

# Deposit Account Agreement



**EASTERN SAVINGS BANK®**

Established 1905

Account Ownership • Account Disclosure • Funds Availability Policy

[easternsavingsbank.com](http://easternsavingsbank.com)

**Effective Date: April 2, 2018**

## Welcome to Eastern Savings Bank, fsb.

This Deposit Account Agreement ("Agreement") sets forth the terms and conditions of the deposit account(s) and services that Eastern Savings Bank, fsb ("the Bank," "ESB," "Eastern Savings Bank") offers from time to time. It is intended to serve as a comprehensive, easy-to-understand reference. Please consult the Electronic Banking Disclosure and Agreement for more information pertaining to electronic account transactions and services.

Eastern Savings Bank is committed to making your banking as easy and convenient as possible. We offer a wide range of financial services and provide a variety of convenient methods of banking, including branches located throughout the Baltimore/Metropolitan area, ATM access, bank-by-mail services, telephone banking, toll-free phone access, and online and mobile banking.

Eastern Savings Bank is committed to understanding and addressing your individual financial situation. We look forward to assisting you in meeting your financial goals.

Visit us on the web at [easternsavingsbank.com](http://easternsavingsbank.com).

## Terms Governing Your Accounts

This Agreement describes the terms and conditions for many of the deposit accounts and services offered by Eastern Savings Bank, fsb and replaces all prior agreements, including those on the reverse of Signature Cards signed prior to August 1999. Please review this information and keep it with your other account records. The Federal Deposit Insurance Corporation ("FDIC") insures all deposit accounts governed by these rules to the maximum amounts allowed and according to federal regulations governing insured deposits.

For the purpose of this document, "you," "your," and "yours" shall refer to each Depositor. "We," "us," "our," "ours," and "the Bank" shall refer to Eastern Savings Bank, fsb. All references to time of day in this Agreement refer to Eastern Time (daylight or standard as applicable).

This Agreement, together with the account disclosures for your type of account, forms, and brochure materials (collectively, the "Rules"), governs all deposit accounts offered by the Bank, constitutes the entire agreement governing this account, and supersedes all prior oral or written agreements, understandings, or communications. The Bank's managers and associates do not have the authority to verbally or otherwise modify or change these contract rights and obligations except in writing as provided in the "Changes or Amendments" section. You agree to abide by the Rules outlined in these various materials. The rights and obligations set forth in these Rules may be modified only in writing as set forth below. The laws and regulations of the United States and the State of Maryland (excluding conflict of laws principles) govern your account and these Rules. Once you sign a Signature Card, otherwise open a new account, make a transaction on or otherwise use an existing account, or renew an existing Time Deposit Account, you have accepted the Rules, including all present and past changes and amendments made to the Rules since your account or Time Deposit Account was first opened.

## General

**Hours of Operation:** Branch activity and transactions, whether by phone or in person, will be conducted during normal business hours. Business days are defined as Monday through Friday except federal holidays. Some branches are open on Saturdays for your convenience but generally transactions conducted on such days are considered to occur on the next business day. For information on branch hours and locations, call our 24-hour telephone banking system, "EMMA," at 410-568-6307 (1-877-528- 7786 if you are calling from outside the Baltimore/Metropolitan area), visit us on the web at [easternsavingsbank.com](http://easternsavingsbank.com), or see our GUIDE TO BRANCH HOURS AND LOCATIONS. The Bank reserves the right to close the branch during inclement weather or other emergency situations.

**Eligibility:** At least one account owner or custodian must be of legal age (age of majority in Maryland is 18) and competent. All account owners must have a valid social security number or individual taxpayer identification number ("TIN") or other IRS approved tax identification number.

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account, including beneficial owners. When you open an account, we will ask you for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information.

The Bank reserves the right not to conduct transactions with people or entities who refuse to provide proper evidence of their identity to the satisfaction of the Bank.

For purposes of determining eligibility to open or maintain an account and to protect against fraud, the Bank shall have the right to obtain and review your credit reports and banking history.

**Commercial Activity:** The Bank reserves the right to reclassify your account to a commercial account with applicable charges if transaction activity exceeds what is customary for a consumer account (for example, excessive numbers of checks deposited and/or written).

In accordance with the Unlawful Internet Gambling Act and federal regulations implemented as a result of the Act, illegal or restricted transactions, as defined by the Act, are prohibited on your account. This includes the making of a bet or wager that involves use of the Internet and that is unlawful under any applicable federal or state law in the jurisdiction where the bet or wager is initiated, received, or otherwise made.

**General Deposit Rules:** In receiving items for deposit or collection, we act as your collecting agent and assume no responsibility beyond the exercise of due care. We reserve the right to refuse, limit, or return any deposit or item for collection. You will receive provisional credit for each deposit once we have received and verified the items in detail, including verification of the actual amount deposited. If an error is discovered in any deposit to your account, we can make correcting entries. If an item is dishonored, that is, if it is not paid to us by the institution on which it is drawn, we may charge your account, or any other account in which you are an owner, for the amount of the item without regard to whether the item is returned to us in a timely manner. At our option, and without notice to you that the item has been dishonored, we may re-submit any return item for payment. You waive presentment, notice of dishonor and protest, and agree that we have no obligation to notify you of any deposited item that is returned to us. We also reserve the right to charge back to your account (or any account on which you are an owner) the amount of any item deposited to your account or cashed for you that was initially paid by the bank on which it was drawn, but which is later returned to us due to an alleged forged, unauthorized, or missing endorsement, claim of encoding error, or other problem that in our judgment justifies reversal of credit. We may process a copy or other evidence of a returned item in lieu of the original. Generally, checks payable to entities will only be accepted as a deposit item to an account of the same entity name (even if you are the president of the corporation or association). We have the right to endorse any checks, drafts, or other items deposited to your account.

In some cases a check, draft, bond coupon, or other item may be accepted "for collection" only. This means that we have the right to collect the item from the financial institution it is drawn on before we make the principal or interest available to you for withdrawal. This type of process is referred to as a "hard" collection. If there are special fees for collecting your deposit, they may be deducted from the proceeds or from your account (see BANKING SERVICES AND FEES).

Because account numbers and balance information are considered private and to preserve your confidentiality, the Bank may require appropriate identification, even on cash deposits.

**Account Evidence:** The Bank may require certificates or other account evidence whenever you take any action with respect to your account. Therefore, whenever you request the issuance of any duplicate evidence of the account upon the terms specified by us, you agree to indemnify and hold the Bank harmless against any loss, damage, or expense on account of such duplicate evidence, or on account of any claim of any other to or upon said account, and you further agree that in the event of the discovery of said original evidence, to promptly deliver the same to the Bank.

**Inquiries:** To preserve your confidentiality, the Bank may deny requests for account information (for example, if you request balance information over the phone). If you wish confidential information to be sent to another person (your accountant, for example), we may require you to put your request in writing.

Balance information obtained over the telephone, on a statement, through an ATM, or through our online or mobile banking services does not include outstanding checks, charges, ATM transactions, or POS transactions not yet posted to your account. You are responsible for the accounting and reconciliation of your account to Bank records in an accurate and timely manner.

**Customer Conduct:** Rude or inappropriate behavior over the telephone, facsimile machine, in writing, or in our lobbies will not be tolerated. The Bank reserves the right to remove anyone from the premises for inappropriate behavior. Violations will be reported to the appropriate authorities with the Bank's intent to prosecute.

**Health and Safety Concerns:** For security and insurance reasons, there are no public rest rooms in any of our branches.

**Gifts:** The fair market value of gifts you receive from the Bank may be reported on a 1099 in addition to any interest received.

### Establishing, Transferring, or Changing Ownership

**Unless contrary direction is given in the Signature Card, upon the death of a party to a multiple-party account, the funds shall belong to the surviving party or parties.**

For additional information on account ownership, see "Account Ownerships and Codes" at the end of this Agreement.

Multiple-party accounts are joint accounts and Payable on Death ("POD") accounts are simple trust accounts and shall be subject to the Md. Code Ann., Financial Institutions § 1-204, as may be amended from time to time. Any direction as to the payment or ownership of funds upon the death of a party on a multiple-party account, other than as noted above, must be shown on the Signature Card.

On any checking account subject to check or draft, you agree that any one authorized signature shall be sufficient for withdrawal or payment. On other accounts you may designate more than one signature as required for withdrawals by so indicating on the Signature Card for the account.

Accounts may be opened by individuals, joint and equal owners, persons holding custodial or trust power for another, unincorporated associations, estates, or other ownership designations approved by the Bank. The ownership definitions and contract codes are explained in the last pages of this Agreement.

The Bank may determine ownership of an account from the information in our records. Your account, whether owned individually or jointly, is for the use of the owner(s) only. It is non-transferable and non-negotiable. Ownership of your account is transferable only on our records with our consent.

You may not grant, transfer, or assign any of your rights to an account without our written consent. You may not transfer or change the titling of your account without our consent. Even if we consent, we may require that you close the account and that the new account holder open a new account in their name. Early withdrawal penalties and fees may apply. Refer to specific TRUTH IN SAVINGS and BANKING SERVICES AND FEES disclosures for more information. Any changes you request us to make to your account are not effective until accepted by us and we have had reasonable time to act on the new information. We may refuse to acknowledge or accept attempted pledges or assignments of an account or purported security interests in an account.

The Bank may remove a deceased owner from a joint account upon proof of owner's death.

**Appointing a Convenience Person:** You may appoint another person to act on your behalf and conduct transactions on your account. This can be done by providing us with a copy of a written power of attorney drawn by your independent counsel in a form satisfactory to us or by the designation of a Convenience Person ("COV") on your account records at the Bank. If you appoint a COV, it means that the COV may act on your behalf to deposit and/or withdraw from your account, sign checks, stop payments, execute documents on your behalf, receive information, or make some changes to the account. You agree that this power to act for you will be a "durable" power of attorney, which means the COV's power to act will continue even though you may become disabled or incompetent to handle your own affairs. A COV's authority to act can be canceled at any time by any owner of the account by notifying the Bank in writing and allowing us a reasonable time to update our records. The COV does not inherit the money in the account upon the owners' death, unless the COV is also named as a payable on death beneficiary ("BNI"). Generally, the COV's creditors cannot garnish the funds in the account to pay debts owed by the COV.

**Designating a Payable on Death Beneficiary:** You may designate a person, persons, or entity to receive the money in your accounts upon the death of all owners. These payable on death beneficiaries are identified with a code of BNI, which are explained in the listing in the last pages of this Agreement. All owners of a joint account must agree to the designation or deletion of the BNI. All BNI who are living at the death of the last owner will receive equal shares of the account balance.

**Ownership and Withdrawal Disputes:** If a dispute arises relative to who is the rightful owner of the funds on deposit in your account or who has authority to withdraw funds, we may, in our sole discretion, restrict any further withdrawals from the account or your other accounts until the dispute is resolved in writing by the parties claiming ownership or withdrawal rights or by court order. We also have the right, in our sole discretion, to continue to allow withdrawals in reliance on Signature Cards, resolutions, or other account documents or to pay the funds into an appropriate court of law for resolution. In the case where we restrict further withdrawals, or in the case of the death (or incompetence) of an account owner, funds in the account will not be released until all required documents are delivered to us. Required documentation may include, but is not limited to, original or true copies of a Death Certificate, Letters of Administration, or declaration of incompetence.

**Non-Personal Accounts:** If the account is not owned by a natural person (a corporation, partnership, limited liability company, etc.), then the account holder must provide us with evidence to our satisfaction of the authority of the individuals who sign the Signature Card to act on behalf of the account holder. On any transaction involving the account, we may act on the instruction of the person(s) authorized in the resolution, banking agreement, or certificate of authority to act on behalf of the account holder. You agree to notify us in writing of any changes in the person(s) authorized, including any change in beneficial owners of the account. If we receive conflicting instructions or a dispute arises as to authorization in regard to the handling of the account, you agree we may place a hold on the account until such conflict is resolved to our satisfaction, and we will not be liable for dishonored items as a result of such hold.

NOTE: Investment decisions are the responsibility of the customer. The information provided is for general information only. It does not constitute professional advice. Please consult your own professional advisors about any financial, tax, or legal issue you have.

## Deposits

**Your Ability to Withdraw Funds from Checking Accounts:** Federal Reserve Regulation CC addresses when funds deposited to checking accounts (called "transaction accounts" in the Regulation) are to be made available for withdrawal or other use. For purposes of this part on "Deposits," the term "checking account" includes demand deposit checking accounts ("DDAs"). External transfer deposits made through the EasternEase Online banking product and Mobile deposits made through the EasternEase Mobile app are not subject to Regulation CC and may have different availability rules. These rules are discussed in the ELECTRONIC BANKING DISCLOSURE AND AGREEMENT found at [easternsavingsbank.com](http://easternsavingsbank.com) and available at our deposit branches. NOT included in this definition are certificate of deposit accounts ("CDs") and other types of savings accounts. For availability of deposits to these other types of accounts, see "All Other Deposit Accounts."

Our policy is to make funds from your cash and check deposits to your checking account available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash, and we will use the funds 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. If you make a deposit before 4:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 4:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

**Longer Delays May Apply for Deposits to Checking Accounts:** In some cases we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. 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. The first \$200 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you 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 associates, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications 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.

**Special Rules for New Checking Accounts:** If you are a new customer, the following special rules will apply during the first 30 days your checking account is open.

An account is considered a new account during the first 30 calendar days after the account is established. An account is not considered a new account if each customer on the account has had, within 30 calendar days before the account is established, another transaction account (including a dormant account) at the depository bank for at least 30 calendar days.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks may be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 may be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

**Holds on Other Funds (Check Cashing):** If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your checking account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

**Holds on Other Funds (Other Account):** If we accept for deposit a check that is drawn on another bank, 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 described elsewhere in this Agreement for the type of check that you deposited.

**All Other Deposit Accounts (Savings and Certificates of Deposit):** If your deposit is made to or cashed against an account that is not a checking account, the funds will generally be available as follows:

UNDER \$100 Deposit: Second business day after the day of your deposit

OVER \$100 and on New Accounts: Up to the seventh business day after the day of your deposit

If you need to be sure when a particular deposit will be made available for withdrawal, please ask us.

**Customer Responsibility:** Although funds have been made available to you and you have withdrawn them, you are still responsible for problems with the deposit, such as checks deposited being returned unpaid. You represent and warrant to us that all endorsements on any check (including checks payable to a third party) you cash or deposit are genuine and complete and that the check has not been altered or forged in any way. When checks are disputed or returned to us for these or other reasons, we may deduct the amount of the disputed/returned check from any of your accounts with the Bank (see also the "General Deposit Rules" section).

**Envelope Depository:** Should you wish to do so, the Bank will accept payments and/or deposits through the use of an "envelope depository" (a "drop" receptacle into which envelopes may be placed during business and non-business hours). You authorize the Bank to remove your payment and/or deposit from the envelope, count the funds, and credit your account. You agree to accept the Bank's count of the funds as final. All non-cash items will be received subject to collection. The Bank will mail a receipt for your payment and/or deposit to your address as reflected in the Bank's records.

The envelope depository is provided as a convenience to our customers and the Bank will not be responsible for any loss suffered by you resulting from your use of said depository unless caused by the Bank's gross negligence or willful misconduct.

## Withdrawals

**Signatures:** To make withdrawals in whole or in part from any account or to cash checks, you must have your signature on file with us as an owner, joint owner, convenience person, or an attorney-in-fact for that account or other authorized signer on the account. Signatures must be in ink and authentic. Signatures in pencil, stamp, facsimile, e-mail, photocopy, or electronic scan will not be considered authentic unless approved by the Bank. The Bank reserves the right to charge fees (see current schedule of BANKING SERVICES AND FEES) and limit withdrawals and deposits to accounts where there are incomplete Signature Cards (for example, missing signatures). We may also request appropriate identification.

**Restrictive Legends:** We are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000." We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

**Telephone Instructions:** Unless we have agreed otherwise in writing, we are not required to act upon telephone instructions or instructions received via facsimile transmission, e-mail, voice mail, or telephone answering machine.

**Cashier's Checks:** You may elect or be required to receive your withdrawal in whole or in part in the form of a cashier's check. If a cashier's check, whether payable to you or a third party (third party cashier's checks are referred to by us as "Exchange Checks" and involve a purchase fee; see BANKING SERVICES AND FEES), is lost, stolen, or destroyed, you may have to either purchase an indemnity bond or allow 90 days to pass without the original being presented/paid before the check is replaced.

The following cashier's checks may be made payable as the account is titled: corporations, partnerships, formal trust/guardianships, organizations, and estates.

**Cash:** Under our insurance policies we are required to maintain cash on hand at a minimum, just sufficient to meet the regular needs of our customers. For this reason we may require three days' advance notice on cash withdrawal requests in excess of \$2,000.

**Domestic Wire Requests:** Generally, requests to wire funds from your account must be done in person with appropriate identification by 3:00 p.m. Monday through Friday for same-day processing. The Bank will not be liable for incorrect payment information.

We will make a reasonable effort to process your incoming and/or outgoing wire request on a same-day basis. However, there may be circumstances that prevent the immediate processing of the wire (that is, Corporate Headquarter's holiday observed). Special conditions apply to international wires.

**International Wires:** The Bank accepts international wire transfers only. Transfers with an international destination are not accepted for processing. Special conditions apply to international wires.

**Notice:** We reserve the right to require at least seven days' prior written notice before accepting any withdrawals or transfers from an interest-bearing account. We will then pay all withdrawals requested in accordance with such methods and procedures as to amounts, methods, and allotments of funds for such purposes as is required by law.

### Service Charges

You may be charged for the various services provided in connection with your account(s). Service charges may be applied directly against the account. The list of fees are published, are made available to you at the time you open your account, and may be changed from time to time, at our option, as provided below under "Changes or Amendments" (see current schedule of BANKING SERVICES AND FEES).

### Statement Review

You should promptly examine your periodic account statements and any accompanying items carefully and reconcile your account(s). If discrepancies are found, you must notify us immediately in writing, or the statement will be considered correct. You will be deemed to have received your statement 10 business days after its date, absent proof of an earlier or later actual delivery date. Failure to report irregularities within 30 days shall preclude you from recovering any amounts from us. Also, we are not responsible for multiple unauthorized signatures or alterations by the same wrongdoer if you do not notify us within 30 days after your statement reflecting the first such irregularity was received or otherwise made available to you. In any event, if you do not discover and report to us any unauthorized signature, draft, or alteration within one year after your statement reflecting the item was received or otherwise made available to you, you are absolutely precluded from asserting the problem against us.

The Bank may require that affidavits and police reports be filed before any reimbursements will be made. You agree to assist Eastern Savings Bank in any investigation it or others may make and, if needed, to be a witness in any hearing, proceeding, or action brought against the person or persons responsible for this action. In addition, the Bank will not be liable if items are forged or altered so cleverly that such fraud could not reasonably be detected.

### Changes or Amendments

We may change or amend this Agreement and Rules at any time, and you will be bound by those changes and amendments, as well as all past changes and amendments, once you make a transaction on or otherwise use an existing account or renew an existing Time Deposit Account. All new accounts, including Time Deposit Accounts, are governed by the Agreement and Rules in existence when the account is opened, until changed or amended. Unless otherwise required by law, any changes may be communicated by posting notice in our branch offices, by sending written notice to you by mail to your last known address, or by sending information with your periodic statement. If you have consented to receive electronic notices from us, we can provide notice of changes to this document electronically. Advance written notice of changes will be given when required by law.

### Inactive Accounts

Your account will be considered "inactive" if you have not initiated any activity to your account (or a Time Deposit that has matured), corresponded with us concerning the account, or engaged in another deposit, credit, or trust relationship with us during a reasonable period of time. If your account is inactive, we may close the account, and if applicable, charges may be assessed (see current BANKING SERVICES AND FEES). The account is presumed abandoned after three years of inactivity, and the funds will be remitted to the State of Maryland or other appropriate jurisdiction in accordance with the Maryland Uniform Disposition of Abandoned Property Act.

### Withholding on Your Account

Interest earned on your account may be subject to withholding for federal income tax if we receive notice from the IRS, or you fail to provide us with your certified TIN.

### Closing Your Account

This is an "at will" relationship. You or the Bank can close an account in compliance with whatever restrictions on length of deposit or notice of withdrawal that might be imposed by federal regulations or by the terms for that account. The Bank may discontinue its relationship with you without disclosing a reason. If we decide to close your account, we will send you a check for the balance in the account to the address in our records. Should an account be closed at any time and later reopened, the reopened account will be subject to all the terms and conditions in this Agreement.

### Funds Subject to Legal Proceedings

Your ability to use your account or withdraw funds may be restricted if the account or funds are subject to legal proceedings. You agree to reimburse us for any fees, expenses, and reasonable attorney's charges that we pay as the result of such legal proceedings, such as the cost of responding to subpoenas issued in litigation to which you are a party but in which the Bank is not a party.

### If You Owe Us Money

We can use the money from any account you have with us to pay your indebtedness to us, whether related to your deposit or loan accounts with us. If one or more joint owners is indebted to us, we can use any funds in any joint account to pay such indebtedness (even if you didn't create the indebtedness or receive the direct benefit). However, this contractual right of offset does not apply to any debt arising from a consumer transaction subject to the federal Truth-in-Lending Act, in which

an offset is expressly prohibited by that Act or its regulations, or to an IRA, tax-deferred retirement account, or educational savings account, or if the person who owes us the debt is not an owner of the account but only an authorized signer.

## Arbitration

PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY CONTROVERSY OR DISPUTE BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION A DISPUTE IS RESOLVED BY A NEUTRAL ARBITRATOR INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT.

**Agreement to Arbitrate:** You agree that either you or we may, without the other's consent, require that any controversy or dispute between you and us (all of which are called "Claims") be submitted to mandatory, binding arbitration. This arbitration provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the Federal Arbitration Act (the "FAA"), 9 U.S.C. §1 et seq., as may be amended from time to time, and to the extent Maryland law is applicable, the Maryland law governing the Agreement.

**Claims Covered:** Claims subject to arbitration include, but are not limited to, disputes relating to the establishment, terms, treatment, operation, handling, limitations on, or termination of your account; any disclosures or other documents or communications relating to your account; any transactions or attempted transactions involving your account, whether authorized or not; billing, billing errors, credit reporting, posting of transactions, payments, credits, or collection matters relating to your account; services or benefits programs relating to your account, whether or not they are offered, introduced, sold, or provided by us; advertisements, promotions, or oral or written statements related to (or preceding the opening of) your account; goods or services financed under your account, or the terms of financing; the application, enforceability, or interpretation of this Agreement, including this arbitration provision; and any other matters relating to your account, a prior related account, or the resulting relationships between you and us. Any questions about what Claims are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

Claims subject to arbitration include:

1. Not only Claims made directly by you, but also Claims made by anyone connected with you or claiming through you such as a co-applicant or authorized user of your account, your agent, representative, heirs, or a trustee in bankruptcy.
2. Not only Claims that relate directly to us, a parent company, subsidiary company, affiliated company, and any predecessors and successors (and the employees, officers, and directors of all of these entities), but also Claims for which we may be directly or indirectly liable, even if we are not properly named at the time the Claim is made.
3. Claims based on any theory of law, any contract statute, regulation, ordinance, tort (including fraud or any intentional tort), common law, constitutional provision, respondent superior, agency, other doctrine concerning liability, course of dealing, or any other legal or equitable ground (including any claim for injunctive or declaratory relief).
4. Claims based on any allegations of fact, including an alleged act, inaction, omission, suppression, representation, statement, obligation, duty, right, condition, status, or relationship.
5. Claims that arose in the past, arise in the present, or arise in the future. Claims are subject to arbitration whether they are made independently or with other claims in proceedings involving you, us, or others.
6. Claims that are made as counterclaims, cross-claims, third-party claims, interpleaders, or otherwise. A party who initiates a proceeding in court may elect arbitration with respect to any Claim(s) advanced in the lawsuit by any other party or parties.
7. Claims made as part of a class action or other representative action, and the arbitration of such Claims must proceed on an individual (non-class, non-representative) basis.
  - If you or we require arbitration of a particular Claim, neither you, we, nor any other person may pursue the Claim in any litigation, whether as a class action, private attorney general action, other representative action, or otherwise.
  - Claims are not subject to arbitration if they are filed by you or us in a small claims court, so long as the matter remains in such court and advances only as an individual (non-class, non-representative) claim.

**Initiation of Arbitration:** The party filing an arbitration must choose one of the following two arbitration administrators: (1) JAMS or (2) American Arbitration Association. These administrators are independent from us, and you and we must follow their rules and procedures for initiating and pursuing an arbitration. If you initiate the arbitration, you must also notify us in writing at:

General Counsel  
Eastern Savings Bank, fsb  
Executive Plaza 2  
11350 McCormick Road, Suite 200  
Hunt Valley, Maryland 21031

If we initiate the arbitration, we will notify you in writing at your last known address. Any arbitration hearing that you attend will be held at a place chosen by the arbitrator or arbitration administrator in the same city as the U.S. District Court closest to your then current address or at some other place to which you and we agree in writing. You may obtain copies of the current rules of each of the two arbitration administrators named above, and other related materials, including forms and instructions for initiating an arbitration, by contacting the arbitration administrators as follows:



JAMS  
1920 Main Street, at Gillette Ave., Suite 300  
Irvine, CA 92614  
Web site: jamsadr.com

American Arbitration Association  
335 Madison Avenue, Floor 10  
New York, NY 10017-4605  
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**Procedures and Law Applicable in Arbitration:** A single, neutral arbitrator will resolve Claims. The arbitrator will either be a lawyer with at least ten years' experience or a retired or former judge. The arbitrator will be selected in accordance with the rules of the arbitration administrator. The arbitration will be conducted under the applicable procedures and rules of the arbitration administrator that are in effect on the date the arbitration is filed unless this arbitration provision is inconsistent with those procedures and rules, in which case this Agreement will prevail. These procedures and rules may limit the amount of discovery available to you or us. The arbitrator will apply applicable substantive law consistent with the FAA and applicable statutes of limitations and will honor claims of privilege recognized at law. You may choose to have a hearing and be represented by counsel. The arbitrator will take reasonable steps to protect customer account information and other confidential information, including the use of protective orders to prohibit disclosure outside the arbitration, if requested to do so by you or us. The arbitrator will have the power to award to a party any damages or other relief provided for under applicable law and will not have the power to award relief to, against, or for the benefit of, any person who is not a party to the proceeding. The arbitrator will make any award in writing but need not provide a statement of reasons unless requested by the party. Upon a request by you or us, the arbitrator will provide a brief statement of the reasons for the award.

**Costs:** If we file the arbitration, we will pay the initial filing fee. If you file the arbitration, you will pay the initial filing fee unless you seek and qualify for a fee waiver under the applicable rules of the arbitration administrator. We will reimburse you for the initial filing fee if you paid it and you prevail. If there is a hearing, we will pay any fees of the arbitrator and arbitration administrator for the first day of that hearing. All other fees will be allocated in keeping with the rules of the arbitration administrator and applicable law. However, we will advance or reimburse filing fees and other fees if the arbitration administrator or arbitrator determines there is good reason for requiring us to do so, or you ask us and we determine there is good cause for doing so. Each party will bear the expense of that party's attorneys, experts, witnesses, and other expenses, regardless of which party prevails, except that the arbitrator shall apply any applicable law in determining whether a party should recover any or all expenses from another party.

**No Consolidation or Joinder of Parties:** All parties to the arbitration must be individually named. Claims by persons other than individually named parties shall not be raised or determined. Notwithstanding anything else that may be in this arbitration provision or Agreement, no class action, private attorney general action, or other representative action may be pursued in arbitration, nor may such action be pursued in court if any party has elected arbitration. Unless consented to by all parties to the arbitration, Claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are applicants, co-applicants, or authorized users on a single account and/or related accounts or parties to a single transaction or related transactions). This is so whether or not the Claims (or any interest in the Claims) may have been assigned.

**Enforcement, Finality, Appeals:** You or we may bring an action, including a summary or expedited motion, to compel arbitration of Claims subject to arbitration, or to stay the litigation of any Claims pending arbitration, in any court having jurisdiction. Such action may be brought at any time, even if any such Claims are part of a lawsuit, unless trial is scheduled to commence within 60 days except when new claims subject to arbitration are added to the lawsuit within such 60-day period, or a final judgment has been entered. Failure or forbearance to enforce this arbitration provision at any particular time, or in connection with any particular Claims, will not constitute a waiver of any rights to require arbitration at a later time or in connection with any other Claims. Any additional or different agreement between you and us regarding arbitration must be in writing.

**Severability, Survival:** This arbitration provision shall survive: 1) termination or changes in the Agreement, the account, and the relationship between you and us concerning the account; 2) the bankruptcy of any party; and 3) any transfer or assignment of your account, or any amounts owed on your account, to any other person. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force.

## Waiver

We reserve the right to waive the enforcement of any of the Rules and/or waive fees and charges with respect to a transaction or series of transactions. Such waiver would not affect our right to enforce any of the Rules and/or fees with respect to other customers or with respect to your other transactions with us.

## Notices

Written notices sent to us are not effective until received by us and we have a reasonable opportunity to act. Notice from us to any one of you is notice to all of you.

## Checking Accounts and Related Services

We offer different types of checking accounts, which are subject to various minimum balance and service charge requirements. If you have one of these checking accounts, you may also request and, if approved by us, obtain other services associated with your checking account. These include lines of credit, ATM cards, online and mobile banking, pre-authorized transfers, and many other services.

**Checking Accounts:** In addition to the general rules explained in the previous sections, the following provisions also apply to your checking account.

**Withdrawal:** Federal regulations require us to reserve the right to require not less than seven days' written notice of your intention to withdraw funds on deposit from an interest-bearing checking account. The Bank also requires three days' advance notice on cash withdrawals in excess of \$2,000 per day.

If the signature of more than one person is required to draw on an account, any of these persons may stop payment or close the account.

A person who is not our customer may attempt to cash a check that you have written on your account with us. Cashing an item for a non-customer exposes the Bank to certain risks. As a result, you agree that we may impose additional identification requirements on a non-customer seeking to cash an item that you have written. We may require the non-customer to furnish additional identification or provide their thumbprint. We may also restrict the amount of cash released to the non-customer. You agree that we will not be liable for wrongful dishonor for refusing to cash the item if the payee refuses or fails to comply with such reasonable security measures.

**Third Party Checks:** Checks payable to one party who endorses the check over to another party. Third-party checks will be accepted for deposit at our sole discretion.

**Remotely Created Checks:** A Remotely Created Check is an item that is not created by the paying bank and does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. These items are also known as pre-authorized drafts or paper drafts. You agree that, if the Bank receives a check/draft that can be encoded with information obtained from you, the Bank can treat the check/draft as authorized, and you agree to accept responsibility and liability for the amount of any drafts debited from your account.

**Check Orders:** We are not responsible for errors or losses you may incur due to the improper printing of forms not obtained through us or approved by us in advance. Items that require additional processing due to unapproved checks may be subjected to a processing fee (see BANKING SERVICES AND FEES), and we reserve the right to request checks be printed through our approved check vendor at your expense.

**Check Processing:** By opening a checking account with us, you authorize us to retain and copy all checks, drafts, debits, or credit advices for the account. The original documents are not maintained, but destroyed. The copies will generally be available for seven years by request. You may request copies of up to 24 checks per year at no charge by contacting your branch or through EasternEase Online. Free check copies are available for 90 days after the date the check has cleared the Bank.

Checks may be converted to an electronic image during the collection process. We encourage the use of black or blue ink when writing a check. Lighter colored inks such as red or purple do not produce an image or photo and can cause processing delays. The Bank shall not be held liable for items processed improperly due to the use of lighter colored inks. You agree that the Bank will pay and charge your account for photocopies, image replacement documents, electronic checks, or other paper or electronic replacements of the original item.

**Overdrafts:** If your account becomes overdrawn, we have the right to return or pay the item and impose a fee for each overdraft created by checks, in-person withdrawals, or by other electronic means, as applicable. We are not required to permit overdrafts, but if we do, you agree that we may charge interest at the highest rate permitted by law and/or a handling fee for each overdraft. You agree to make immediate payment to the Bank in the amount of the overdraft together with the applicable service charges. If your account is a joint account and becomes overdrawn, you authorize us at our discretion to use funds from any joint owner's account to pay the overdraft and associated service charges. If we determine that overdrafts against your account are excessive, we may charge special fees and/or close the account at our discretion. We will limit the number of fees we charge to a maximum of 3 per day.

**Stopping Payment on a Check:** If you do not want us to pay a check or draft you have written or authorized, you can order us to stop payment prior to the check being presented. A stop payment order (verbal or written) is valid for six months and may be renewed for another six months by informing us again. A confirmation of your stop payment order will be sent to your address on record. Unless contact is made either correcting or cancelling the stop payment, the stop payment is considered to be verified and in effect as per the information on the form. If you do not renew the stop payment order, the Bank will not be liable for items paid after the order ceased to be in effect. YOUR STOP PAYMENT ORDER MUST INCLUDE YOUR NAME, YOUR ACCOUNT NUMBER, AND EITHER THE CHECK NUMBER OR EXACT AMOUNT. The Bank is not responsible if the item is not defined with reasonable certainty (including a stop placed on a duplicate check number). We may charge a fee for each stop payment order. You authorize us to accept a stop payment order from any authorized signer, even if another authorized signer signed the check. Your stop payment order takes effect when it is recorded in our account records on file with us, which may be the next business day after your stop payment is received. You agree to indemnify and to hold us harmless for the amount of the check on which the stop payment is made and for all expenses and costs incurred by refusing payment of the check. Should you wish to cancel your order, you must authorize the release in writing.

**Lost or Stolen Checks:** If a check is lost or stolen and has NOT been signed by an authorized signer on the account, you may stop payment of such item without renewing or paying for the stop payment. You agree to notify us as soon as possible if such misappropriation is detected.

**Post-Dated Checks:** If you issue a post-dated check, we will not be liable if it is paid before the date of the check. If you want the Bank to dishonor a post-dated check if it is presented early, you must notify the Bank and issue a Notice of Post-Dated Check (refer to Stopping Payment on a Check). Otherwise, in most cases, a post-dated check will be paid from your available balance. A Notice of Post-Dated Check will automatically expire as of the date written on the check as affirmed by you on the Notice of Post-Dated Check.

**Stale Checks:** Payment of checks that are more than six months old may be rejected by the Bank, but the Bank is not required to dishonor such a check. If you want the Bank to dishonor a stale check, you must complete a stop payment order for the check otherwise, in most cases, a stale-dated check will be paid from your available balance.

**Payment of Interest:** (See specific account type TRUTH IN SAVINGS DISCLOSURE.)

### Direct Deposit Services

For added convenience and protection, the Bank offers Direct Deposit services to your checking or statement savings account. This service ensures the safe deposit of your Social Security, payroll, or other checks even when you are away from home. Certificate accounts are not currently eligible for direct deposits or pre-authorized automatic transfers ("PATs" a/k/a ACH items).

**To Find Out Whether a Deposit Has Been Made:** If you have arranged to have Direct Deposits made to your account you can call any branch to determine if the deposit has been made. You may be asked identifying questions so that we may confirm your identity. You may also verify deposits have been made using our online banking or mobile services or call our 24-hour telephone banking system, "EMMA".



**Documentation of Direct Deposits:** If the Direct Deposit is made to a checking or statement savings account, you will receive a monthly statement. Since passbook account holders do not receive statements, we will send you an annual notice with information on how to contact the Bank should you have questions or issues with your account(s).

**Processing Delays:** Transactions designated as international may not be posted to an account if the transaction is suspected of being in violation of U.S. laws until an investigation to clear the item has been conducted.

### Overdraft Protection

**Overdraft Protection Line of Credit Agreement:** An overdraft protection line of credit, available for use as a loan or for overdraft protection, may be associated with your checking account at your request and upon approval of your credit application.

All of our standard regulations pertaining to checking accounts, including those regulations pertaining to service charges, shall apply to the checking account portion of any overdraft protection line of credit account. The credit portion of such credit account is governed by the terms of the agreements provided to you at the time you opened your overdraft protection line of credit account.

### Savings Accounts

In addition to the information explained previously, the following provisions also govern your savings accounts.

**Withdrawal:** Generally, you may withdraw money from your account in whole or in part in any amount at any time. However, we may at any time require that you give written notice of an intended withdrawal not less than seven days before such withdrawal is made. The Bank also requires three days' advance notice on cash withdrawals in excess of \$2,000 per day.

We reserve the right to define excess withdrawal activity on accounts, to restrict such withdrawals, and to charge fees for withdrawals that exceed established limits.

According to federal regulations, savings accounts are not considered transactional accounts. Therefore, certain types of withdrawals and transfers are limited to a total of six per statement cycle.

Withdrawals and transfers that are limited to six per statement cycle include:

- Transfers made using EMMA (24-hour telephone banking system)
- Automatic sweep of funds from one account to another
- Automatic debits
- Automatic transfers to other financial institutions
- Transfers made using EasternEase Online or EasternEase Mobile
- Withdrawals made by check (if applicable)
- Point of sale transactions - all payments to grocery stores, gas stations, retail stores, etc. when made by using an ATM card

You may make an unlimited number of the following transactions:

- Withdrawals and transfers by mail, at an ATM, or in person at any Eastern Savings Bank office
- Deposits made in person at any Eastern Savings Bank office, by mail, or by ATM
- Transfers made in order to make a payment on an Eastern Savings Bank loan or line of credit

Transfers or withdrawals in excess of these limitations will subject the account holder to a maintenance fee (see BANKING SERVICES AND FEES). The date the transfer, check, or other debit is posted to the account determines the date of transfer or withdrawal. Continued excessive activity could cause the account to be closed, have restricted ATM use, or be transferred to a transactional account.

**Payment of Interest:** See specific account type TRUTH IN SAVINGS DISCLOSURE.

**Stopping Payment on a Check:** The same rules governing stop payments for checking accounts apply to any accounts accessed by check or draft.

**Lost or Stolen Check:** The same rules governing lost or stolen checks for checking accounts apply to any accounts accessed by check or draft.

**Post-Dated Checks:** The same rules governing post-dated checks for checking accounts apply to any accounts accessed by check or draft.

**Stale Checks:** The same rules governing stale checks for checking accounts apply to any accounts accessed by check or draft.

### Time Deposit Accounts

**General Information:** If you have purchased a Time Deposit Account ("Certificate," "CD," or "Certificate of Deposit"), it will mature on a specific date. You have agreed, by opening this account, to keep the funds on deposit for the stated term. Unless otherwise stated in the TRUTH IN SAVINGS DISCLOSURE, your account is automatically renewable, but can be redeemed as stated in your TRUTH IN SAVINGS DISCLOSURE (generally, within a period of seven calendar days beginning on and including the day after it matures). The current passbook savings interest rate and method of compounding will be applied on a Time Deposit after the maturity date, if not automatically renewable. If you do not redeem your Time Deposit as permitted, it will automatically renew for the term and interest rate in effect on the maturity date for that account classification. If your account classification is no longer offered, we reserve the right to substitute another account type. The date of renewal will determine the new maturity date. If your Time Deposit matures and is automatically renewed, the Bank reserves the right to change the method of interest rate determination and other features of the account.

**Payment of Interest:** Interest payments, if not withdrawn, will bear interest the same as a deposit of cash. All interest rates applicable to deposit accounts are annual interest rates unless otherwise specified. Additional information regarding your interest payment may be noted on your Certificate of Deposit, if applicable. Please refer to your specific account type TRUTH IN SAVINGS DISCLOSURE for other information regarding the payment of interest, such as payment frequency. Interest earnings, once credited to the account, are available for withdrawal or ACH/transfer (electronic direct deposit). Methods of interest payments may be limited.

**Statement Frequency:** All Time Deposit accounts with a term greater than 30 days will receive a notice at least 20 days prior to the maturity date of the certificate. This notice is referred to as a Maturity Notice.

**Early Withdrawal Penalties:** Your Time Deposit may not be withdrawn before maturity, except with our consent. If such a withdrawal is permitted, early withdrawal penalties will be assessed. Current early withdrawal penalties are outlined in the specific Account Disclosures (see TRUTH IN SAVINGS DISCLOSURE). Copies are available in our branches on request. In the event of the death or legal incompetence of one of the owners of the account, the Time Deposit may be redeemed without penalty provided proper documentation is presented.

### Account Ownerships and Codes

The following information is provided in addition to other terms of this Agreement concerning common types of account ownerships. You agree that when you establish an account with us, you have instructed us as to the proper title of the account and that we assume no legal responsibility to inform you as to how the creation of one of these accounts affects your legal interests. If you have any questions as to the legal effects to any of these accounts, you will consult with your own attorney and bear the sole responsibility as to the legal effect of the creation of the account or how it is maintained with us. We provide the information below to explain the codes listed on the Signature Card for your account relating to the ownership types you selected. Upon your request, we will supply you with a copy of your Signature Card.

**Individual Account:** The code "SOL" or "PAR" is used to identify the one person who owns the funds in the account. Upon this person's death, money in the account will be paid to his/her estate unless a BNI has been named. Only the OWNER may deposit, withdraw, close, change, or receive information on the account, unless a Power of Attorney or Convenience Person has been named.

**Joint Accounts:** The code "JTO" or "JTA" is used to identify each of two or more owners of an account. **In the event of death of one of the joint owners, the funds belong to the surviving owner(s).** When only one owner survives, the account will generally be treated as an individual account. These accounts are governed by Md. Code Ann., Financial Institutions § 1-204, as may be amended from time to time.

Each joint owner appoints the other(s) as his or her agent to endorse, deposit, and conduct business for the account. Acting as an agent, any joint owner can endorse a check, draft, or other payment order made out to any other joint owner(s) of the account. We can accept items for deposit that are payable or endorsed to either, some, or all joint owners. Each of you will be jointly and severally liable to us for the amount of any overdrafts, fees, or charges against your account regardless of which of you made the transaction creating the overdraft, fees, or charges.

The code "OR" is used to reflect an account where any one owner may sign for transactions. Each owner is considered to own the full balance in the account. Any one owner may sign to conduct withdrawals, perform transfers, make changes, or close the account. The Bank shall not be held liable and is released and discharged for withdrawals, transfers, account changes, or the closing of a joint account made by any one joint account owner or joint trustee, and you agree not to sue the Bank because of any such transactions. However, while any one owner may close the account, all owners must agree to remove the name of one or more owners while leaving the account open. You agree that any money in your joint account can be paid to any one or more of the joint owners. You agree that this payment can be made on the orders or instructions of any of the joint owners even if the other owners are not alive or are disabled at the time of payment.

Even if the code "OR" is not used on a joint account, it will be treated as this type of account unless the code "AND" is used on the Signature Card, or the Signature Card clearly indicates that owners must act together to make withdrawals.

The code "AND" is used to reflect an account where all owners must sign for withdrawal or transfer transactions. It is currently not available for accounts that may be accessed by check, draft, debit card, or similar device. Each owner is considered to own the full balance in the account. All owners must act together to close the account (except for checking accounts; refer to Checking Accounts and Related Services), make changes, or to remove one or more owners while leaving the account open.

**Giving a Power of Attorney or Appointing a Convenience Person:** You can give another person the right to act on your behalf in making transactions on your accounts. This can be done only after giving written, **notarized** authorization on forms that are provided for that purpose or which we indicate are acceptable to us. The code "POA" is used to identify the person who is appointed under a Power of Attorney, also called the attorney-in-fact. The code "COV" is used to identify a person appointed through designation on the Signature Card by the account owner(s) as a limited, durable power of attorney as specified in Md. Code Ann., Financial Institutions § 1-204, as may be amended from time to time. This means the power is limited to the accounts designated by the owner(s) and that the power continues in effect even though the owner(s) become mentally incompetent or disabled.

The POA/COV may deposit or withdraw money, make some changes to the account, and receive information about the account. However, the POA/COV is in a position of trust to the account owner(s) and generally should not withdraw the money for his or her personal use. The POA/COV is not entitled to the money in the account when the account owner dies. Any account owner can remove or revoke the authority of the POA/COV at any time by notifying the Bank in writing and giving the Bank a reasonable opportunity to act on that notice.

If there is more than one account owner, the consent of (or notice to) the co-owner(s) is not required to appoint a POA/COV, but the owners agree that any one of them may revoke the POA/COV's right to access an account. We may continue to rely upon the appointment of a POA/COV until we receive and have a reasonable opportunity to act on: 1) written revocation of the authorization; 2) actual notice of death of the account holder; or 3) a court order regarding the incompetence of the account owner and appointment of a guardian.

**Custodian Accounts:** If you wish to make a gift of money to a minor, you can do so and name yourself and/or another adult as custodian to handle the money while the beneficiary is a minor. The Bank requires that either a joint custodian or a successor custodian be designated on these types of accounts. Interest earned will be

reported under the TIN of the minor; however, it may be taxed at the rate of his or her parents. We will follow the Maryland Uniform Transfers to Minors Act for this type of arrangement. A gift of money made in this manner is irrevocable and conveys to the minor legal title to the custodial property. The custodian(s) has certain powers and duties in relationship to such accounts as prescribed by state law, including the power to collect, hold, manage, invest, and re-invest the custodial property. However, the property held shall be for the exclusive right and benefit of the minor and will be free from the control or lien of all other persons, except creditors of the minor. The custodian(s) acknowledges the responsibility to transfer the property together with interest credited to the account to the minor when he or she reaches the age specified by statute. We have no obligation to inquire into the purpose of any withdrawal.

The code "CUT" is used to identify the adult(s) who holds funds as custodian for the child. Only the custodian(s) is authorized to conduct activity on the account. The code "MUT" is used to identify the child for whom money is held in trust under the Maryland Uniform Transfers to Minors Act. The child is not permitted to make withdrawals from the account, but at the age specified by statute, can demand that the custodian make money in the account available to the child. The code "SUC" is used to identify the adult who will succeed the custodian in the event of his resignation, death, legal incompetence, or as otherwise specified by statute, and, upon such event, this adult will assume the responsibility of the custodian.

**POD/Simple Trust Accounts (a/k/a Payable on Death Accounts):** The code "SLB," "JBO," or "JBA" is used to identify the owner(s) of an account where one or more persons are identified by the code "BNI" to receive money in the account after all owners have died, but only if the "BNI" is alive. (The code "COV/BNI" is used to identify a person who is both a "BNI" and a "COV" on the account.) **Upon the death of the last surviving owner, funds in the account will be paid to the then living "BNI" in equal shares, and if no "BNI" is living, funds in the account will be paid to the estate of the last owner to die.** The "BNI" is not entitled to money from or information about the account until the death of all owners. The "BNIs" can be revoked at any time by the owners of the account. Accounts that name a "BNI" are governed by Md. Code Ann., Financial Institutions § 1-204, as may be amended from time to time.

If there is more than one owner on the account, the owners will be joint tenants with the right of survivorship. This means that all the rules of the section titled "Joint Accounts" will apply to the account while the joint owners are alive. If there is only one owner on the account (either originally or when the other joint owners have died), the rules of the section titled "Individual Account" will apply to the account while the owner is alive.

**Revocable or Irrevocable Trust:** We must have a separate Trust Agreement on file with the Signature Card for this type of account. This Trust Agreement will detail how the trust is to be administered in such matters as the death of the trustees or beneficiaries. The code "TRS" is used to identify a person who is named in the Trust Agreement as trustee to have control over the account. The trustee is the authorized signer on the account but should only use the money for the purposes specified in the Trust Agreement. The code "TST" is used to identify the titling of the trust.

**Fiduciary Accounts:** This type of account may be opened by a duly authorized and appointed agent. The fiduciary of the account hereby certifies that the funds that are offered to the Bank in accordance with the fiduciary relationship for placement in an account, and any funds that are later placed in the same account, are funds that are properly within the fiduciary's custody that may be lawfully invested in or placed in an account at the Bank in accordance with the authority duly vested in the fiduciary.

You may obtain a large print version of this Deposit Account Agreement by calling our Customer Service Center at 1-800-787- 7ESB or your local branch.