



## TERMS AND CONDITIONS

These Rules must be read in conjunction with other account documents and disclosures appearing on this website which, together with these Rules, constitute the deposit account contract.

1. **Accounts.** These Rules apply to all deposit accounts established by you online through Bank Mutual Direct. Unless otherwise noted in these Rules, the terms “you” and “your” refer to each depositor, and the terms “us,” “we,” “our,” and “Bank” refer to Bank Mutual. When you open an account, you must provide us with your name, social security number/employer identification number and other information. We will treat the information you provide us as accurate until we are otherwise notified in writing.

2. **Deposits.** A “business day” as used in these Rules shall mean Monday through Friday, excluding Saturdays, Sundays and federal holidays even if the Bank or any bank office is open all or part of such days. You may make deposits only by means of a transfer through an automated clearinghouse (ACH). All deposits, collections and transactions between us and you shall be governed by these Rules, applicable state and federal laws, rules and regulations, and the bylaws and rules of any clearinghouse association of which we are a member. We reserve the right to refuse to accept deposits. We also reserve the right to limit the minimum or maximum balance that must be maintained in your accounts and the number of deposits.

You authorize us to initiate automated credit entries to your accounts and to initiate, if necessary, debit entries and adjustments for any credit entries made in error to your accounts. With respect to such entries, you agree to be bound by the rules of the National Automated Clearinghouse Association and the Wisconsin Automated Clearinghouse Association (“ACH Rules”). Automated credit entries made to your accounts are provisional under the ACH Rules until we have received final settlement or otherwise have received payment, and we are entitled to a refund of the amount credited to any account if such settlement or payment is not received by us. We are not required to give next day notice to you of receipt of an ACH item and we will not do so. You may, however, call 1-877-999-2242 to find out whether or not an automated credit has been made to your account.

3. **Withdrawals.** You may withdraw funds only by means of an ACH transfer. Only designated account owners may make withdrawals from the account. We may accept electronic or pre-authorized orders from you to transfer funds from your accounts even if the transfers overdraw your account. We may limit the number of, or refuse to permit, these transfers.

If we have reason to believe that a dispute or uncertainty exists as to the rights, powers, duties or authority of any one of you or any other authorized signer to an account or their successors, we may, but shall not be required to, refuse to permit withdrawals or recognize the authority of any signer (including any agent). We will not be responsible for any damages you may suffer as a result of our refusal to allow you to make a withdrawal due to the dispute or uncertainty. We also reserve the right to limit the number of withdrawals or debits to the accounts.

We may, at any time, require at least seven (7) days prior written notice of your intent to withdraw funds from the accounts.

4. **Reversal.** You may have the right to reverse any debit to your account sent through the Automated Clearing House System (ACH) that was not authorized by you. If you want to reverse a debit, you must give us a written statement under penalty of perjury within 15 days after you get information from us that reflects that debit. If we receive your written statement within the 15-day time period, we will re-credit your account for the amount of the payment. This right of reversal is in addition to your right of stop payment.

5. **Fees and Charges.** You agree to pay service, maintenance, withdrawal, and other fees, charges and penalties in accordance with the applicable fee schedules established by us from time to time. You also agree to pay us photocopy costs and hourly fees for complying with subpoenas or other legal orders or your requests. You authorize us to deduct these fees, charges, and penalties from your accounts even if they create an overdraft. You acknowledge receipt of our current Schedule of Fees.

6. Interest. Your account will bear interest at annual rates which are calculated and, if applicable, compounded by such methods as we may establish or change from time to time. Rates may vary depending upon the balance in the account. Except as required by law, we reserve the right to pay interest only on collected balances and only from the date of collection. We will not pay interest on accounts that do not meet eligibility requirements established by law.

7. Records. The balance or transaction amount shown on any receipt you receive may be checked against our records. If there is an error, it will be corrected and you will be notified. Our records will prevail if there is a difference between the amounts shown on your receipt and our records.

8. Statements/Notices. We will mail or make available to you a periodic statement of the account. All statements and notices must be examined by you promptly upon receipt. You must notify us of any account problem, including an erroneous statement, within fourteen (14) days of the date we mail or make available to you your statement. Notwithstanding these limitations, longer periods may apply under applicable law if you are a consumer and your claim involves an electronic fund transfer. Your statement shall be deemed given when deposited in the mail by us or when you are notified of its availability online by e-mail .

9. Individual Account. If you open an individual account, only you will have the right to withdraw. Upon your death, the account balance will be payable as determined under applicable state law.

10. Joint Account. If an account is designated as a joint account on the signature card, sums on deposit are payable upon the request of any one of you or any survivor. If one owner dies, the account becomes the property of the surviving joint owners(s), subject to our rights under these Rules. The surviving joint account owner(s) is not required to survive the death of the deceased joint account owner by any specified period. One joint owner cannot terminate the rights of the other joint owner(s) without our consent. Each of you shall notify us of the death of the other joint owner(s). Each of you may make deposits and withdrawals and give notices and instructions concerning the account with the full authority of the other joint owner(s). Each of you agrees to hold us harmless for any action of the other joint owner(s) concerning the account. We may pay amounts on request without looking to the source of deposit or application of withdrawn funds, but may refuse withdrawal if we have knowledge of a dispute.

11. Payable on Death Account. You may designate your account to be a “payable on death” (“P.O.D.”) account by naming a P.O.D. beneficiary and completing the proper forms. You may also change or revoke the P.O.D. beneficiary while you are alive by completing the proper forms. You have control of the funds in your account while you are alive. If you have an individual account, upon your death, all of the funds in your account will go to your P.O.D. beneficiary, subject to our security interest and right of set-off. If you have a joint account, both of you may jointly designate a P.O.D. beneficiary and upon the death of the last surviving joint owner, the funds in the account will go to the P.O.D. beneficiary named on the account when the last owner dies, subject to our security interest and right of set-off. The P.O.D. beneficiary is not required to survive the P.O.D. account holder by any specified period.

12. Change in Account Designation. At your direction, we may, from time to time, revise our records to reflect a change in the ownership, beneficiary, signatory or other designation on your account. A change in ownership or other designation will not be recognized by us until it is reflected on our records. You agree to provide us with such documentation or other information we may require in order to accommodate your request. We reserve the right to require you to close your account and open a new account in order to accomplish changes in how your account is designated.

13. Inactive Accounts. Under Wisconsin state law, if, among other things, no deposits or withdrawals are made or if you do not write to us indicating an interest in an account for the consecutive period of time established by Wisconsin, the account may be presumed abandoned and paid to Wisconsin as required by law. As of the date of these Rules, Wisconsin has established this period as five (5) consecutive years. If money has been paid to Wisconsin and you later request us to investigate the account, we may charge you a service fee as set forth in our Schedule of Fees.

14. User Name and Password. You agree to notify us promptly, verbally and in writing, of any suspected loss, theft, or unauthorized use of your user name or password. Until receipt of such notice, we shall not be liable for payments made, except as otherwise provided by law, to any person using your user name or password. We may permit withdrawals by you or close your account and issue new evidence of an account on such conditions as we may require. We may require a waiting period or proof by affidavit of the loss, theft, or unauthorized use. We may also require a bond of indemnity in any amount satisfactory to us against all claims and expenses that we may incur. You agree to safely keep your user name and password

and not disclose or otherwise make your user name and password available to anyone other than authorized users of your account

15. Transfer/Assignment Restrictions. Your accounts are not transferable or assignable without our prior written consent. Notice to us of a claim or interest, including without limitation, a security interest, in an account has no effect upon our rights and duties with respect to the account, and in the absence of our express agreement to the contrary or our receipt of an order of a court or administrative agency of appropriate jurisdiction, we shall not be required to abide by the terms of the notice or any instructions given to us in connection with such a claim or notice.

16. Legal Process. We shall not be liable to you for honoring garnishments, levies, subpoenas, court orders or other legal process (collectively, "Legal Process") received by or served upon us which, in our opinion, apply or may apply to your accounts. Notice of such Legal Process will be provided to you only when required by law. At our option, we may, without liability to us, refuse to honor orders to withdraw sums from your account and may hold the balance in the account(s) until such Legal Process is disposed of to our satisfaction. We may pay any balance in your account to the proper authorities pursuant to Legal Process. You agree to reimburse us the actual costs incurred by us in processing the Legal Process. Any actual costs that we incur are subject to our security interests and right of set off. You authorize us to obtain information concerning your credit standing if you establish any account with us and we may close or decline to open any accounts based on the information we obtain.

17. Change of Address or Name Notice. You agree to advise us promptly of any change of address or name. You agree that we may change the address associated with your account in response to a notification of address change we receive from the United States Postal Service. Notice from us to any one of you, whether such notice is by mail to the address maintained with us for the account or otherwise, shall constitute notice to all persons having any interest in the account. We will retain any mail returned to us as undeliverable for a period of sixty (60) days and may after that time destroy such mail.

18. Termination. We reserve the right to close your accounts, with or without cause, at any time. You are responsible for any outstanding fees, charges or penalties at the time your account is closed. You may, at any time, close the accounts subject to the provisions of these Rules after we have received notice and have had a reasonable opportunity to act on it.

19. Set-Off/Security Interest. To the extent not prohibited by law, we have a lien and the right to set-off against all or any part of the account balances held in your name, whether individually or jointly, for any debt any of you may owe us (without regard to frequency or minimum account limits). Except as may be required by law, this right may be exercised at any time and without prior notice. This right applies even if one or more of you with the right of withdrawal is not obligated to us on the debt. We have a security interest in all items of deposit until actually paid to the Bank.

20. Direct Deposits. If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government or any other person making a direct deposit, for any reason, you authorize us to deduct such amount from the account, or from any other account you have with us, without prior notice and at any time except as prohibited by law. We may also use any other legal remedy to recover such amount.

21. Arbitration Agreement. You and we agree as follows:

(a) Optional Arbitration. Any controversy or claim arising out of or in any way related to your Account or these Rules, including the validity, enforceability or scope of this Section 30 (this "Arbitration Agreement"), shall, at either our or your option, be settled by arbitration administered by the American Arbitration Association (the "AAA") in accordance with its Commercial Arbitration Rules and, to the extent applicable, its Supplementary Procedures for Consumer-Related Disputes. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

(b) Arbitration Process. Arbitration is a process in which parties submit disputes to an independent third person (an "arbitrator") who issues a decision, known as an "award." Each party has an opportunity to present evidence to the arbitrator in writing or through witnesses. Arbitration proceedings tend to be more informal than court proceedings and adherence to judicial rules of evidence is not usually required. The award that is issued is generally final and binding on the parties in the case. For more information on the arbitration process, including information on how to initiate arbitration, costs, rules, and other matters, you may call the AAA at 1-800-778-7879, write them at 335 Madison Avenue, Floor 10, New York, NY 10017-4605, or visit their website at [www.adr.org](http://www.adr.org).

(c) Waiver of Right to Jury Trial. **YOU UNDERSTAND AND ACKNOWLEDGE THAT IN THE EVENT THAT EITHER YOU OR WE ELECT TO SUBMIT A MATTER TO ARBITRATION, YOU WILL NOT HAVE A RIGHT TO LITIGATE THAT CLAIM IN COURT AND ARE WAIVING YOUR RIGHT TO A JURY TRIAL.**

(d) Federal Arbitration Act. Transactions made on your account involve interstate commerce. The Federal Arbitration Act shall govern the interpretation and enforcement of, and proceedings brought pursuant to, this Arbitration Agreement.

(e) Individual Claims. Any controversy or claim that is the subject of arbitration will be decided as an individual claim on its own merits. No claim may be joined or consolidated with the claims of other persons having similar claims or be decided on a class-wide basis.

(f) Remedies. The arbitrator is empowered to award to either you or we all of the relief to which you or we may be entitled under law or in equity.

(g) Small Claims Jurisdiction. Notwithstanding any provision in this Arbitration Agreement to the contrary, both you and we retain the right to seek relief in small claims court for disputes or claims within the scope of its jurisdiction. If a counter-claim, cross-complaint, or other pleading or event causes all or part of the matter to be removed from the jurisdiction of small claims court (the "removed action"), then either you or we will have the option to have the removed action settled by arbitration and may apply for a stay of the removed action pending resolution of the arbitration.

(h) Preservation of Rights. Nothing in this Arbitration Agreement shall preclude or prohibit either you or us from exercising any non-judicial remedies available to either you or us, including our right of set off as set forth in Section 19 of these Rules.

(i) Fees. The arbitrator may determine how the costs and expenses of the arbitration shall be allocated between the parties. In the event that either you or we are entitled to an award of attorneys' fees under applicable law, the arbitrator may also award attorneys' fees. In the absence of applicable law, however, the arbitrator shall not award and each party shall bear the expense of its own attorneys' fees.

(j) Miscellaneous. The invalidity or unenforceability of any provision of this Arbitration Agreement shall not affect the validity or enforceability of any other provision hereof. This Arbitration Agreement shall survive termination of your account.

32. General. All transactions on your accounts shall be governed by these Rules and any other rules or agreements governing or referring to your account (collectively, the "related agreements"). In cases of inconsistency or conflict between any related agreements and these Rules, the related agreements will control. These Rules, the related agreements, and all transactions on your account shall be governed by and construed in accordance with applicable federal law and regulations and, to the extent not preempted thereby, by the internal laws of the State of Wisconsin.

33. Amendment. From time to time, we may amend or change these Rules, interest rates, and our fees and service charges. Unless applicable law requires otherwise, amendments or changes shall be effective after any of the following: (a) notice of amendment or change is e-mailed to your current e-mail address in our files or (b) notice of amendment or change is posted on our website for a reasonable period of time. A change in our interest rates, fees or service charges does not constitute an amendment of these Rules. Changes in the Electronic Funds Transfer Disclosure are subject to the amendment provision contained therein.

34. Agreement. When you open an account with us, each of you, by electronically signing the signature card, acknowledges your receipt and review of, and agrees to be governed by, these Rules. These Rules take the place of any other account rules you may have received from us prior to the date of these Rules. These Rules must be read in conjunction with your signature card, other account documents, and the Bank's current Rate Sheet and current Schedule of Fees. Each of you agrees to be jointly and severally liable for any account deficit resulting from charges or overdrafts to the account, whether caused by you or another person authorized to withdraw from the account, together with all of the costs we incur to collect the deficit, including to the extent not prohibited by law, our reasonable attorneys' fees.

35. Liability. We are not liable to you for any claims, damages or expenses in connection with these Rules if such claims, damages or expenses result from causes beyond our control. Examples of such

causes are computer and equipment failures, outages or downtime and delays in processing items, credits or debits due to causes other than our negligence.

36. Waiver. Each of the rights, remedies and benefits provided by these Rules are cumulative and do not exclude any rights, remedies and benefits allowed by law. We do not give up any rights under these Rules by delaying or failing to exercise them. In the event a court of law finds any of these Rules are unenforceable, the remaining Rules will remain in effect.