

ACCOUNT CONVERSION &
WELCOME BOOKLET

WELCOME to



A GUIDE
TO YOUR
PERSONAL
ACCOUNTS

TABLE OF CONTENTS

Letter from William A. (“Bill”) Loving, Jr., President/CEO..... Page 1

Conversion Calendar of Events.....Page 2

Important Conversion Information..... Page 3

Access to Your Accounts.....Page 4-5

- At Financial Centers
- By Check
- By ATM/Debit Card
- By Telephone
- Online / Mobile Banking & Bill Pay

Conversion Accounts Chart..... Page 6

Account Statements.....Page 7

Notice Regarding FDIC Insurance..... Page 8

Overdrafts, Wire Transfers & Direct Deposit.....Page 9

Privacy Policy..... Page 10

Availability of Deposited Funds..... Page 11

Substitute Checks & Your Rights..... Page 12

Certificates of Deposit, at Next Renewal.....Page 13

Retirement Accounts, at Next Renewal.....Page 13

Bank Card Services.....Page 14

Safe Deposit Boxes..... Page 15

Installment Loans, Lines of Credit and Home Equity Loans.....Page 15

Your Bank for Generations.....Page 16

Office Locations.....Inside Back

April 19, 2021

Welcome to Pendleton Community Bank!

We are excited to welcome you to our family and are committed to ensuring your transition to PCB is as smooth as possible. Over the past few weeks, you have received various communication regarding our purchase of three Carter Bank & Trust financial centers. Now, the final step is converting your accounts to our family of accounts and services.

Change is never easy, but rest assured our team is working diligently to minimize any inconvenience that you might experience. It is our hope and desire that our personal approach to banking and our diverse products and services will exceed your expectations.

The conversion of accounts (loans and deposits) and related services from Carter Bank & Trust to PCB is expected to start at 6:00 p.m. on Friday, May 21, 2021, and will continue through Sunday, May 23, 2021. During this time, the physical offices in Bridgewater, Harrisonburg, and Staunton will be closed. You will not have access to your account information via online and mobile banking; however, you will be able to access your account via your replacement checks and debit card as normal.

My intention behind this booklet is to introduce you to PCB and answer any questions you might have in the weeks ahead. It is designed to describe the transition in detail and provide an account comparison between Carter Bank & Trust and your new PCB offerings. Included you will find account information, product highlights, account terms, and disclosures. Please, review this material very carefully. If you have questions regarding this information, please do not hesitate to contact us by telephone or email as outlined in this booklet.

On behalf of our Board of Directors, management, and staff, we welcome you to the PCB family and thank you for the opportunity to meet your financial needs. We truly honor the opportunity and privilege to be “your bank” and look forward to being “your bank for generations”.

A handwritten signature in black ink, appearing to read 'W. Loving', with a large, stylized loop at the end.

William A. (“Bill”) Loving, Jr., CLBB
President / CEO

Who is Pendleton Community Bank?

Pendleton Community Bank (PCB) is a full-service community bank headquartered in Franklin, West Virginia. We have approximately \$520 million in assets.

As of March 31, 2021, we have ten full-service banking offices in Pendleton, Grant, Hardy, Pocahontas, Fayette and Raleigh counties in West Virginia and in Harrisonburg, Virginia, and a Loan Production Office in Staunton, Virginia.

We look forward to working with you to help you achieve your financial goals through our extensive menu of products and services!



CONVERSION CALENDAR OF EVENTS

Thursday, January 14, 2021	PCB announced an agreement with Carter Bank & Trust to purchase three branches, located in Harrisonburg, Staunton and Bridgewater, Virginia.
Monday, March 8, 2021	PCB and Carter Bank & Trust mailed a joint letter indicating the agreement is progressing as expected.
Friday, March 26, 2021	PCB mailed a letter to all Carter Bank & Trust customers providing additional information regarding the pending transfer of their accounts.
Monday, April 19, 2021	Account Conversion and Welcome Booklet mailed to all Carter Bank & Trust customers.
Friday, May 21, 2021	Last day to access accounts using the Carter Bank & Trust online banking and mobile app. Access to these will end at 6:00 p.m.
Friday, May 21, 2021 and Saturday, May 22, 2021	Carter Bank & Trust offices located on South Main Street in Harrisonburg, Bridgewater and Staunton, Virginia will close Friday, May 21, 2021 at 6:00 p.m. and will remain closed on Saturday, May 22, 2021.
Friday, May 21, 2021	New PCB Mastercard Debit/ATM cards can be used starting at 6pm. No activation required if used prior to May 24, 2021. Card will require activation if not used prior to May 24, 2021.
Monday, May 24, 2021	All Carter Bank & Trust customers will have full access to all PCB products and services.

IMPORTANT CONVERSION INFORMATION

The Harrisonburg South Main, Bridgewater, and Staunton financial centers will close at 6:00 p.m. on Friday, May 21, 2021, and will remain closed on Saturday, May 22, 2021. You will have limited account access until Monday, May 24, 2021.

- Online and mobile banking will be unavailable during conversion weekend. You will be provided with PCB checks and/or an ATM/Debit Card, and you may use both during this time.
- You may begin using your PCB ATM/Debit Card beginning Friday, May 21, 2021, at 6:00 p.m. Any ATM withdrawal or purchase made during conversion weekend will activate your card. Normal PCB card limits apply.
- If you do not use your PCB ATM/Debit Card prior to 8:00 a.m. on Monday, May 24, 2021, you must activate it using the instructions enclosed with your PCB card.
- Please, destroy your Carter Bank & Trust ATM/Debit Card.

WHO TO CONTACT WITH QUESTIONS

Bank acquisitions and conversions can generate many customer questions. We recognize this, and a timely response to your inquiries is a high priority for us. Our personal approach to customer service is a quality that sets PCB apart from other banks.

During this transition we encourage you to contact us:

BY TELEPHONE: To our Customer Service Department at (304) 358-2311 or (800) 722-8202

BY EMAIL: info@yourbank.com

IN PERSON: At your nearest PCB financial center, including the financial centers in Harrisonburg (South Main), Bridgewater, and Staunton, Virginia.

Why Customer Service?

Our customer service department features a group of well trained team members whose main responsibility is to focus on customer questions or requests. In most instances the team member you'll speak with will have the answer to your question. If your question is more detailed in nature, our customer service team members will make sure that you are referred to a team member with more experience in that area.

Prior to the conversion weekend, team members will be available during normal operating hours Monday – Saturday. During conversion weekend, extended coverage will be provided by phone as follows:

Friday, May 21, 2021 - 9 a.m. to 8 p.m.
Saturday, May 22, 2021 - 8 a.m. to 2 p.m.
Sunday, May 23, 2021 - 9 a.m. to 2 p.m.



ACCESS TO YOUR ACCOUNTS

At Financial Centers

Effective the close of business on May 21, 2021, Carter Bank & Trust's Harrisonburg South Main, Bridgewater and Staunton, Virginia locations will become part of PCB's network of financial centers, pending regulatory approval which we anticipate.

Hours: Financial Center office hours will NOT be changing.

Many convenient locations: In addition to the three new PCB locations in Harrisonburg, Bridgewater, and Staunton, we have ten other full-service banking locations to serve you. Please visit <https://www.yourbank.bank/resources/locations-and-hours> for locations and contact information.

By Check

Checking, money market and savings accounts: FOR MOST CUSTOMERS, YOUR DEPOSIT ACCOUNT NUMBERS WILL NOT BE CHANGING. (If your account number will need to be changed, you will receive a separate communication regarding the change and associated information.) The routing number for your account will change to 051504254. For personal accounts, PCB will be providing you with the first order of checks free prior to May 21, 2021. For business accounts, we will provide a \$150 credit to offset the cost of the first order of checks through Deluxe Checks. Please do not use your Carter Bank & Trust deposit and withdrawal tickets after 6:00 p.m. on Friday, May 21, 2021.

Home equity lines of credit: You may NOT continue to use the checks that you have now. We will be providing you with new home equity checks.

If you have questions, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.

By ATM/Debit Card

New bank card: If you now use a Carter Bank & Trust ATM / Debit Card to access your Carter Bank & Trust accounts, we will mail a new PCB Mastercard® ATM / Debit card to you as a replacement prior to May 21, 2021. Your new PCB Mastercard® ATM / Debit card will have a new card number and expiration date embossed on the front. Please do not use your Carter Bank & Trust debit card after 6:00 p.m. on Friday, May 21, 2021.

If you currently use your card for automatic deductions or recurring payments: (for example, to an insurance carrier or internet service provider) When you receive your new card, it is important that you provide the new card number to your payees to avoid interruption of your payments. Please be sure that payees do not attempt the automatic deductions or recurring payments before May 21, 2021.

Four-digit PIN (Personal Identification Number): Your 4-digit Personal Identification Number (PIN) will change, and you will receive this notification separately from the card. Should you wish to change your 4-digit PIN, the PIN notification will include a toll-free number you can call to change to a 4-digit PIN number of your choice, within 14 days of receiving your mailer. You can also change your PIN number at your local PCB ATM starting May 24, 2021. You may also go to your nearest PCB financial center and speak with customer service to change your PIN.

Card fees: PCB will not assess a transaction fee when you use your PCB Mastercard® ATM / Debit card for purchases or to obtain cash at any PCB or Sheetz ATM machine. Please see the enclosed fee schedule for additional fee information.

By Telephone

24-hour automated access: PCB's 24/7 Telephone Banking is our telephone banking system that allows you access to your account information, to transfer funds between accounts, to make loan payments, to activate your new PCB ATM / Debit card, and to opt in or out of having the PCB Bounce Protection program cover ATM and everyday debit card transactions. Beginning Monday, May 24, 2021 you can call PCB's telephone banking at (888)-835-3265.

Please refer to <https://www.yourbank.bank/personal/telephone-banking> for more information regarding this free and convenient service.

Personal assistance: *If you would like personal assistance, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.*

ACCESS TO YOUR ACCOUNTS

Online / Mobile Banking & Bill Pay

PCB offers 24/7 Online Banking, Mobile Banking and Bill Pay free for personal accounts. Business accounts may be subject to a monthly fee. See the enclosed fee schedule for more information. Visit www.yourbank.bank and click on Personal / E-Services / User Guides (<https://www.yourbank.bank/personal/userguides>) to learn how to access PCB's online banking and mobile banking system.

You may want to print a list of payees, scheduled payments and payment history from your Carter Bank & Trust bill payment system to verify with PCB's bill payment system on Monday, May 24, 2021.

PCB's online banking and mobile banking are easy to use and allow you to access your accounts anytime, anywhere. You can check your account balances, transfer funds between PCB accounts and pay bills and individuals. On Monday, May 24, 2021, you can log in to PCB's online banking system at www.yourbank.bank with the same user ID you have for Carter Bank & Trust's online banking. **Your temporary password is the last 4 digits of your SSN# or TIN.** You will be prompted to create a new password the first time you log in. You can then enroll in mobile banking after you log in to online banking. Visit www.yourbank.bank and click on Personal / E-Services / User Guides (<https://www.yourbank.bank/personal/userguides>) to learn how to access PCB's online banking and mobile banking system.

PCB's Online Banking allows you to manually download your financial data into a compatible format for financial software, including QuickBooks® and Quicken®. QuickBooks® and Quicken® also offer Direct Connect® which allows your financial data from online banking to automatically transfer into QuickBooks or Quicken.

Data can be downloaded and saved in the following formats:

- Open Financial Exchange (OFX)
- Quicken (QFX)
- Intuit QuickBooks (QBO)
- Personal Finance (QIF)
- Spreadsheet (CSV)
- Word Processing (TXT)

PCB's Bill Pay is fast, easy and convenient to use and can be used to make one-time or recurring electronic and check payments, create person-to-person (P2P) payments and make donation and gift payments. Once you have registered as a PCB Online Banking customer you can immediately access our bill payment system in both online banking and mobile banking. If you have any questions regarding our bill payment service, please

contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.

Visit www.yourbank.bank and click on Personal / E-Services/ User Guides (<https://www.yourbank.bank/personal/userguides>) for more information regarding online banking and bill pay.

Electronic Statements

Once you've signed up for PCB's online banking you can activate our free eDocument service that allows you to receive your statement and other bank documents online, rather than by mail. If you have any questions regarding our eDocument service, please visit www.yourbank.bank and click on Personal / E-Services / User Guides <https://www.yourbank.bank/personal/userguides> and click the eDocument self-enrollment user guide. *If you would like personal assistance, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.*



If this is your Carter Bank & Trust account on May 21, 2021	This will be your account at PCB	Balance Requirements and monthly service fees for your PCB account	Other information about your PCB account
Personal Lifetime Free Checking	Personal Lifetime Free Checking	<ul style="list-style-type: none"> • No minimum balance requirement • No monthly service charge 	<ul style="list-style-type: none"> • Free, unlimited check writing • Free MasterCard debit card • Free online banking & bill pay • Free mobile banking & telephone banking • 4 free non-PCB ATM withdrawals per calendar month * • Free eDocuments
Business Lifetime Free Checking	Business Lifetime Free Checking	<ul style="list-style-type: none"> • No minimum balance requirement • No monthly service charge 	<ul style="list-style-type: none"> • Free, unlimited check writing • Free MasterCard debit card • Free online banking & bill pay* • Free mobile banking & telephone banking • Free eDocuments
Commercial Checking	Freedom Business Checking	<ul style="list-style-type: none"> • No minimum balance requirement • No monthly service charge 	<ul style="list-style-type: none"> • Free, unlimited check writing • Free MasterCard debit card • No monthly service charge on online banking & bill pay * • Free mobile banking & telephone banking • Free eDocuments
Personal Carter Savings Bank on Savings	Community Savings	<ul style="list-style-type: none"> • \$50 minimum balance requirement • Service charge of \$2.99 per statement cycle if account balance falls below \$50 any day of the statement cycle 	<ul style="list-style-type: none"> • Free online, mobile, & telephone banking • Unlimited withdrawals in person • Limited withdrawals otherwise * • Free eDocuments
Personal 50+ Interest Checking Personal Premium Interest Checking Personal Direct Interest Checking Personal Interest Checking	Interest Checking	<ul style="list-style-type: none"> • \$1,000 minimum balance requirement • Service charge of \$4.99 per statement cycle if account balance falls below \$500 any day of the statement cycle. No monthly service charge is imposed if a CD or Savings account in the same name as the Interest Checking account has a daily balance of \$1,000. 	<ul style="list-style-type: none"> • Interest compounds daily, and is credited to the account monthly • Free, unlimited check writing • Free MasterCard debit card • Free online banking & bill pay • Free mobile banking & telephone banking • Free eDocuments
Personal Carter Money Market	Money Market	<ul style="list-style-type: none"> • \$1,000 minimum balance requirement • Service charge of \$9.99 per statement cycle if account balance falls below \$1,000 any day of the statement cycle 	<ul style="list-style-type: none"> • Interest compounds daily, and is credited to the account monthly • Excess debit fee of \$9.99 for each debit in excess of six per statement cycle • Free MasterCard debit card • Free online, mobile, and telephone banking • Free eDocuments

* See enclosed account disclosures for more information.

ACCOUNT STATEMENTS

Final Carter Bank & Trust Statement

Special “transition” statement: If the terms of your Carter Bank & Trust account(s) provided for a periodic statement, you will receive a final statement which will identify transactions during the period from your last regular statement date up to and including Friday, May 21, 2021. If you do not normally receive a statement for your Carter Bank & Trust account, then you will not receive a special “transition” statement.

If you receive a final statement it will include:

- Details of your account activity for this period,
- Check images for this period, (if you receive check images),
- Interest credited to your checking, savings or money market account through Friday, May 21, 2021 (if your account earns interest)

Deposit Account Statements from PCB

First statement: Your first account statement from PCB will cover the period from Monday, May 24, 2021, to your next PCB statement cycle date.

Future statements: After the first statement cycle, future deposit account statements from PCB will be issued according to the terms and conditions of your new account. The terms and conditions of your account are included in the enclosed disclosures.

- If you had a quarterly statement cycle at Carter Bank & Trust, you will continue to receive your statement quarterly, in February, May, August and November.

Combined statements: PCB encourages our customers to sign up for combined statements for linked deposit accounts. After May 24, 2021 you may contact your local PCB financial center to have your statement mailings combined.

Electronic Statements: If you currently receive paper statements and would prefer electronic statements, you may enroll in PCB's online banking and then elect to receive electronic statements. *If you would like personal assistance, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center to sign up for PCB's eDocuments.* You will not have access to any Carter Bank & Trust account history through our electronic statement service.

Retirement accounts: PCB will provide you with a statement annually, as of year-end. PCB will mail IRS Tax Form 5498 for contributions made after May 21, 2021, to a Traditional, Roth or SEP IRA. Carter Bank & Trust will provide this tax form for contributions made prior to May 21, 2021.



FDIC INSURANCE

Basic FDIC Deposit Insurance Coverage Limits*

Single Accounts (owned by one person)	\$250,000 per owner
Joint Accounts (two or more persons)	\$250,000 per co-owner
IRAs and certain other retirement accounts	\$250,000 per owner
Trust Accounts	\$250,000 per owner per beneficiary subject to specific limitation and requirements
Corporation, Partnership and Unincorporated Association Accounts	\$250,000 per corporation, partnership or unincorporated association
Employee Benefit Plan Accounts	\$250,000 for the non-contingent, ascertainable interest of each participant
Government Accounts	\$250,000 per official custodian

Deposits acquired by PCB from Carter Bank & Trust continue to be insured separately for at least six months after the acquisition date (May 21, 2021). This grace period gives a depositor the opportunity to restructure his or her accounts, if necessary. The FDIC provides separate coverage for deposits held in different account ownership categories. The coverage limits in the chart above refer to the total of all deposits that an account holder has in the same ownership categories at each FDIC-insured bank. The chart shows only the most common ownership categories that apply to individual and family deposits and assumes that all FDIC requirements are met. CDs acquired by PCB from Carter Bank & Trust are separately insured until the earliest maturity date after the end of the six-month grace period. CDs that mature during the six-month period and are renewed for the same term in the same dollar amount (either with or without accrued interest) continue to be separately insured until the first maturity date after the six-month period. If a CD matures during the six-month grace period and is renewed on any other basis, it would be separately insured only until the end of the six-month grace period.

ICS / CDARS

With the ICS®, or Insured Cash Sweep®, and CDARS® services, you can enjoy the peace of mind that comes with access to multi-million-dollar FDIC insurance and can choose the service or combination of services that best meets your needs for returns and access to funds. Institutions, like ours, that offer ICS and CDARS are members of a special network. When we place your deposit through the ICS or CDARS service, that deposit is divided into amounts under the standard FDIC insurance maximum of \$250,000. The amounts are then placed in demand deposit accounts or money market deposit accounts (using ICS), or in CDs (using CDARS) at multiple banks. As a result, you can access coverage from many institutions while working directly

with just one. You receive one monthly statement from our bank for each service in which you participate, and, as always, your confidential information is protected.

* Placement of funds through the ICS or CDARS service is subject to the terms, conditions, and disclosures in the service agreements, including the Deposit Placement Agreement ("DPA"). Limits apply and customer eligibility criteria may apply. In the ICS savings option, program withdrawals are limited to six per month. Although funds are placed at destination banks in amounts that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA"), a depositor's balances at the relationship institution that places the funds may exceed the SMDIA (e.g., before ICS or CDARS settlement for a deposit or after ICS or CDARS settlement for a withdrawal) or be ineligible for FDIC insurance (if the relationship institution is not a bank). As stated in the DPA, the depositor is responsible for making any necessary arrangements to protect such balances consistent with applicable law. If the depositor is subject to restrictions on placement of its funds, the depositor is responsible for determining whether its use of ICS or CDARS satisfies those restrictions. ICS, Insured Cash Sweep, and CDARS are registered service marks of IntraFi Network, LLC.

PCB wants to reassure you that you can have the highest level of confidence that the funds you have on deposit with us are secure. If you have questions about FDIC insurance limits or how to maximize your coverage, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202 or by email info@yourbank.com. You can also visit the FDIC website, www.fdic.gov or call 1-877-ASK-FDIC.

OVERDRAFTS

Overdraft protection with linked accounts (Sweeps): Like Carter Bank & Trust, PCB offers customers the ability to establish overdraft protection for checking accounts by linking savings or other deposit accounts. Collectively, these savings and deposit accounts are referred to as “overdraft protection accounts”. (Please refer to the enclosed fee schedule for associated fees.) Effective May 24, 2021, if your Carter Bank & Trust checking account is linked to a Carter Bank & Trust “overdraft protection account”, these accounts will continue to be linked for purposes of overdraft protection.

Bounce Protection: Like Carter Bank & Trust, PCB offers customers a discretionary overdraft protection service that provides you an automatically assigned overdraft limit for times in which a safety net is needed for unanticipated expenses or unforeseen problems. If your Carter Bank & Trust checking account is assigned an Overdraft Privilege Service limit as of May 21, 2021 PCB will provide you a Bounce Protection limit of \$600 for personal checking accounts or \$750 for business checking accounts. Your Bounce Protection limit may be available for checks and other transactions made by using your checking account number, such as a teller withdrawal, an automatic (ACH) payment transaction, automatic bill payment or recurring debit card payment. If you requested Carter Bank & Trust to do so (opt in), we may authorize ATM transfers or withdrawals and everyday debit card purchases using your available balance and your Bounce Protection limit. For business accounts the limit may be available for ATM and everyday debit card transactions with no action required.

If you maintain your account in “good standing”, we may approve your overdraft items within your unused Bounce Protection limit as a non-contractual courtesy. For Bounce Protection consideration, your account is in “good standing” if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of Bounce Protection as a continuing line of credit; and (3) have no legal orders, levies, or liens against your account.

There is no additional cost associated with Bounce Protection unless you use it. If you use the Bounce Protection limit, you will be charged our Overdraft/ NSF Paid Fee of \$35 for each overdrawn item (up to a maximum daily amount of \$210 for consumer

accounts). Overdrafts above and beyond your established Bounce Protection limit may result in checks or other items being returned to the payee. You will be charged an Overdraft/NSF Returned Fee of \$35 for each item returned. Returned items may be presented for payment by the payee or their financial institution multiple times, which may result in multiple Overdraft/NSF Returned Fees.

PCB reserves the right to limit participation to one account per household or business or to suspend, revoke, or discontinue this service without prior notice

For more information about overdrafts of your account at PCB, please review the enclosed PCB Bounce Protection brochure.

INCOMING WIRE TRANSFERS

If you receive wire transfers, you will need to begin using PCB’s wire transfer procedure on May 24th, 2021, which consists of using PCB’s routing number 051504254 and your account number.

DIRECT DEPOSIT

FOR MOST CUSTOMERS, YOUR DEPOSIT ACCOUNT NUMBERS WILL NOT BE CHANGING; however, the bank routing number will change. PCB and Carter Bank & Trust will work together to get all automatic debits or credits transferred over to PCB. However, the federal government and some other vendors may not allow us to make changes on your behalf. Do not make any changes prior to the effective date of the conversion. If you have questions, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.



PRIVACY POLICY

At PCB, customer service, convenience and confidentiality of nonpublic personal and financial information are of principal concern. We are aware of privacy's critical nature and the extent the importance increases as the Information Age progresses. Customers have a right to expect information entrusted to us will be treated with appropriate discretion.

Therefore, in order to ensure the safety of personal and other nonpublic information, we have developed this Privacy Policy to maintain standards and procedures designed to prevent misuse of this information.

It is the policy of PCB herein to collect nonpublic personal information about consumers from the following sources:

- Applications for loans and other forms used by the bank to effect or process transactions;
- As a result of consumers' transactions with us, or others; and
- From consumer reporting agencies.

Access to this nonpublic information is restricted to employees who need to know such information in order to provide products or services to our customers. The bank maintains physical, electronic, and procedural safeguards, in compliance with federal regulations, to guard such nonpublic personal information.

The bank does not disclose nonpublic personal information about consumers, customers, or former customers to anyone, or to any business entity, except as permitted by law.

For more information, please visit <https://www.yourbank.bank/privacy-policy> or see the enclosed Privacy Policy.

AVAILABILITY OF DEPOSITED FUNDS

Funds deposited to your account may be available for withdrawal on a different schedule from when you were a customer of Carter Bank & Trust. The complete Funds Availability Disclosure is as follows:

YOUR ABILITY TO WITHDRAW FUNDS AT PCB

Our policy is to generally make funds from cash and check deposits available to you on the same business day as the day we received your deposit. Once the funds are available, you can withdraw them in cash and/ or we will use them to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Business day cutoff times vary by branch location, with the earliest time being 5:00 p.m. Individual branch offices may have a later cutoff time. For the specific business day cutoff time for each office, contact the branch office or call 304-358-2311 for our listings. If you make a deposit before a branch's business day cutoff time on a business day in which we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the business day cutoff time of that specific branch or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

RESERVATION OF RIGHT TO HOLD

In some cases, we will not make all of the funds that you deposited by check available to you according to the preceding schedule. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$225 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all funds from your deposit available on the same business day, you will be notified at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

LONGER DELAYS MAY APPLY

We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- You deposit checks totaling more than \$5,525 on any one day.
- You redeposited a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- We believe a check you deposit will not be paid.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

HOLD ON OTHER FUNDS

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

SPECIAL RULES FOR NEW ACCOUNTS

Special rules apply during the first 30 days your account is opened. Funds from electronic direct deposits and cash will be available to you on the day of deposit. Funds from wire transfers deposits and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state and local government checks will be available on the first business day after the day of your deposit if checks are payable to you.

The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of deposit. Funds from all other checks will be available on the 10th business day after the day of deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES

Funds from any deposit, whether in cash or by check, made at an automated teller machine ("ATM") owned or operated by us will be generally available on the first Business day after the business day of your deposit.

If you make a deposit at an ATM that is owned and operated by us before 3:00 p.m. on a business day, we will consider the deposit made that day. However, if you make a deposit at an ATM owned and operated by us after 3:00 p.m. or on a day that we are not open, we will consider the deposit made on the next business day. All ATMs that we own or operate are identified as such on our machines.

SUBSTITUTE CHECKS & YOUR RIGHTS

What is a substitute check?

To make check processing faster, federal law permits us to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks? In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Pendleton Community Bank
128 N. Main Street, PO Box 487
Franklin, WV 26807

PH: 304-358-2311

You must contact us within 45 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include –

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: an example of this would be a copy of your statement.



CD FEATURES AS OF RENEWAL

(at next maturity, on or after
May 24th, 2021)

Compounding and crediting of interest

Interest will accrue daily on a 365/365-day basis. Interest is compounded daily and paid to your account quarterly and/or at maturity. If you elected to receive a monthly check or credit to your account, you will continue to receive your interest as you did with Carter Bank & Trust.

Grace period

When your CD renews at PCB, there is a grace period of 10 calendar days during which you may make changes to the term of your renewing account. You may withdraw all or part of the funds in your account without penalty during the grace period; however, any funds withdrawn from your account during the grace period will not earn any interest during the grace period.

Early withdrawal

The withdrawal of funds in a CD account before its maturity date is subject to the approval of PCB. If you request to withdraw funds from a CD prior to the account's maturity date and we permit the withdrawal, a penalty may be imposed for such early withdrawal. PCB's penalty calculation, which may be different than Carter Bank & Trust's stated penalty calculation, will be effective starting May 24, 2021.

The penalty may be up to 30 days interest on the amount withdrawn for CDs with a term of less than 12 months. If the term is between 12 and 47 months, the penalty may be up to 91 days interest on the amount withdrawn. If the term of the CD is 48 months or more, the penalty may be up to 6 months interest on the amount withdrawn.

RETIREMENT ACCOUNTS CD FEATURES AS OF RENEWAL

(at next maturity, on or after
May 24th, 2021)

Compounding and crediting of interest

Interest will accrue daily on a 365/365-day basis. Interest is compounded daily and paid to your account monthly and/or at maturity.

Grace period

When your CD renews at PCB, there is a grace period of 10 calendar days during which you may make changes to the term of your renewing account. You may withdraw all or part of the funds in your account without penalty during the grace period; however, any funds withdrawn from your account during the grace period will not earn any interest during the grace period.

Early withdrawal

The withdrawal of funds in a CD account before its maturity date is subject to the approval of PCB. If you request to withdraw funds from a CD prior to the account's maturity date and we permit the withdrawal, a penalty may be imposed for such early withdrawal. PCB's penalty calculation, which may be different than Carter Bank & Trust's stated penalty calculation, will be effective May 24, 2021.

The penalty may be up to 30 days interest on the amount withdrawn for CDs with a term of less than 12 months. If the term is between 12 and 47 months, the penalty may be up to 91 days interest on the amount withdrawn. If the term of the CD is 48 months or more, the penalty may be up to 6 months on the amount withdrawn.

Unscheduled distributions

Withdrawals up to 50% of the original issue amount may be made without a penalty after age 59 ½. All other withdrawals may be subject to an early withdrawal penalty.

OTHER INFORMATION ABOUT PCB RETIREMENT ACCOUNTS

If you have authorized scheduled distributions from your retirement account that is being converted to PCB (i.e., your account balance is being paid in regular installments), you will receive your distribution payment with the same frequency and in the same manner as before. Scheduled distributions from your retirement plan will be mailed to your primary address. A secondary address or alternate address cannot be accommodated.

If you are over age 72 and have not established an automatic scheduled distribution from your Traditional IRA or SEP IRA with Carter Bank & Trust, PCB WILL NOT MAKE ANY DISTRIBUTIONS TO YOU UNLESS WE RECEIVE YOUR WRITTEN AUTHORIZATION IDENTIFYING YOUR DISTRIBUTION ELECTION.

If you would like personal assistance, please contact our Customer Service department at (304) 358-2311 or (800) 722-8202; by email info@yourbank.com or contact your nearest PCB financial center.

BANK CARD SERVICES

If you currently have a Carter Bank & Trust ATM/Debit Card to access your deposit accounts, it will be replaced by a new PCB Mastercard® ATM / Debit Card.

Your new PCB Mastercard® ATM / Debit card will be mailed shortly before May 21, 2021. If you have not received your new PCB Mastercard® ATM / Debit card by Monday, May 17, 2021 please contact our Customer Service department at (304) 358-2311 or (800) 722-8202. **Your 4-digit personal identification number (PIN) will change, and you will receive this notification separately from the card.** Your Carter Bank & Trust debit card will not work after 6:00 p.m. on Friday, May 21, 2021 on your Carter Bank & Trust accounts converting to PCB. Card activity on your PCB debit card that occurs the weekend of May 21– 23, 2021 will not be visible in your account balance until Tuesday, May 25, 2021.

Your new PCB Mastercard® ATM / Debit card will carry the Mastercard® logo and will have a new card number and expiration date embossed on the front. If you now use your card for automatic deductions or recurring payments, please give this new information to your payees to avoid interruption of your payments.

New ATM / Debit Card must be activated before it can be used to make a point-of-sale purchase. You will receive more information with your new card about how to activate and use it. *If you do not use your PCB debit card until after 8:00 a.m. on Monday, May 24, 2021 you will be required to activate the card.*

You may use your new card from PCB starting at 6:00 p.m. on Friday, May 21st. During conversion weekend, any ATM withdrawal or purchase with this card after 6:00 p.m. on Friday, May 21, 2021 will automatically activate your card, and your card will not require activation on Monday, May 24, 2021. Please remember to destroy your Carter Bank & Trust Check Card debit card after 6:00 p.m. on Friday, May 21, 2021.

Your four-digit Personal Identification Number (PIN) will change, and you will receive this notification separately from the card. This notification will include a toll-free number you can call within 14 days to change to a 4-digit PIN number of your choice. You can also change your PIN number at your local PCB ATM.

MyCardRules™. Add your new PCB debit card to the MyCardRules™ app. MyCardRules lets you control how, when, and who uses your PCB ATM / Debit card and you can elect to receive an alert when your card is used. Visit <https://www.yourbank.bank/personal/mycardrules> for more information.



MISCELLANEOUS

SAFE DEPOSIT BOXES

There will be no change in the terms of your safe deposit box rental agreement until the next renewal date, at which time you will receive additional information.

INSTALLMENT LOANS, LINES OF CREDIT AND HOME EQUITY LOANS

Interest rate agreement

The existing interest rate agreement and terms will continue to apply on your converted installment loans and home equity loans. If your interest rate is fixed, it will remain fixed for the term of your loan. If your interest rate is adjustable, your rate will not change until the next scheduled change date. The rate will be changed in accordance to the terms and conditions of the loan account you opened with Carter Bank & Trust.

Account number

For your convenience, your loan account number will not be changed.

Information about payments

• **Coupon payment book:** For your convenience, you will receive a new coupon book to make your payments.

• **HELOC Payments:** If you have a home equity line of credit, your statement cycle date will generate on the last day of the month. Your payment due date will be the 21st of each month.

• **Payment mailing address:** You may make your payments at any of our financial centers, or mail your payment to one of the following:

Pendleton Community Bank
P.O. Box 487
Franklin, WV 26807

Pendleton Community Bank
317 N Main St.
Bridgewater, VA 22812

Pendleton Community Bank (South Main)
2169 South Main Street
Harrisonburg, VA 22801

Pendleton Community Bank (Downtown)
57 South Main Street
Harrisonburg, VA 22801

Pendleton Community Bank (West)
41 Monte Vista Drive
Harrisonburg, VA 22802

Pendleton Community Bank
478 Frontier Dr.
Staunton, VA 24401

Additionally, starting on May 24, 2021, payments may be made by transfers using PCB Online Banking, by telephone, with an automatic deduction from a checking or savings account or by mail. Payments can also be made online at <https://www.yourbank.bank/personal/loan-payments>.

Automatic Payments

• **From an account at PCB:** If you make payments to your loan account through automatic deduction from a Carter Bank & Trust deposit account that is also converting to PCB, your automatic payments will continue as before, without interruption.

Important Note: Payments will be deducted automatically only when there are sufficient funds in the funding deposit account at the time the payment is due. If there are insufficient funds at that time, no payment will be made until a sufficient balance is available. If the automatic payment is due on a weekend or holiday, the payment will pull the previous business day.

• **From an account at another financial institution:** If your payments are deducted automatically from an account at another financial institution, this arrangement may continue at your discretion. For your convenience, we encourage you to open a new checking or savings account with us. Please visit your local PCB office and we'll make it easy to switch your automatic payments.

Secured loans

Loans secured by deposits must be paid in full before deposit holds are released.

YOUR BANK for generations.

From your first checking to your first loan, PCB's goal is to provide customers with the financial products you need and the service you deserve. In every stage of life, PCB wants to be your bank for generations!



FOLLOW US:



Financial Center Locations

Beckley, WV

204 Pinewood Drive
Beckley, WV 25801

Bridgewater, VA

317 N Main St.
Bridgewater, VA 22812

Franklin, WV

128 North Main Street
Franklin, WV 26807

Harrisonburg, VA (West)

41 Monte Vista Drive
Harrisonburg, VA 22802

Harrisonburg, VA (Downtown)

57 South Main Street
Harrisonburg, VA 22801

Harrisonburg, VA (South Main)

2169 S Main St.
Harrisonburg, VA 22801

Marlinton, WV

19180 Seneca Trail
Marlinton, WV 24954

Moorefield, WV

402 South Main Street
Moorefield, WV 26836

Mount Hope, WV

602 Main Street
Mount Hope, WV 25880

Oak Hill, WV

835 E. Main Street
Oak Hill, WV 25901

Petersburg, WV

102 Virginia Avenue
Petersburg, WV 26847

Staunton, VA

478 Frontier Dr.
Staunton, VA 24401

Staunton LPO, VA

2201 N. August Str
Staunton, VA 24401

Wardensville, WV

25 West Main Street,
Wardensville, WV 26851



