

Deposit Account Agreement

Including
Availability of
Funds
Agreement



bankeasternct.com

24-hour Telephone Access
1-888-226-5911

A. INTRODUCTION

Welcome to Eastern CT Savings Bank (**Eastern, Bank, our, we, us**). We are pleased to provide you with our *Deposit Account Agreement* (the **Agreement**). This Agreement, together with the *Disclosure of Account Terms and Fees* and the *Schedule of Fees*, separately provided to you as they may be amended from time to time, make up the terms and conditions of your Deposit Account Agreement with Eastern CT Savings Bank.

When we refer to **Account owner, you, or your**, we mean any person who has a deposit account with us and includes each person with a joint account, and each person who signs the signature card for any deposit account, as well as any person or entity on whose behalf the account is opened. Please read this Agreement carefully and retain it for your records.

Your deposit account will be governed by the terms and conditions contained in this Agreement. Connecticut and federal law apply to this Agreement and your account(s) with us. In addition to the rights set forth in this Agreement, you and we will have the rights given to you and us by applicable law.

We can choose to enforce or delay in enforcing any of our rights under this Agreement or under applicable law without losing any of our rights in the future. We may release any other person obligated under this Agreement without affecting your responsibilities under this Agreement. Your responsibilities under this Agreement are unaffected by the liability of any other person.

If any term or condition of this Agreement is changed by applicable law or declared invalid by order of a court, the remaining terms and conditions will remain in force. The headings in this Agreement are for convenient reference, and do not limit or define your or our rights or obligations.

We sincerely appreciate your business, and if you have any questions or would like to learn more about our deposit products, please contact any of our banking offices or phone Customer Care at 860-889-7381.

B. GENERAL RULES FOR DEPOSIT ACCOUNTS

1. Your Agreement. By signing the signature card or depositing funds or allowing funds to be deposited on your behalf in an account, you agree to the terms in this agreement. This Agreement also includes the terms of any other documents which we designate as part of this agreement. You also agree that you and we have all the rights given by law. If you have signed an authorization for release of credit information, you agree that Eastern CT Savings Bank may obtain your credit reports to consider you for products, loans or services offered by Eastern CT Savings Bank. If you ask, we will tell you the name of any credit bureau from which we obtained a credit report on you. We may also verify your employment, wages, assets and debts for purposes of considering your eligibility for products and/or services.

2. Identification. We require proper identification to open an account or make any withdrawal from any account, for check cashing, or for any Account transaction. Information provided by you at the time of account opening is subject to verification.

Important Information About Procedures For Opening A New Account. 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.

What this means for you: when you open an account, we will ask for your legal name, address, date of birth and other information that will allow us to identify you. We may also ask to see your photo identification, such as a drivers license or other identifying documents.

3. Tax Payer Identification Number Required. When you open your account, you must certify to us a correct Taxpayer Identification Number (TIN). For individuals and sole proprietors the TIN is your Social Security Number. For other entities, the TIN is your Employer Identification Number. The primary TIN (the TIN associated with the first named person or entity on the account title) will be used for IRS reporting purposes.

If you do not furnish your TIN, we may refuse to open your Account and we may close your Account. If a TIN you provide is incorrect, we may charge you a fee (*see Schedule of Fees*) and you may be subject to backup withholding. If you currently or in the future become subject to backup withholding, we can withhold amounts from your account as instructed by the IRS.

4. Address Change; Statements. We will send all statements, notices and correspondence relating to your Accounts to you at the electronic or street address we have in our records. We are not responsible for any loss caused if you do not notify us of an address change.

5. Minimum Opening Deposit. The minimum dollar amount required to open your Account is shown in the *Disclosure of Account Terms and Fees*.

6. Number of Owners. We reserve the right to limit the number of owners of any Account.

7. Use of Facsimile Signature. If you use a stamp or other device to imprint a facsimile of your signature on a check, withdrawal slip or any other form, you are fully responsible for the use of the stamp or device and for payments made by us in reliance upon the presence of the facsimile signature on any item presented for payment regardless of who used the stamp or device.

8. Authorized Signatures. For purposes of withdrawal and other Account matters, we can honor any request or order signed by any person whose name appears on the Signature Card or Authorization Form for the Account. In some cases, we may require all owners of an Account to sign any such request or order.

9. Deposits. We may accept deposits to your Account from any person. We may require a minimum deposit amount for each Account. We also have the right to refuse to accept any deposit.

10. Collection of Checks. When you deposit a check to your Account and whenever we let you cash a check instead of depositing it to your Account, we collect the money represented by that check from the bank or other party obligated to pay the check. We act as your agent to do this.

When you deposit or cash a check, we may place a hold for the amount of the check on your account. If we place a hold on the amount deposited by check, you cannot withdraw the amount of the deposited check until we have had a reasonable time to collect it. See our *Availability of Funds* Section I for a more detailed explanation of our hold periods.

If we credit your Account, allow you to withdraw the amount of a deposited check, or allow you to cash a check, and the check is returned to us unpaid or we receive notice of non-payment, we have the right to debit your Account for the amount of that check or to claim a refund of such a credit by any method we deem proper, including our right of set-off, described in section B.11 below.

There are certain checks that we may not cash or accept for deposit. These include checks drawn on banks in foreign countries. We will try to collect the money for you from the foreign bank and, if we do, we will then deposit the money into your Account. We may also charge you a fee for this collection service. The amount we charge is listed in our *Schedule of Fees*.

If you write a check on the money in your account on which we have put a hold, we have the right not to pay the check. We are not responsible for losses which happen during the collection process that are not caused by our own negligence.

11. Right of Set-Off. Unless this right is denied us by law, we can take any funds in your Account to pay any debt you owe us that is in default, including unpaid charges. This is called the right of set-off and applies to all funds of yours in our possession now, or in the future, in any Account you maintain with us. We can use this right of set-off without going through any legal process or court proceedings. If this is a Joint Account, this right of set-off applies to our use of deposits of any one or more of you, individually or with others. If we exercise this right by taking what you owe us from a Certificate of Deposit (CD), such payment will be deemed an early withdrawal and an early withdrawal penalty may be imposed.

12. Joint Accounts with Right of Survivorship. If this is a joint account, each of you is making this agreement with each other and with us. Each of you agrees that all amounts deposited by any of you, as well as interest earned, can be paid to any one or more of you during the lifetimes of all of you. After the death of anyone of you, we can pay any money in the account to any one of you remaining alive. Each of you authorizes any other joint owner to deposit any check payable to any or all of you into the Account. For certain checks, such as a check payable by the government, we may require all persons to whom the check is payable to endorse the check.

Each joint depositor will be responsible for all overdrafts and set-offs against a joint account, even if the joint depositor did not authorize the check, debit or other obligation which created the overdraft or set-off.

13. Charges. You agree to pay the charges shown in our *Schedule of Fees*. We can change these charges or add new ones upon giving you notice as set forth in section B.31 on Amendments. We may deduct these charges from your account.

14. Waiver of Your Rights. If a check which you cash or deposit to your account is returned unpaid (called dishonor), we may put the check through for collection again. We will not always give you notice that the check was dishonored before putting the check through for collection. If the check is returned unpaid, we will deduct the amount of the returned check from your account and notify you. If there are not sufficient funds in your account to cover the returned check, you will be responsible to pay the balance. You hereby waive your right to have us notify you about this by the end of the day after we receive notice that your check will be returned to us unpaid. We will charge you the amount stated in the *Schedule of Fees* for each overdraft item, uncollected item, or returned check or draft.

15. Direct Deposit. If you have arranged with a third party to have payments directly deposited into an account in your name, or in an account in the name of another owner(s) and yourself, all owners should understand that there may be special conditions concerning the funds. For example, pension funds, Social Security funds and other government payments, may not be withdrawn if the payee is deceased. If such funds are withdrawn by one or more of the surviving owners, the surviving owner(s) is responsible to us for any loss incurred, including the cost of collection and attorney fees, to recover the funds withdrawn. This will also apply to other conditions concerning direct deposit arrangements that are violated by one or more owners.

16. Withdrawals. We reserve the right to pay any withdrawal by check instead of cash. We can require proper identification for any withdrawal from any account. For all accounts except checking type accounts, we have the right to require you to make withdrawals from your account at the bank office where the account was opened.

17. Restrictions on Withdrawals. We have the right to require that you give us at least seven (7) days advance written notice to withdraw funds from any savings type account, any interest bearing checking type account, and any money market type account. We would expect, except in unforeseen circumstances, to give advance notice of our intent to impose this requirement.

18. Our Right to Close an Account, Terminate a Service or Discontinue Accounts. We may close your account at any time unless advanced notice is required. As soon as practical, we will send you a check for the amount of collected money in the account at the time of closure. If we close your account and you owe us money for any reason, you will be responsible for payment of the money due.

We also reserve the right to refuse any account service, such as an ATM, Debit Card, Online Banking, or to terminate your account service without notice. At our discretion, we reserve the right to discontinue any of our deposit account products without prior notification.

19. Dormant Accounts. If there have been no deposits to or withdrawals from your Account for an extended period of time, your account may be considered inactive. Please refer to our *Schedule of Fees* regarding fees that apply to inactive accounts.

We are generally required by law to deliver to the State of Connecticut any funds in an account that remains inactive for a period of three years. We will attempt to contact you at the last address on our records before delivering the funds to the State. You agree that we are not responsible

for any funds delivered to the State in compliance with the laws of the State of Connecticut.

20. Use of Our Checks and Forms.

a. Forms and Checks. We can require you to use our forms for making deposits, withdrawals and any other account matters.

We also reserve the right to require that the checks you use for any checking account with us be obtained from our approved sources only.

b. Deposit of Checks. You agree not to deposit any copy of a check other than a substitute check that meets industry standards and is the legal equivalent of the original check. For example, a check deposited to your account one time that is converted to a substitute check, but that is not paid and is returned to you, would generally be the legal equivalent of the original check. However, a substitute check that is created by a company other than a bank (or other depository institution), and that has not previously been deposited at a bank, would generally not be the legal equivalent of the original check (see Section B.24) You agree that you will be liable for any losses that we suffer because you violated this provision.

21. Not Transferable. Your Account is not transferable to anyone, except on our books. You may not voluntarily transfer or pledge your Account without our consent. This does not affect a transfer occurring by operations of law, such as that which would occur on death, bankruptcy, or as a result of a court order.

22. Legal Process. If we receive a court order, levy, garnishment, execution, or other similar legal process concerning the funds in your account, we may place a hold on the funds in your account for the amount stated in the legal process. A hold means you may not withdraw funds in your account and we will not pay checks out of the funds subject to the hold. We may also surrender the funds in your account as required by the legal process. We will not be liable if these actions cause items to be returned for Insufficient Funds. You may be charged a fee. Please refer to our *Schedule of Fees* for applicable fees.

23. Statements, Notices, Errors, Alterations, Forgeries.

a. You must examine and balance your periodic statement as soon as you receive them. If you do not let us know of any mistakes within thirty (30) days, we may consider the checks paid during the statement cycle to be genuine. We may also consider the statement to be correct, except as provided in our *Electronic Funds Transfer Agreement*, which gives you sixty (60) days to report an error concerning an electronic fund transfer.

We will not be liable to you for payment of any forged or altered check if you fail to notify us of the forgery or alteration within that 30 day period and failure causes us to suffer a loss. We also won't be liable for forged or altered checks if the forgery or alteration resulted from your negligence. You may have to bear losses that could have been prevented if you had discovered and told us within the 30 day period of errors or unauthorized transactions.

b. EFTS and Check 21. Our checking accounts are truncated. This means that we do not return original cancelled checks with your statement. For certain truncated accounts, your statement will include images of cancelled checks. Unless we have specifically agreed otherwise, you agree that we are not required to send your original cancelled checks with your statement. You have the right to request a copy of your original check as provided by law. If you request a copy of your original check, you may get a copy of a substitute check, rather than a copy of the original check. You may be charged a fee. Please refer to our *Schedule of Fees* for applicable fees. Please refer to section B.24 Check Clearing for the 21st Century Act (Check 21) for further explanation.

24. Check Clearing for the 21st Century Act (Check 21) Check 21 is the federal law that allows a bank to use image technology to create a paper copy of the front and back of an original check. This copy is called a substitute check if it meets applicable industry standards. A substitute check is the legal equivalent of the original check. When we receive a substitute check for a check you have drawn on your account the following rules apply: 1. If your account is truncated and you receive check images with your statement, your imaged statement will contain an image of the substitute check rather than an image of the original check. 2. If you request a copy of the check, you may get a copy of the substitute check, rather than a copy of the original.

If you suffer a loss because your check was converted to a substitute check, you may be able to recover certain types of losses. You may contact us if you believe that you have suffered a loss relating to a substitute check.

25. SUBSTITUTE CHECK POLICY DISCLOSURE

Substitute Checks and Your Rights

1. What is a Substitute Check? To make check processing faster, federal law permits banks 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 electronic debits to your account. However, you have rights under other laws with respect to those transactions.

2. 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 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, Insufficient Funds 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 are also 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 the law.

If you use this procedure, you may receive up to \$2,500 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.

- 3. How do I Make a Claim for a 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:

860-889-7381
Eastern CT Savings Bank
257 Main Street
Norwich, CT 06360

You must contact us within 40 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 and/or the following information to help us identify the substitute check; check number, name of the person to whom you wrote the check, the amount of the check, and the date the check cleared your account.

- 4. Disclosure Not Applicable to Business Customers.** Consumer rights provisions described in this section do not apply to business accounts. This disclosure is provided to business customers only to inform them that they may receive substitute checks in their statements.

26. ACH and Wire Transfers. This agreement is subject to article 4A of the Uniform Commercial Code Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number

a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by Automated Clearing House Association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of payment order or credit.

27. Payment of Checks. We will pay checks drawn on your account that are presented for payment on a business day from another financial institution in the order they were presented. In the event of insufficient funds, your checks will be paid in numerical order up to the available (sufficient) balance.

28. Overdraft; Uncollected Funds. **a.** If you do not have enough available funds in your account to pay a check, funds transfer or other non-check transaction such as ATM withdrawal from your account, you will have to pay a fee. A fee is charged for each time an item is presented against non-sufficient or uncollected funds whether we choose to pay the item or not. (this fee does not apply to Everyday Checking accounts). More than one insufficient funds fees may be incurred if an item is submitted for payment multiple times. **b.** We will determine, in our sole discretion, whether to pay an item presented for payment if your account does not contain sufficient funds, we will send you a notice disclosing the overdraft amount and the fees associated with the overdraft. You agree to pay the amount of the overdraft plus any applicable fee(s). The overdraft and uncollected item charges are listed in the *Schedule of Fees*. **c.** You will be subject to a returned check fee for any check deposited to your account which is not honored and is returned to us.

29. Third Party Drafts. If you authorize a merchant, check writing service or other third party to draw one or more checks or drafts against your account, you agree that you will be responsible for the amount of the checks or drafts. If you want to revoke the third party's authorization you must notify such party in writing. You also agree to request us to stop payment on these transactions. We may require you to close your account and open a new account to prevent such future transactions. We will not be liable if you do not do so, or if we did not have reasonable amount of time to act on your request, or if your request did not provide enough information to identify the transaction(s) including the exact check number and dollar amount.

30. Enforcement of Our Rights. We may choose not to enforce, or to delay in enforcing, any of our rights under this Agreement without losing them in the future.

31. Amendments. We reserve the right to change any term or condition of this Agreement and to add new ones at any time. If the change is required by federal or state law or regulation, we may not give you any prior notice. Otherwise, we will either post notice of these changes in

each of our offices where we accept deposits, or mail notice of change to you at least thirty (30) days prior to the change, at the last address shown on your account records, at our option. We will not send notices of amendments to Passbook Accounts that do not normally receive a statement. You agree that our posting or mailing of changes will be sufficient notice to you of any change.

32. Headings. The headings in this Agreement are intended only to help organize this Agreement and do not limit or define your or our rights or obligations.

C. INTEREST

1. General. The rates and other information about how we calculate interest are set forth in the *Disclosure of Account Terms and Fees*.

2. Interest Rate and Annual Percentage Yield (APY). APY is a percentage rate which reflects the total amount of interest paid on an account based on the interest rate and the compounding frequency for a 365 day period (366 days if a leap year).

a. Certificate of Deposit. The interest rate and resulting APY on any CD and Retirement Plan Time Savings Account will be the rate established at the opening of the account for the term of that account. If variable rate CD, see below.

b. Variable Rate Accounts. All other accounts are variable rate accounts. This means that your interest rate and APY may change. At our discretion, we may change the interest rate(s) and resulting APY(s) on an account at any time without prior notice to you.

3. When Interest Begins to Accrue on Deposits. Interest begins to accrue on deposits to interest bearing accounts on the banking day the deposit is considered to have been made. See I. *Availability of Funds*, for further explanation.

4. Balance Calculation Method. We use the daily balance method to calculate the interest on your account. This method applies a periodic rate to the balance in the account each day.

5. Compounding and Crediting. Our interest compounding and crediting policies for all accounts are set forth in our *Disclosure of Account Terms and Fees*.

D. RULES FOR SAVINGS ACCOUNTS

1. Passbook Accounts. We record transactions for these accounts in your passbook or on separate documents. We do not permit preauthorized transfers from these types of accounts. To make a withdrawal, you must present the passbook. By presenting your passbook, unlimited withdrawals may be made. Deposits may be made at any time. If your passbook is lost, stolen or destroyed, you must notify us immediately. You will be given, upon proper written authorization, a new passbook. There is a fee for issuing a new passbook. Please see our *Schedule of Fees* for applicable fees. You will not receive any periodic statement for your Passbook Account; your passbook will be the record of your account balance, interest earned and transactions. You should review entries to your passbook as soon as possible and notify us immediately if there are any unauthorized entries or errors.

2. Club Accounts. No transfers or partial withdrawals are permitted from these accounts. Once a year we will mail you a check for all principal and interest on deposit in the account.

E. CERTIFICATE OF DEPOSIT ACCOUNTS (CDs).

1. The Term. A CD is a deposit account which requires you to leave funds in the account for a specified time called the term. CDs are subject to substantial penalties for early withdrawal, that is, withdrawal before the maturity date. These penalties are described in the *Disclosure of Account Terms and Fees*.

2. Additional Deposits. Unless we specify otherwise, we do not allow additional deposits during the term of your CD.

3. Notice of Maturity. We are required by Federal law to send a notice of maturity for all automatically renewable CDs with terms greater than one month. We may, at our discretion, also send a notice of maturity for other CDs.

4. Automatic Renewal. If you do not withdraw the funds from a CD within the grace period of seven (7) calendar days after maturity, it will be automatically renewed as of the maturity date of the maturing CD for a similar term at the rate of interest in the effect for CDs with that term.

If you choose not to have your CD automatically renew, you must give us written instructions accompanied by the Certificate of Deposit Passbook as applicable. You must direct us to (1) renew the CD for a term you specify and which we allow, (2) deposit the funds in another account you maintain with us, or (3) give you the balance of the account. We must receive your instructions within the grace period. When properly renewed, your new CD will begin on the maturity date of the maturing CD. If the account is closed during the grace period we pay interest (at the rate we are then paying on a CD with the same term as your maturing CD) from the date of maturity to the date of withdrawal. If, on the maturity date we no longer offer the same type of CD as your CD, and you do not instruct us otherwise, the funds in the account will be placed in a CD which we offer, which we, in our discretion, determine is most similar to your CD. If you renew a CD or a CD is automatically renewed, all interest which is on deposit at the time of renewal will become principal of the renewed CD.

5. Penalty for Early Withdrawal. We will allow withdrawal from your account before maturity without penalty in the following instances: (1) a court's declaration of your mental incompetence, or (2) your death.

Interest credited during the term of the CD can be withdrawn at any time without penalty. In all other cases you cannot withdraw all or any part of the deposit before the maturity date without our consent. We can only give our consent at the time you ask to make the withdrawal. If we consent to an early withdrawal, we may impose a penalty on the amount that you withdraw. Please see our *Disclosure of Account Terms and Fees* for applicable penalty fees. We may take all or part of the penalty from the original deposit, if necessary.

F. IRA, KEOGH AND HEALTH SAVINGS (HSA) ACCOUNTS.

These accounts are governed by separate contracts and by the rules in this agreement for the type of accounts opened.

Signature Document.

a. When you sign an agreement naming us as the custodian for your Retirement Plan or HSA, you also sign a signature document for each account within that Plan. By signing this document, you agree that all present and future accounts within that Plan, including those you subsequently open will be governed by the terms and conditions of this Agreement.

b. All accounts opened under a Retirement Plan or HSA Agreement are also subject to the terms and conditions of your custodian agreement with us as amended from time to time, that you received at the time you opened your account.

G. ADDITIONAL TERMS AND CONDITIONS FOR CHECKING ACCOUNTS.

1. **Eligibility for NOW Accounts.** Now accounts are commonly called interest checking accounts. NOW accounts may only be opened and used by the following customers:

- Individuals (including sole proprietors)
- Certain non profit organizations,
- Federal, state or local governmental entities.

If we believe you are not eligible to own a NOW account, we may either close the account or convert it to another type of account.

2. **Demand Deposit.** Demand deposit accounts are commonly called checking accounts. All types of consumers can open a demand deposit account. Most demand deposit account do not earn interest.

3. **Protecting Checks.** You agree to use care in safeguarding your unsigned checks against theft. You agree to tell us immediately if any are missing.

4. **Stale Dated Checks.** Once a check is six (6) months old, we may elect not to pay it. If there is no stop payment order in effect when we receive the check for payment, however, we may elect to pay it without liability to us. Normally, we make this decision without consulting you.

5. **Postdated Checks.** If the date on a check is later than the date the check was issued, the check is called postdated. We will not look to see if a check is postdated when we determine whether or not to pay the check. We have the right to charge against your checking account any payment we make on a postdated check before the date on the check.

6. **Stop Payment Orders.** If you request us to stop payment on an item, we will make a good faith effort to do so. We will not be liable if we fail to stop payment, or if our payment of the item(s) causes other items to be returned for insufficient funds. If we stop payment of an item, you agree to pay all costs we may incur as a

result. A stop payment order is only good for 180 days, on a check, but you may renew it. ACH Stop Payment Orders are placed for an indefinite time period, or until withdrawn in writing by the authorized account owner. To request, renew or revoke a stop payment order, you must give us written notice within 14 days. We will charge you a fee for this stop payment service. Please refer to our *Schedule of Fees* for applicable fees.

7. Overdrafts and Uncollected Funds. If you write a check or other order for more money than the Available Funds in your checking account, we may either pay it or return it. We will not be liable to you or any other person if we choose to pay a check or other item. If we choose to do so and an overdraft is created, you agree to pay us the amount of the overdraft any fees immediately. Please see our *Schedule of Fees*.

8. Overdraft Savings Transfer. If you ask us in writing on a form approved by us and we agree, we will automatically transfer available funds from your designated statement savings account to cover an overdraft in your checking account. After we receive such a request, we may take up to ten (10) business days to begin your overdraft coverage.

a. How we will Transfer Funds. We will determine the balance in your checking account at the end of each business day. If there are one or more debits in amounts greater than the available balance in your checking account we will automatically transfer available funds (in multiples of \$25) from your designated statement savings to prevent your account from being overdrawn. If you do not have sufficient available funds in your designated statement savings account to cover all such checks drawn on your checking account, we may only pay checks for which there are sufficient available funds. The checks will be paid in numerical order as presented. Those checks for which there are insufficient funds may be subject to an overdraft or return item fee. Please refer to our *Schedule of Fees*. **b. Ending Overdraft Savings Transfer.** You may end your Overdraft Savings Transfer by asking us in writing on a form approved by us. After we receive such a request, it may take up to ten (10) business days to end your Overdraft Savings Transfer. We may end your Overdraft Savings Transfer for any reason and at any time, and you will be notified of the termination.

9. Paying Checks. We may refuse to pay a check or other item which: **a.** is illegible, **b.** is drawn in an amount greater than the amount of available funds in your account (see I. our Availability of Funds) or which would, if paid, create an overdraft, **c.** we believe has been altered, or, **d.** we believe is otherwise not properly payable. At your request, we may certify a check drawn on your checking account. We will certify a check only if you have enough available funds in your checking account to pay the amount of the check. See I. *Availability of Funds*. We may charge a fee to your checking account for this service. Please see our *Schedule of Fees*.

10. Kasasa Accounts. In addition to the rules in this agreement, Kasasa Accounts are governed by separate account disclosures. Please refer to the Kasasa Cash, Kasasa Cash Back, Kasasa Eats or Kasasa Play Truth in Savings Disclosure.

H. ACCOUNT TYPES.

1. Single Ownership. A single ownership account is an account opened for and owned by an individual. The individual opening the account is the sole owner, and no other person has any rights concerning the account. Upon the death of the account owner, the account becomes part of the estate of the deceased account holder.

2. Joint Account. This is an account in the names of two or more persons that is payable to any one of the persons or the survivor. Once a Joint Account is opened, one owner cannot remove another from the title of the account. Any joint owner may, however, close the account by withdrawing all the funds. If you die, the money in your account is payable to the other person or persons named on the signature card who are still alive. Any joint owner has the authority to endorse for deposit to your joint account any check, draft, or other item payable to any or all of the joint owners of the account. For certain checks, such as a check drawn on the U.S. Treasury, we may require all persons to whom the check is payable to endorse it. We will not accept an account for individuals that requires the signature of two or more persons for a withdrawal.

3. Revocable Trust Account (Beneficiary Account, Payable on Death - POD). Revocable Trust Account means that you have full ownership of the Account and may withdraw all the funds in the Account at any time during your lifetime. You, as the owner, must include your Social Security number on the signature card. When you die, the Account will belong to the beneficiary you have named if such person is alive when you die and that Account beneficiary will have the sole right to withdraw the funds in the Account at any time after your death. If you have named more than one beneficiary, the Account will belong equally to the beneficiaries who are alive when you die. If you survive each named beneficiary, each named beneficiary's death shall terminate the trust and title to the Account and shall thereupon vest in you free and clear of the trust.

If this is also a Joint Account, with right of survivorship, when any of the owners of the Account die, any remaining owners will have full ownership until their deaths. When the last owner dies, the Account will belong equally to the beneficiaries who are living at that time.

4. Trust Account. **a. Written Trust** If you open an account as trustee of a written trust, declaration, or agreement, will or order, the account is called a trust account. This account is for the benefit of the beneficiary named in the trust agreement. We will allow only the trustee(s) or successor trustee(s) to withdraw funds or otherwise transact business with us for this account. **b. Copy of the Trust** We may require that you provide us a certified copy of the trust instrument(s). Whether or not a copy is filed with us, we will not be held responsible for its contents or for any duty you may owe as trustee to any trust beneficiary. **c. Tax-identifying Number** We may require that you obtain a separate taxpayer identification number for the trust to be entered on the signature card.

5. Uniform Transfers to Minors Act. a. Ownership if you have indicated that you are acting as Custodian under the Connecticut Uniform Transfers to Minors Act you are making an irrevocable gift of the funds deposited to the account to the minor named on the signature card, you must include the minors Social Security Number on the signature card. **b. Custodian** The Connecticut Uniform Transfers to Minors Act defines the rights of the custodian. You may not have more than one custodian per account. You may not pledge the account(s) as collateral for a loan. When the minor reaches the age of 21, it is the responsibility of the custodian to transfer the funds to the minor.

6. Other Fiduciary Accounts.

a. Definition A fiduciary is a person or organization named by a will, trust or other legal document or appointed by the court to manage the funds or property of another.

b. Power of Attorney If you are opening an account or adding your name to an account under a Power of Attorney, you can deal with funds in this account as described by law and in the Power of Attorney. You must give us a copy of the Power of Attorney. The owner of the account may also withdraw funds from the account if he or she has also signed a signature card for the account. The Power of Attorney will end when the owner of the account who appointed the attorney terminates it, dies, has a conservator appointed for his or her estate or, unless the Power of Attorney specifically provides otherwise, becomes disabled or incompetent.

The owner of an account and the person holding the power of attorney from the owner agree to notify us promptly if the power terminates. When a person holding a Power of Attorney makes a deposit to or a withdrawal from an account, that person is confirming that the power has not been terminated. We may rely on the Power of Attorney until we are given written notice that it has been revoked or terminated, and have had a reasonable opportunity to act on that notice.

c. Court-Appointed Fiduciary A copy of the court order or decree appointing you as fiduciary must be filed with us and you must sign a signature card.

I. AVAILABILITY OF FUNDS

Our policy is to make the funds for items that you deposit in your account available as soon as possible. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you may withdraw the funds in cash and we will use the funds to pay checks that you have written.

Please note that our availability of funds policy does not apply to deposits made using remote capture or mobile devices and that we may delay availability of funds from these deposits.

1. Determining the Availability of Funds. The length of any delay is counted in business days from the day of your deposit. **Every day is a business day, except Saturdays, Sundays, and federal holidays.**

If you make a deposit in person at one of our branches to one of our employees or at a bank-owned ATM before our cutoff time on a business day we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after our cutoff time or on a day we are not open, we will consider that the deposit was made on the next business day that we are open. Generally, our cutoff time is the end of our business day. If you make a deposit by any other means, (for example if you mail the deposit) the day of deposit will be the business day on which we receive the deposit.

Our policy is to make your deposit available as follows:

Same-Day Availability. Funds from the following deposits are generally available on the day we receive the deposit:

Cash

Electronic Direct Deposits

Checks drawn on Eastern

CT Savings Bank

U.S. Treasury checks that
are payable to you

Connecticut State and local
government checks that
are payable to you

Cashiers, certified, and tellers
checks payable to you

Federal Reserve Bank checks,

Federal Home Loan Bank

checks, and U.S. Postal

Service money orders, if these
items are payable to you

Wire Transfers

2. Next Day Availability. Funds from a deposit of a check will generally be available on the first business day after the day of your deposit.

3. Longer Delays May Apply. 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 \$5,525.00 on any one day

You redeposit a check that has been returned unpaid

You have overdrawn your account repeatedly in the last six
(6) months

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, unless, at the time of notice, we do not know when the funds will be available because we do not know the duration of the emergency. They will generally be available no later than the seventh (7th) business day after the day of your deposit.

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

Funds from deposits of cash, checks drawn on Eastern CT Savings Bank, electronic deposits, wire transfers, and the first \$5,525.00 of a days total deposit of cashiers, certified, tellers, travelers, and federal, state and local government checks will be available on the day we receive the deposit if the check meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525.00 will be available on the seventh (7th) 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 \$5,525.00 will not be made available until the first business day after the day of your deposit. Funds from other check deposits will generally be available on the seventh (7th) business day after the day of your deposit.

5. Holds on Other Checks (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 account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

6. Holds on Other Funds (Other Account). If we accept for deposit a check that is drawn on another bank, we may make the 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.

7. Endorsements. The reverse side of your check has a special area approximately 1 inches long for endorsements by payee(s). This area for endorsements is limited by federal regulation. All endorsements by payee(s) on the check must be made within the designated area. If you, or any other endorser, make any mark outside of the special area it may cause the check to be misrouted or payment to be delayed. You agree to reimburse us for any losses or expense we incur as a result of your failure, or the failure of any endorser of the check, to comply with this requirement.

Locations

Norwich

257 Main St. • 860-425-0123

666 West Main St. • 860-886-1419

220 W. Town St. • 860-383-1660

Jewett City

1 Slater Avenue • 860-376-2548

Plainfield

14 Lathrop Rd. • 860-564-0006



bankeasternct.com • 860-889-7381