

**The Step-Up CD Advantage**

You are guaranteed the initial rate during the entire term of the account and may reset the rate upwards to take advantage of rising rates. You decide when to Step-up your rate. 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.	<b>FREE</b>
Online Viewing - Available if you have an online ID under a Gibraltar Bank checking account.	

**Account Features**

<u>Minimum Deposit to Open Account.</u>	<b>\$1,000 min opening</b>
This is a Time Account. Deposited funds (Principal) must remain in the account until the maturity date. You may <u>not</u> 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.	
<u>Penalty for Early Withdrawal of Principal.</u> 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you will be charged a penalty equal to the interest earned or that would have been earned on the Principal being withdrawn based on the term commitment.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>Account Term</u>	<u>Penalty Amount</u>
48 month	<b>10 month's interest</b>
60 month	<b>13 month's interest</b>

**MATURITY PROCESSING**

Automatic Renewal. This Account automatically renews at the initial maturity date, if you take no action within any allowable grace period, to a standard certificate of the same commitment term or next lower term offered, if the same term is not offered at maturity and the account will be subject to the terms then in effect of the standard certificate and will earn interest at the interest rate published on the current rate sheet at time of maturity for the standard certificate account it has converted to.

You have a "Grace Period" after the maturity date. During this period you may make additional deposits to Principal; withdraw Principal without penalty; or change the commitment term. If you close your account or withdraw Principal, you will not be credited or paid the interest accrued during the grace period on the Principal withdrawn.

Grace Period for Penalty Waiver. You must act within | 5 business days

Maturity Notice. Prior to maturity you will receive notice that your account is maturing and will include pertinent information for you to make a decision as to your matured account.

Bank's Right Not to Renew. The Bank reserves the right not to renew your account and will provide at least 15 days (if your account has a term of more than 6 months) or at least 10 days (if your account has a term of 6 months or less) prior written notice of our decision not to renew your account. This notice may be a separate notice or included in the maturity notice. In our notification of our intent not to renew, we will either advise you: that your account is being converted to a passbook savings account and will receive earnings at the rate then paid on passbook savings accounts; or that your account is being closed and a check will be issued and mailed to the address of record.

**Interest and the Annual Percentage Yield ( APY )**

Rate Reset Feature. The interest rate on this account is fixed (remains the same) for the term of the account at the rate published in our current rate sheet at time of account opening for the commitment term you have chosen until such time as you reset the rate. If you do not reset the rate, the initial rate will be paid for the entire term of the account. A rate reset request must be in writing, accompanied by the passbook and in person at one of the Bank's branch offices and will be effective on the same business day requested, provided it meets the following conditions.

Rate Reset Processing and Limitations. The new rate(s) your account may not exceed any of the following:

1. the rate being offered for the standard certificate of same term for which renewing/maturing certificate of deposits are eligible, as published in the Bank's rate sheet at time of rate reset request.
2. the maximum rate that will be paid per rate change, equal to your current rate PLUS a "rate-change" margin as disclosed in the Bank's rate sheet at the time you opened your account.
3. the maximum rate that will be paid on this account, equal to the Initial rate PLUS the "rate-cap" margin as disclosed in the Bank's rate sheet then in effect at the time you opened your account.
4. you have not exceeded the total number of rate changes permitted for your account as disclosed in the rate sheet then in effect at the time you opened your account.
5. the rate reset is after 9 months from account opening and no sooner than 9 months from the prior rate reset.

Where the terms herein disclosed in this section for your chosen commitment term may disagree with the effective rate sheet at time of account opening, the rate sheet governs.

Errors: If an error is made in processing your rate reset request and the error is discovered after you leave the branch office, 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>	\$1,000
The APY assumes interest will remain on deposit until maturity. A withdrawal of interest will reduce earnings.	
<u>Interest Computation.</u> 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 <u>not</u> accrue on <u>days</u> 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>	\$1,000
<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.

Special Dividend Processing Fee | Waived

**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 Certificate Account Terms. The Effective rate sheet is made part of these disclosures.