WELCOME TO PREFERRED BANK

PLEASE READ THE IMPORTANT ENCLOSED INFORMATION REGARDING THE DEPOSIT ACCOUNT CONVERSION

Welcome to Preferred Bank. This document contains important information about the upcoming system conversion and resulting changes to your deposit account(s) with Preferred Bank. Details about each account type have been included below as well as general account-related information. Preferred Bank's Deposit Agreement and Disclosure and Personal and Business Account Fee Schedules have also been included with this document and are effective February 8, 2016.

We appreciate the opportunity to serve you. If you have any questions regarding this communication, please do not hesitate to contact us Monday through Friday at (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time or you may reach us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time.

PERSONAL DEPOSIT ACCOUNTS

Personal Regular Checking: This account will be converted to Preferred Bank's Personal Checking Account.

Personal Basic Checking: This account will be converted to Preferred Bank's Personal Basic Checking Account.

Personal Super NOW Account: This account will be converted to Preferred Bank's Personal Super NOW Checking Account.

Personal Money Market: This account will be converted to Preferred Bank's Personal Money Market Account.

Personal Statement Savings: This account will be converted to Preferred Bank's Personal Statement Savings Account.

Personal Passbook Savings: This account will be converted to Preferred Bank's Personal Passbook Savings Account.

Account Type	**Personal Checking Account**
Minimum Opening Balance	$900.00
Minimum Daily Ledger Balance Requirement	$900.00
Interest	Non-interest bearing.
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $900.00, the account is subject to a monthly service charge of $8.00 plus a $0.20 per item fee for each paid check and ACH (Automated Clearing House) debit.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Personal Basic Checking Account
Minimum Opening Balance	$25.00
Minimum Daily Ledger Balance Requirement	$0.01
Interest	Non-interest bearing
Service Charge Fees and Daily Minimum Balance Requirements	A $3.00 monthly maintenance charge will be imposed. A fee of $0.25 per withdrawal will be charged if you make more than eight (8) withdrawals from your account in the current statement cycle.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Personal Super NOW Account
Minimum Opening Balance	$25.00
Minimum Daily Ledger Balance Requirement	$500.00
Annual Percentage Yield (APY)	Tiered rate levels: / Annual Percentage Yield (APY) $0.00 to $4,999.99 — 0.05% $5,000.00 to $19,999.99 — 0.10% $20,000.00 to $49,999.99 — 0.20% $50,000.00 to $99,999.99 — 0.50% $100,000.00 and up — 0.60% Annual Percentage Yields (APYs) are effective as of **December 30, 2015** and are subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.
Interest	Interest will be compounded monthly and credited to your account at the last day of statement cycle. Tiered rate levels: $0.00 to $4,999.99 $5,000.00 to $19,999.99 $20,000.00 to $49,999.99 $50,000.00 to $99,999.99 $100,000.00 and up
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $500.00, the account is subject to a monthly service charge of $10.00. Your account will be closed if no balance is maintained for 7 days consecutively. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed Annual Percentage Yield (APY).
Rate Information	The interest rate and Annual Percentage Yield (APY) for this account may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change	We may change the interest rate on your account at any time at Preferred Bank's discretion.
Compounding and Crediting	Interest will be compounded monthly. Interest will be credited to your account on the last day of each statement cycle.
Effects of Closing Your Account	If you close your account before interest is credited, you will not receive the accrued interest.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Personal Money Market Account
Minimum Opening Balance	$2,500.00
Minimum Daily Ledger Balance Requirement	$2,500.00
Annual Percentage Yield (APY)	Tiered rate levels: / Annual Percentage Yield (APY) $0.01 to $25,000.00 — 0.20% $25,000.01 to $100,000.00 — 0.30% $100,000.01 to $250,000.00 — 0.40% over $250,000.00 — 0.50% Annual Percentage Yields (APYs) are effective as of **December 30, 2015** and are subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.
Interest	Interest will be compounded monthly and credited to your account at the last day of statement cycle. Tiered rate levels: $0.01 to $25,000.00 $25,000.01 to $100,000.00 $100,000.01 to $250,000.00 over $250,000.00
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $2,500.00, the account is subject to a monthly service charge of $10.00. A fee of $10.00 per withdrawal will be charged if you make more than six (6) withdrawals from your account in the current statement cycle. You must maintain a minimum balance of $0.01 in the account each day to obtain the disclosed Annual Percentage Yield (APY). Please refer to Preferred Bank's Deposit Agreement and Disclosure for details pertaining to transaction limitations.
Rate Information	The interest rate and Annual Percentage Yield (APY) for your account depend upon the applicable rate tier. The interest rate and Annual Percentage Yield (APY) for these tiers may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change:	We may change the interest rate on your account at any time at Preferred Bank's discretion
Effects of Closing Your Account	Interest will be compounded monthly. Interest will be credited to your account on the last day of each statement cycle.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Personal Statement Savings Account
Minimum Opening Balance	$300.00
Minimum Daily Ledger Balance Requirement	$500.00
Annual Percentage Yield (APY)	Tiered rate levels: / Annual Percentage Yield (APY) $499 — N/A $500.00 to $4,999.99 — 0.10% $5,000.00 to $9,999.99 — 0.15%

	$10,000.00 to $29,999.99 0.20% $30,000.00 to $49,999.99 0.25% $50,000 and up 0.35% Annual Percentage Yields (APYs) are effective as of **December 30, 2015** and are subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.
Interest	Interest will be compounded monthly and credited to your account monthly. <u>Tiered rate levels:</u> $499 $500.00 to $4,999.99 $5,000.00 to $9,999.99 $10,000.00 to $29,999.99 $30,000.00 to $49,999.99 $50,000 and up
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $500.00, the account is subject to a monthly service charge of $5.00 and $0.25 for each item paid. A fee of $1.00 per withdrawal will be charged if you make more than six (6) withdrawals from your account in the current statement cycle. You must maintain a minimum balance of $500.00 in the account each day to obtain the disclosed Annual Percentage Yield (APY). Please refer to Preferred Bank's Deposit Agreement and Disclosure for details pertaining to transaction limitations.
Rate Information	The interest rate and Annual Percentage Yield (APY) for this account may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change	We may change the interest rate on your account at any time at Preferred Bank's discretion.
Compounding and Crediting	Interest will be compounded monthly. Interest will be credited to your account monthly.
Effects of Closing Your Account	If you close your account before interest is credited, you will not receive the accrued interest.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	**Personal Passbook Savings Account**
Minimum Opening Balance	$300.00
Minimum Daily Ledger Balance Requirement	$500.00
Annual Percentage Yield (APY)	<u>Tiered rate levels:</u> <u>Annual Percentage Yield (APY)</u> $499 N/A $500.00 to $4,999.99 0.10% $5,000.00 to $9,999.99 0.15% $10,000.00 to $29,999.99 0.20% $30,000.00 to $49,999.99 0.25% $50,000 and up 0.35% Annual Percentage Yields (APYs) are effective as of **December 30, 2015** and are subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.

Interest	Interest will be compounded monthly and credited to your account monthly. <u>Tiered rate levels:</u> $499 $500.00 to $4,999.99 $5,000.00 to $9,999.99 $10,000.00 to $29,999.99 $30,000.00 to $49,999.99 $50,000 and up
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $500.00, the account is subject to a monthly service charge of $5.00 and $0.25 for each item paid. A fee of $1.00 per withdrawal will be charged if you make more than six (6) withdrawals from your account in the current statement cycle. You must maintain a minimum balance of $500.00 in the account each day to obtain the disclosed Annual Percentage Yield (APY). Please refer to Preferred Bank's Deposit Agreement and Disclosure for details pertaining to transaction limitations.
Rate Information	The interest rate and Annual Percentage Yield (APY) for this account may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change	We may change the interest rate on your account at any time at Preferred Bank's discretion.
Compounding and Crediting	Interest will be compounded monthly. Interest will be credited to your account monthly.
Effects of Closing Your Account	If you close your account before interest is credited, you will not receive the accrued interest.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Personal Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

BUSINESS DEPOSIT ACCOUNTS

<u>Regular Business Checking</u>: This account will be converted to Preferred Bank's Business Checking Account.

<u>Premier Business Checking</u>: This account will be converted to Preferred Bank's Premier Business Checking Account.

<u>Business Money Market</u>: This account will be converted to Preferred Bank's Business Money Market Account.

<u>Business Statement Savings</u>: This account will be converted to Preferred Bank's Business Savings Account.

Account Type	**Regular Business Checking Account**
Minimum Opening Balance	$200.00
Minimum Daily Ledger Balance Requirement	$500.00
Interest	Non-interest bearing.
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $500.00, the account is subject to a monthly service charge of $25.00 and $0.25 for each item paid. An excessive of 50 withdrawals will be imposed a $0.25 per item fee for each paid check and ACH (Automated Clearing House) debit, and ATM withdrawals.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Business Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Premier Business Checking Account
Minimum Opening Balance	$200.00
Minimum Daily Ledger Balance Requirement	$1,000.00
Interest	Non-interest bearing.
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $1,000.00, the account is subject to a monthly service charge of $35.00 and $0.25 for each item paid. An excessive of 100 withdrawals will be imposed a $0.25 per item fee for each paid check and ACH (Automated Clearing House) debit, and ATM withdrawals.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Business Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Business Money Market Account
Minimum Opening Balance	$2,500.00
Minimum Daily Ledger Balance Requirement	$2,500.00
Annual Percentage Yield (APY)	Tiered rate levels: / Annual Percentage Yield (APY) $0.01 to $25,000.00 — 0.20% $25,000.01 to $100,000.00 — 0.30% $100,000.01 to $250,000.00 — 0.40% over $250,000.00 — 0.50% Annual Percentage Yields (APYs) effective as of **December 30, 2015** and are subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.
Interest	Interest will be compounded monthly and credited to your account at the last day of the statement cycle. Tiered rate levels: $0.01 to $25,000.00 $25,000.01 to $100,000.00 $100,000.01 to $250,000.00 over $250,000.00
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $2,500.00, the account is subject to a monthly service charge of $10.00. An excessive withdrawal fee of $10.00 will be imposed for each paid item that exceeds the account transaction limitations and your account may be closed. Please refer to Preferred Bank's Deposit Agreement and Disclosure for details pertaining to transaction limitations.
Rate Information	The interest rate and Annual Percentage Yield (APY) for your account depend upon the applicable rate tier. The interest rate and Annual Percentage Yield (APY) for these tiers may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change	We may change the interest rate on your account at any time at Preferred Bank's discretion
Compounding and Crediting	Interest will be compounded monthly. Interest will be credited to your account on the last day of each statement cycle.
Effects of Closing Your Account	If you close your account before interest is credited, you will not receive the accrued interest.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Business Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

Account Type	Business Savings Account
Minimum Opening Balance	$200.00
Minimum Daily Ledger Balance Requirement	$200.00
Annual Percentage Yield (APY)	**0.20%** Annual Percentage Yield (APY) is effective as of **December 30, 2015** and is subject to change as disclosed. Current rates can be obtained from the Flushing Branch by calling (718) 886-1788 from 8:00 A.M to 6:00 P.M. Eastern Time, Monday through Friday or by contacting us toll-free at (888) 673-1808 from 8:30 A.M. to 5:30 P.M. Pacific Time, Monday through Friday.
Interest	Interest will be compounded monthly and credited to your account monthly.
Service Charge Fees and Daily Minimum Balance Requirements	If the daily ledger balance falls below $200.00, the account is subject to a monthly service charge of $3.00. An excessive withdrawal fee of $1.00 will be imposed for each transaction that exceeds the monthly account transaction limitations and your account may be closed. Please refer to Preferred Bank's Deposit Agreement and Disclosure for details pertaining to transaction limitations.
Rate Information	The interest rate and Annual Percentage Yield (APY) for this account may change.
Determination of Rate	At our discretion, we may change the interest rate on your account.
Frequency of Rate Change	We may change the interest rate on your account at any time at Preferred Bank's discretion
Compounding and Crediting	Interest will be compounded monthly. Interest will be credited to your account monthly.
Effects of Closing Your Account	If you close your account before interest is credited, you will not receive the accrued interest.
Balance Computation Method	We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of Interest	Interest begins to accrue on a noncash item (for example, a check) deposited in the account on the business day we receive credit for the item.
Other fees and charges may apply, please refer to the enclosed Schedule of Fees and Charges for Business Accounts for additional details. The Deposit Agreement and Disclosure is also enclosed for your reference.	

CERTIFICATES OF DEPOSIT

Personal Time Certificate Account: You will maintain your current rate until maturity. Your current maturity date will be the final maturity date of the account and the account will be automatically renewed into the Preferred Bank Personal Time Certificate Account.

Business Time Certificate Account: You will maintain your current rate until maturity. Your current maturity date will be the final maturity date of the account and the account will be automatically renewed into the Preferred Bank Business Time Certificate Account.

Time Certificate of Deposit (TCD) Maturity and Renewal: You will continue to earn the interest rate for the term on your Time Certificate of Deposit or most recent renewal. Upon maturity, you will receive a maturity notice from Preferred Bank with the new interest rate, annual percentage yield and term that your certificate will automatically renew into. The grace period for Time Certificates of Deposit is 10 days post maturity.

Time Certificate of Deposit (TCD) Early Withdrawal Penalty: Your current early withdrawal penalty will remain in full force and effect until maturity, at which time the standard Preferred Bank early withdrawal penalties will apply. For certificates with a maturity of 12 months or less, Preferred Bank will impose an early withdrawal penalty equal to 30 days of interest. For certificates with a maturity greater than 12 months, Preferred Bank will impose an early withdrawal penalty equal to 90 days of interest regardless of the length of time the funds withdrawn have remained on deposit. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below its minimum opening deposit as a withdrawal of the entire account balance and calculate the amount of the penalty

accordingly. We will charge the penalty first against the interest remaining in the account at the time of withdrawal and any excess will be deducted from the amount you withdraw.

Preferred Bank's Time Certificate of Deposit (TCD) Account Terms: The following account disclosures are those of Preferred Bank's Time Certificate Deposits. These terms shall apply to each maturing United International Bank Time Certificate of Deposit as it automatically renews into a Preferred Bank TCD of like term. As stated above, upon maturity, you will receive a maturity notice from Preferred Bank with the new interest rate, annual percentage yield and term that your certificate will automatically renew into. The grace period for Preferred Bank's Time Certificates of Deposit is 10 days post maturity and you may advise us if you do not wish to automatically renew your TCD account during that time.

Account Type	**Personal Time Certificate Account (TCD)**
Terms	30-365 days
Minimum Opening Balance	$1,000.00
Minimum Daily Ledger Balance Requirement	None
Interest	Simple Interest - No compounding. Interest may be paid by check, transferred to a Preferred Bank transaction account, or credited to the TCD at maturity.
Service Charge Fees and Daily Minimum Balance Requirements	No monthly service charge. If you withdraw the entire principal balance from your TCD before the maturity date, you may be charged a penalty
Rate Information	For interest rate and Annual Percentage Yield (APY) information, please contact any of our offices. The Annual Percentage Yield (APY) assumes that interest remains on deposit until maturity.
Balance Computation Method	We use the daily balance method to calculate interest on your account. The 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.
Compounding and Crediting	Interest begins to accrue on the business day we receive credit for the deposit of noncash items (e.g. Checks).
Calculation and Accrual of Interest	Interest is calculated on a simple interest basis and is not compounded. Interest begins to accrue when the Bank receives provisional credit.
Auto-Renewal	This account will be automatically renewed for like period, beginning on the maturity date. Interest rate for any renewal period will be the rate in effect at the date of renewal.
Transaction Limitation and Grace Period	You cannot make additional deposits to this account during the term of the certificate. Partial principal withdrawals are not permitted. In addition, you cannot withdraw principal from this account without our consent except on or after maturity (for automatically renewable certificate, there is a 10 day grace period after each renewal date during which withdrawals are permitted without penalty. Certificates for 31 days or less there is a one-day grace period.
Early Withdrawal Penalty	If we consent to a request for a withdrawal that is otherwise not permitted, you may have to pay a penalty. The early withdrawal penalty is an amount equal to one month interest, regardless of the length of time the funds withdrawn have remained on deposit. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below its minimum opening deposit, as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly. We will charge the penalty first against the interest remaining in the account at the time of withdrawal, and any excess will be deducted from the amount you withdraw.
Effects of Closing an Account	If you close your account before interest is credited, any accrued interest may be withheld as part of the early withdrawal penalty.

Account Type	**Personal Time Certificate Account (TCD)**
Terms	More than 365 days

Minimum Opening Balance	$1,000.00
Minimum Daily Ledger Balance Requirement	None
Interest	Simple Interest - No compounding. Interest may be paid by check, transferred to a Preferred Bank transaction account monthly, quarterly, or annually.
Service Charge Fees and Daily Minimum Balance Requirements	No monthly service charge. If you withdraw the entire principal balance from your TCD before the maturity date, you may be charged a penalty.
Rate Information	For interest rate and Annual Percentage Yield (APY) information, please contact any of our offices. The Annual Percentage Yield (APY) assumes that interest remains on deposit until maturity.
Balance Computation Method	We use the daily balance method to calculate interest on your account. The 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.
Compounding and Crediting	Interest begins to accrue on the business day we receive credit for the deposit of noncash items (e.g. Checks).
Calculation and Accrual of Interest	Interest is calculated on a simple interest basis and is not compounded. Interest begins to accrue when the Bank receives provisional credit.
Auto-Renewal	This account will be automatically renewed for like period, beginning on the maturity date. Interest rate for any renewal period will be the rate in effect at the date of renewal.
Transaction Limitation and Grace Period	You cannot make additional deposits to this account during the term of the certificate. Partial principal withdrawals are not permitted. In addition, you cannot withdraw principal from this account without our consent except on or after maturity (for automatically renewable certificate, there is a 10 day grace period after each renewal date during which withdrawals are permitted without penalty. Certificates for 31 days or less there is a one-day grace period.
Early Withdrawal Penalty	If we consent to a request for a withdrawal that is otherwise not permitted, you may have to pay a penalty. The early withdrawal penalty is an amount equal to three months interest, regardless of the length of time the funds withdrawn have remained on deposit. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below its minimum opening deposit, as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly. We will charge the penalty first against the interest remaining in the account at the time of withdrawal, and any excess will be deducted from the amount you withdraw.
Effects of Closing an Account	If you close your account before interest is credited, any accrued interest may be withheld as part of the early withdrawal penalty.

Account Type	**Business Time Certificate Accounts (TCD)**
Terms	30-365 days
Minimum Opening Balance	$1,000.00
Minimum Daily Ledger Balance Requirement	None
Interest	Simple Interest - No compounding. Interest may be paid by check, transferred to a Preferred Bank transaction account, or credited to the TCD at maturity.
Service Charge Fees and Daily Minimum Balance Requirements	No monthly service charge. If you withdraw the entire principal balance from your TCD before the maturity date, you may be charged a penalty.
Rate Information	For interest rate and Annual Percentage Yield (APY) information, please contact any of our offices. The Annual Percentage Yield (APY) assumes that interest remains on deposit until maturity.
Balance Computation Method	We use the daily balance method to calculate interest on your account. The 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.

Compounding and Crediting	Interest begins to accrue on the business day we receive credit for the deposit of noncash items (e.g. Checks).
Calculation and Accrual of Interest	Interest is calculated on a simple interest basis and is not compounded. Interest begins to accrue when the Bank receives provisional credit.
Auto-Renewal	This account will be automatically renewed for like period, beginning on the maturity date. Interest rate for any renewal period will be the rate in effect at the date of renewal.
Transaction Limitation and Grace Period	You cannot make additional deposits to this account during the term of the certificate. Partial principal withdrawals are not permitted. In addition, you cannot withdraw principal from this account without our consent except on or after maturity (for automatically renewable certificate, there is a 10 day grace period after each renewal date during which withdrawals are permitted without penalty. Certificates for 31 days or less there is a one-day grace period.
Early Withdrawal Penalty	If we consent to a request for a withdrawal that is otherwise not permitted, you may have to pay a penalty. The early withdrawal penalty is an amount equal to one month interest, regardless of the length of time the funds withdrawn have remained on deposit. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below its minimum opening deposit, as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly. We will charge the penalty first against the interest remaining in the account at the time of withdrawal, and any excess will be deducted from the amount you withdraw.
Effects of Closing an Account	If you close your account before interest is credited, any accrued interest may be withheld as part of the early withdrawal penalty.

Account Type	**Business Time Certificate Accounts (TCD)**
Terms	More than 365 days
Minimum Opening Balance	$1,000.00
Minimum Daily Ledger Balance Requirement	None
Interest	Simple Interest - No compounding. Interest may be paid by check, transferred to a Preferred Bank transaction account monthly, quarterly, or annually.
Service Charge Fees and Daily Minimum Balance Requirements	No monthly service charge. If you withdraw the entire principal balance from your TCD before the maturity date, you may be charged a penalty.
Rate Information	For interest rate and Annual Percentage Yield (APY) information, please contact any of our offices. The Annual Percentage Yield (APY) assumes that interest remains on deposit until maturity.
Balance Computation Method	We use the daily balance method to calculate interest on your account. The 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.
Compounding and Crediting	Interest begins to accrue on the business day we receive credit for the deposit of noncash items (e.g. Checks).
Calculation and Accrual of Interest	Interest is calculated on a simple interest basis and is not compounded. Interest begins to accrue when the Bank receives provisional credit.
Auto-Renewal	This account will be automatically renewed for like period, beginning on the maturity date. Interest rate for any renewal period will be the rate in effect at the date of renewal.
Transaction Limitations and Grace Period	You cannot make additional deposits to this account during the term of the certificate. Partial principal withdrawals are not permitted. In addition, you cannot withdraw principal from this account without our consent except on or after maturity (for automatically renewable certificate, there is a 10 day grace period after each renewal date during which withdrawals are permitted without penalty. Certificates for 31 days or less there is a one-day grace period.
Early Withdrawal Penalty	If we consent to a request for a withdrawal that is otherwise not permitted, you may have to pay a penalty. The penalty will be an amount equal to three months

	interest, regardless of the length of time the funds withdrawn have remained on deposit. We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below its minimum opening deposit, as a withdrawal of the entire account balance and calculate the amount of the penalty accordingly. We will charge the penalty first against the interest remaining in the account at the time of withdrawal, and any excess will be deducted from the amount you withdraw.
Effects of Closing an Account	If you close your account before interest is credited, any accrued interest may be withheld as part of the early withdrawal penalty.

GENERAL ACCOUNT RELATED INFORMATION

Personal ATM/Check Card: Preferred Bank's debit card will replace your current United International Bank ATM/Check card. Your new Preferred Bank debit card will be mailed to you the week of January 25, 2016 and will be valid for use on February 8, 2016. DO NOT DESTROY your United International Bank ATM/Check card until you activate your Preferred Bank debit card on February 8, 2016. Your new PIN will be mailed separately. Your daily cash withdrawal limit is $510. Your daily card limit is $2,500 for PIN-based point-of-sale transactions and $3,000 for signature-based. Funds availability is subject to Preferred Bank's Funds Availability policy. Please refer to the enclosed Deposit Agreement and Disclosure.

Checks and Deposit Tickets: You can continue to use your existing checks and deposit tickets. Once you are finish with the supply, your account representative can help you with ordering new checks and deposit tickets. At that time, Preferred Bank's information will be printed on those items.

Any outstanding checks you may have that have not cleared prior to the merger of United International Bank with Preferred Bank will be honored up to your available balance and in accordance with the terms of Preferred Bank's Deposit Agreement and Disclosure enclosed herewith.

IRA Retirement Accounts: LT Trust Company will act as the new Trustee. IRA Account holders will receive a separate mailing containing details and documents relating to this change.

Statement Cycles: Personal checking and savings account statements will cut on the 10th of each month. Business checking and savings account statements will cut at the end of each month. You will receive interim statements as of February 5, 2016.

Automated Clearing House (ACH): ACH debits and ACH credits being received to your account will continue to post directly to your account. Please notify the initiators/senders of these ACH transactions to update the receiving bank name from United International Bank to Preferred Bank and United International Bank's routing number from 026013990 to Preferred Bank's routing number 122042205. Prolonged use of the United International Bank's name and routing number may cause transaction posting delays to your account.

Wire Transfers: Incoming wires will post directly to your account and will not be impacted by the system conversion. Please notify the senders to update the receiving bank name from United International Bank to Preferred Bank and United International Bank's routing number from 026013990 to Preferred Bank's routing number 122042205.

Safe Deposit Box: The system conversion will not impact access to your safe deposit box. You may access your safe deposit box during regular banking hours.

Telebanc: Preferred Bank also offers automated telephone banking services. You may enroll in Telebanc to obtain information on your account such as checking your balance, reviewing recent and pending transactions and transferring between Preferred Bank accounts. Telebanc is available 24 hours a day/seven days a week. Please call our toll-free Telebanc phone number, (877) 773-3663, to access this service.

After February 8, 2016, if you have any questions, please contact our customer support line at (888) 673-1808 Monday through Friday with extended hours of 9:00 A.M. – 9:00 P.M. Eastern Time.