

Truth in Savings Disclosure



October 2011

This *Truth in Savings Disclosure* booklet includes information you need to know about deposit accounts at Crossroads Bank. It notes all the features and requirements of all such deposit accounts.

This booklet is designed to help make your dealings at Crossroads Bank easy to understand. If you have questions related to the material presented in this publication, or concerning your deposit accounts, please drop by any Crossroads Bank office or call our main office at 260-563-3185 or 1-800-377-4984.

We thank you for reviewing our product availability and allowing Crossroads Bank the opportunity to service your banking needs.

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TRUTH IN SAVINGS DISCLOSURE (Regulation DD)

The Truth in Savings Act, Regulation DD, was enacted as a part of the Federal Deposit Insurance Corporation Improvement Act.

The purpose of Truth in Savings is to help consumers make informed decisions about deposit accounts, terms and conditions on which interest is paid and fees are assessed. Crossroads Bank (hereafter known as "Bank") makes the following product disclosures available for your review and comparison to products offered by other financial institutions.

TERMS AND CONDITIONS

Common to Most Deposit Products at Crossroads Bank

Balance Computation Methods

The Bank uses two (2) methods of determining an account balance upon which either interest is calculated or service charges are determined.

Daily Balance Method

This method calculates interest by applying a daily periodic rate to the full amount of "Collected Balance" in the account each day, establishing the accrued interest earned for that day.

Average Daily Balance Method

This balance method establishes an average balance for a period, i.e., monthly or quarterly. The average daily balance is determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period. Your account balance each day is the ending balance of the account from the previous day, plus deposits and minus withdrawals made that business day.

Rate Information

Unless otherwise stated with the product information, all interest-bearing accounts at the Bank will be "variable rate" products. Variable rate means the interest rate and the Annual Percentage Yield (APY) may change after the account is opened at any time, at the discretion of the Bank.

Annual Percentage Yield (APY)

APY is the effective rate your money will earn if it remains on deposit for a full year at the same annual interest rate and if all interest is left in the deposit account. Yield is the critical measure of how much interest you can expect to earn based on the interest rate and the frequency with which interest is added to your account (compounding) for a 365 or 366 (leap year) day period. Because your interest earns interest if left in the account, the APY is greater than the annual interest rate. If you withdraw some of the interest or some of your deposit, the amount of interest earned will be reduced.

Annual Percentage Yield Earned (APYE)

APYE represents the Annual Percentage Yield that was actually earned during the cycle period and which will appear on your periodic account statement. The calculation reflects the relationship between the interest actually earned during the statement period and the average daily balance in the account. If the account has multiple interest rates, this method will produce a single composite APYE figure.

Change in Terms and Conditions

The Bank may change the terms or conditions of a deposit account disclosure from time to time. Any change in terms that could adversely affect you will be disclosed in a notice, mailed or delivered to you 30 days before the effective date of the change. This notice may be a separate document or may be included as a part of a periodic statement.

Discretionary Overdraft Privilege Disclosure

It is the policy of Crossroads Bank to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards.

The Deposit Account Agreement and Disclosure provided to you at the time you opened your account with us controls the duties, obligations and rights of the Depositor, the Authorized Signatories and Crossroads Bank with regard to your checking account. The Deposit Account Agreement (and all amendments thereto) and its terms shall control any possible conflict, if any, between any provision of this Discretionary Overdraft Privilege Disclosure and the Deposit Account Agreement and Disclosure. A copy of the Deposit Account Agreement and Disclosure is available to you on request from your Crossroads Bank officer.

The Overdraft Privilege is not a line of credit. However, if you inadvertently overdraw your account, we will have the discretion to pay the overdraft, subject to the limit of your Overdraft Privilege and the amount of the overdraft fee. Crossroads Bank is not obligated to pay any item presented for payment if your account does not contain sufficient available funds. Any discretionary payment by Crossroads Bank of an overdraft check (or item, such as an ATM withdrawal) does not obligate Crossroads Bank to pay any other overdraft check (or item), or to provide prior notice of its decision to refuse to pay such check (or item).

Pursuant to Crossroads Bank's commitment to always provide you with the best level of service, now and in the future, if your consumer account (primarily used for personal and household purposes) has been open for at least thirty (30) days, or if your commercial account has been open for at least sixty (60) days, and thereafter you maintain your account in good standing, which includes at least:

- A) Bringing your account to a positive balance within every thirty (30) day period for a minimum period of 24 hours;
- B) Not being in default on any loan or other obligation to Crossroads Bank
- C) Not being subject to any legal or administrative order or levy

Crossroads Bank will have the discretion to pay overdrafts within the Overdraft Privilege limits, but payment by Crossroads Bank is a discretionary courtesy and not a right of the customer or an obligation of Crossroads Bank. This privilege for consumer checking or savings accounts will generally be limited to a maximum of \$750 overdraft (negative) balance. This privilege for commercial accounts will generally be limited to a maximum of \$750 overdraft (negative) balance. Of course, any and all fees and charges, including without limitation the non-sufficient funds fees (as set forth in our fee schedules and deposit account agreement and disclosure), will be included as part of this maximum amount. It may be possible that your account will become overdrawn in excess of the Overdraft Privilege amount as a result of the assessment of a fee.

The total of the discretionary Overdraft Privilege (negative) balance, which includes any and all fees and charges, including all non-sufficient funds/overdraft fees is due and payable upon demand, and Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Deposit Account Agreement and Disclosure. Our standard Overdraft fee of \$28 will be imposed for overdrafts created by checks, ACH, ATM withdrawals, everyday debit card transactions, in-person withdrawals, or by other electronic means. Transactions may not be processed in the order in which they occurred, and the order in which transactions are received and processed may impact the total amount of fees incurred.

While Crossroads Bank will have the discretion to pay overdrafts on accounts in good standing (as described above), any such payment is a discretionary courtesy, and not a right of the customer or an obligation of Crossroads Bank and Crossroads Bank in its sole and absolute discretion, can cease paying overdrafts at any time without prior notice of reason or cause.

For our consumer customers Crossroads Bank will not pay overdrafts for ATM or everyday debit card transactions after August 15, 2010 unless Crossroads Bank has provided you with the notice required by section 205.17(b) of Regulation E and you have opted in to the payment of these overdrafts. In order to avoid overdrafts due to ATM and everyday debit card transactions, Crossroads Bank will place a hold on your account for any ATM or everyday debit card transaction authorized until the transaction settles. ATM and everyday debit card transactions usually settle within two business days after the transaction is authorized. The amount of the hold will be for the amount authorized, or as permitted under applicable payment network rules. Holds on authorized ATM and everyday debit card transactions will be removed prior to settlement where required by applicable payment network rules.

In addition, for both consumer and commercial accounts, you may opt out of the Overdraft Privilege services for check, ACH and debit card bill payment transactions at any time by contacting one of our Account Services Representatives.

CURRENT ACCOUNT FEES

The following is a listing of fees that apply to most deposit account services

Effective May 1, 2011

The following fees apply to all of your accounts with us:

Account Activity Printout	\$ 1.00
Account Balance Inquiry	\$ 1.00
Research and Reconciliation	Waive 1 st time only - \$7.50 per ¼ hour
Bank Check – Accountholder (Per Check)	\$ 2.00

**The following fees apply to all of your accounts with Crossroads Bank except
Certificates of Deposit and Time Deposit Accounts**

ATM Foreign Fee	\$ 1.50
ATM Replacement Card Fee	\$ 5.00
New Account Closed within 90 Days	\$20.00

The following fee applies to Business Checking and Checking Accounts

Monthly Dormant Fees: (Non-Activity for 1 year and under \$1,000)	\$ 3.00
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**The following fee applies to Business Checking, Checking Accounts and
Money Market Savings Accounts**

Non-Sufficient Funds (NSF Paid)	\$28.00
Deposited Item Returned	\$28.00
Non Sufficient Funds (NSF Returned)	\$28.00
Overdraft Protection Transfer	\$ 2.00
Deposited Item Returned	\$10.00
Stop Payment Fee	\$25.00
Checks – Photo Copy (Per item)	\$ 1.00
Counter Checks	1 st 5 Free and then \$1.00 each thereafter

**The following fee applies to Business Checking, Checking Accounts, Statement
Savings and Money Market Savings Accounts**

Statement – Compact Disk (Monthly)	\$ 5.00
Statement – Special Request	\$10.00
Statement – Duplicate Copy	\$ 5.00
Telephone Transfer	\$ 3.00

The following fee applies to Business Checking Accounts

ACH Origination Minimum Monthly Fee	\$50.00
ACH Fees – Debit Items Originated	\$.10
ACH Fees – Credit Items Originated	\$.10

The following fee applies to Savings Accounts

Monthly Dormant Fees: (Non-Activity for 3 years and under \$1,000) \$ 3.00

The following fee applies to IRA and Health Savings Accounts

IRA Trustee to Trustee Transfer Out (Per Account) \$25.00

Health Savings Account Close Out Fee \$25.00

MISCELLANEOUS FEES AND CHARGES

(Applies to All Account Holders & Non Account Holders)

Check Cashing Fee – Non Account Holder	\$15.00
Coin Processing – Non Account Holder	10% or \$ 5.00 whichever is higher
Credit Card Cash Advance Fee – Account Holder	\$ 1.00
Credit Card Cash Advance Fee – Non Account Holder	\$ 5.00
Duplicate Copies of 1098 & 1099 Form	\$ 5.00
Fax Service Sending & Receiving Per Page	\$ 3.00
Foreign Check Transaction Fee	\$16.00
Notary Fee – Non Account Holder	\$ 2.00
Official Bank Check – Account Holder	\$ 2.00
Official Bank Check – Non Account Holder	\$ 5.00
Travelers Checks – 1 Party	\$ 1.00 per \$100 Purchased
Travelers Checks – 2 Party	\$ 2.00 per \$100 Purchased
Wire Transfer – In	\$15.00
Wire Transfer – Out	\$20.00
Wire Transfer – International	\$40.00

Safe Deposit Box Fees

3 x 5 Box Annual Rent	\$17.00
3 x 10 Box Annual Rent	\$30.00
5 x 10 Box Annual Rent	\$40.00
10 x 10 Box Annual Rent	\$60.00
Late Charge (Monthly)	\$ 5.00
Replacement Key	\$20.00
Drill Box	\$125.00

PRODUCT DISCLOSURES

Retail Checking Accounts

Freedom Checking

Limitations: You must deposit \$50.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$4.00 monthly fee for optional bonus benefits on this account. Duplicate check styles only.

Bounceback Checking

Limitations: You must deposit \$50.00 to open this account. Duplicate check styles only.

Account Fees: The following additional terms apply to this account. There is a \$9.00 monthly service fee on this account.

The Best Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$5.00 monthly service fee on this account. Crossroads Bank does not have minimum daily balance requirements on this account.

Legacy Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$5.00 monthly service fee on this account if the minimum daily balance falls below \$100.

Legacy Preferred Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$4.00 monthly service fee on this account. Crossroads Bank does not have minimum daily balance requirements on this account.

High Yield Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50,000.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$25.00 monthly service fee on this account if the minimum daily balance falls below \$50,000.

MAX Money Market Checking (MMDA)

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$10,000.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: The following additional terms apply to this account. There is a \$10.00 monthly service fee on this account if the minimum daily balance falls below \$10,000.

Health Savings Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: Crossroads Bank does not assess a monthly service fee on this account.

Other Checking Services Available

- Crossroads Bank (ATM) Card: You may apply for an ATM Card which allows 24-hour access to your account(s) through our ATMs and the worldwide CIRRUS® Network
- Access Plus, our automated account information line at 260-563-0466 or 888-797-9922
- Online Banking at www.crossroadsbanking.com
- Check Images: Front check images are free with all checking account products and come as part of your monthly statement. Front and back images are available with Online Banking. Return of physical cancelled checks is not available.

PRODUCT DISCLOSURES

Business Checking Accounts

Community Checking

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- You must maintain a minimum daily balance of \$2,500 in the account to obtain the annual percentage yield.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$50.00 to open this account.

Account Fees: Crossroads Bank does not assess a monthly service fee on this account.

Small Business Checking

Limitations: You must deposit \$500.00 to open this account.

Account Fees: The following additional terms apply to this account. There is a \$7.00 monthly service fee if the minimum daily balance falls below \$500.

Business Checking (Analysis)

Limitations: You must deposit \$100.00 to open this account.

Account Fees: The following additional terms apply to this account. This account features and earnings credit which is applied to reduce or eliminate fees on the account. If the earnings credit exceeds the fees for any period, you will be assessed no fees but you will not be paid, carry forward, or otherwise receive credit for any excess earnings credit.

The earnings credit will be calculated by applying the periodic earnings credit rate to the average daily balance in the account for the period. At any time and at our discretion, the periodic earnings credit rate may change.

There is a 10% reserve requirement of the average collected balance. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

Monthly Analysis Fees Include:

- Monthly Maintenance Fee \$5.00
- Deposited Item \$.14
- Checks Paid \$.07
- FDIC Fee/\$100 Deposit Balance .00063

PRODUCT DISCLOSURES

Savings Accounts

Statement Savings

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded quarterly and credited to your account quarterly.

Limitations: You must deposit \$100.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: The following additional terms apply to this account. There is a \$2.00 monthly service fee on this account if the minimum daily balance falls below \$100 anytime in the month.

Looney Tunes Savings Account

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded quarterly and credited to your account quarterly.

Limitations: You must deposit \$25.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction or by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

Account Fees: Crossroads Bank does not assess a monthly service fee on this account.

Christmas Club

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations: You must deposit \$10.00 to open this account. Withdrawals are allowed with permission from branch staff only.

Certificates of Deposit

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations:

- You must deposit \$1000.00 to open this account.
- Minimum term of 91 Days to a Maximum term of 60 Months
- You may not make additional deposits into this account until the maturity date
- Withdrawals prior to the maturity date may result in an interest penalty
- Certificates of Deposit automatically renew
- You will have 7 calendar days after the maturity date to withdraw funds without penalty
- If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

Special Certificates of Deposit

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations:

- You must deposit \$5000.00 to open this account.
- Call you Crossroads Bank office for current terms
- You may not make additional deposits into this account until the maturity date
- You may not make withdrawals from this account until the maturity date
- Certificates of Deposit automatically renew
- You will have 7 calendar days after the maturity date to withdraw funds without penalty

IRA Certificates of Deposit

Interest: Interest is earned on this account. The Interest Rate and Annual Percentage Yield (APY) may be obtained by contacting any Crossroads Bank office.

- The Annual Percentage Yield Earned (APYE) will appear on your periodic account statement.
- The account interest begins to accrue on the business day you deposit non cash items (for example checks). We use the daily balance method to calculate the interest on the account.
- Interest will be compounded monthly and credited to your account monthly.

Limitations:

- You must deposit \$1000.00 to open this account.
- Minimum term of 91 Days to a Maximum term of 60 Months
- You may not make additional deposits into this account until the maturity date
- You may not make withdrawals from this account until the maturity date
- Certificates of Deposit automatically renew
- You will have 7 calendar days after the maturity date to withdraw funds without penalty
- If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.