

Investment Checking and Investment Savings Truth in Savings Disclosure

This disclosure contains the rules that govern your Investment Checking and Investment Savings deposit accounts as of 12/29/20.

Account Overview

Investment Checking and Investment Savings accounts are free, variable rate accounts that reward accountholders with interest when they meet minimum qualifications during the account's Monthly Qualification Cycles.

Purpose of the Account

\$100.00 minimum deposit is required to open the Investment Checking account and \$100,000.00 minimum deposit is required to open the Investment Savings account on the day the accounts are opened. You must have an Investment Checking account and an Investment Savings account linked to it in order to open the accounts.

We have the right to close these Investment Checking and Investment Savings accounts at any time, with proper notice. Our decision to close the accounts will not affect your existing obligations to us including any obligation to pay fees or charges incurred prior to termination. No deposits will be accepted and no checks will be paid after the accounts are closed. If the accounts are closed, you will forfeit any rewards that have not been credited to your accounts. A Security State Bank check for the remaining balance, if applicable, will be mailed to accountholder at the address indicated on our current records. Upon termination of your Investment Checking and Investment Savings accounts, any optional add-on products / services associated with these accounts will also be terminated at the same time.

Interest Rate and Annual Percentage Yield (APY)

Compounding and Crediting: Interest will be compounded on a monthly basis in the Investment Savings. Interest will be credited to your accounts on the last day of the current statement cycle (4th Wednesday of the month). If you close your accounts before the interest is credited, you will not receive the accrued interest. Interest begins to accrue on the business day you make a deposit into the accounts. "Business Day" means calendar day other than a Saturday or a Sunday, January 1, the third Monday in January, the third Monday in February, the last Monday in May, July 4, the first Monday in September, the second Monday in October, November 11, the fourth Thursday in November, or December 25. If January 1, July 4, November 11, or December 25 falls on a Sunday, the next Monday is not a Business Day.

Balance Computation Method: We use the daily balance method to calculate the interest on your accounts. This method applies a periodic rate to the principal in the accounts each day for the period. The period we use is the Statement Cycle.

Qualifications

To earn your Investment Checking and Investment Savings rewards all of the following activities must be met during each Monthly Qualification Cycle: (1) minimum balance of \$100,000 in the Investment Savings account, and (2) be enrolled and agree to receive e-Statements on both accounts. "Monthly Qualification Cycle" means a period beginning one (1) Business Day prior to the first day of the current Statement Cycle through one (1) Business Day prior to the close of the current Statement Cycle. "Monthly Qualification Cycle" means the current Statement Cycle. "Statement Cycle" means the period of time for which Security State

Bank provides a summary of the financial activities and transactions of the accountholder's accounts.

Interest Rate Tiers

When your Investment Checking and Investment Savings accounts qualifications are met during a Monthly Qualification Cycle; **Investment Checking Tier 1:** An interest rate of 2.96% will be paid on the portion of your daily balance that is \$10,000 or below. The annual percentage yield for this tier is 3.00%. **Investment Checking Tier 2:** An interest rate of .25% will be paid on the portion of your daily balance that is greater than \$10,000. The annual percentage yield for this tier will range from .25% to 3.00%, depending on the balance in the account. **Investment Savings:** An interest rate of .60% will be paid on your daily balance. The annual percentage yield for this is .60%. When Investment Checking and Investment Savings accounts qualifications are not met, the interest rate paid on the entire balance in the Investment Checking and the Investment Savings accounts will be 0.25 % with an annual percentage yield of 0.25%. These rates are based on a \$10,000 balance in your Investment Checking and \$100,000 in your Investment Savings accounts.

Interest in Investment Checking account does not compound because it is automatically transferred to the Investment Savings account. Note: Automatic transfer may cause an overdraft to your Investment Checking account if the account's balance is less than the transferred amount when transfer occurs.

Interest will be credited to the appropriate account on the last day of the current statement cycle and all Investment Checking rewards are automatically transferred to the linked Investment Savings account within one day.

APY = Annual Percentage Yield.

Interest rates are variable and at our discretion may change after accounts are opened without notice to you. Fees may reduce earnings. Interest less than a penny cannot be distributed.

Additional Information

\$100.00 minimum deposit is required to open the Investment Checking account and \$100,000.00 minimum deposit is required to open the Investment Savings account. You must have an Investment Checking account and an Investment Savings account linked to it in order to open the accounts. In the event that you or we close your Investment Checking account, your Investment Savings account will be closed as well.

The number of transfers from Investment Checking to another account in your name, or withdrawals that you make in-person, by mail, telephone, or at an ATM is unlimited. These accounts are not to be used for commercial purposes and there is a limit of 1 Investment Checking account and 1 Investment Savings account per tax identification number. There are no fees to open, maintain, or close this account. There are no recurring monthly service charges associated with this account. Contact a Security State Bank financial service representative for additional information, details and enrollment instructions.

Member FDIC.