

Frontier State Bank

DEPOSITORY AGREEMENT

The purpose of this disclosure is to inform you, our customer, as to the operation of your account with Frontier State Bank. As a matter of defining parties in this agreement, “we” and “us” mean Frontier State Bank, and the words “you” and “your” mean the owners of the account named on our signature card. If no signature card is evident, then the account as owned by supporting bank records. The term “authorized person” means you and any person authorized by you to access funds and transact business with respect to the account. Your signature(s) on the signature card and/or the deposit of funds into the account constitute an acceptance of the depository contract and an agreement to be bound by the rules and regulations, both State and Federal that will govern the account. Business days shall be considered Monday through Friday, excluding Saturday, Sunday, and legal holidays.

The scope of this agreement covers the different types of accounts we offer, including but not limited to, checking accounts, NOW accounts, Money Market accounts, savings accounts, and time deposit accounts. All accounts are subject to other disclosure brochures as applicable, those being Regulation CC-Expedited Funds Availability, Regulation E-Electronic Funds Transfer Agreement, and the charges as pertain in the Bank Services Brochure.

The word (Account) shall be used to mean any Depositor relationship with the Bank for checking, savings, or certificate of deposit accounts.

The word (Bank) shall mean Frontier State Bank of Oklahoma City, Oklahoma.

Service Charges

You agree to pay the service charges and maintenance fees as listed in the Bank Services Brochure. These charges and fees will change from time to time, but will still be binding upon the account regardless of the account’s status. Such charges and fees will be deducted automatically from the account as they are incurred.

Account Information

The Bank may rely upon the signature(s) on the signature card as authorization for all transactions in connection with the account. If you have adopted a mechanically-impressed stamp or perforation as an authorized facsimile on the account’s checks and drafts as indicated on the signature card, you agree and authorize the bank to honor and charge the account for any and all items which bear the actual or purported facsimile, regardless by what means the facsimile signature may have been affixed.

a. Accounts with an Assigned Agent

You authorize every person assigned as “agent” on the signature card to have all rights and duties as yourself in connection with the account, and as the depositor, you ratify every action that may be taken by every such agent in connection with the account. The authority granted by you to the agent may only be revoked by completing and delivering to the bank a new signature card. Such authority shall not be revoked by your disability. You agree to indemnify the bank against all loss and liability incurred by the bank arising from or through any action by the agent after termination of the agency by operation of law or otherwise. Any agency or power to deal with the account which is created other than by designation on the signature card, may be recognized by the bank in the sole discretion of the bank, except for power created by order of a court or pursuant to Oklahoma laws relating to Special Powers of Attorney.

b. Association, Corporate, Governmental Unit, Non-Profit Organization, Partnership, Sole-Ownership and Trust Accounts

If the depositor is an association, corporation, governmental unit, non-profit organization, partnership, sole-ownership, trust, or any other legal entity, every person signing the signature card represents and agrees:

(1) that each depositor is fully authorized to execute the signature card in the capacity stated; and that any and all depositors shall furnish resolutions, agreements or other documents the bank may request to evidence any corporate, partnership or trust action relating to opening or maintaining the account, or any changes to the account.

c. Individual Account

If your account is designated as an individual account on the signature card, you are the sole owner of all funds in the account. The Bank will rely upon your signature for the payment of funds and all other transactions in connection with the account. Upon your death, the Bank will hold the funds for or pay the funds to your estate.

d. Joint Accounts

If your account is designated as a joint account on the signature card, you agree and direct the Bank to pay funds in the account to, or on the order of, any of the named joint owners of the account. The Bank will recognize stop payment orders made by any joint depositor regardless of which depositor may have signed the item. Each depositor is liable for overdrafts and fees incurred for the amount.

(1) If the account is designated "Joint with Right of Survivorship" or "JT/WROS", you agree that each person named on the account is an equal owner. Each owner may endorse and deposit items, withdraw funds or give instructions in connection to the account. Upon the death of any owner, the balance in the account belongs to the surviving owner(s) and is not subject to the deceased depositor's will, provided that such surviving owner(s) may be required to provide legal documentation to the Bank prior to distribution of the funds.

e. Payable on Death Accounts

If your account is designated "Payable on Death" or "P.O.D.", all funds in the account are individually owned by you. Upon your death, the bank will hold the funds for, or pay them to, the named beneficiary or beneficiary's estate. A "Payable on Death" account or "P.O.D." account is revocable at any time by completing and delivering a new signature card to the Bank.

f. Power of Attorney

If your account is established with a "Power of Attorney" or "P.O.A.", you have designated an authorized agent as evidenced by the required Power of Attorney document and the signature card which are retained by the Bank. You may revoke a Power of Attorney at any time by completing and delivering a new signature card to the Bank. The Bank may require a certified copy of a Power of Attorney that has been certified within the last year.

g. Uniform Transfers to Minor's Accounts

Under the Oklahoma Uniform Transfers to Minors Act, you as a custodian, may open an account for an individual child. Once the account is established, the funds in the account become an irrevocable gift to the minor. The minor is entitled to the funds at age eighteen (18). You, as the custodian, a successor or substitute custodian may be appointed in accordance with Section 1219 of the Oklahoma Uniform Transfers to Minors Act. All accounts previously established under the Oklahoma Uniform Gift to Minors Act are valid but are now subject to the provisions of the Oklahoma Uniform Transfers to Minors Act effective November 1, 1986.

Depositor Responsibilities

As the depositor named on the signature card you have signed, or will sign, you indicate your promise to be bound by this agreement and any subsequent amendments to the agreement. This agreement shall control should any differences or disputes arise concerning your account with the Bank. If any provision of this agreement is determined by a court of competent jurisdiction to be invalid, the remaining provisions shall not be affected and shall remain in force. If this agreement is revised due to changes in the law or Bank policy, a copy of the new agreement will be made available to you.

You must notify us immediately if any of your encoded deposit slips, withdrawal slips or checks are lost or stolen. If you believe these items have been lost or stolen, we will request you close your account and open a new account.

You agree to exercise reasonable care and prudence in all account transactions. The bank shall not be liable to you for any loss incurred by you in connection with the account, other than liabilities imposed by law. You will bear any loss arising from the failure to properly endorse and identify the account by name and number on any deposit instrument and you shall maintain a record identifying each item deposited and withdrawn from the account. You must exercise reasonable care and promptness in examining the statement and items to discover any error, unauthorized signature, forgery or any alteration on an item and must notify the Bank within fourteen (14) days after receipt of the statement. The Bank shall not be held liable for losses which result from your failure to safeguard checks, access cards, and Personal Identification Numbers, except to the extent required by law. Statements and other correspondence will be mailed to you at the last known address according to Bank records. It is your responsibility to notify the Bank in writing when you change your address. Statements returned as undeliverable shall be retained by the Bank for 90 days from the date of each statement. If you have not called in person for the statement within this period, the Bank may destroy the statement without liability to the Bank. Copies of statements and other account information are available upon your request and are subject to applicable service charges and retention policies.

Account Handling Responsibilities

The Bank acts as a collecting agent for deposited items and assumes no responsibility beyond the exercise for reasonable care. The bank accepts deposits on the account and issues receipts for these deposits subject to the subsequent verification of the deposit and adjustment of deposit differences as required. In addition, all items are credited provisionally to the account subject to receipt of final payment of each item. The Bank may elect to handle items and their proceeds by

- a. any Federal Reserve Bank or clearing house in accordance with applicable rules, or
- b. any correspondent bank in accordance with any common bank usage, practice or procedure which a Federal Reserve Bank may use or permit another bank to use
- c. any other lawful practice.

1. Withdrawals – Restrictions

Withdrawals are limited as follows on a savings account and are restricted to a total of six (6) per month:

- (a) preauthorized transfers (through an automated clearing house or otherwise)
- (b) telephone transfers
- (c) wire transfers

Withdrawals are limited as follows on a money market deposit account and are

restricted to a total of six (6) per month:

- (a) third-party checks, drafts, or point of sale transactions (of which there may be no more than three (3) per month).
- (b) Preauthorized transfers (through an automated clearing house or otherwise)
- (c) Telephone transfers
- (d) Wire transfers

2. Charge-Backs

The bank may charge-back deposited items and checks cashed, including a photocopy of the item, at any time before final payment, whether returned or not, and whether drawn on the Bank or another bank. No item in a deposit shall be considered fully paid because a portion of the deposit is permitted to be withdrawn in cash. The Bank may also debit the account for any charges assessed by other banks in connection with handling an item. The account may be debited into overdraft, and the bank shall not be liable for damages to you as a result.

3. Check Safekeeping

You may select a type of account in which the Bank reserves the option to retain account deposit slips and canceled checks. A copy of any item may be requested by you for a fee in accordance with the Bank's Schedule of Service Charges. Itemized periodic statements will be mailed to you at the address on the Bank's records.

4. Dormant Accounts

An account shall be considered dormant if there has been no customer originated transaction, no customer correspondence, or other indication of interest for one (1) year in the account and customer contact has been lost as evidenced by mail being returned as undeliverable. Dormant accounts may be assessed applicable service charges as described in the Bank's Schedule of Service Charges. Under State Law, dormant account balances must be transferred to the State as "abandoned property" five (5) years from the date of dormancy.

5. Foreign Currency Items

All foreign currency items will be handled on a collection basis and not deposited to the account. Upon final payment, the Bank shall credit the account in U.S. Dollars based on rates of exchange determined by the Bank, less all fees and expenses.

6. Ability to Withdraw Funds

It is the Bank's desire to provide the earliest availability of funds on deposited items. However, the Bank may delay availability of deposited funds for withdrawal an additional number of business days as stated in the Reg CC – Expedited Funds Availability Disclosure.

If your ability to withdraw deposited funds is delayed:

- 1. We will notify you of the delay
- 2. Tell you the reason for the delay, and
- 3. Indicate the date the funds will be available for withdrawal.

After funds are available for withdrawal, if deposited items are returned unpaid, the items remain the responsibility of the depositor.

7. Interest Bearing Accounts

Interest will be paid monthly and accrued daily at a simple rate. All rates are subject to change by federal and state regulations, federal and state law, or by the Bank's rules and policies. Interest rates and interest paying days vary according to the type of account and are subject to change by the Bank. Interest calculation will begin the business day funds are available from the paying bank for savings, money market, and NOW accounts. For certificates of deposit or individual retirement accounts, interest calculation will begin from the first day of the initial term, or any renewal term, and will continue to earn interest until maturity, unless the item used to

purchase the certificate is not paid or the certificate is redeemed prior to its maturity date. Early withdrawal of certificate of deposit will result in a penalty. The Bank permits withdrawals on all interest bearing accounts without notice, but reserves the right to require at least seven (7) days written notice from you prior to withdrawal.

8. Overdrafts

Maintenance of required account balances is the sole responsibility of the depositor. The Bank is not obligated to pay any item which would overdraw the account, but may do so in its sole discretion. You agree to pay, upon demand, any amount by which the account is overdrawn, together with applicable service charges and interest at the maximum rate allowed by law. You agree to pay any fees or charges, as established from time to time by the Bank, if the Bank is presented with any item which would overdraw the account. All expenses in connection with collecting an overdraft through probate, bankruptcy, or other judicial proceedings are payable by you, including the Bank's reasonable attorney's fees.

9. Postdated Items

You are responsible for ensuring that any postdated item drawn by you is not presented for payment before its due date. The Bank shall not be liable for any loss or liability you incur as a result of premature payment of postdated items.

10. Posting and Receipt of Items

The Bank reserves the right to post all deposits, including cash deposits, and items drawn on the bank, not later than midnight of the Bank's next business day. The Bank shall not be liable for damage for nonpayment of any item resulting from the exercise of the right.

11. Right to Refuse Deposit or Close Account

The Bank may at any time, in its sole discretion, refuse any deposit and reserves the right to terminate or close the account. A Bank Cashier's Check may be mailed to the last address record for funds received and processed in error on a refused deposit or closed account.

12. Security Interest and Setoff

You agree that the account shall secure all debt and liability you have with the Bank, including debt which may be purchased or acquired by the Bank from others, and due or to become due. In addition, the Bank is authorized at any time to exercise its right of setoff by charging the account for any such debt or liability without notice to you. If the account is designated a joint account on the signature card, each depositor agrees the bank may exercise setoff of the entire amount on deposit against the debt of any joint owner.

13. Stale Dated Items

The Bank is not obligated to pay an item more than six months old, but the Bank may pay any items thereafter in good faith. The Bank shall not be liable for any loss or liability you incur as a result of payment of a stale dated item.

14. Stop Payment Orders

You may place a stop payment on any item payable from the account only if the order is received by the Bank in such time and manner as to give the Bank a reasonable opportunity to act on it. The stop payment order must include the account number, the check number, the date, the payee and the exact amount. An oral stop payment order will be binding on the Bank for fourteen (14) calendar days unless confirmed in writing within that period. Each written stop payment order is effective for six (6) months and can only be renewed if you place the stop payment order in writing again. You agree to pay a service charge for each stop payment order and waive all claims against the Bank for expenses and costs, including all attorney fees and court costs, incurred by you as a result of the Bank's compliance

with any of your stop payment orders. You may place a stop payment on any Money Order in the same manner as a check. Cashier's Checks are subject to a 90 day rule as found in Article 4 of the UCC Code.. The Bank requires a surety bond or indemnity bond if a certified check, money order, or cashier's check is lost or stolen.

15. Telephone Transfers

You may request by telephone the transfer of funds between your accounts with the Bank. You agree not to hold the Bank liable for any damages from the failure of the Bank to effect a telephone transfer for any reason or for errors resulting from acting upon telephone instructions received from you. Also, certain types of accounts you may establish with the Bank are restricted on the number of telephone transfers allowed per month due to Federal regulations. Your account may also be charged for telephone transfers as described in the Bank Services Brochure.

Taxpayer Identification Number

You are required by law to provide the Bank with the correct taxpayer identification number for each of your accounts with the Bank. If you do not provide the Bank with the correct taxpayer identification number, the account may be subject to a penalty imposed by the Internal Revenue Service. In addition, interest, dividends, and other payments credited to the account may be subject to withholding. The Bank has the right to refuse to open or close an account for failure to provide the correct taxpayer identification number.

Amendments to this Agreement can be made by the Bank without prior notice to you and will be effective as of the date determined by the Bank. However, information concerning any amendment is available upon request. All notices from the Bank to you shall be deemed sufficiently given if sent by U.S. Mail to the last address you have provided to the Bank according to its records. This agreement shall be governed by the laws of Oklahoma, applicable laws of the United States, and by regulations of any governmental agency having jurisdiction over this Agreement. Your assignment of all or any part of this account shall not be binding upon the Bank unless acknowledged by the Bank in writing. This agreement is binding upon the depositor and the

Bank and shall bind in addition the respective heirs, legal representatives, successors and assigns of the parties.

Supplemental Depository Agreement

The Supplemental Depository Agreement supplements and is in addition to the current Depository Agreement. The Depository Agreement, as amended, modified and supplemented by the Supplement, shall continue in full force and effect in accordance with its terms and conditions and is hereby reaffirmed as of the date herein. All terms used in this Supplement are defined in the Depository Agreement and in Regulation CC ("Reg CC") of the Board of Governors of the Federal Reserve System. In the event of any conflict between the Supplement and Reg CC, to the extent permissible by law, the Supplement shall control. The terms of the Supplement are in addition to Paragraph 2, DEPOSITOR RESPONSIBILITIES of the Depositor Agreement as follows:

A. Endorsement Standards

(1) The Depositor shall not place an endorsement, other writing or marking on a check (or other negotiable demand draft) in the area reserved for endorsement of the bank as the depository bank (the bank of first deposit) as prescribed in Appendix D of Reg CC. The Depositor and subsequent collecting banks must confine the placement of any endorsement or other writing on a check to the area specified.

(2) In the event the Depositor undertakes to place the endorsement of the Bank or

- encode the amount of the check on the check the Depositor agrees to adhere to the endorsement and encoding standards as prescribed by the Bank and set forth in Appendix D of Reg CC.
- (3) The Depositor agrees to hold the Bank harmless from any loss or liability, including attorney's fees, arising in connection with the failure of the Depositor to adhere to the endorsement and encoding standards provided for in this paragraph including, but not limited to, any loss or liability resulting from encoding or a delay in returning a check caused by an endorsement that is not readable or other writing placed on a check by the Depositor.
 - (4) The depositor agrees that the Depositor is responsible for, assumes liability and waives any and all claims and damages against Bank for liability.
 - (a) for delayed or missent checks in the event the delay or missending is caused by markings placed on the check by the Depositor or the Depositor's agent or representative that obscures a properly placed endorsement of a depository bank and
 - (b) for late return of deposited check where the lateness is caused by markings on the check by the Depositor or by a prior endorser in the area of the Bank's endorsement.

Dispute Resolution Clause

This Dispute Resolution Clause applies to any and all controversies, claims, or disputes by and between the Depositor and Frontier State Bank (Bank) arising out of, and/or related to any deposit, loan, or account maintained with the Bank, including but not limited to, any and all issues or disputes arising from the account, loan, or deposit, whether said issues arise prior to, during, or subsequent to the deposit or opening of a new account, or loan. The Depositor and Bank agree that all matters addressed with this *Clause* shall be submitted to binding arbitration, with the National Arbitration Forum, pursuant to the Federal Arbitration Act, Title 9 U.S.C. ss 1, et seq. The parties agree and understand that any and all disputes arising under case law, statutory law, common law and/or all other laws, including but not limited to, all contract, tort, and property disputes, or the use or misuse of any personal and/or financial information or documentation obtained by the Bank from or about depositor, will be subject to binding arbitration in accord with the *Agreement*. The parties agree to specifically exclude from this *Dispute Resolution Clause* all claims and/or disputes subject to the "Small Claims Procedures Act" of the State of Oklahoma. The parties agree and understand that the arbitrator shall have all the power and authority provided for by law and contract, including but not limited to the authority to grant an award or order for money damages, consequential damages, exemplary damages, declaratory relief, or injunctive relief. Arbitration shall be conducted in compliance with the Rules of the National Arbitration Forum. All procedures shall be conducted in conformity with the Federal Rules of Civil Procedure and any evidence submitted by the parties shall be introduced in conformity with the Federal Rules of Evidence. The award rendered by the Arbitrator(s) shall be entered as final judgment in a court having jurisdiction over the parties and the subject matter in controversy. Both the Depositor and Bank acknowledge and understand that they are waiving their right to a jury trial by entering into this agreement. It is agreed between the parties that the party filing the arbitration claim shall be responsible for the filing fee. The cost of the arbitrator's fee shall be equally divided between the parties. Bank and Depositor agree and understand that if Bank must hire legal counsel to enforce and/or defend Bank's legal rights under this Dispute Resolution Clause, Depositor shall pay all of the Bank's attorney's fees and cost incurred in defense of Bank's right hereunder.