

Dear Valued Customer:

This notice is to inform you that we have rewritten and reordered the Deposit Account Agreement (“Agreement”) that governs your accounts with us. If you have not previously received it, the Agreement becomes effective on **December 15, 2017**. Most of the revisions are only clarifications that do not change the substance of your prior deposit agreement. Some of the revisions, however, do change our respective rights and duties. While you remain responsible for reviewing and becoming familiar with the revised terms, the following lists what we believe are the main substantive changes and clarifications. This list is not comprehensive, and the listed sections contain further details. Please review the included new Agreement for additional information.

### **Acceptance**

Section 1 clarifies that the Agreement is accepted by using or maintaining the deposit account (or overdraft line of credit or safe deposit box lease).

### **Address and Contact Information**

Sections 2 and 15(c) require you to update the Bank with any changes to your telephone number or e-mail address, as well as changes to your name or address.

### **Account Ownership**

Sections 2 and 4 clarify our right to refuse to open, or to close, an account in our sole discretion at any time without being required to supply an explanation. Section 4 includes an advisory notice that adding a signer to the account of a natural person generally makes that signer a co-owner of the account (unless marked otherwise on the signature card). We also clarify that co-owned accounts will not be considered as tenants-in-common accounts (*i.e.*, without rights of survivorship among the co-owners) unless it is specifically indicated on the signature card.

### **Changes in Authorized Signers; Powers of Attorney**

- Section 4(g) clarifies that entities and non-natural persons must notify us of authorization changes for signers on accounts. Otherwise, continued maintenance of the account means we may continue to rely on the authorizations we have.
- Section 4(h) clarifies our acceptance of and reliance on powers of attorney, and you agree to indemnify us for following the directions of your attorney-in-fact.
- Section 4(k) clarifies that removing an authorized signer does not terminate the validity of checks or debit instructions (and our ability to pay them) if signed or authorized before that removal. You will need to issue stop payments on those items or debits if you don’t want them paid. Also, online access and access to other payment(s) systems will continue for the former authorized signer unless you take the appropriate described action.

### **Deposits**

- Section 5 now states you may not mail in cash for a deposit and more clearly states that provisional credit for deposits will be reversed for deposits that are returned unpaid, or are returned or revoked, and that for such deposits we may take funds out of any of your accounts to repay such deposit. Any chargeback or reversal of an unpaid deposit may result in an overdraft on your account.

- Section 6 clarifies our ability to place a hold on the availability of funds you deposit, including placing such holds after you leave the Bank.

### **Withdrawals**

- Section 7(a) clarifies the scope of authority of an authorized signer to conduct transactions. We also describe our options when presented with an item or debit signed or initiated by an authorized signer whose authorization may no longer exist.
- Section 7(c) explains what we may do when you use an ambiguous term to name multiple payees on a check. We may also continue review of required customer identification after the opening of an account or acceptance of an initial deposit.
- Section 7(f) emphasizes that we do not enforce multiple signature requirements unless we have explicitly agreed in a separate contract. We are not responsible for any damages, losses, or liability arising from your use or insertion of restrictive legends, additional signatures lines or requirements, or additional or special instructions on your checks.
- Section 7(h) clarifies our obligations and your responsibilities if you use a facsimile or substitute signature.
- Section 7(i) explains that we are entitled to require reasonable identification of a payee of your check or item; our refusal to cash a check based on lack of documentary identification or authorization to our satisfaction shall not constitute a wrongful dishonor of the item.
- Section 7(l) uses the term “Debit Card Overdraft Service” to replace the prior term “Courtesy Approval<sup>®</sup> service.”
- Section 7(o) clarifies the information we need to accept a stop payment order. All stop-payment orders will expire after one-year. **(This one-year duration of a stop payment order applies to stop-payment orders that might have originally been issued under a shorter duration, such as six months.)**
- Section 7(p) adds the following provision: “We may honor ... remotely created check(s), and, if there are insufficient funds in your account, you still owe us the remaining balance. We may also refuse to honor any remotely created checks drawn on your account without cause or prior notice.”

### **Indemnity**

Section 9 clarifies examples of your duty of indemnification and specifies that this duty continues after termination of the Agreement.

### **Account Statements**

Section 14 addresses account statements and your duty to review them and notify us of errors or problems. Because these provisions are particularly important, we have moved them into section 14 as a separate section. You should review section 14 carefully.

### **Additional Provisions**

- Section 15(d) is added to state we can make adjustments for discrepancies between actual amounts tendered for deposit and totals or itemizations on deposit slips or other summaries.
- Sections 15(j) & (k) clarify aspects of sending electronic notices to you and our acceptance of electronic, scanned, and facsimile signatures from you.

- Section 15(m) elaborates your responsibilities when making claims for losses from fraud and unauthorized activity (unless specified otherwise in Section 11 on consumer electronic fund transfers).
- Section 15(p) expands on responding to legal process (*e.g.*, any subpoena, order, writ [such as a garnishment], levy, search warrant, seizure warrant).
- Section 15(t): The provisions governing use of night deposit facilities now also govern use of Daytime Drops.
- Section 15(w) clarifies that you are responsible for features or services of online banking (and mobile banking) services activated by any authorized user, and you are responsible for monitoring the account and its use by anyone supplied with log-in credentials. (Online and mobile banking services are governed by both this Agreement and the online and mobile banking agreements and addenda.)
- Section 15(dd) on Setoff and Security Interest clarifies that our exercising a right of setoff may cause your account to go into overdraft.

### **Security**

- Section 16(b) provides that giving your access device or credentials to another makes you responsible for withdrawals or transfers made by that person, regardless of your instructions or restrictions to that person.
- Section 16(c) provides that you must monitor access to your blank checks or check stock, and you are responsible for losses arising from negligent care of your blank checks or check stock.

### **Limitation on Time to Sue**

**Section 23 is new (except as to customers of our California Bank & Trust Division who have already accepted this term) and materially limits your rights against us:**

#### **LIMITATION ON TIME TO SUE**

An action or proceeding by you to enforce an obligation, duty, or right arising under this Agreement or by law with respect to your account, safe deposit box, or any other account service must be commenced within one year after the cause of action accrues. This limitation on time to sue shall survive any termination, amendment, or expiration of this Agreement, or any other relationship between the parties.

### **Dispute Resolution**

The Disputes Sections (24 through 26) now state they do not apply (a) to members of the armed forces and their dependents who are entitled to protection under the Military Lending Act, 10 U.S.C. § 987, or (b) if prohibited under any otherwise applicable provision of State or Federal law. They have added venue provisions where any judicial actions must be brought: (i) the county of the physical branch (if any) where the account was opened, (ii) the county of the physical branch (if any) at which the transaction occurred or (iii) the following counties for the various Divisions of the Bank:

Amegy Bank: Harris County  
 California Bank & Trust: San Diego County  
 National Bank of Arizona: Maricopa County  
 Nevada State Bank: Clark County

Vectra Bank Colorado: City and County of Denver  
Zions Bank: Salt Lake County (but Ada County for accounts housed at branches in Idaho)

Thank you for banking with us. If you have additional questions, please call your banker or the customer service number listed below:

Amegy Bank 800-287-0301  
California Bank & Trust 800-400-6080  
National Bank of Arizona 800-497-8168  
Nevada State Bank 800-727-4743  
Vectra Bank Colorado 800-232-8948  
Zions First National Bank 800-789-BANK (2265)