

## We Believe

We believe that money should serve people, not the other way around. So we're building a better future with our customers by building a better banking system: Beneficial Banking. The future we're creating together will strengthen our local communities, improve quality of life for each of us, and be reflected in widespread gains in social equity and environmental renewal.



### Our Bank

Beneficial State Bank (Beneficial State) is a State Chartered Bank, regulated by the Department of Business Oversight (DBO), and the FDIC. Chartered in 2007 under a unique foundation ownership model, Beneficial State Bank has local branches in CA, OR and WA. We offer checking, saving, loans, credit cards, online and mobile banking and everything else you'd expect from a bank — but we exist to serve your prosperity and goals, not to profit from them.



### Our Ownership Structure

With 100% of the bank's economic rights belonging to Beneficial State Foundation, any profits when distributed must flow into a public charity mandated by our bylaws to invest in low-income communities and the natural environment. We are also proud to be a certified B Corporation, which means we prioritize people, the planet and profit.



### Our Products & Services

#### BUSINESS & NONPROFIT

Loans & Lines of Credit  
Checking, Saving & Investing Accounts  
Business Online Banking:  
*Including ACH, Positive Pay, Remote Deposit Capture & Wire Transfers*  
Merchant Services

#### INDIVIDUAL

Personal Loans  
Checking, Saving & Investing Accounts  
Online & Mobile Banking  
Bill Payment Services  
Credit Cards



### Our Success, So Far

Over our history, Beneficial State has put your deposits to work by maintaining 75% to 80% of its loan dollars outstanding in the hands of transformative actors. In 2014, 86% of our loan were deployed in our targeted sectors such as, affordable housing and neighborhood stabilization, sustainable food and agriculture, renewable energy, nonprofits, women and minority owned businesses, and more.

## Why Deposits and Depositors Matter

In 2007, we launched a bank in the image of the great pioneering, socially-responsible banks of the 1970's. Our 2.0 effort was to solve for the excesses of the megabanks. We could only then guess at the extent of those damages but we felt that maximizing profits at all costs created real problems and that too many people were not getting fair and transparent financial services. In particular, too little funding was going to the new economy -- an economy that is fully inclusive, racially and gender just, and ecologically sound.

**So almost eight years into this journey to practice beneficial banking, what have we learned?**

### **Ownership matters.**

Banks have to be managed to uphold all stakeholder values in their lending, banking and corporate practices. Beneficial State Bank allotted 100% of its economic rights to our foundation which is governed in the public interest. Other structures can accomplish sufficient alignment too--B Corporations, Credit Unions, and values driven banks -- but we recognize our mission needs reinforcement in the basic governance of the organization. And adding impact to the bank's lending, all profits when distributed can only be reinvested back in to the low-income communities we serve and the environment upon which we all depend. View our B Corp rating at [bcorporation.net/beneficial-state-bank](http://bcorporation.net/beneficial-state-bank).

### **Stakeholders are broad and include our depositors, our communities, and the ecological commons.**

Of course, we are most dedicated to enabling our customers -- depositors, transactors, and borrowers -- to realize their hero's journey through beneficial banking. But we give special deference to our depositors, the original crowd-funders, who entrust their money with us to enable the economy and society they wish to see. Through the leveraged model of a bank and the privilege of FDIC insurance, their deposit funding is powerful and needs to produce benefit to all, harm to none.

### **Measurement counts.**

We commit at least 75% of our loans to borrowers -- be they businesses, non-profits, or citizens -- who are producing sustainable and socially just goods and services. The greater preponderance of our loan dollars go to affordable housing, sustainable food, renewable energy and the like and a significant number of our borrowers are women or minority controlled, non-profits, or social enterprises. We will soon also be able to report more detailed outcomes -- affordable housing units financed, living wage fully-benefitted jobs created, or renewable kilowatts produced. On top of that, we measure our own corporate behaviors--carbon/landfill/water footprint, social justice practices, and more -- to improve our own way of showing up in the world.

### **So why not let your deposits amplify your own work through a powerful model?**

Each depositor is insured to at least \$250,000 at Beneficial State, for more information visit [www.fdic.gov/deposit](http://www.fdic.gov/deposit). Over that amount, you can take advantage of our participation in CDARs, a brokered deposit network that for a small fee allows you gain FDIC on much larger certificates of deposit at competitive rates. Please take a look at our current rates for all bank products and let us know if a beneficial banker might answer any questions you might have or assist you in placing a deposit at Beneficial State Bank. **You DESERVE a bank like this!**

**Rates Effective From: May 16, 2016**

## Current Deposit Rates for SAVING Accounts

Balance Tiers	Market Access		Business Market Access		Save 1st		Business Savings		EcoKids Savings	
	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*
\$0-\$9,999	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
\$10,000-\$24,999	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
\$25,000-\$99,999	0.07%	0.07%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
Over \$100,000	0.10%	0.10%	0.15%	0.15%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Over \$1 million	0.10%	0.10%	0.25%	0.25%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Over \$5 million	0.10%	0.10%	0.30%	0.30%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Rates and annual percentage yield on all savings accounts are variable and subject to change at the bank's discretion. Assessment of fees can reduce principal and earnings.

## Current Deposit Rates for CHECKING Accounts

Balance Tiers	EcoEarnings Checking		Community First for Business		IOLTA	
	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*
\$0-\$9,999	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
\$10,000-\$24,999	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
\$25,000-\$99,999	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
Over \$100,000	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Rates and annual percentage yield on all checking accounts are variable and subject to change at the bank's discretion. A monthly service charge will be assessed on all checking accounts if the balance falls below the daily minimum requirement; however the account will continue to earn interest. Assessment of fees can reduce principal and earnings.

## Rates Effective From: May 16, 2016

### Current Deposit Rates for IRA Accounts (Traditional, Roth, Education Savings & Simple IRA Accounts)

Balance Tiers	1-Year IRA CD		2-Year IRA CD		3-Year IRA CD	
	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*
< \$99,999	0.20%	0.20%	0.30%	0.30%	0.40%	0.40%
> \$100,000	0.20%	0.20%	0.30%	0.30%	0.40%	0.40%
> \$1 million	0.40%	0.40%	0.55%	0.55%	0.80%	0.80%
> \$5 million	0.45%	0.45%	0.80%	0.80%	1.10%	1.10%

Balance Tiers	4-Year IRA CD		5-Year IRA CD	
	Interest Rate	APY*	Interest Rate	APY*
< \$99,999	0.65%	0.65%	0.90%	0.90%
> \$100,000	0.75%	0.75%	1.00%	1.00%
> \$1 million	1.00%	1.00%	1.40%	1.40%
> \$5 million	1.30%	1.30%	1.60%	1.60%

All of our IRA products allow for additional deposits, up to the federal maximum contribution limits. Penalties will be imposed for early withdrawal unless you are eligible for penalty-free distributions under the IRS regulations. Assessment of penalties can reduce principal and earnings.

### Current Deposit Rates for CD Accounts

Balance Tiers	3 months		6 months		12 months		24 months	
	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*
< \$24,999	0.10%	0.10%	0.15%	0.15%	0.20%	0.20%	0.50%	0.50%
< \$99,999	0.10%	0.10%	0.15%	0.15%	0.20%	0.20%	0.50%	0.50%
> \$100,000	0.15%	0.15%	0.25%	0.25%	0.30%	0.30%	0.60%	0.60%
> \$1 million	0.20%	0.20%	0.35%	0.35%	0.40%	0.40%	0.70%	0.70%
> \$5 million	0.35%	0.35%	0.40%	0.40%	0.45%	0.45%	0.80%	0.80%

Balance Tiers	36 months		48 months		60 months	
	Interest Rate	APY*	Interest Rate	APY*	Interest Rate	APY*
< \$24,999	0.55%	0.55%	0.65%	0.65%	0.80%	0.80%
< \$99,999	0.55%	0.55%	0.75%	0.75%	0.80%	0.80%
> \$100,000	0.70%	0.70%	0.95%	0.95%	1.10%	1.10%
> \$1 million	0.90%	0.90%	1.10%	1.10%	1.40%	1.40%
> \$5 million	1.20%	1.20%	1.40%	1.40%	1.60%	1.60%

\$1,000 minimum opening balance required for all Certificates of Deposit. Penalties will be imposed for early withdrawal. Assessment of penalties can reduce principal and earnings.

## Rates Effective From: May 16, 2016

### Current CDARS Rates

	13-week	26-week	52-week
Balance Tiers	Interest Rate	Interest Rate	Interest Rate
\$25,000 < \$99,999	0.05%	0.05%	0.08%
Over \$100,000	0.07%	0.08%	0.15%
Over \$1 million	0.15%	0.31%	0.32%
Over \$5 million	0.25%	0.36%	0.37%

	2-year	3-year
Balance Tiers	Interest Rate	Interest Rate
\$25,000 < \$99,999	0.35%	0.40%
Over \$100,000	0.45%	0.40%
Over \$1 million	0.55%	0.65%
Over \$5 million	0.65%	0.95%

CDs can be laddered or maturities can be combined to effectively create a customized term.

CDARS placements are made weekly, Customer documentation and funds must be received by end of business on Tuesday.

**Important Notes:** This information is used in conjunction with other disclosure information about your accounts. All accounts listed except Certificates are variable rate accounts. As such, the interest rate may change at any time. Interest Rates and Annual Percentage Yields (APY)s are subject to change. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of interest paid on an account, based on the interest rate and the frequency of compounding for a 365 day period. The APY is determined using the daily collected balance method. The APY assumes that interest will remain on deposit until maturity. If interest is withdrawn prior to maturity, earnings will be reduced. Fees could reduce the earnings on these accounts. Certificate accounts may have a substantial penalty for early withdrawal.

\*APY = Annual Percentage Yield