



Truth in Savings Disclosures by Account Type

1. Certificates of Deposit. With certificates of deposit ("CDs") from Beal Bank, you can maximize returns while controlling the accessibility of your deposits. In addition, Beal Bank CDs provide you the benefits of financial stability, competitive rates and a range of maturities -- from one month to five years. To ensure that the greatest number of customers can benefit from our high rates, Beal Bank limits aggregate deposit balances to \$1 million per tax identification number.

RATE. You will be paid the disclosed rate until the first maturity date of the certificate. The annual percentage yield assumes interest will remain on deposit until maturity.

INTEREST. Interest will be compounded and credited to your account quarterly. If you close your account before the end of the quarter, you will receive the interest accrued to the date of closure. Interest begins to accrue on the Business Day you deposit noncash items (for example, checks). The daily balance method is used to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. The interest rate we will use to calculate the interest forfeiture will be the simple interest rate in effect on the date of the withdrawal. You can withdraw interest any time after it is credited. The interest rate and annual percentage yield (APY) stated on 1) for accounts opened in a branch, your rate sheet, or 2) for accounts opened online, the success page is accurate as of the date stated on such document. If you would like more current rate and yield information, please call your local branch or our customer service at 1-877-879-2325.

RENEWAL. The certificate will automatically renew on each succeeding maturity. You will have ten (10) calendar days after the maturity date to withdraw funds without penalty. Each renewal term is the same as the original term. You must notify us in writing before or within a ten-day grace period after the maturity date if you do not want this account to be automatically renewed. Interest earned during one term that is not withdrawn during or immediately after the term is added to principal for the renewal term. The rate for each renewal term will be determined by us on or just before the renewal date. You may call us on the maturity date and we can tell you what the interest rate will be for the next renewal term. Interest will be calculated on the same basis as during the original term.

WITHDRAWAL. Interest may be withdrawn at any time during the term it is earned after it is credited to your account. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

EARLY WITHDRAWAL PENALTY. You have agreed to keep your funds with us in this account until the maturity date. If we consent to a request for a withdrawal that is otherwise not permitted, you may have to pay a penalty. The penalty will be an amount calculated as follows:

(1) If the original term of this certificate of deposit is one year or less, the penalty amount will be the greater of:

1% of the amount withdrawn; or

One-half of the interest that would have been earned on the amount withdrawn during the entire term of the account at the interest rate being paid on the account.

(2) If the original term of this certificate of deposit is more than one year, the penalty amount will be the greater of:

1% of the amount withdrawn; or

The Replacement Cost of the amount withdrawn.

Replacement Cost. The Replacement Cost is an estimate of the interest cost to us of replacing the funds you withdraw with other funds in a certificate of deposit with a term approximately equal to the remaining term of your certificate of deposit, taking into account current market rates. The Replacement Cost is the product obtained by MULTIPLYING the amount you withdraw TIMES the remaining term of your certificate of deposit expressed in years (or fractions of years) TIMES the Replacement Rate.

Replacement Rate. The Replacement Rate is an annual interest rate equal to the SUM of the yield of a U.S. Treasury instrument which can be purchased on the date you withdraw the funds which will mature on the maturity date of your certificate of deposit, PLUS the bank's estimated market risk premium of 0.50%, MINUS the interest rate being paid on your certificate of deposit.

If there is no U.S. Treasury instrument which can be purchased on the date of withdrawal which will mature on the exact maturity date of your certificate of deposit, then the Replacement Rate will be calculated by using the hypothetical yield of a hypothetical Treasury instrument purchased on the date you withdraw the funds and maturing on the maturity date of your certificate of deposit. The hypothetical yield will be determined by interpolating the yields of actual U.S. Treasury instruments which could be purchased on the date you withdraw the funds and which would mature immediately before and immediately after the maturity date of your certificate of deposit.

Example of Calculation of Early Withdrawal Penalty for CD with Term of More Than One Year

The following example shows how the early withdrawal penalty would be calculated for a withdrawal from a certificate of deposit with a term of more than one year. *This example may not reflect the actual terms of your certificate of deposit.*

Assume that you have a 3-year CD with an interest rate of 1.50% and that you request a withdrawal of \$25,000 of principal 2 years before the maturity date of the CD. Assume that interest rates have risen since you purchased the CD.

Since the CD has a term of more than one year, the early withdrawal penalty is the greater of (a) 1% of the amount withdrawn (which would be $\$25,000.00 \times 1.00\% = \250.00), or (b) the Replacement Cost of the amount withdrawn.

To calculate the Replacement Cost of the amount withdrawn, the Replacement Rate would first be determined. The Replacement Rate is the difference between the interest rate that we are paying on your CD and the approximate rate we would have to pay on a new CD to replace the funds you withdraw.

The Replacement Rate is calculated as follows:

Step 1. The yield of a U.S. Treasury instrument which could be purchased on the date of withdrawal and which would mature on the maturity date of the CD would be determined.

Assume that the yield on a 2-year Treasury instrument purchased on the date of withdrawal and maturing on the maturity date of your CD is 3.00%.

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Step 2. The bank's estimated market risk premium of 0.50% would be added to the yield of the Treasury instrument, as follows:

$$3.00\% + 0.50\% = 3.50\%$$

Step 3. The interest rate on your current CD will be subtracted to get the Replacement Rate, as follows:

$$3.50\% - 1.50\% = 2.00\%$$

The Replacement Rate of 2.00% is then used to calculate the Replacement Cost using the following formula:

$$\text{Amount Withdrawn} \times \text{Remaining Term of CD in years} \times \text{Replacement Rate} = \text{Replacement Cost}$$

$$\$25,000.00 \times 2.0 \text{ years} \times 0.020 = \$1,000.00$$

In this example, the early withdrawal penalty would be the greater of (a) 1% of the amount withdrawn, which is \$250.00, or (b) the Replacement Cost, which is \$1,000.00. So the early withdrawal penalty would be \$1,000.00.

This example may not reflect the actual terms of your certificate of deposit.

MINIMUM BALANCE. For all term lengths, in order to open and obtain the stated annual percentage yield (APY), the following minimum balance is required 1) for accounts opened in a retail branch, \$1,000, or 2) for accounts opened online, \$25,000. We may treat any withdrawal which would reduce the balance remaining in the account below the required minimum balance as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly. You may not make deposits into your account until the maturity date.

FEES. The charges and fees for CDs shall be at a rate specified in Beal Bank applicable fee schedule, as amended from time to time. The fee schedule is included in this Schedule to Account Agreement.

PLEDGES. Any pledge of this account (to which we have agreed), must first be satisfied before the rights of any joint account survivor, pay-on-death beneficiary or trust account beneficiary become effective. For example, if one joint tenant pledges the account for payment of a debt and then dies, the surviving joint tenant's rights in this account are subject first to the payment of the debt.

ADDITIONAL TERMS. We reserve the right to limit your aggregate deposit balances to \$1,000,000 per taxpayer identification number.

2. Money Market Accounts. Money market accounts from Beal Bank have no fixed terms or maturities, so your funds are always available. This makes them an excellent way to save your extra funds, at a rate generally higher than regular savings or interest-bearing checking accounts. To ensure that the greatest number of customers can benefit from our high rates, Beal Bank limits aggregate deposit balances to \$1 million per tax identification number.

RATE. Your interest rate and annual percentage yield may change. At our discretion we may change the interest rate on your account daily. The interest rate on your account will never be less than 0.00%.

INTEREST. Interest begins to accrue on the Business Day you deposit noncash items (for example, checks). Interest is compounded monthly and credited monthly. If you close your account before interest is credited, you will receive the accrued interest. We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day. The interest rate and annual percentage yield (APY) stated on 1) for accounts opened in a branch, your rate sheet, or 2) for accounts opened online, the success page is accurate as of the date stated on such document. If you would like more current rate and yield information, please call your local branch or our customer service at 1-877-879-2325.

WITHDRAWAL. We reserve the right to at any time require not less than 7 days' notice in writing before any withdrawal from an interest bearing account.

MINIMUM BALANCE. The minimum deposit to open a Beal Bank money market account is \$1,000.00. To avoid a monthly service charge of \$10 you must maintain a balance of \$1,000 or more on each day of the monthly statement cycle. The interest rate and annual percentage yield for your account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change at our discretion. Balances of \$999 and below will earn the APY and rate of 0.00. Balances from \$1,000 - \$24,999 will earn the next highest tier. All balances of \$25,000 or higher will earn the highest tier available.

FEES. The charges and fees for money market accounts shall be at a rate specified in Beal Bank applicable fee schedule, as amended from time to time. The fee schedule is included in this Schedule to Account Agreement..

ADDITIONAL TERMS. We reserve the right to limit your aggregate deposit balances to \$1,000,000 per taxpayer identification number.

3. Statement Savings Accounts. If you are beginning to build your financial portfolio, Beal Bank statement savings accounts are the perfect way to start, because they only require low initial deposits. Your funds are always available, and you will generally earn higher returns than with typical interest-bearing checking accounts. To ensure that the greatest number of customers can benefit from our high rates, Beal Bank limits aggregate deposit balances to \$1 million per tax identification number.

RATE. Your interest rate and annual percentage yield may change. At our discretion we may change the interest rate on your account daily. The interest rate on your account will never be less than 0.00%.

INTEREST. Interest begins to accrue on the Business Day you deposit noncash items (for example, checks). Interest is compounded quarterly and credited quarterly. If you close your account before interest is credited, you will receive the accrued interest. We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principal in the account each day. The interest rate and annual percentage yield (APY) stated on 1) for accounts opened in a branch, your rate sheet, or 2) for accounts opened online, the success page is accurate as of the date stated on such document. If you would like more current rate and yield information, please call your local branch or our customer service at 1-877-879-2325.

WITHDRAWAL. We reserve the right to at any time require not less than 7 days' notice in writing before any withdrawal from an interest bearing account.

MINIMUM BALANCE. The minimum deposit to open a Beal Bank statement savings account is \$500.00. Minimum balance necessary to obtain the disclosed annual

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percentage yield is \$500.00. To avoid a quarterly service charge of \$3 you must maintain a balance of \$500.00 or more throughout the quarterly statement cycle.

FEES. The charges and fees for statement savings accounts shall be at a rate specified in Beal Bank applicable fee schedule, as amended from time to time. The fee schedule is included in this Schedule to Account Agreement.

ADDITIONAL TERMS. We reserve the right to limit your aggregate deposit balances to \$1,000,000 per taxpayer identification number.

4. Individual Retirement Accounts (IRA). Beal Bank also offers individual retirement account (IRA) Certificate of Deposits. Please see #1 Certificate of Deposits above.