the English language version of the communication is binding upon us.

28. CHECKS NOT WRITTEN IN ENGLISH

As allowed by Haw. Rev. Stat. § 490:1-302(a), if we accept a draft, check, or instrument that is written in non-English, Haw. Rev. Stat. § 490:3-114 shall not apply to the extent that where the draft, check, or instrument containing contradictory terms, numbers shall prevail over non-English words.

29. ATM

You agree that use of any ATM shall be at your own risk, and we shall not be responsible for any losses or damages you sustain.

30. FOREIGN EXCHANGE

We maintain accounts in U.S. currency and do not maintain accounts in foreign currencies; however, we may, from time to time, offer foreign exchange services either acting directly or as the agent for another financial institution.

31. IF YOU OWE US MONEY

Unless prohibited by law, if you owe us money because of (1) any transaction involving any account you have with us, (2) any loan in default in which you are a borrower or guarantor, (3) any check you cashed or deposited, (4) any physical damage you or your agent caused us, or (5) any delinquent Safe Deposit Box, we may deduct the amount owed from any deposit account you have with us, which may include a deposit account a deceased accountholder had before the accountholder's death.

32. CASH WITHDRAWALS

We may require reasonable advance notice for large cash withdrawals. We may also refuse to honor a request to withdraw funds in cash from your account or to cash a check (including a cashier's check or other official item) at a branch if we believe that the amount is unreasonably large or that honoring the request would cause us an undue hardship or security risk for you or bank personnel. We are not responsible for providing for your security in such transactions and you assume full responsibility of losses or damages you sustain, including if cash is lost, stolen, or destroyed.

33. DISPUTES BY AUTHORIZED REPRESENTATIVES

In the event there is a dispute over control of your account, we may, at our sole discretion, close the account, return unpaid checks and other items marked "Refer to Maker," place a hold (or freeze) on the balance, or require the signatures of all authorized signers.

34. OUR INDEMNITY RIGHTS

If you make a special request and ask us to follow your request or instructions that we determine could give rise to legal liability to us, we may refuse to follow your request or instructions. If, however, we follow your request or instructions, you will indemnify us. Indemnify means that you promise that if we incur any loss, cost or legal liability because we followed your request or instructions, then you will pay us for the full amount of the resulting damage or loss, including reasonable attorney's fees. If you open a joint

account, each of you automatically indemnifies us for any loss that results because of the way any other joint owner handles the account. You will repay us for any cost or will assume legal liability that results because of the act of a joint owner.

35. LEGAL PROCESS

If we are served with a lien, levy, attachment, garnishment, warrant, seizure, distraint, summons or subpoena, formal or informal request from law enforcement, or any form of legal process which attempts to attach, relate to or affect accounts held in your name(s) or any combination thereof, we may be required to disclose information about you and your account(s) and you may be charged a legal process fee for each service of process. The amount of the fee is disclosed in the "Miscellaneous Fees" on page 12. Also, we may employ or retain an attorney to represent us in the handling of any such legal process at your cost. You agree to hold us harmless from any and all actions, claims and damages associated with our compliance with any legal process we receive related to you or your account.

36. LEGAL FEES AND COSTS

If we become involved in any dispute or lawsuit by reason of or arising out of any of your accounts, then you will pay, or we may deduct from any of your deposit accounts you have with us, the amount of any indebtedness that you owe to us, whether matured or not, plus the expenses, including reasonable attorney's fees, incurred in connection with the indebtedness, dispute(s) or litigation.

37. ARBITRATION

If there is any dispute relating to your account and if the dispute cannot be settled through direct discussions, either you or we may elect to resolve any unresolved controversy or claim arising from or relating to your account through arbitration according to Haw. Rev. Stat. Chapter 658A. In addition, you and ASB agree that each may bring claims against the other only in your, or its, individual capacity and not as a plaintiff or class member in any purported class or representative proceeding. Arbitrations shall be administered by Dispute Prevention & Resolution, Inc. ("DPR") or another qualified arbitrator who is a member of the Hawaii State Bar Association that we jointly select. Arbitrations shall be resolved by a single arbitrator. Arbitrators must be attorneys with more than 10 years of active practice, retired judges, or an individual affiliated with DPR. A decision of the arbitrator shall be binding and judgment on the arbitration award may be entered in any court having jurisdiction thereof. The site of arbitration shall be in the State of Hawaii. If any part of the dispute is for any reason not subject to arbitration, all remaining parts of the dispute shall nonetheless remain subject to arbitration. Unless both you and ASB agree otherwise in writing, the arbitrator may not consolidate any other claims of third parties with your claim and may not otherwise preside over any form of a representative or class proceeding with respect to your claim.

Right to Opt-Out of Arbitration: You may opt-out of having to arbitrate disputes without affecting any of your rights and obligations as our customer. If you want to opt-out of arbitration, you must mail written notice of your decision to us within 60 calendar days of Account opening to P.O. Box 2300, Attn: Legal Department, Arbitration Opt Out, Honolulu, HI 96804-2300. Your written notice must include date, name, account number(s), signature and the following statement: "I am authorized to opt-out of arbitration for the above referenced account(s)." If you do not submit written notice as provided above, you will be bound by this Arbitration Agreement and required to resolve claims through binding arbitration.

38. WAIVER OF THESE RULES

We may waive any of our rules at any time, but the waiver will apply on that occasion only.

39. SEVERABILITY

If any provision of these rules is not enforceable, the other provisions will remain in full force and effect.

40. SPECIAL CONDITIONS FOR CHECKING ACCOUNTS

The following conditions apply if you have a checking account with us:

- **Subaccounts.** For accounting purposes only, your checking account may consist of a checking subaccount and a savings subaccount. We may periodically transfer funds between these two (2) subaccounts. If we transfer funds from the savings subaccount to the checking subaccount six (6) times during the calendar month, we will transfer all the funds from the savings subaccount to the checking subaccount in the sixth transfer. The transfers between the subaccounts will be the only transactions in the subaccounts and will not appear on your statement. If your checking account earns interest, the interest calculation for your checking account will remain the same. The savings subaccount will not be interest bearing. This accounting process will not affect your available balance, the interest you may earn, FDIC insurance protection, or your monthly statement.
- **Savings Overdraft Transfer (Overdraft Protection).** This service is available to checking account customers. To participate in this optional service, you must have a Statement Savings or Tiered Savings Account ("Related Savings Account"). You may request to have funds automatically transferred from your Related Savings Account to your checking account to avoid insufficient funds or overdraft fees on your checking account. This transfer is called an "Overdraft Transfer." If you choose to participate in this service, when your checking account does not have enough available balance, the overdrafts in your checking account will be covered by the Overdraft Transfer. Refer to the section on Determining Available Balance for more information. If you do not have enough available balance in your Related Savings Account to cover an overdraft in your checking account, the funds in your Related Savings Account may not transfer to your checking account. It is possible for more than one (1) Overdraft Transfer to occur on a business day. If funds are transferred from your Related Savings Account to cover overdrafts in your checking account, the amount of the current Savings Overdraft Transfer Fee will be included in the first transfer amount, and the Savings Overdraft Transfer Fee shown in the "Miscellaneous Fees" on page 12 will be deducted from your checking account. Overdraft fees will not be assessed to your checking account if the overdraft is covered by an Overdraft Transfer.

A Preferred CreditLineSM is also available as an overdraft protection service and is subject to credit approval. You can only have **one (1)** service for overdraft protection, either Savings Overdraft Transfer or Preferred CreditLineSM (if approved), but not both.

- **Image Statements.** We do not return actual cancelled checks in account statements. You may, however, select our Image Statement service in which we will provide images of your paid checks with your monthly account statements. You can request

a copy of a check (images of the front and back) from us when you need it, or you may access the images of your checks if you enroll in Online Banking. There may be a charge for providing you with Image Statements or images of your cancelled checks. See the "Miscellaneous Fees" on page 12 for the cost of these services.

- **Acceptable Form of Check.** You may only use the preprinted check forms approved by us. Any check you write on an unacceptable form may be returned unpaid.
- **Postdated Checks.** You agree not to date a check later than the date that you write it. If a check is presented to us for payment before its date, we may pay it or return it unpaid. We will not be responsible if we pay it before the date on the check.
- **Stale Checks.** We may choose not to pay any check that we receive for payment six (6) months or more after the date of the check. We are not responsible to you or any third party if we choose to pay or refuse to pay such a check.
- **Signature.** It is your responsibility to monitor accounts with special conditions. It is possible that checks not meeting your special conditions may be paid. All special conditions are for your internal purposes or controls only and will not be binding on us. For example, but not limited to, we may pay checks that have only one (1) signature for accounts with multiple signature requirements or allow full online access to fewer than all authorized signers.
- **Dates and Special Instructions on Checks.** We may, without inquiry or liability, pay your checks even though: (a) special instructions written on the checks indicate that we should refuse payment (for example, but not limited to, "Void after 30 days," "Paid-in-Full," or "Void over \$100"); and/or (b) the check is not dated.
- **No Sight-Review of Drawer Signatures.** You agree that we do not fail to exercise ordinary care in paying an item solely because we do not perform a sight-review or perform a sight-review only for items above a threshold level, or on a sample basis, at our discretion. We reserve the right not to sight-review drawer signatures because we pay items on an automated basis.

41. JURISDICTION, VENUE AND SERVICE OF PROCESS

You irrevocably agree that all actions or proceedings relating to the Account shall be litigated in either state or Federal courts located within the City & County of Honolulu, State of Hawaii, and you: (a) waive any objection that you may have based on improper venue or forum non conveniens to the conduct of any proceeding in any such court; (b) waive personal service of any and all process upon it; (c) consent to all service of process upon you being made by certified mail or messenger directed to you at the address set forth in our records; and, (d) agree that service made as stated herein shall be deemed to be completed upon the earlier of actual receipt or five (5) days after the same shall have been posted to your address set forth in our records.

42. GOVERNING LAW

This Account shall be governed by Federal law applicable to ASB and, to the extent not preempted by Federal law, the laws of the State of Hawaii without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of these terms and conditions are valid or enforceable, the provision that is questioned will be governed by whichever state or Federal law would find the provision to be valid and enforceable.

43. SAFE CONDUCT

To maintain a safe and fit environment for all of our customers, employees, and community members, we do not tolerate any unsafe, violent, harassing, unsanitary or abusive behavior on ASB property or when interacting with any ASB employees. This includes physical, written, verbal, and visual conduct, threats of violence, intimidation, profanity, bodily fluids, or the possession of firearms, weapons, or replicas of weapons (other than those carried by law enforcement personnel and individuals approved by ASB). ASB prohibits unauthorized video or audio recording within its premises.

FUNDS AVAILABILITY POLICY

The following Funds Availability Policy applies to all of your checking, savings, or money market accounts with us and only in connection with checks drawn on U.S. financial institutions.

YOUR ABILITY TO WITHDRAW FUNDS FROM YOUR AMERICAN SAVINGS BANK ACCOUNT

Our policy is to make funds from your cash, and/or check deposits, incoming wire transfers and electronic deposits available to you on the day we receive your deposit. Once the funds are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written or other payments you have authorized and any applicable fees that you have incurred.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays.

You can make deposits to your account at a branch during business hours, by mail, or at one of our automated teller machines (ATM). If you use Mobile Check Deposit, see the separate agreement for terms and conditions.

If you make a deposit at one of our branches before the branch's closing time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the branch's closing time or on a day we are not open, we will treat that deposit as made on the next business day we are open.

If you make a deposit at an American Savings Bank ATM before 4:00 p.m. (HST) on a business day that we are open, we will consider that day to be the day of your deposit and your funds will be available to you. However, if you make a deposit after 4:00 p.m. (HST) on a business day or on a day we are not open, we will treat that deposit as made on the next business day we are open. We will generally make most check deposits available on the first business day after the day of your deposit.

Mail deposits are considered made on the day we actually receive them, if received on a business day. If mail deposits are not received on a business day, then they are considered received on the next business day. All deposits are subject to verification.

Although we have made funds from your deposits available to you, these items may still be in the process of collection, and may still be returned unpaid, causing the deposit to be reversed.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you on the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the third business day after the day of your deposit. However, a minimum of \$275 of your deposits, or a different amount required by law, may be available on the first business day.

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

If you need the funds from a deposit right away, you should ask us when the funds will be available.

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$6,725 on any one (1) day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as a failure of computer or communications equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

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

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$6,725 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury Check) is not made in person to one of our employees, the first \$6,725 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available no later than the ninth business day after the day of your deposit.

HOLDS ON OTHER FUNDS

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

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

ELECTRONIC FUND TRANSFER AGREEMENT AND DISCLOSURE

This Agreement applies to electronic fund transfers governed by the Electronic Fund Transfer Act, such as direct deposits, preauthorized transfers, automatic payments, and transactions where you authorize a payee to use information from your check to debit your account electronically.

If you have a debit card for your account, see the separate agreement for terms and conditions relating to the use of your card.

TRANSFER TYPES AND LIMITATIONS

The types of transfers that you can make that are governed by this Agreement include the following:

- You may authorize third parties to initiate electronic fund transfers between your account and the third party's account. These preauthorized transfers may occur once or may be recurring. The transfers may use the Automated Clearing House (ACH) or other payment networks.
- You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or to pay bills.
- There is no minimum transfer amount on funds transfers from your checking, savings, money market and line of credit accounts to your other accounts. There are no maximum dollar limits on transfers, subject to the availability of funds. There are no limits on the number of transactions you can initiate on checking accounts or your line of credit.

NON-BUSINESS PURPOSES ONLY

You agree not to use your account for business purposes and that such use would constitute a breach of this agreement.

OUR RIGHTS TO MAKE CHANGES TO THIS AGREEMENT

We may make changes to this Electronic Fund Transfer Agreement at our discretion. We will notify you in writing of any change at least 21 days in advance if the change will increase charges, increase your liability, or limit access to your account, unless immediate changes are necessary for security reasons.

BUSINESS DAYS

For purposes of these disclosures, our business days are Monday through Friday. Federal holidays are not included.

ATM TRANSACTIONS

When you use an ATM not owned by us, you may be charged a fee by the ATM operator, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

CONFIDENTIALITY

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

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

DOCUMENTATION OF TRANSFERS

You can usually get a receipt at the time you make any transfer to or from your account at an ATM or point of sale terminal. Some merchants may not provide receipts for small dollar point of sale transactions, but you may verify your transaction with us.

Preauthorized credits. If you have arranged to have preauthorized credits (such as direct deposits) made to your account at least once every 60 days from the same person or company, you can verify the deposit using online banking, mobile banking, phone banking, by calling (808) 627-6900 or toll-free at (800) 272-2566, visiting a branch, or by reviewing your statement.

Periodic statements. We will provide you an account statement for each monthly cycle in which an Electronic Fund Transfer occurs on your account. If there are no electronic fund transfers on your account, we will provide you a statement at least quarterly unless we consider your account inactive.

PREAUTHORIZED PAYMENTS

Right to Stop Payment and Procedure for Doing So. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

- Call us at (808) 627-6900 or toll-free at (800) 272-2566 from 8:00 a.m. to 7:00 p.m. (HST), Monday through Friday, and from 9:00 a.m. to 3:00 p.m. (HST) on Saturday, Sunday and designated holidays (visit asbhawaii.com/observed-holidays for our holiday hours)
- Or write to us at: Attn: Disputes
American Savings Bank
P.O. Box 2300
Honolulu, Hawaii 96804-2300
- Or visit any of our branches

Your request must be received three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after your call. We will charge you the stop payment fee disclosed in the "Miscellaneous Fees" on page 12 for each stop payment order you give.

Notice of Varying Amounts. If these regular payments vary in amount, the person you are paying will tell you, 10 days before each payment, when it will be made and how much it will be.

Liability for Failure to Stop Payment of Preauthorized Transfer. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

OUR 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 actual losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer will go over the credit limit on your overdraft line if you have one.
- If the automated teller machine where you are making the transfer does not have enough cash.
- If the machine or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you or by applicable law.

YOUR LIABILITY FOR UNAUTHORIZED ELECTRONIC FUND TRANSFERS

Tell us AT ONCE if you believe your card or access code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card or access code, you can lose no more than \$50 if someone used your card or access code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card or access code, and we can prove we could have stopped someone from using your card or access code 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 card, access code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

WHERE TO REPORT AN UNAUTHORIZED TRANSFER

If you believe that someone has transferred money from your account without your permission, tell us at once.

- Call us at (808) 627-6900 or toll-free at (800) 272-2566 from 8:00 a.m. to 7:00 p.m. (HST), Monday through Friday, and from 9:00 a.m. to 3:00 p.m. (HST) on Saturday, Sunday and designated holidays (visit asbhawaii.com/observed-holidays for our holiday hours)
- Or write to us at: Attn: Disputes
American Savings Bank
P.O. Box 2300
Honolulu, Hawaii 96804-2300
- Or visit any of our branches

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Call or write to us at the telephone number or address above 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. When reporting an error or requesting more information:

- Tell us your name and account number.
- 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 provide provisional credit to 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 of your complaint. 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.

We will tell you about the results within three (3) 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.

FEES FOR ELECTRONIC FUND TRANSFERS

You agree to pay all fees that apply to your account as shown in the Miscellaneous Fee schedule, including ATM fees.

PHONE BANKING AGREEMENT

SERVICES, TYPES OF TRANSFERS AND LIMITATIONS

Your Access ID and your Personal Identification Number (PIN) allow you to:

- Use speech or the phone keypad to conduct the activity described below.
- Inquire about your ASB deposit and loan account information, transaction activity and other information.
- Transfer funds between your ASB checking, savings, and money market accounts.
- Advance funds against your line of credit (limited to your maximum or available line of credit) for transfer to your other ASB accounts.
- Make loan[†] or line of credit payments from your ASB accounts. ([†]Mortgage Loans excluded)
- Place a stop payment on checks you write.
- Perform other self-service activities.

TRANSACTION LIMITATIONS – MINIMUM AMOUNTS

There is no minimum transfer amount on funds transfers from your checking, savings, money market and line of credit accounts to your other accounts. There are no maximum dollar limits on transfers, subject to the availability of funds. There are no limits on the number of transactions you can initiate on checking accounts or your line of credit.

ACCESS IDENTIFICATION NUMBER

A 10-digit identification number has been assigned so that you may access your accounts through the Phone Banking service.

PERSONAL IDENTIFICATION NUMBER (PIN)

You have selected a 4-digit PIN so that you may access your accounts through the Phone Banking service. You are personally responsible for the confidentiality of your PIN and all of your Phone Banking transactions. If you disclose your PIN to anyone, you understand that you have given that person access to your account(s) by way of any telephone and that you may be responsible for any subsequent transactions, subject to limitations provided by law. You must notify us immediately and may be required to send written confirmation should your PIN be disclosed to anyone other than a joint owner on your account. All transfer and withdrawal requests made by way of the Phone Banking service are binding on us only after we have verified that sufficient unencumbered funds are available to complete the transaction.

PHONE BANKING BUSINESS AND PROCESSING DAYS

Our business days are Monday through Friday, excluding federal holidays. The business day cut-off time is 10:00 p.m. Hawaii Standard Time (HST), after which transactions will reflect an effective date of the calendar day you initiated the transaction, but a posting date of the next business day. For example, transactions initiated by you each business day before 10:00 p.m. (HST) are processed with that calendar day's date. Transactions initiated after 10:00 p.m. (HST) will reflect a posting date (transaction date) of the next business day but will reflect the date of the calendar day on which you initiated the transaction as the effective date for purposes of dividend accrual and finance charge calculation. Similarly, transactions that you initiate on non-business days (Saturday, Sunday and federal holidays) are effective dated the date the transaction was initiated by you but will reflect a posting date of the next business day.

LOAN AND LINE OF CREDIT PAYMENTS, AVAILABILITY AND ADVANCES

When you make a payment, the system will update your account records, and when applicable, reflect an increase in the availability of credit. For line advances, refer to your account agreement for details.

STOP PAYMENTS VIA PHONE BANKING

You may use Phone Banking to place a stop payment on checks that you write against your checking account. The Phone Banking service cannot be used to place stop payments on checks written against any other types of ASB deposit or loan accounts. Stop payment orders will be accepted and placed using the check number only, regardless of the amount, payee or date recorded on the check. You are solely responsible for the accuracy of the check number you provide to us in order to identify the check for which you wish to place the stop payment. All stop payment orders are in effect for six (6) months from the date your stop payment is placed, unless otherwise cancelled or renewed by you. There is a fee to place a stop payment using the Phone Banking service. Please refer to the "Miscellaneous Fees" on page 12. By placing a stop payment order you agree to hold us harmless for the amount of the check(s) and for any and all liability, expenses and costs arising from our refusal to pay the check(s). You also agree not to hold us liable for any payment of the check(s) contrary to the stop payment order if payment occurs through inadvertence, oversight, accident, or otherwise, or if by reason of such payment, other items drawn by you are returned for insufficient funds.

TERMINATION OF PHONE BANKING

We may terminate your Phone Banking service (a) if you or any person authorized to use your ACCESS ID and PIN breach the terms of this Agreement; (b) if you terminate the service with us; (c) if you notify us to cancel your Phone Banking service; (d) if we have reason to believe that an unauthorized person has used or is about to use your ACCESS ID and PIN; (e) if, with or without cause, we notify you that your Phone Banking service has been or is about to be terminated. Termination of your Phone Banking service will not affect your rights and responsibilities or transactions initiated before termination of the Phone Banking service.

FEES

There is no fee or charge for using Phone Banking.

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