



Time Deposit Receipt

Three-Year Callable Step-Up Time Deposit

The terms and conditions for your Three-Year Callable Step Up Time Deposit account (also referred to as your “account” or “time deposit”) at Valley National Bank (the “Bank”, “we”, or “us”) are governed by this *Account Receipt* and the *Account Agreement and Privacy Notice*.

ACCOUNT TERMS	
Minimum Opening Deposit	There is no minimum opening deposit requirement.
Maximum Opening Deposit	The maximum opening balance is \$100,000,000.00.
Interest Rate	<p>This is a fixed, stepped-rate account. The following terms are subject to our right to call your account after the first six (6) months of the term:</p> <p>There are six (6) consecutive interest periods of six (6) months each.</p> <ul style="list-style-type: none"> (i) The initial interest period commences on and includes the day you open your account and ends on and includes the day before the start of the next interest period. (ii) Thereafter, interest periods commence on and include the first day of the applicable interest period and end on and include the day before each succeeding interest period. The last interest period ends on and includes the maturity date. <p>Your time deposit will accrue interest at the rate for each interest period specified above. After the initial interest period, the interest rate will step up each successive interest period.</p>
Interest Compounding and Crediting	<ul style="list-style-type: none"> • Interest is not compounded. We use the daily balance method to calculate interest on your account. This method applies a daily periodic rate to the principal balance in the account each day. This means that the interest is calculated every day on a 365-day year/366-day year for leap years. • Interest is credited semi-annually on the last day of each interest period and at maturity unless we call your time deposit prior to maturity, in which case your interest will be credited on the Call Date (defined below). Your interest will be transferred to the checking account specified above.
When Interest Begins To Accrue	Interest begins to accrue on the business day we open your account, even if the account opening deposit contains noncash items (for example, checks). We open your account on the business day we receive the properly completed account opening documentation, if received before our closing time. However, if the account opening deposit contains noncash items aggregating \$100,000.00 or more, interest on the proceeds of those items begins to accrue on the day that the proceeds become available for our use. The timing of the receipt of your funds will be governed by the “Funds Availability” section of the Bank’s <i>Account Agreement and Privacy Notice</i> .
Call Provision	We may call your time deposit at any time after the first six (6) months of the term of the time deposit at 100% of the principal amount of the time deposit, plus any accrued and unpaid interest to and including the day we call your time deposit (the “ <u>Call Date</u> ”). We will provide written notice to you at least five (5) business days prior to the Call Date. The Bank’s ability to call your time deposit effectively limits your maximum return on the time deposit.
Early Withdrawal Penalty	<ul style="list-style-type: none"> • Your withdrawal of principal before maturity incurs a penalty and is allowed only with our consent. Consent to allow early withdrawal is solely within our discretion. However, the principal may be withdrawn prior to maturity without penalty in the case of your death or if you are declared legally incompetent.

	<ul style="list-style-type: none"> The penalty for early withdrawal is forfeiture of one hundred and eighty (180) days' interest at the rate in effect at the time of the early withdrawal. An early withdrawal penalty may require a reduction in principal.
No Automatic Renewal	Your account will not be automatically renewed at maturity. If you do not renew, you will not be paid interest after maturity.
Fees	Other than the early withdrawal penalty, no fees or charges apply to your time deposit.
Special Circumstances	<ul style="list-style-type: none"> We do not open accounts with checks drawn on banks outside the U.S. or with checks that are not payable in U.S. dollars. We send those checks for collection and will only open the account upon the check being collected. Additional funds may not be added to your time deposit after it is opened. However, subject to our right to decline to open an account, you may open additional time deposits.
Additional Terms	For more information on your account, please refer to the Bank's Account Agreement and Privacy Notice available at https://www.leumiusa.com/account-terms-and-fees (or any successor web page thereof).

RISK FACTORS

This section describes the most significant risks relating to an investment in our Three-Year Callable Step-Up Time Deposit (referred to in this section as the "TD"). You should carefully consider the risk factors discussed below as well as the disclosures set forth elsewhere in this *Time Deposit Receipt* and the Bank's *Account Agreement and Privacy Notice*. You should reach an investment decision only after you have consulted with your legal, financial, tax, and other advisors regarding the suitability of an investment in the TD in light of your particular circumstances.

The TDs Are Subject To The Credit Risk Of The Bank.

Time deposits are deposit obligations of the Bank, and therefore, investors are subject to our credit risk. Any principal amount of the TD that exceeds the FDIC insurance limit, as well as any amounts payable under the TD that are not insured by the FDIC, are subject to the creditworthiness of the Bank. In the event we default on our obligations, you may not receive the principal protection or any other amounts owed to you under the terms of the TD in excess of the amounts covered by FDIC insurance.

The TDs Are Callable By The Bank At Its Option.

We have the right to call the TD at any time after the first six (6) months during the term of the TD. It is more likely that we will call the TD prior to the maturity date if the remaining interest payable on the TD is greater than the interest we would pay on our other conventional fixed-rate time deposits of comparable maturity. If we call the TD prior to maturity, you may have to re-invest the proceeds in other instruments that do not yield as much interest as the TD.

The Step-Up Feature Presents Different Investment Considerations Than Fixed-Rate Time Deposits.

The interest rate payable on the TD during its term will increase from the initial interest rate, subject to our right to call the TD. You should not expect to earn the higher step-up interest rates, which apply only after six (6) months, because we may call the TD prior to the maturity date. Should general market interest rates rise beyond the rates provided by the TD, we will likely not call the TD and you will be holding a time deposit that bears interest at below-market rates. When determining whether to invest in the TD, you should focus on, among other things, the overall annual percentage rate of interest to the first potential Call Date as compared to other equivalent investment alternatives.

An Investment In The TDs May Be Riskier Than An Investment In Shorter Term Time Deposits.

A TD has a term of three (3) years, subject to our right to call the TD after the first six (6) months. By investing in a time deposit with a longer term, you will bear greater exposure to fluctuations in interest rates than you would by investing in a time deposit with a shorter term. In particular, you may be negatively affected if general market interest rates rise because we will likely not call the TD, and as a result, the amount of interest you receive on the TD may be less than the return you could earn on other investments.

Valley National Bank® is a nationally chartered, FDIC insured non-member bank. Your deposits are insured by the FDIC up to the maximum limits allowed by law. Information and tools describing how deposit insurance coverage works are provided by the FDIC at www.fdic.gov or by calling 1-877-ASK-FDIC or 1-800-925-4618 for the hearing impaired.