



# TIME ACCOUNT AGREEMENT AND DISCLOSURE

EFFECTIVE DATE 1.1.15



**First Midwest Bank**

A division of  **OLD NATIONAL BANK**

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This Time Deposit Agreement and Disclosure between First Midwest Bank and you governing your deposits in non-automatically renewable Certificates of Deposit, automatically renewable Certificates of Deposit, Build-A-Buck, Individual Retirement Accounts (IRA) and other time deposit accounts we may offer from time to time. If you have any questions about this Time Deposit Agreement and Disclosure or any of First Midwest Bank's services, please contact Customer Care at 1-800-322-3623. Thank you for banking with us.

## DEFINITIONS

**Agreement** - This Time Deposit Agreement and Disclosure, the Retail Account Agreement and Disclosure including the General Fee Schedule, Certificate of Deposit receipt, and the Rate Sheet we provide to you when you open your Certificate of Deposit and any amendments, disclosures or agreements we provide to you during the term of your Certificate of Deposit govern your Certificate of Deposit and any services we provide to you. If there is any conflict between these terms, the more specific terms will govern. Capitalized terms not defined in this Time Deposit Agreement and Disclosure will have the meanings provided in the Retail Account Agreement and Disclosure.

**Certificate of Deposit** - Certificate of Deposit means a deposit Account governed by this Agreement with a maturity of at least seven (7) days in which you generally do not have a right to make withdrawals until the maturity date without the imposition of penalties.

## GENERAL INFORMATION ABOUT ALL TIME ACCOUNTS

**Account and General Fees** - The charges which apply to your Certificate of Deposit are described below. In addition, fees related to services we may provide for you such as bookkeeping and other miscellaneous services, are provided in the General Fee Schedule contained in the Retail Account Agreement and Disclosure. You agree to pay any applicable charges or fees when due, and you authorize us to deduct any charges or fees from your Certificate of Deposit. The charges described in this Agreement and the fees listed in the General Fee Schedule are subject to change at any time. We may refrain from imposing any charge or fee at our sole discretion. This is not a waiver of our rights and will not affect our ability to impose such charges or fees in the future, without advance notification to you.

**Compounding and Crediting** - Compounding refers to the frequency with which interest is added to the principal balance for purposes of compounding interest. Crediting refers to the frequency with which accrued interest is added to the balance and made available to you for withdrawal.

**Deposits** - You agree to keep your funds on deposit until the maturity date. You may not make deposits during the term, except during the grace period, unless we otherwise agree in writing.

**Maturity Date** - The maturity date is the last date of the term of your Certificate of Deposit as stated on the Certificate of Deposit receipt provided to you when you open your Certificate of Deposit.

**Early Withdrawal Penalties** - If you make a withdrawal within six (6) days after the Certificate of Deposit is opened, an early withdrawal penalty of at least seven (7) days interest on the amount withdrawn will apply. In addition a penalty disclosed in the Certificate of Deposit terms provided below applicable to your Certificate of Deposit will be imposed for early withdrawal of funds, other than interest, from your Certificate of Deposit. Interest accrues on your Certificate of Deposit on an actual basis. For penalty calculation purposes, however, a three-hundred-sixty-day (360-day) year is used, and months are considered to have thirty (30) days. This means that it is possible for the penalty for a month to exceed the interest earned over the month. The penalty will be deducted from the principal in your Certificate of Deposit if the amount of accrued interest is less than the penalty.

**Interest** - Your interest rate, the circumstances in which interest will or will not be paid, the method of compounding and the frequency of interest crediting are disclosed in the Certificate of Deposit terms provided below applicable to your Certificate of Deposit and the Certificate of Deposit receipt, provided to you when you opened your Certificate of Deposit. The Annual Percentage Yield disclosed on the Certificate of Deposit receipt provided to you when you open your Certificate of Deposit assumes funds will remain on deposit until the maturity date. A withdrawal prior to the maturity date will reduce interest earnings.

We may elect to pay higher rates of interest for higher balance levels and different rates of deposit into different Accounts.

Interest begins to accrue on the Business Day of your deposit. No interest is earned or paid after the maturity date.

The interest rate is determined by the length of time until the maturity date and the amount of the deposit, based on competitive rates (and Annual Percentage Yields) set on a weekly basis. For current information on interest rates and Annual Percentage Yields please stop in, call any of our locations to request a current Rate Sheet or visit us online at [firstmidwest.com](http://firstmidwest.com).

**Individual Retirement Accounts** - An Individual Retirement Account (IRA) is a tax-deferred Account that can be set up as a Certificate of Deposit or a self-directed Account. We have many options available for our customers, including products available through our trust company. There are legal restrictions on how much money can be deposited per year. Due to tax implications, we ask customers to consult with their tax and legal advisors regarding this Account. IRS penalties may apply on withdrawals from IRAs before age 59 1/2.

## AUTOMATICALLY RENEWABLE CERTIFICATES OF DEPOSIT AND NON-AUTOMATICALLY RENEWABLE CERTIFICATES OF DEPOSIT

- The minimum balance to open this Account is \$1,000.00. (If this Certificate of Deposit is established as an IRA, the minimum balance to open is \$500.00).
- Your Certificate of Deposit will mature on the maturity date shown on the Certificate of Deposit receipt you received when you opened this Certificate of Deposit.
- The interest rate and Annual Percentage Yield are fixed (they will not change during the term of the Certificate of Deposit). If you are opening a Certificate of Deposit, the interest rate and Annual Percentage Yield applicable to your Certificate of Deposit are shown on the Certificate of Deposit receipt that you received. The Rate Sheet also shows the minimum balance required to obtain the disclosed Annual Percentage Yield.
- We use the daily balance method to compute your interest. Under this method, interest is calculated by applying a periodic rate to the full principal in your Certificate of Deposit each day.
- Interest is credited to you based on the frequency you select when you opened your Certificate of Deposit. If you choose to have accrued interest credited to your Certificate of Deposit, rather than remitted to you by check or transferred to another Account, your interest will be compounded at the same frequency as it is credited. The crediting frequency and any compounding are shown on the Certificate of Deposit receipt that you received when you opened the Certificate of Deposit. IRAs are limited to quarterly crediting and compounding.
- We may impose a penalty if you withdraw any of the deposited funds before the maturity date. The fee imposed will be determined as follows:
  - For an Account with a term of thirty-one (31) days or less, the penalty will be all of the interest earned on the principal amount withdrawn, from the most recent date of deposit or last renewal.
  - For an Account with an original term of more than thirty-one (31) days and up to and including one (1) year, the penalty will be three (3) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn.
  - For an Account with an original term of more than one (1) year, the penalty will be six (6) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn. If the withdrawal closes your Account, you will be paid interest which has accrued but has not yet been credited; however, the penalty you pay may exceed the interest which has accrued.
  - You may select either the automatically-renewable option or the non-automatically renewable option. Your selection will be shown on the Certificate of Deposit receipt you received at the time you opened your Account. The applicable terms for the option you select are listed below.

**Automatically Renewable** - This Account will automatically renew on the maturity date. You will have ten (10) calendar days after maturity to withdraw funds without penalty.

**Non-Automatically Renewable** - This Account will not renew automatically on the maturity date. If you do not renew the Account, your deposit will be placed in a non-interest bearing Account status upon maturity. Non-automatically renewable Certificates of Deposit do not earn interest after the maturity date.

## DISCLOSURES OF SPECIFIC TERMS AND CONDITIONS

### FLEX CERTIFICATES OF DEPOSIT

- The term of the Flex Certificate of Deposit is selected by you. The term may be in days or months; provided the term is at least seven (7) days.
- Flex Certificates of Deposit are not automatically renewable and Account terms of your Flex Certificate will be the same as those of other First Midwest Bank Certificates of Deposit (as outlined above); provided, however, if the term is less than one (1) month, interest will be credited on the maturity date.

### RISING STEPPED RATE CERTIFICATES OF DEPOSIT

A Rising Stepped Rate Certificate of Deposit is an automatically renewable Certificate of Deposit comprised of a fixed number of time periods. Each time period has its own interest rate. Each interest rate takes effect in the succession specified when you open your Certificate of Deposit. This Certificate of Deposit has a single composite Annual Percentage Yield.

- The minimum balance to open a Rising Stepped Rate Certificate of Deposit or an IRA Rising Stepped Rate Certificate of Deposit is \$5,000.00.
- Your Account will mature on the date shown on the Certificate of Deposit receipt you received when you opened the Certificate of Deposit.
- The interest rate for each fixed time period is set for the term of the Certificate of Deposit. The interest rate applicable to each fixed time period and the composite Annual Percentage Yield are shown on the Certificate of Deposit receipt that you received when you opened the Certificate of Deposit.
- We use the daily balance method to compute your interest. Under this method, interest is calculated by applying a periodic rate to the full principal in your Certificate of Deposit each day.
- Interest is credited to you based on the frequency you select when you opened your Certificate of Deposit. If you choose to have accrued interest credited to your Certificate of Deposit, rather than remitted to you by check or transferred to another Account, your interest will be compounded at the same frequency as it is credited. The crediting frequency and any compounding are shown on the Certificate of Deposit receipt that you received when you opened the Certificate of Deposit. IRAs are limited to quarterly crediting and compounding.
- We may impose a penalty if you withdraw any of the deposited funds before the maturity date. The fee imposed will be determined as follows:
  - For an Account with a term of thirty-one (31) days or less, the penalty will be all of the interest earned on the principal amount withdrawn from the most recent date of deposit or last renewal.
  - For an Account with an original term of more than thirty-one (31) days and up to and including one (1) year, the penalty will be three (3) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn.
  - For an Account with an original term of more than one (1) year, the penalty will be six (6) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn. If the withdrawal closes your Account, you will be paid interest which has accrued but has not yet been credited; however, the penalty you pay may exceed the interest which has been accrued.
  - This Account will automatically convert at its maturity to a traditional Certificate of Deposit of a similar duration. You will have ten (10) calendar days after maturity to withdraw funds without penalty.

#### **BUILD-A-BUCK VARIABLE RATE ACCOUNT**

Our Build-A-Buck program is an automatically renewable Certificate of Deposit which is increased by an agreed-upon amount automatically transferred from another Account at First Midwest Bank. The time periods for maturity of your Build-A-Buck Account are nine (9) months, twelve (12) months, eighteen (18) months, twenty-four (24) months or thirty-six (36) months, whichever you select.

- To open this Account, you must also agree to have at least \$25.00 automatically transferred from another Account at First Midwest Bank to your Build-A-Buck Account at least once per month. You may make unlimited additional deposits.
- The minimum balance to open this Account is \$25.00.
- Your Account will mature on the date shown on the Certificate of Deposit receipt you received when you opened your Build-A-Buck Account.
- This Account is a tiered rate Account.
- Your interest rate and Annual Percentage Yield may change. Since your Account is a tiered rate Account with rates and Annual Percentage Yields based on our rates for savings and lowest six (6) month tiered Certificates of Deposit, as described below, your Build-A-Buck rate and Annual Percentage Yield will change as frequently as the rates and Annual Percentage Yields of our savings and six (6) month Certificates of Deposits. This change is at our discretion and may occur as often as daily.
- If your daily balance is less than \$1,000.00, the interest rate paid on the entire balance in your Account and the applicable Annual Percentage Yield will be the same as the First Midwest Bank savings Account rate and Annual Percentage Yield.
- If your daily balance is \$1,000.00 or greater, the interest rate paid on the entire balance in your Account and the applicable Annual Percentage Yield will be the same as the First Midwest Bank's lowest six (6) month tiered Certificate of Deposit rate and Annual Percentage Yield.
- We use the daily balance method to compute your interest. Under this method, interest is calculated by applying a periodic rate to the full principal in your Certificate of Deposit each day.
- Interest is compounded and credited to your Account quarterly.
- We may impose a penalty if you withdraw any of the deposited funds before the maturity date. The fee imposed will be determined as follows:
  - For a Build-A-Buck Account with an original term of nine (9) months or twelve (12) months, the penalty will be three (3) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn.

- For an Account with an original term of eighteen (18) months, twenty-four (24) months or thirty-six (36) months, the penalty will be six (6) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn.
- If the withdrawal closes your Certificate of Deposit, you will be paid interest which has accrued but has not yet been credited; however, the penalty you pay may exceed the interest which has accrued.
- This Account will automatically renew on the maturity date. You will have ten (10) calendar days after the maturity date to withdraw funds without penalty.

#### **18 MONTH VARIABLE RATE IRA**

- The minimum balance to open this Account is \$25.00.
- Your Account will mature on the date shown on the receipt you received when you opened your Account. The time period for maturity of this Account is eighteen (18) months.
- Your interest rate and Annual Percentage Yield may change. The interest rate and Annual Percentage Yield is based on the rate of our lowest tiered 12-month Certificate of Deposit rate. The interest rate and Annual Percentage Yield will change as frequently as the interest rate and Annual Percentage Yield of the lowest tiered 12-month Certificate of Deposit rate. At our discretion, we may change the interest rate and Annual Percentage Yield on your Account daily.
- We use the daily balance method to compute your interest. Under this method, interest is calculated by applying a periodic rate to the full principal in your Certificate of Deposit each day.
- Interest is compounded and credited to your Account quarterly.
- You may make additional deposits to this Account at any time during its term.
- We may impose a penalty if you withdraw any of the deposited funds before the maturity date. The penalty imposed will be six (6) months interest (based on a thirty-day (30-day) month) on the principal amount withdrawn. If the withdrawal closes your Account, you will be paid interest which has accrued but has not yet been credited; however, the penalty you pay may exceed the interest which has accrued.
- This Account will automatically renew on the maturity date. You will have ten (10) calendar days after the maturity date to withdraw funds without penalty.

For more information about First Midwest Bank,  
call **800.322.3623** or visit us on the web at  
**FirstMidwest.com**.



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