



December 1, 2015

Dear Illinois Funds E-Pay Participant:

As previously communicated on November 20, 2015, we are making some important changes to our Illinois Funds program. **Effective February 16, 2016 the custodian for E-Pay settlement accounts will be Illinois National Bank.** As a result, you will have an E-Pay settlement account at Illinois National Bank, a separate investment account at U.S. Bancorp Fund Services, LLC, and, if elected, a traditional banking account at U.S. Bank, which is further discussed below. These changes will allow us to continue offering secure, electronic payment services at an affordable cost while you earn interest on your Illinois Funds account balance. Please take a moment to review the following important information related to your account:

**Account/routing number**

Your E-Pay settlement account and routing number(s) will remain the same.

**Illinois Funds investment account**

For no additional fee, Illinois National Bank will automatically transfer funds over your target balance to your Illinois Funds account(s). Please set your target balance in the enclosed agreement, provided by Illinois National Bank ("Agreement"). In addition to this automatic transfer, you will have the ability to withdraw funds from your E-Pay settlement account at any time by initiating an ACH or wire transfer with U.S. Bancorp Fund Services into your Illinois Funds investment account. There is a minimum wire amount requirement of \$100 for all wire transfers.

**Fees**

Please see the enclosed Banking Authorization Document to review the fees associated with your E-Pay settlement account.

**Online banking**

You will have access to your E-Pay settlement account transaction history, including fund transfers to your Illinois Funds account(s) and monthly bank statements, via Illinois National Bank's online banking system. Instructions on how to enroll in Illinois National Bank's online banking system are enclosed.

**ACH credit/debit block**

Given that your account is solely intended to be an E-Pay settlement account, Illinois National Bank will place an ACH credit/debit block on the account, only allowing electronic credits and debits to your account from the following entities:

- *the Treasurer's E-Pay credit card processors; and*
- *U.S. Bank Fund Services for credits and debits into your Illinois Funds investment account.*

Illinois National Bank will return any unauthorized transactions to the originator for an additional fee to E-Pay participants. The terms for this block are provided in the enclosed Banking Authorization Document.

**Minimum balance requirement**

You will be required to maintain a minimum balance of \$1,000 in your E-Pay settlement account to help avoid overdrafts due to chargeback activity. However, there will be no fee for going below the minimum balance requirement.

**Banking services**

The traditional banking services you currently receive, such as check writing, are not offered with your E-Pay settlement account. You have the option to open a traditional banking account at U.S. Bank at reduced prices available only to Illinois Funds participants, or you may open a new account at a bank of your choosing. For further information, please visit our web site at

[www.illinoisfunds.com](http://www.illinoisfunds.com).

**Toll-free numbers**

- As of February 16, 2016 please call (800) 947-8479 with any questions concerning your Illinois Funds investment account(s).
- Please call (866) 831-5240 with any questions concerning your E-Pay settlement account(s).

**Next step**

To complete your enrollment at Illinois National Bank for your new E-Pay settlement account, please complete and return the enclosed Illinois National Bank Banking Authorization Document by no later than **January 5, 2016** to:

Illinois State Treasurer's Office  
Attn: E-Pay  
400 West Monroe, Suite 401  
Springfield, IL 62704

Thank you for your continued trust in the Illinois Funds/E-Pay program. We value you as a participant and look forward to continuing to provide you with the highest level of service. If you have any questions, please feel free to contact us at **(866) 831-5240**.

Sincerely,

The Illinois Funds/E-Pay Team

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## BANKING AUTHORIZATION DOCUMENT For E-Pay Account

322 East Capitol Avenue  
Springfield IL 62701

**Account Number**      Account Number.

**Account Name and Address**

Name Line 1. JOHN DOE  
Name Line 2. SAMPLE DIRECTOR  
Address Line 1. 123 MAIN ST  
Address Line 2. SUITE 1  
City State Zip SPRINGFIELD IL 62704  
Phone Number 555-555-5555 x5555

**This account is a Government Entity/Public Funds account.**

**Please designate principal point of contact in first box below:**

Printed Name: Signature: Title:	Printed Name: Signature: Title:

We, the signers above, having full power and lawful authority to act on behalf of the above-named account, certify that:

- **Enter Taxpayer ID Number** is the Tax Identification Number that belongs to the above-named account.
- The above-named account is exempt from backup withholding and FATCA.
- The information provided is accurate.
- We are authorized to open this settlement account in the name of the business with Illinois National Bank.

We also acknowledge receipt of a copy of and agree to the terms of the following agreements and disclosures: Terms and Conditions; Funds Availability; Privacy; Substitute Checks; E-Sign; Notice of ATM/Night Deposit Facility User Precautions.

**We understand that the Office of the Illinois State Treasurer (“Treasurer”) requires our target balance in this account to be at least \$1,000.00. If we want to maintain a larger target balance, that amount is \$\_\_\_\_\_ (must be less than \$250,000). For no additional fee, Illinois National Bank will automatically transfer funds in excess of this target to our Illinois Funds account(s).**

We, the signers above, acknowledge that the Treasurer requires this account to have ACH Credit/Debit blocks, which only allow transactions from entities authorized by the Treasurer.

**E-Pay Participant Fees**

No minimum balance to open this account. Credits to the account: \$0.10 per item.

Select one:

- Account Maintenance Fee of \$10 per month if this fee is directly debited from the account
- Account Maintenance Fee of \$12 per month if this fee is invoiced.

**PLEASE KEEP A COPY OF THIS DOCUMENT FOR YOUR RECORDS**



## BANKING AUTHORIZATION DOCUMENT For E-Pay Account

322 East Capitol Avenue  
Springfield IL 62701

### Sign Up For Online Banking

- Go to: [www.illinoisnationalbank.com](http://www.illinoisnationalbank.com)
- Click on the “Sign Up” link
- Provide the requested information
  - **Create Login**
    - Create a User ID and Password that you would like to use when you sign on to Online Banking
  - **Personal Information**
    - First Name Field – **Enter the Business Name**
    - Last Name Field – **Enter “E-Pay”**
    - DOB Field – Enter **“01/01/1900”**
    - DL # Field – **Enter “IL”**
    - DL State Field – **Select Illinois from the drop down**
    - Mother Maiden Name Field – **Enter “E-Pay”**
    - SSN Field – **Enter Tax ID number for the business**
  - **Account Information**
    - Please enter account number(s) that you want to view through online banking.
- Bill Pay is not an option for the E-Pay Participants; please do not check the enrollment box.
- Read and accept the Terms & Conditions by checking the box.
- When you have completed everything click “Complete Sign-up”.
- A confirmation email will be sent once registration is complete.

### Creating Additional Online Banking Users

Once the Admin has created the Online Banking registration, they will then be able to create users of their choice to access the accounts through the online banking system.

- Log-In to Online Banking using the Sign-On Information you created at registration
- Go to: Additional Services and then click on “Share Access with others”
- Click “Add Person”
- Enter personal information of individual you are granting access.
- Select account(s) and type of access in which they shall be granted.
- Read and Agree to Terms of Use by selecting Continue

The user will then be sent an email and will need to log-in with the information that is provided in the email.

For assistance with the online banking registration, please call 217-747-8766.

**Office of the Illinois State Treasurer - E-Pay Account  
Illinois National Bank Pricing**

**General Account Services**

Option 1 - Account Maintenance \$ 10.00 per month/direct debit

Option 2 - Account Maintenance \$ 12.00 per month/invoice

Credits \$ 0.10 per item

Earnings Credit Rate 0.17%

**Additional Banking Services**

The services outlined below are optional and only applicable if needed by the Participant.

**General Account Services**

Overdraft Fee Per Item \$ 30.00

**ACH Services**

ACH Return Item \$ 2.00

**Wire Transfer Services**

Incoming Wire Transfer \$ 8.00

Outgoing Wire Transfer \$ 13.00

**Information Service**

Account Maintenance Options 1 and 2 include one online banking user. Additional users are \$5.00 each per month.

**Pricing Assumptions**

- E-Pay Accounts will be used solely as a credit card settlement account with funds transferred daily to Illinois Funds.
- A minimum target balance of \$1,000 should be maintained to cover chargeback occurrences.
- Collected balances can be used to offset fees with the earnings credit.
- No check writing will be offered for E-Pay accounts.

## TERMS AND CONDITIONS OF YOUR ACCOUNT

**AGREEMENT** - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws, the laws of the state of Illinois and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "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. 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. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

**LIABILITY** - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

**DEPOSITS** - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

### **WITHDRAWALS -**

**Generally** - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

**Postdated checks** - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

**Checks and withdrawal rules** - If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

**Overdrafts** - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

**Multiple signatures, electronic check conversion, and similar transactions** - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

**Notice of withdrawal** - We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION** - These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**Individual Account** - is an account in the name of one person.

**Joint Account - With Survivorship (And Not As Tenants In Common)** - is an account in the name of two or more persons. Each of you intend that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

**Joint Account - No Survivorship (As Tenants In Common)** - is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the "number of signatures" necessary for withdrawal.

**Revocable Trust or Pay-On-Death Account** - If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries of either of these account types cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of the owner(s) of the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating either a Pay-On-Death or Revocable Trust account reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS** - 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.

**STOP PAYMENTS** - Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

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 stop-payment orders are handled by computers, 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 verbal 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 only by the person who initiated the stop-payment order.

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.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

**TELEPHONE TRANSFERS** - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

**AMENDMENTS AND TERMINATION** - We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. You agree to keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

**STATEMENTS - Your duty to report unauthorized signatures, alterations and forgeries** - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**Your duty to report other errors** - In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, such time period shall not exceed 60 days. Failure to examine your statement and report any such errors to us

within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any such errors on items identified in that statement and as between you and us the loss will be entirely yours.

**Errors relating to electronic fund transfers or substitute checks (For consumer accounts only)** - For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

**ACCOUNT TRANSFER** - This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS** - If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government 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 the amount of our liability.

**TEMPORARY ACCOUNT AGREEMENT** - If this option is selected, this is a temporary account agreement. Each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**SETOFF** - We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

**CONVENIENCE DEPOSITOR (Individual Accounts only)** - A single individual is the owner. The convenience depositor is merely designated to conduct transactions on the owner's behalf. The owner does not give up any rights to act on the account, and the convenience depositor may not in any manner affect the rights of the owner or beneficiaries, if any, other than by withdrawing funds from the account. The owner is responsible for any transactions of the convenience depositor. We undertake no obligation to monitor transactions to determine that they are on the owner's behalf.

The owner may terminate the authorization at any time, and the authorization is automatically terminated by the death of the owner. However, we may continue to honor the transactions of the convenience depositor until: (a) we have received written notice or have actual knowledge of the termination of authority, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of a convenience depositor.

**RESTRICTIVE LEGENDS** - The automated processing of the large volume of checks we receive prevents us from inspecting or looking for special instructions or "restrictive legends" on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restriction. We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

**FACSIMILE SIGNATURES** - Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

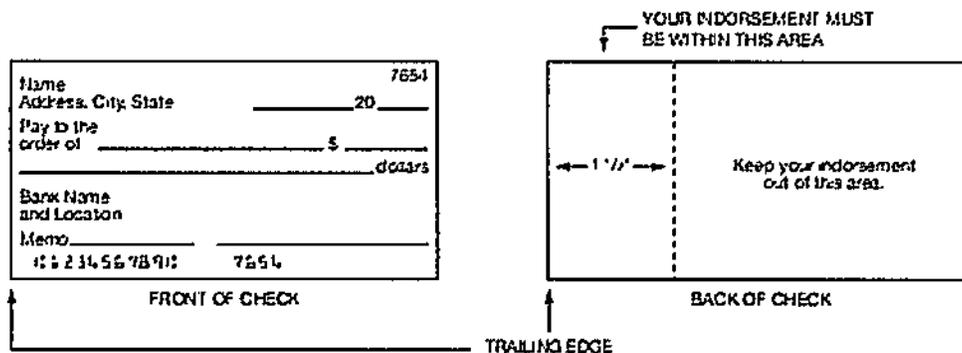
**CHECK PROCESSING** - We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have not failed to exercise ordinary care solely because we use our automated system to process items and do not inspect all items processed in such a manner. Using an automated process helps us keep costs down for you and all account holders.

**CHECK CASHING** - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

**INDORSEMENTS** - We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement.

These indorsement guidelines apply to both personal and business checks.

**DEATH OR INCOMPETENCE** - You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or becomes legally incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or 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 legal incompetence for up to ten (10) days after your death or legal incompetence unless ordered to stop payment by someone claiming an interest in the account.

**FIDUCIARY ACCOUNTS** - Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

**CREDIT VERIFICATION** - You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT** - If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**SECURITY** - It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account. If you provide your account number in response to a telephone solicitation for the purpose of making a transfer (to purchase a service or merchandise, for example), payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your 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 (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

You agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss.

**TELEPHONIC INSTRUCTIONS** - Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

**CLAIM OF LOSS** - If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

**EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals)** - We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

**ADDRESS OR NAME CHANGES** - You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

**RESOLVING ACCOUNT DISPUTES** - We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

**WAIVER OF NOTICES** - You waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account.

**ACH AND WIRE TRANSFERS** - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

**TRUNCATION, SUBSTITUTE CHECKS, AND OTHER CHECK IMAGES** - If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

# FACTS

## WHAT DOES ILLINOIS NATIONAL BANK DO WITH YOUR PERSONAL INFORMATION?



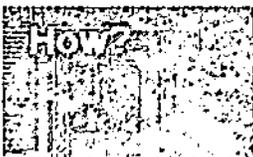
Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.



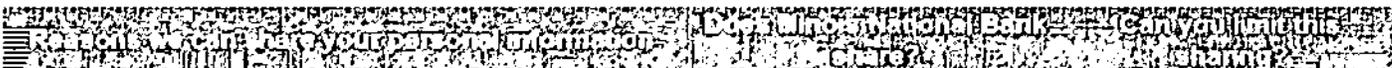
The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and account balances
- transaction history and checking account information
- overdraft history and payment history

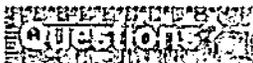
When you are *no longer* our customer, we continue to share your information as described in this notice.



All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Illinois National Bank chooses to share; and whether you can limit this sharing.



For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes— information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share



Call 217-747-5500 or 877-771-2316

**What to do**

**How does Illinois National Bank protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

**How does Illinois National Bank collect my personal information?**

We collect your personal information, for example, when you

- open an account or apply for a loan
- pay us by check or use your credit or debit card
- make deposits or withdrawals from your account

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

**Definitions**

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Illinois National Bank does not share with its affiliates*

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Illinois National Bank does not share with nonaffiliates so they can market to you*

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partners include financial solutions providers and credit card companies.*

**Other important information**

Illinois law requires that you opt-in to information sharing. Therefore, before we would share your information with a third-party, except where permitted by law, we will obtain your permission.

## Funds Availability Policy Disclosure

**For all consumer purpose accounts:** Wire transfers, electronic direct deposits, and cash deposits made with a banker or at an ATM will be available on the day we receive your deposit. Except as described later in this policy, when you make other deposits, the funds are available on the first business day after the day we receive your deposit. Available funds may be withdrawn in cash or used to pay checks and other items.

**For Business and Commercial purpose accounts:**

**Same-day availability:** Wire transfers, electronic direct deposits, and cash deposits made with a banker or at an ATM will be available on the day we receive your deposit.

**Next business day availability:** Funds from the following deposits are available on the first business day after the day we receive your deposit:

- U.S. Treasury checks that are payable to you;
- Checks drawn on us.

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first business day after the day we receive your deposit:

- State and local government checks that are payable to you;
- Cashier's, certified, and teller's checks that are payable to you;
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders that are payable to you.

**Second business day availability:** Funds from all other deposits are available no later than the second business day after the day we receive your deposit. Available funds may be withdrawn in cash or used to pay checks and other items.

**When Your Deposit is received:**

If you make a deposit with a teller at one of our branches on a business day, we will consider that day to be the day of your deposit. If you make a deposit on a business day before our cutoff times at an Illinois National Bank ATM that accepts deposits, we will consider that day to be the day of your deposit. However, if you make a deposit on a day that is not a business day, or make a deposit at an Illinois National Bank ATM that accepts deposits, but after the ATM cutoff time (posted on the ATM or on the screen), we will consider the deposit to have been made on the next business day.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Deposits placed in a night depository are considered received when we remove them from the night depository. We will remove those deposits not later than the business day they are received. Branches in some locations may be closed on business days in observance of a state holiday or because of an emergency, and deposits made at a night depository when those branches are closed will be considered received on the next business day when the branch is open. All deposits made by mail and addressed to Illinois National Bank are considered received no later than the business day they are delivered by the United States Postal Service.

**Longer Delays May Apply:**

**For consumer purpose accounts:** In some cases, we may not make all of the funds that you deposited by check available by the first business day after the day of your deposit. Funds may not be available until the second business day after the day of your deposit. However, at least the first \$200 of these deposits will be available on the first business day after the day of your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available, but further review may still result in delayed availability.

**For all accounts:** Funds you deposited by check may be delayed for longer than two business days under the following circumstances:

- We believe a check you deposited will not be paid;
- You deposited checks totaling more than \$5,000 in any one day;
- You re-deposited a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last 6 months; or
- There is an emergency, such as a failure of communications or computer equipment.

If we delay availability for one of these reasons, funds may not be available until the seventh business day after the day of your deposit. If your deposit is not made directly to one of our employees, we will mail you the notice by the business day after we receive your deposit. If we decide to delay availability of your funds after you complete your deposit, we will mail you the notice by the business day after we decide to take that action.

**Special Rules for New Accounts**

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

- Funds from deposits of the first \$5,000 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 we receive your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury Checks) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit; and
- 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 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. 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 availability 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.

## **ILLINOIS NATIONAL BANK E-SIGN DISCLOSURE**

This Illinois National Bank E-Sign Disclosure and consent ("Disclosure"), applies to all Communications for all products, services, and accounts ("Account(s)") you have with Illinois National Bank, including existing and future Accounts, whether you apply for the Account electronically/online, and whether or not Accounts are opened and/or accessed through INB Online Banking and/or Cash Management, or other electronic access method.

The words "we," "us," and "our" means Illinois National Bank, and the words "you" and "your" means you, the individual(s) or entity that is identified on the Account as the owner or signer of the account. As used in this Disclosure, "Communication" means any customer agreements or amendments thereto, monthly billing or account statements, periodic statements, disclosures, notices, responses to claims, transaction history, privacy policies, and all other information related to your Account(s), including but not limited to information that we are required by law to provide to you in writing.

1. **Scope of Communications to Be Provided in Electronic Form.** You agree that we may provide you with any Communications relating to your Account(s) in electronic format, and that we may discontinue sending paper Communications to you, unless and until you withdraw your consent as described below. Your consent to receive electronic communications and transactions includes, but is not limited to:

- Initial disclosures or agreements and all legal and regulatory disclosures and communications associated with your Accounts and/or the products or services available through INB Online Banking and/or Cash Management.
- Notices and/or disclosures about a change in the terms of your Account(s) or associated payment features and responses to claims.
- Privacy policies and notices
- Monthly (or other periodic) billing or account statements for your Account(s) or such other Communications we may include from time to time as part of the enrollment in INB Online Banking and/or Cash Management and associated services.
- Paid promissory notes and released and/or cancelled loan documents.

2. **Method of Providing Communications to You in Electronic Form.** All Communications that we provide to you in electronic form will be provided either (1) via e-mail, (2) by access to a web site that we will designate in an e-mail notice we send to you at the time the information is available, or (3) to the extent permissible by law, by access to a web site that we will generally designate in advance for such purpose, or (4) by requesting you download a PDF file containing the Communication

3. **How to Withdraw Consent.** You may withdraw your consent to receive Communications in electronic form for any of your Accounts by completing an email preferences change form at one of our branches, or by contacting us at 1-877-771-2316. Our receipt of undeliverable email does not constitute withdrawal of your consent to receive Communications electronically. Any properly executed withdrawal of your consent to receive electronic Communications will be effective only after we have a reasonable period of time to process your withdrawal.

4. **How to Update Your Records.** It is your responsibility to provide us with true, accurate and complete e-mail address, contact, and other information related to this Disclosure and your Account(s), and to maintain and update promptly any changes in this information. According to the delivery method or method by which you receive electronic information from us, you can update your e-mail address by logging in to INB Online Banking and/or Cash Management <https://www.illinoisnationalbank.com>. If you receive documents through our Online Secure Messaging and Document Storage site (e-safe), you must also change your email address at this site: <https://illinoisnationalbank.securemsg.com/login.cfm>. Your consent to receive electronic communications remains valid even if we receive email returned as undeliverable. For security purposes, your change request may be subject to additional verification.

5. Hardware and Software Requirements. In order to access, view, and retain electronic Communications that we make available to you, you must have:

- An up-to-date Internet browser that we support, that includes 128 bit encryption. In addition, Java Script and cookies must be enabled on the browser you are using
- Sufficient electronic storage capacity to retain our communications and/or a printer to print them
- Software that enables you to view and save files in the Portable Document Format ("PDF")
- An e-mail account with an Internet service provider and e-mail software in order to participate in our electronic Communications programs
- An up to date device or devices, including but not limited to personal computers, smartphones, tablets, etc. suitable for connecting to the internet, to receive, access, display, save, or print communications received from us.

6. Requesting Paper Copies. We will not send you a paper copy of any Communication from us, unless you request it or we otherwise deem it appropriate to do so. You can obtain a paper copy of an item that was previously sent electronically, provided that such request is made while the document(s) you are requesting are still available to us. To request a paper copy, contact us by telephone at 1-877-771-2316 or by emailing us at [customerservice@illinoisnationalbank.com](mailto:customerservice@illinoisnationalbank.com) . There may be a charge or fee associated with our provision of paper copies, and those fees and charges are outlined in the disclosure documents you received from us at the time you opened your account. (To protect your privacy over the Internet, we recommend that you do not send sensitive information like your account number, social security number, or PIN by email.) We may charge you a reasonable service charge for the delivery of paper copies of any Communication provided to you electronically pursuant to your authorization. We reserve the right, but assume no obligation, to provide a paper (instead of electronic) copy of any Communication that you have authorized us to provide electronically.

7. Communications in Writing. All Communications in either electronic or paper format from us to you or you to us will be considered "in writing." You should print or download for your records a copy of this Disclosure and any other Communication that is important to you.

8. Federal Law. You acknowledge and agree that your consent to electronic Communications is being provided in connection with a transaction affecting interstate commerce that is subject to the federal Electronic Signatures in Global and National Commerce Act, and that you and we both intend that the Act apply to the fullest extent possible to validate our ability to conduct business with you by electronic means.

9. Termination/Changes. We reserve the right, at our sole discretion, to discontinue the provision of your electronic Communications, or to terminate or change the terms and conditions on which we provide electronic Communications. We will provide you with notice of any such termination or change as required by law.

10. Consent. By your acceptance of this agreement, however your consent is given or received, you consent to receiving information electronically from us, and you agree that your computer and other electronic devices satisfy the hardware and software requirements specified above, and that you have provided and will maintain a current email address at which we may send electronic communications to you.