

Notice of Change

Effective November 1, 2024



This is a notice of changes to the Terms and Conditions of your account(s) with us. All other areas of the Personal Accounts Fee Schedule and Business Accounts Fee Schedule and Deposit Account Agreement and Business Deposit Account Agreement that have not changed remain in effect.

For a copy of the Deposit Account Agreement or Business Deposit Account Agreement, contact Customer Support at 877-672-2265 or stop by one of our offices. Continued use of your account(s) after receipt of these terms and conditions constitutes acceptance of, and agreement to, the terms and conditions.

Changes to the Personal & Business Accounts Fee Schedules

Business & Personal Accounts:

1. Removed the ATM fee for declined withdrawal attempts (Rejected ATM Transaction Charge), at an out-of-network ATM. Withdrawals (Fee for ATM Activity) and balance inquiries made at non-North Shore Bank or non-MoneyPass® network ATMs in the United States & internationally, are charged \$3 each.
2. Clarified when the Consecutive Days Overdrawn (OD) fee is assessed: If your account balance is overdrawn for 5 consecutive business days, your account will be charged a consecutive days overdrawn (OD) fee of \$15, at the end of the fifth business day during nightly processing, if the account remains overdrawn. After your account becomes positive, and it becomes overdrawn again for 5 consecutive business days, we will charge your account another \$15 fee as described above.

Personal Accounts:

1. Platinum Debit Card benefits include 2 free out-of-network transactions per statement cycle which applies only to ATM withdrawals from the checking account your debit card is associated with. Fees for other transactions may apply.
2. Existing fee added – Foreign currency order (plus cost) – \$7

Changes to Personal Account Products

1. Statement Savings is renamed to Everyday Savings with no change to minimum balance requirement or monthly maintenance fee.
2. Premier Savings minimum balance requirement is \$1,000 instead of \$5,000 to avoid a \$15 monthly maintenance fee.
3. Premium Savings migrates to High-Yield Savings with no change to minimum balance requirement or monthly maintenance fee.
4. For Certificates of Deposit (CD), additional deposits are only permitted to the 1-Year IRA CD which will earn a fixed rate on the initial deposit and any additional deposits made during the term.
5. Blended rates will no longer apply to CDs (excluding CDs opened under a deferred compensation plan).

Additions to the Deposit & Business Deposit Account Agreements

1. **PERSONAL AND BUSINESS DEBIT CARD RULES** – The existing, stand-alone Debit Card Rules have been incorporated into both Deposit Account Agreements. No changes were made to the Rules.
2. **AUTHORIZED AGENT/SIGNER** – Clarifies the rights account owner(s) have over agents and authorized signers, and action required to remove them.

An authorized agent is a person who by the terms of the account, has a present right, subject to request, to payment from the account on behalf of all of the parties to the account. Owners do not give up any rights to act on the account, and the agent may not in any manner affect the rights of owners or beneficiaries, if any, other than by withdrawing funds from the account. Owners are responsible for any transactions of the agent. We undertake no obligation to monitor transactions to determine that they are on behalf of the owners.

We may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the agency, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of an agent. For accounts owned by a single individual, the owner may terminate the agency at any time, and the agency is automatically terminated by the death of the owner.

If our policy allows for the designation of an agent on an account with multiple owners (and without any multiple signatures requirement), then the following rules apply: Each owner individually authorizes the agent to act on his/her behalf. Any one owner may revoke or terminate the authority, and the agent's authority to access the account will continue only as long as no owner has revoked authorization. If no other event terminates the agency, the agency is terminated upon the death of the last surviving owner.

3. **ACCOUNT TYPE CHANGES** – Defines your rights and ours when either of us chooses to change a current account.

You may change your existing account to a different account type that is currently offered and you meet the qualifications. All terms and conditions of the account type you're transferring to are applicable and in effect immediately (e.g., minimum or combined balance requirements, applicable fees, etc.).

We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the change will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.

4. **UNCLAIMED PROPERTY** – Information about unclaimed property, how you could avoid it, and notification of procedures we legally need to take when unclaimed property is surrendered to the state.

The law establishes procedures under which unclaimed property must be surrendered to the state. (We may have our own rules regarding dormant accounts, and if we charge a fee for dormant accounts it will be disclosed to you elsewhere.) Generally, the funds in your account are considered unclaimed if you have not had any activity or communication with us regarding your account over a period of years. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds.

5. BACKUP WITHHOLDING/TIN CERTIFICATION – Our responsibility to report interest payments we make to you of \$10 or more in a calendar year, along with your tax identification number.

Federal tax law requires us to report interest payments we make to you of \$10 or more in a year, and to include your taxpayer identification number (TIN) on the report. Interest includes dividends, interest and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. The TIN is either a social security number (SSN) or an employer identification number (EIN). For most organization or business accounts other than sole proprietorships, the appropriate TIN is the EIN of the organization or business entity. For sole proprietorships, either the SSN or the EIN is appropriate. However, we must supply the IRS with both the individual owner's name and the business name of the sole proprietorship.

In some circumstances, federal law requires us to withhold and pay to the IRS a percentage of the interest that is earned on funds in your accounts. This is known as backup withholding. We will not have to withhold interest payments when you open your account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income. If you do not have a TIN, we may defer backup withholding if you certify that you do not have a TIN but have applied for one. However, we must begin backup withholding if you do not supply us with a certified TIN within 60 days. If you do not have a TIN because you are a foreign person (either an individual who is a nonresident alien or a foreign organization) you must certify your foreign status. If you are an exempt payee (receiver of interest payments), you do not need to certify your TIN, but you will have to certify your exempt status and supply us with your TIN. The most common exempt payees are corporations, organizations exempt from tax under Section 501(a), and an individual retirement plan or a custodial account under Section 403(b) (7). If you do not supply us with the appropriate TIN, we may refuse to open your account.

Updated Content to the Deposit & Business Deposit Account Agreements (*updates in italics*)

1. MONITORING AND RECORDING TELEPHONE CALLS AND CONSENT TO RECEIVE ACCOUNT COMMUNICATIONS –

Expanded information to include the right our third-party providers have to contact you at any authorized telephone number associated with your account. This section also explains your right to withdraw your consent to being contacted on your wireless telephone number. Content on the use of One-Time Passcodes (OTPs) used to authenticate you has also been added.

We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation. *You agree that we and/or our third-party providers, including debt collectors, may contact you by telephone, text message, or voicemail transmission at any authorized telephone number associated with your account, including wireless telephone numbers (i.e., cell phone numbers), which could result in charges to you, in order to service your account or collect any amounts owed to us. You further agree methods of contact may include use of pre-recorded or artificial voice messages, and/or use of an automatic dialing device. You may withdraw the consent to be contacted on your wireless telephone number(s) at any time by 1) calling Customer Support at 877-672-2265; 2) writing us at North Shore Bank, Attn: Customer Support, 15700 W Bluemound Road, Brookfield WI 53005; or 3) by any other reasonable means. If you have provided a wireless telephone number(s) on or in connection with any account, you represent and agree you are the wireless subscriber or customary user with respect to the wireless telephone number(s) provided and have the authority to give this consent. If you update or change your contact information, you will notify us of the change or update and provide us with your current contact information.*

In order to help mitigate harm to you and your account, North Shore Bank or our third-party providers may contact you on any telephone number associated with your account, including a wireless telephone number (i.e., cell phone numbers), to deliver to you any messages related to suspected or actual fraudulent activity on your account, data security breaches or identity theft following a data breach, money transfers, or any other urgent messages permitted by applicable law. These contacts will not contain any telemarketing cross-marketing, solicitation, advertising, or debt collection message of any kind. The contacts will be concise and limited in frequency as required by law. In some instances, we use One-Time Passcodes (OTPs) that are securely sent to a telephone number associated with your account to assist us in authenticating you. This numeric code expires shortly after it's sent and is valid for only one login session or transaction.

2. CUSTOMER IDENTIFICATION PROGRAM – We may record and temporarily store or retain personal information obtained from your driver's license or other ID when you open an account online or sign up for digital services.

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. Even if you are an existing customer, we may ask you to provide information and documentation because it was not collected previously or to update our records. If for any reason, the information needed to verify your identity is not provided, your account(s) may be blocked or closed. *In addition, if you open an account online or sign up for any of our digital services, we may record and temporarily store or retain your personal information obtained from a copy of your driver's license or other identification card.*

3. DEPOSITS – When they become available, this section is updated to include information about instant payments.

Instant payments - In the future, you may have the ability to send and receive certain payments or payment-related messages through an instant payments system. Instant payments allow you to have immediate availability of these funds. These payments may be subject to transaction limits and settlement is final. Instant payments are intended for domestic payments only. Payments sent or received outside of the United States are prohibited. Transfers using an instant payments system are subject to the applicable operating or governing rules of the instant payments system used, as well as Wisconsin's Uniform Commercial Code 4A, any applicable State or Federal law and the rules of OFAC.

4. WITHDRAWALS – Your responsibility when you require more than one signature or authorized signer on your accounts is explained. A Pledge and Security Interest sub-section was added with requirements for pledged accounts.

Multiple signatures, electronic check conversion, and similar transactions – *If you 1) require two or more signatures to open, modify or otherwise alter the deposit account; 2) require two or more signatures on drafts, authorizations, checks or other documents; or 3) authorize someone to transact on the account, even if in a limited capacity, you agree that such arrangements are strictly between you and the other person(s) you authorize, regardless if we have notice of your arrangement or not. Your requirements do not create any obligation on our part to verify signatures or the number of signatures.*

Pledge and Security Interests – *This account may not be pledged or given as a security interest to someone without our express, written consent. We are not obligated to give consent to a pledge or security interest to someone else. Unless we agree in writing, the security interest or pledge must be satisfied before the rights to withdraw from the account can be exercised, including the rights of any surviving owners or beneficiaries.*

5. REMOTELY CREATED CHECKS – Explains your responsibilities for remotely created checks we receive for deposit or collection.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

6. STOP PAYMENTS – Clarifies who is authorized to release a stop payment request.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because the most effective way for us to execute a stop-payment order is by using an automated process, to be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee. You may stop payment on any item drawn on your account whether you sign the item or not. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop-payment order was oral your stop-payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. *A release of the stop-payment request may be made by an authorized person assigned to the account.* If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

7. DEATH OR INCOMPETENCE – States we may not release funds until all legal documents we need are accepted by us.

You agree to notify us promptly and provide acceptable proof of death if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account. *In the event of your death, we may not release funds on deposit until all legal documents we require are accepted by us.*

8. ACCOUNT SECURITY – Revised the Positive Pay section to inform you of your responsibility to protect your account and the action we may take if you refuse to or are unable to. We added sub-sections to update you on; (1) Account numbers; (2) Access devices; (3) Blank checks; (4) Financial exploitation. These sections call out the responsibility you have to protect your financial information and the risk you take by neglecting to do so. Actions we may take to protect vulnerable adults is also explained.

Positive Pay and other fraud prevention services - The Positive Pay service for business product types can help detect and prevent check fraud and is appropriate for account holders that issue a high volume of checks/ACH, a lot of checks to the general public, or checks for large dollar amounts. *Your refusal or inability to protect your account may result in account closure or reduced account services.*

Account numbers - *Thieves can encode your account number on a check which looks and functions like an authorized check and can be used to withdraw money from your account. Your account number can also be used to issue a "remotely created check." Like a typical check, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a draft or check that can be used to withdraw money from your account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). If you have truly authorized the remotely created check (to purchase a service or merchandise, for example), it is properly payable. But it can be risky to authorize a remotely created check. A swindler could issue a remotely created check in an amount greater than you authorized, or issue additional remotely created checks that you have not authorized. We will not know if the withdrawal is unauthorized or in an amount greater than the amount you have authorized. Payment can be made from your account even though you did not contact us directly and order the payment.*

Access devices – *If you furnish your access device and grant actual authority to make transfers to someone who then exceeds that authority, you will be liable for the transfers unless we have been notified that transfers by that person are no longer authorized.*

Blank checks – *You must also take precaution in safeguarding your blank checks. Notify us at once if you think your blank checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself, or share the loss with us if we failed to use ordinary care which substantially contributes to the loss.*

Financial exploitation – *As permitted by law and for the protection of vulnerable adults (i.e., elderly or senior adults, or any eligible, at-risk adult as defined by applicable law), we may act on, or decline to act on certain transactions to mitigate financial abuse. Examples we may take include (1) delaying, declining or placing holds on transactions involving the adult's account; (2) approving or denying requests to modify an account (i.e., transferring funds, changing ownership or beneficiaries); or (3) notifying third parties of the financial exploitation. We will not be liable for the actions we took if we acted in good faith and exercised reasonable care.*

9. INTERNATIONAL TRANSACTIONS – Transactions originating from a financial agency outside of the United States may be subject to additional review. This may cause a delay to you in receiving payment.

Financial institutions are required by law to scrutinize or verify any international transaction, including international ACH transactions (IAT) against the Sanctions Lists issued by the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of a transaction and potentially affect the settlement and/or availability of such payments.

10. FUNDS AVAILABILITY – We adjusted the minimum amount of deposited funds that we make available to you for withdrawal on the business day after making certain check deposits. The first \$500 (previously \$300) of your deposits will be available on the first business day. In other cases, such as deposits for new accounts, deposits up to \$8,000 (previously \$6,000) may be available the next business day, or second business day, or longer, depending on the type of check deposit and how you made the deposit. Effective November 1, 2024, you can no longer make deposits at ATMs we do not own or operate.

11. DEPOSITS AT AUTOMATED TELLER MACHINES – You cannot make deposits at ATMs we do not own or operate.

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we own or operate will be available on the first business day after the day of your deposit. *As of November 1, 2024 you will not be able to make deposits at ATM's we do not own or operate.* ATMs that we own or operate include ATMs located on our property, within any of our branches or contains the North Shore Bank name and branding.

Updates to the Deposit Account Agreement (*updates in italics*)

1. OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION – Includes new sections for Power of Attorney, UTMA and Health Savings Accounts account ownerships.

POWER OF ATTORNEY - You may wish to appoint an agent to conduct transactions on your behalf. (We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit.) This may be done by allowing your agent to sign in that capacity on the signature card or by separate form, such as a power of attorney. A power of attorney continues until your death or the death of the person given the power. If the power of attorney is not “durable,” it is revoked when you become incompetent. We may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the authority or the death of an owner, and (b) we have had a reasonable opportunity to act on that notice or knowledge. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent acting under a valid power of attorney.

UTMA ACCOUNTS - Under the Uniform Transfers to Minors Act, the funds in the account are owned by the child who has unconditional use of the account when he or she reaches the age of majority. Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the custodian (or successor custodian) are for the child's benefit. We are not responsible to monitor age or eligibility for an UTMA account, even though our records may include the minor's date of birth. It is the custodian's responsibility to properly distribute the funds in the account upon the minor's death or attainment of the age of majority. For this type of account, the child's SSN/TIN is used for the Backup Withholding Certification.

HEALTH SAVINGS ACCOUNTS (HSA) - For your convenience, we permit you to take distributions from your HSA by check and debit card. This feature can raise a variety of tax concerns – for example getting additional cash back on an HSA checking transaction. As a result, if you have more than one account with us, it is a good practice to make sure you are using the appropriate checkbook for the transaction. Also, it is your responsibility to ensure your distributions and other actions related to the HSA comply with the law, including federal tax law. As always, we recommend consulting a legal or tax professional if you have any questions about managing your HSA. The terms of this agreement are intended to work in conjunction with the HSA disclosures provided to you earlier. In the event of a conflict, the terms of the HSA disclosures control. You understand that your HSA is intended to be used for payment of qualified medical expenses. It is your responsibility to satisfy any tax liability resulting from use of your HSA for any purpose other than payment or reimbursement of qualified medical expenses. We do not monitor the purpose of any transaction to or from your HSA. Nor are we responsible for ensuring your eligibility for making contribution or ensuring withdrawals are used for payment or reimbursement of qualified medical expenses. Refer to your HSA disclosures for more information relating to the use of your HSA.

2. ELECTRONIC FUND TRANSFERS - YOUR RIGHTS AND RESPONSIBILITIES - Combined telephone and online sections.

Easy Access Telephone Banking (800-411-3279) and Mobile and Online Banking Transactions - You may access your account(s) 24 hours a day, seven days a week, by touch tone telephone with Easy Access, or with electronic devices through our Mobile App or the Internet by logging onto our website at northshorebank.com and using your credentials, to:

- transfer funds between eligible accounts
- make payments from eligible accounts with North Shore Bank to loan accounts with us
- make payments from eligible accounts to third parties using available payment services (for Mobile and Online Banking only)
 - refer to our separate fee schedule for applicable charges
- get information about:
 - the account balance of all your account(s)
 - deposits to your accounts
 - withdrawals from your accounts

3. PRE-AUTHORIZED PAYMENTS section renamed to STOP PAYMENTS

Updates to the Business Deposit Account Agreements

1. AGREEMENT – Added language indicating an individual's responsibility is not expanded to an organization's liability.

As used in this agreement the words “we,” “our,” and “us” mean North Shore Bank and the words “Customer,” “you” and “your” mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account including an authorized agent or authorized signer and, who is authorized by you to use a debit card or a digital debit card that is affiliated with your deposit account(s) (“Account”) and can be used for transactions at an electronic terminal, including Automated Teller Machines (“ATMs”) and merchant point of sale terminals (“Terminals”). However, this agreement does not intend, and the terms “you” and “your” should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization.

2. BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS – Revised to add representations made by a business account holder. Business also agrees (when applicable) to file beneficial ownership information reports with FinCEN and consents to allowing North Shore Bank to access the information filed with FinCEN.

You agree these accounts are established primarily for business purposes; not for personal, family or household purposes. *Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.*

You further represent that, if you are required by law to do so, you have filed, or will file, the initial Beneficial Ownership Information (BOI) Report with the Financial Crimes Enforcement Network (FinCEN) and, if appropriate, that you have or will update any previously filed BOI Report with FinCEN. You agree to notify us of any initial, updated, or corrected BOI Report that you file with FinCEN.

If you have filed, or will file, a BOI Report with FinCEN, you consent to us accessing such BOI data now and on an ongoing basis, as long as a banking relationship between you and us continues. You acknowledge that your consent permits FinCEN to disclose such information to us to facilitate compliance with our customer due diligence requirements under applicable law. You may revoke your consent at any time. However, you agree that we may treat your revocation as terminating our banking relationship with you. If we terminate our banking relationship with you, we will provide reasonable notice to you in accordance with applicable law or our policy.

3. STATEMENTS – Modified the time for reporting unauthorized signatures (including forgeries and counterfeit checks), alterations or other errors or problems from 30 calendar days to 14 calendar days.