

The CALLABLE Step-Up CD Advantage

You are guaranteed rate increases on a predetermined schedule that requires no action on your part. You don't sacrifice present earnings hinging on future earnings to improve dramatically in the near term. The answer to a need for a higher yield on your FDIC insured funds now.

24/7 Funds Access

Telephone Banking - Inquiry only. Online Viewing - Available if you have an online ID under a Gibraltar Bank checking account.	FREE
---	-------------

Account Features

Eligibility. This account may not be opened as an Individual Retirement Account.

<u>Minimum Deposit to Open Account</u> .	\$10,000 min opening
--	-----------------------------

This is a Time Account. Deposited funds (Principal) must remain in the account until the maturity date. You may not make additional Deposits to the account during the Term of the account. No withdrawals will be permitted during the first seven (7) days of the CD term and the Bank must consent to any withdrawals of Principal prior to maturity.

Penalty for Early Withdrawal of Principal. If we consent and you withdraw Principal before maturity, you will be charged a penalty equal to the interest earned or that would have been earned on the Principal being withdrawn based on the term commitment. The penalty will be calculated on the interest rate the account is paying at time of withdrawal.

<u>Accounts opened</u> before 12/31/2009	<u>Account Term</u>	<u>Penalty Amount</u>
	60 month	13 month's interest

60 month	24 month's interest*
-----------------	-----------------------------

***Penalty waived on a one-time emergency funds withdrawal of principal after the no-call period in an amount not to exceed the lesser of 10% or \$10,000, provided the remaining principal balance in the account does not fall below \$10,000.**

CALL FEATURE Only the Bank may call the account.

To call the account is to accelerate (move up) the maturity date to the call date. The account will mature early, on the call date, and maturity processing will take place.

NON-CALL PERIOD. Gibraltar Bank may call this account after the non-call period.

The non-call period for your account is **30 months**

CALL DATES. Gibraltar may call this account quarterly after the non-call period. When called, your account will mature during the first seven days of a calendar quarter.

January 1 - January 7
April 1 - April 7
July 1 - July 7
October 1 - October 7

MATURITY PROCESSING

Maturity processing is the same for accounts being called (their maturity is accelerated to the call date) and accounts maturing on their scheduled full term maturity date.

Maturity Notice. You will receive advance written notice that your account is being called or maturing as scheduled. We will provide you the new maturity date, if your account is being called, or remind you of your account's full term maturity date. Notice will include the passbook savings account disclosure.

Automatic Conversion to a passbook account. This Account automatically converts to a standard passbook savings account earning the rate then being paid on the standard passbook savings account. The rate on passbook savings accounts is variable and may change at any time without prior notice. Access to funds in your account will be subject to the terms of the passbook savings account.

Bank's Right to close the account at maturity. The Bank reserves the right to close the account at maturity and issue you a check with interest earned up to the maturity/call date which will be mailed to the address of record. We will provide you prior written notice at least fifteen days before the maturity date of our intent to close the account. This notice may be a separate notice or included in the maturity notice.

Interest and the Annual Percentage Yield (APY)

Rate Reset Feature. The interest rate on this account will reset upwards following the schedule as disclosed in the Bank's rate sheet at time of account opening, provided it is not called by the Bank. No action is required by you for the rate increases to take effect.

Errors: If an error is made in processing your rate reset, the Bank will make the correction (retroactive to the date the error occurred, which includes interest accrual adjustments) and inform you in writing.

<u>Minimum Daily Balance to Obtain APY</u>	\$10,000
--	----------

The APY assumes interest will remain on deposit until maturity. A withdrawal of interest will reduce earnings.

Interest Computation. Interest accrues daily. We use the daily balance method to calculate interest on your account, which applies a daily periodic rate to the Principal in the account each day. Each day we apply a factor of 365/365 to the interest rate (366/365 for leap years). Interest will not accrue on days where the minimum balance falls below the required minimum balance to accrue. Interest begins to accrue on the same business day you deposit cash and non-cash items (i.e. checks). If you close your account before interest is credited, you will forfeit the interest accrued.

<u>Minimum Daily Principal Balance Required to Accrue</u>	\$10,000
---	----------

<u>Frequency in which Interest compounds and is credited</u>	Monthly
--	---------

Interest credited to your account is available for withdrawal at any time during the term of your account with no penalty imposed. Special Processing of Interest. On accounts with term of six months or greater, you may make arrangements for dividend checks to be mailed to you or transferred to another Gibraltar account.

<u>Special Dividend Processing Fee</u>	<u>Waived</u>
--	---------------

Other

- This is a passbook account. You will be issued a passbook on which all recordkeeping will be maintained and to which transactions and interest will be posted.
- The passbook is required for all withdrawal transactions and must be presented at time of withdrawal.
- The passbook must be updated regularly {we recommend every six (6) months} in order to keep your account in active status and keep it from going dormant and eventual escheatment to the State. As a courtesy, if you mail the passbook to the branch office where you normally conduct your business, we will update your passbook and mail it back to you.

Unless otherwise stated in this document, where there is differing language or contradictory terms in other documents relating to the terms of this account, the terms detailed in this document govern, with the exception any discrepancy in the APY section and the rate sheet effective at time of account opening. This account is also subject to: General Terms for Deposit Accounts, Privacy Notice, Fee Schedule, and at maturity, the Standard Passbook Account Terms. The Effective rate sheet is made part of these disclosures.