

October 2017

Dear Cardholder,

Providing you with important information about your account with Anstaff Bank is a high priority. We're writing to let you know that Mastercard® recently introduced the Automatic Billing Updater (ABU) service as a convenience for Mastercard cardholders. While this is a convenient service, Mastercard *requires* we participate and we'll begin submitting card updates to them as applicable when your debit card information changes.

How ABU works

ABU extends the amount of time your account-on-file information is stored with **your selected merchants** by automatically updating your debit card information due to account changes, like the expiration date.

For example, let's say you've enrolled in recurring monthly payments to pay your electric bill with your debit card. As you know, we periodically replace your card, and your new card has a fresh expiration date. Instead of contacting the electric company to update your card information, your card information will *automatically* be updated, if your electric company is a participating merchant.

Sending debit card information

We'll begin sending your updated card information, as applicable, to Mastercard beginning late October 2017. Mastercard will securely store your debit card information and release the new information to financial institutions and participating merchants in order to process your requested transactions without interruption.

Opting out

If you'd prefer not to have your card information updated automatically, you can opt out. If you'd like to opt out, please contact us at your earliest convenience at Anstaff Bank.

New Debit Card Dispute Process

For your convenience, Anstaff Bank is partnering with Shazam to process debit card dispute requests. Shazam will provide a dedicated call center (833-288-1126) available 7 days a week. Please review the following REG E disclosure for additional terms.

Anstaff Bank
Customer Service Department
P O Box 1900
Green Forest, AR 72638

ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are the types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Electronic Funds Transfer Initiated by Third Parties.

You may authorize a third party to initiate electronic funds transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearinghouse (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. In some cases, your authorization can occur when the merchant post a sign informing you of their policy. In all cases, the transaction will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet or via some other method) to trusted third parties whom you have authorized to initiate these electronic funds transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s)
- **Preauthorized payments** You may make arrangements to pay certain recurring bills from your checking or savings account(s).
 - MasterCard's Automatic Billing Updater (ABU) requires Anstaff Bank to submit electronic updates when a cardholder's information changes. ABU helps prevent disruptions from routine card changes. Customers may opt out of the service by phone, internet banking, by mail, or in person.
- **Electronic check conversion.** You may provide your check to a merchant or service provider who will scan the check for the encoded bank and account information. The merchant or service provider will then use this information to convert the transaction into an electronic fund transfer. This may occur at the point of purchase; or when you provide your check by other means, such as by mail or drop box.
- **Electronic returned check charge.** Some merchants or service providers will initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Please also see the **Limitations on frequency of transfers** section regarding limitations that apply to savings accounts.

Touch Tone Banking Telephone Numbers

Toll Free 800-984-2265, Green Forest/Berryville 870-438-7272, Harrison 870-391-7272, Huntsville/Kingston 479-738-1600.

Jasper 870-446-6065, Flippin 870-453-7572, Mountain Home/Norfolk 870-424-0520

Touch Tone Banking Telephone Transfers

You may access your account by telephone 24 hours a day using your personal identification number, a touch tone phone and your account numbers to:

- Transfer funds from checking to checking or savings (excluding transfers from Health Savings Accounts)
- Transfer funds from savings to checking or savings (excluding transfers from Christmas Club Accounts)

- Get information about:
 - The account balance of checking or savings account(s)
 - Deposits to checking or savings accounts
 - Withdrawals from checking or savings accounts

Please also see the *Limitations on frequency of transfers* section regarding limitations that apply to telephone transfers.

ATM Transfers - types of transfers, dollar limitations and charges

You may access your account(s) by ATM using your SHAZAM® ATM card and personal identification number (PIN) or SHAZAM@Chek card and PIN, to:

- Get cash withdrawals from checking or savings account(s).
 - You may withdraw no more than \$500.00 per business day.
 - There is a charge of \$1.50 per withdrawal at ATMs we do not own or operate.
- Transfer funds from savings to checking account(s)
 - There is a charge of \$1.50 per transfer at ATMs we do not own or operate.
- Transfer funds from checking to savings account(s)
 - There is a charge of \$1.50 per transfer at ATMs we do not own or operate.
- Get information about:
 - The account balance of your checking or savings account(s)
 - There is a charge of \$1.50 per inquiry at ATMs we do not own or operate.

Some of these services may not be available at all terminals. Please also see the *Limitations on frequency of transfers* section regarding limitations that apply to ATM transfers.

Type of SHAZAM@Chek card Point-of-Sale Transactions

You may access your checking account(s) to purchase goods (in person or by phone), pay for services (in person or by phone), get cash from a merchant, if the merchant permits or from a participating financial institution and do anything that a participating merchant will accept.

Point of Sale Transactions - dollar limitations and charges - using your card:

- You may not exceed \$2000.00 in point of sale transactions per business day.
- You may not exceed \$500.00 in ATM withdrawals per business day.

Currency Conversion:

If you effect a transaction with your SHAZAM@Chek card in a currency other than US Dollars, MasterCard International Incorporated will convert the charge into a US dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the conversion rate used by MasterCard International to determine the transaction amount in US dollars for such transactions is generally either a government mandated rate or a wholesale rate determined by MasterCard International for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by MasterCard International. The currency conversion rate used by MasterCard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

Advisory against Illegal Use

You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

Internet Banking Computer Transfers - types of transfers and charges

You may access your account(s) by computer through the internet by logging onto our website at www.anstaffbank.com and using your user identification and your password to:

- Transfer funds from checking to checking or savings accounts (excluding transfers from Health Savings Accounts)
- Transfer funds from savings to checking or savings accounts (excluding transfers from Christmas Club Accounts)
- Make payments from checking accounts(s) to third parties
- Get information about:
 - the account balance of checking or savings account(s)
 - deposits to checking or savings accounts
 - withdrawals from checking or savings accounts

Please also see the *Limitations on frequency of transfers* section regarding limitations that apply to computer transfers.

Limitations on frequency of transfers. In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers from Money Market Savings account to another account or to third parties by preauthorized, automatic, telephone or computer transfer are limited to six per month.
- Transfers from a Traditional Savings or Penny Pig Savings account to another account or to third parties by preauthorized, automatic, telephone or computer transfer are limited to six per month with no transfers by check, debit card or similar order to third parties.

Fees

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized payments from any type of account.
- Debit card replacement fee - \$5.00.
- Debit card hot card fee - \$10.00.

Except as indicated elsewhere, we do not charge for these electronic funds transfers.

ATM operator/Network Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

Documentation

- **Terminal transfers.** You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines (ATM) or point-of-sale terminals.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at 870-438-5214 or 1-800-445-5745 to find out whether or not the deposit has been made.
- **Periodic statements.** You will get a monthly account statement from us for your checking or money market savings account. You will get a monthly account statement from us for your savings account, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

Preauthorized payments

Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

- Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge you \$30.00 for each stop-payment order you give.

Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set).

Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

Financial Institution's Liability

Liability for failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer.
2. If you have an overdraft line and the transfer would go over the credit limit.
3. If the automated teller machine where you are making the transfer does not have enough cash.

4. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
5. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
6. There may be other exceptions stated in our agreement with you.

Confidentiality

We will disclose information to third parties about your account or the transfers you make:

1. Where it is necessary for completing transfers; or
2. In order to verify the existence and condition of your account for a third party, such as credit bureau or merchant; or
3. In order to comply with government agency or court orders; or
4. If you give us written permission; or.
5. In order to comply with MasterCard's Automatic Billing Updater(ABU).

Unauthorized Transfers

1. Consumer liability.

- *Generally.* Tell us AT ONCE if you believe your card and/or code has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days, you can lose no more than \$50. If someone used your card and/or code without your permission. (If you believe your card and/or code has been lost or stolen and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your card and/or code without your permission).

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

- *Additional Limits on Liability for SHAZAM@Chek card, when used for point-of-sale transaction.* You will not be liable for any unauthorized transactions using your SHAZAM@Chek card, when used for point-of-sale transactions if:

- You can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft.
- You have not reported to us two or more incidents of unauthorized use within the prior twelve-month period and
- Your account is in good standing.

If any of these conditions are not met, your liability is the lesser of \$50.00 or the amount of money, property, labor or services obtained by the unauthorized use before notification to us. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. This additional limitation on liability does not apply to PIN based transactions or transactions not processed by MasterCard.

2. Contact in event of unauthorized transfer.

If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this brochure.

Health Savings Accounts (HSA)

We permit you (as described below) to access your HSA with a debit card. This service is offered for the convenience of managing your HSA. However, electronically accessing your HSA - for example, getting additional cash back on an HSA debit card transaction - can raise a variety of tax concerns. As a result before electronically accessing your HSA make sure you are using the correct card. Also, it is your responsibility to ensure the contributions, distributions, and other actions related to your HSA, comply with the law, including federal tax law. As always, we recommend consulting a legal or tax professional if you have any questions about managing your HSA. The terms of the disclosure are intended to work in conjunction with the HSA Agreement provided to you earlier. In the event of a conflict, the terms of the HSA Agreement control. You understand that your HSA is intended to be used for payment of qualified medical expenses. It is your responsibility to satisfy any tax liability resulting from use of your HSA for any purpose other than payment or reimbursement of qualified medical expenses. We do not monitor the purpose of any transaction to or from your HSA, nor are we responsible for ensuring your eligibility for making contributions or ensuring withdrawals are used for payment or reimbursement of qualified medical expenses. Refer to your HSA Agreement for more information relating to the use of your HSA.

ERROR RESOLUTION NOTICE

In case of errors or questions about your electronic transfers, telephone SHAZAM Dispute Services at 833-288-1126 or write us at the address listed in this disclosure, as soon as you can. SHAZAM must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell SHAZAM your name and card number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell SHAZAM the dollar amount of the suspected error.

If you tell SHAZAM orally, they may require that you send your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

ANSTAFF BANK
CUSTOMER SERVICE DEPARTMENT
PO BOX 1900
GREEN FOREST, AR 72638
Business Days: Monday through Friday
Excluding Federal Holidays
Phone: 870-438-5214 or 1-800-445-5745
MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST
MEMBER FDIC