



# Bank Leumi USA

## Account Agreement and Privacy Notice

Deposit Accounts | Individual and Commercial | Domestic and International

Effective September 15, 2018

### What You Need to Know

Welcome to Bank Leumi USA and thank you for choosing us for your banking needs.

This agreement contains important legal information, disclosures, and terms you should know about your account relationship with Bank Leumi USA. It is an agreement between you and us. We want you to understand how our products and services work, and know the important responsibilities that exist for both you and us.

Some of these responsibilities are the same for every customer (individual and business alike), no matter where you live or where your business is located. Others are different based on specific state or foreign laws. Some are described in additional agreements. Together, these documents provide basic terms and conditions of our account relationship.

The Privacy Notice accompanying this agreement explains how we collect, use, and protect information about you.

Please review this agreement and the Privacy Notice thoroughly and keep them for future reference. If you have any questions, please call our toll free number at 1.800.892.5430, or 1.917.542.2343 (from outside the U.S.), or visit us online at [www.leumiusa.com](http://www.leumiusa.com) or at your local Branch.

*Bank Leumi USA® is a New York State chartered, FDIC insured non-member bank. Your deposits are insured by the FDIC up to the maximum limits allowed by law. Information and tools describing how deposit insurance coverage works are provided by the FDIC at [www.fdic.gov](http://www.fdic.gov) or by calling 1-877-ASK-FDIC or 1.800.925.4618 for the hearing impaired.*

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## Introduction

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This Account Agreement and Privacy Notice (this “**Agreement**”) describes the terms of each of your deposit accounts with Bank Leumi USA (the “**Bank**,” “**we**,” “**us**,” or “**our**”). By opening and maintaining a deposit account with us, you (individually and/or on behalf your business) are agreeing that our relationship with you and all your accounts at the Bank will be governed by this Agreement, your signature card, account receipts, fee schedules, and any and all accompanying account documents (as they may be amended from time to time, the “Account Documents”) that we provide to you. If we notify you of a change in any term of the Account Documents and you continue to maintain your account after the effective date of the change, you will be deemed to have agreed to the new term.

You are responsible for ensuring that any authorized signer on your account(s) is familiar with the Account Documents.

This Agreement does not contain information relating to other nonbanking services and products offered through Leumi Investment Services Inc., a SIPC member and subsidiary of Bank Leumi USA.

Unless otherwise expressly agreed in writing, our deposit relationship with you will be that of debtor and creditor. That is, we owe you the amount of your deposit. No fiduciary, quasi-fiduciary or other special relationship exists between you and us. We owe you a duty of ordinary care. Any internal policies or procedures that we may maintain in excess of reasonable commercial standards and general banking usage are solely for our own benefit, and does not impose a higher standard of care than otherwise would apply in their absence.

You agree to comply with applicable laws and regulations. You may not use your account or related services for any illegal transactions or activity. If your country of residence or the principal place of business for your account is not the United States, you, individually and/or on behalf of your business, acknowledge that you are responsible for, and agree that you will comply with, all laws, regulations, and rules applicable to your accounts, products and services with us, including any tax, foreign exchange, or capital controls, and for all payments, reporting or filing requirements that may apply as a result of your country of citizenship, domicile, residence or jurisdiction of formation.

### Definitions

The following are some important words we use in this Agreement:

“**ACH**” (Automated Clearing House) Network (“ACH Network”) means the funds transfer system governed by the National Automated Clearing House Association (NACHA) rules, that provides funds transfer services to participating financial institutions.

“**Account Receipt**” is a document that has information about your deposit account (including your account number, and if applicable, the interest payable on your account), and explains the general terms and conditions that apply to your account. You will receive an Account Receipt from us when you open your deposit account.

“**ATM**” (automated teller machine) is an electronic device that provides many of the services as a teller, including withdrawals and deposits.

“**Authorized signer**” means a person with actual or apparent authority to perform transactions on your accounts and enter into agreements for banking services, whether by signing the account Signature Card or resolution forms (or other form of authority we accept) or with delegated authority by those who signed the Signature Card or a resolution form.

**“Available balance”** is the balance in your account after deducting (1) deposits that are not yet available for withdrawal under our funds availability policy, (2) debit card or other transactions that we are legally obligated to pay or have already been paid in cash, (3) other pending transactions such as ACH transactions, and (4) any holds on your account, such as holds on funds to comply with court orders or other legal requirements.

**“Bank holiday”** means any federal holiday.

**“Branch”** refers to a branch of Bank Leumi USA.

**“Business day”** means any day of the week that is not a Saturday, Sunday or a Bank holiday. Some branches may close on a business day due to an emergency or to observe a local holiday. Non-business days are considered part of the following business day. The end of a business day may vary from branch to branch, and is posted in each branch. For funds availability purposes, see the “Funds Availability at Bank Leumi USA” section of this Agreement.

**“Check”** means any written order to pay a specific amount of money drawn on, payable through or at, or processed by, a bank or other depository institution. If a check is sent or returned as an electronic image or as a substitute check, it is still considered a check.

**“Debit card transaction”** is any ATM withdrawals, purchase, or bill payment you make using your Bank Leumi USA Debit Card, or other similar cards that the Bank may offer from time to time.

**“Deposit account”** means a checking, money market, or time deposit account.

**“Entity”** or **“business organization”** means a corporation, sole proprietorship, unincorporated association, limited liability company, partnership (including a limited partnership, limited liability partnership, or joint venture), or governmental unit.

**“Direct deposit”** means an ACH credit posted to your account. A direct deposit may include payroll, pension, state or federal payments (including social security), from your employer or outside agency. Forms for establishing direct deposits can be obtained at any Branch or through Leumi Online.

**“International account”** includes any relationship between a non-U.S. person or entity and the Bank or an entity organized in the U.S. that is affiliated with an entity organized outside the U.S.

**“Item”** means checks, substitute checks, service charges, purported substitute checks, electronic items or transactions, drafts, remotely created checks, image replacement documents, indemnified copies, preauthorized payments, automatic transfers, telephone initiated transfers, if any, ACH transactions, funds transfer, online banking transfers or bill payment instructions, withdrawal slips, ATM withdrawal, in-person transfers or withdrawals, adjustments, and any other instruments or instructions for the payment, transfer or withdrawal of funds including an image or photocopy of any of these, as well as any debit card purchase, fee, charge, or other amount that is added to or subtracted from your account.

**“Leumi Online”** means Bank Leumi USA’s online banking system.

**“Overdrawing”** your account means that your account balance, minus any deposits you have made that are not yet available, and minus holds on your account, is less than \$0 or that your available balance is not enough to pay all the items that have been presented to us on a business day.

**“PIN”** means personal identification number that either you select or we randomly generate and provide to you. A PIN is necessary to have use of your Bank Leumi USA Debit Card.

“**POS**” (point-of-sale) transaction means an electronic funds transfer from your primary checking account to purchase goods and services and/or receive cash using your Bank Leumi USA Debit Card.

“**Related account**” means a deposit account maintained at the Bank for settlement of transactions in an investment account or a foreign exchange account.

“**Remotely created check**” means an item not bearing your actual signature, but purporting to be authorized by you.

“**Signature Card**” means the document by which you inform us of the identity of the authorized signer(s) on your account. The Signature Card must contain a sample signature for each authorized signer. The document is called “Individual Client Relationship Agreement and Signature Card” for individuals and “Entity Client Signature Card” for businesses.

“**Trusted Contact Person**” means an individual age eighteen (18) or older who may be contacted about your account.

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## Opening Deposit Accounts

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### Can you start a personal banking relationship with the Bank?

The Bank offers personal banking accounts to (i) U.S. citizens and (ii) resident alien individuals.

### Can you start a commercial banking relationship with the Bank?

The Bank offers business accounts to both for-profit and non-profit business organizations. You may only use a business account for business purposes, and not for personal, family, or household purposes.

### Can you open an international account?

The Bank offers international accounts to (i) nonresident alien individuals and (ii) entities organized outside the U.S. The Bank does not normally open an international account for an entity organized in the U.S. unless the entity is affiliated with an entity organized outside the U.S..

### What information do we require when you open or have an account with us?

To help the United States government fight the funding of terrorism and money laundering activities, federal law requires us to obtain, verify, and record information that identifies each person who opens an account or establishes a relationship. When you apply for an account, we will ask for information that will allow us to identify you, such as your name, address, date of birth and other information. Generally, we require suitable government-issued identification with your signature or photograph on it, such as a driver’s license. We may also ask for other identifying documents. We require a tax identification number for all accounts, if applicable.

We may require additional information when or after you open the account to comply with “Know Your Customer” requirements imposed on us by federal law. We may restrict or close your account if we are unable to obtain information in order to satisfy our “Know Your Customer” requirements. By opening an account with us, you confirm that neither you nor any beneficial owner of any account is

- (i) an individual or entity that is named as a Specially Designated National or Blocked Person by the Office of Foreign Assets Control (“**OFAC**”), or an individual or entity that resides, is organized or chartered, or has a place of business, in a country or territory subject to OFAC’s various sanctions and embargo programs;

- (ii) a resident in, or organized or chartered under the laws of a jurisdiction that has been designated (a) by the Secretary of the Treasury under Section 311 of the USA PATRIOT Act as warranting special measures and/or as being of primary money laundering concern, or (b) as non-cooperative with international anti-money laundering principles by a multinational or inter-governmental group, such as the Financial Action Task Force on Money Laundering;
- (iii) a financial institution that has been designated by the Secretary of the Treasury under Section 311 of the USA PATRIOT Act as warranting special measures and/or as being of primary money laundering concern;
- (iv) a “senior foreign political figure,” or any “immediate family” member or “close associate” of a senior foreign political figure, in each case within the meaning of Section 5318(i) of Title 31 of the United States Code; or
- (v) a prohibited “foreign shell bank” as defined in Section 5318(j) of Title 31 of the United States Code, or a U.S. financial institution that has established, maintains, administers or manages an account in the U.S. for, or on behalf of, a prohibited “foreign shell bank.”

We may require additional documentation about you, your business or organization, such as documents relating to the type and nature of business or organization you are operating. Your banking team will tell you the specific information and documentation we require. You are also responsible for notifying us of any changes in documents you have provided us, and for giving us copies of the amended documents.

In addition, under federal and state tax laws, we are also required to obtain certain information from you. If you are a U.S. person for U.S. tax purposes, we are required to obtain from you a completed IRS Form W-9 (or substitute form) containing your taxpayer identification number (Employer Identification Number or Social Security Number) and required certifications. If you are not a U.S. person, we are required to obtain from you completed appropriate IRS Form W-8 and any other documentation requested by the Bank regarding your tax status. If you do not give the Bank a valid Form W-9, W-8 or other requested documentation, the Bank will not be able to open your account. If your account is opened and the IRS subsequently notifies us to withhold tax, or if your Form W-8 expires or becomes invalid due to a change in your circumstances that affects your tax status and is not replaced with a valid tax form or if withholding is otherwise required, we will be required to withhold certain of the interest or other income or proceeds paid on your account whenever such amount is credited to your account.

#### **Do we verify the information you give us? Are we allowed to obtain credit reports or other reports about you?**

Yes, we will verify the information you give us when you open an account. All accounts are opened subject to our ability to verify your identity and the identity of each signer on the account and their signatures by requiring acceptable types of identification and specimen signatures.

In addition, by opening an account you agree to allow us to answer any credit inquiries we may receive about your account from other financial institutions, or to report information about you and any joint account owners or authorized signers on the account to a consumer reporting agency. In the event your account is closed for cause the Bank may report this information, in accordance with applicable law, to a credit bureau. We also may obtain reports from a credit reporting agency or other agency regarding your past handling of banking services, or from other public agencies at any time once you become a customer. You authorize us to use these consumer reports to consider you for other programs with the Bank. Upon your request, we will inform you whether or not a consumer report was obtained, and if so, the name, telephone number, and address of the consumer reporting agency that furnished the report.

If you disagree with the accuracy of the information that we submit to a consumer reporting agency, please contact us at the phone numbers or the address listed on the last page this Agreement. Upon

receipt of required information and documentation from you, we will review our files and respond to you in writing.

### **Who will we communicate with about your account?**

We may provide you or an authorized signer with information about your account. When we receive information from an authorized signer, we treat it as communication from you. You agree to notify us promptly in writing if an authorized signer no longer has authority on your account.

### **Will we share your information?**

The Bank will process, transfer and disclose your information in connection with the following purposes: (a) for the provision of services and to approve, manage, administer or effect any transactions that you request or authorize, (b) meeting compliance obligations (including compliance with law, international guidance, and internal policies and procedures), (c) conducting financial crime risk management activity, (d) collecting any amounts due from you, (e) conducting credit checks and obtaining or providing credit references, (f) enforcing or defending our rights, or those of our affiliates, (g) for our internal operational requirements or those of our affiliates (including credit and risk management, system or product development, and planning, insurance, audit and administrative purposes), and (h) maintaining our and our affiliates' overall relationship with you.

Our consumer Privacy Notice describes personal information we may collect about you, including your name, address, telephone number, and other information we receive from you, information about your account and transactions, and information we receive from credit reporting agencies and other sources. You authorize us to disclose this information to affiliates and nonaffiliated third parties, as permitted by applicable law, except as you or we limit those disclosures under the terms of our consumer Privacy Notice. A copy of our consumer Privacy Notice is included in this Agreement and we will provide it thereafter as required by applicable law. You may obtain a copy of our consumer Privacy Notice at any branch, by calling us toll-free within the U.S. at the phone number listed on the last page of this Agreement, or by visiting Leumi Online. You may change your privacy preferences at any time by calling the toll free number listed in our Privacy Notice. We may take as long as thirty (30) days from our receipt of your privacy choices to process your request.

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## **Deposit Account Ownership and Rights**

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The Bank offers interest and non-interest bearing deposit accounts to eligible customers. Depending on the type of account, other terms and conditions may apply. We will inform you about those terms and conditions in the Account Receipt document that you will receive when you open your account.

### **What are the different deposit account ownership types?**

Depending on whether you are a person, an entity like a corporation or limited liability company, or a business, you may set up your account as:

- a personal account;
- a fiduciary account; or
- a commercial account.

## What are the types of personal accounts that can be established?

The rules applicable to personal accounts depend on the form of ownership and beneficiary designation, if any. If you open a personal account, you may not use it for business purposes. Ownership of your account is determined by the most current Signature Card you have set up with us.

- **Individual account** is an account owned in your name only.
- **Joint account** is an account owned in the names of you and one or more other persons, in joint tenancy. Each owner is a “joint holder” or a “joint owner.”

If your joint account becomes overdrawn, you are liable for the full amount of the overdraft, regardless of whether you initiated or benefitted from the item(s) that caused the overdraft. If one joint holder requests that the Bank not pay an item authorized by a different joint holder, we may block the account, but are not required to do so. If we block the account, we will refuse to pay all items from the account and may not remove the block until we receive written agreement signed by all joint holders to remove the block. Items paid before the block will not be affected. If we decide not to block the account, all joint holders remain responsible for items paid from the account.

We may, in our sole discretion, act upon the instruction of any joint holder to close the account, add another holder to the account, or other instructions without the signature of the other joint holders. We may also pay all or any part of the funds in account to a court or government agency if we receive a garnishment, levy, or similar legal process that identifies any of the joint holders.

- **Joint account with right of survivorship** is a type of joint account in which, if one joint holder dies, the account will be paid to the surviving joint holders. The estate of the deceased holder will have no rights to the account. If there is more than one surviving joint holder the account will continue as a joint account with rights of survivorship among the remaining holders.

Unless you designate otherwise on your Signature Card, we will assume that personal accounts opened by two or more individuals are intended to be joint tenancy accounts with the right of survivorship. We will not maintain a record of each co-owner’s interest in the account.

- **Joint account with no right of survivorship** (also called “**tenants in common**”) is a type of joint account in which, if one joint holder dies, that holder’s interest passes to the deceased holder’s estate. Either the surviving joint holders or the deceased holder’s estate may withdraw the funds at any time, and we have no responsibility for determining the respective interest of the holders.
- **Tenant by the entirety** (Florida only) is a type of Joint Account owned solely by two spouses unless the owners designate otherwise in the Signature Card. We are not required to determine whether an account is a tenant by the entirety account before responding to a garnishment or other legal process. We may assert our right of setoff or security interest in a tenant by the entirety account in order to collect debts of either joint holder. You agree that the Bank may act upon the instructions of either joint holder, including to withdraw funds, stop payment on any check, close the account, and enter into special agreements regarding the account (such as overdraft protection transfer agreements). The Bank may enforce overdraft liability in the account against any joint holder individually.
- **In-trust-for (“ITF”) account** is an account where you designate another person or another entity as beneficiary of the account. You can open an individual or joint ITF account. Upon our receipt of proof of death of all account holders, we will pay the balance of the account to the beneficiary or beneficiaries you designated. If more than one beneficiary is named in our records, they will



share equally in the account proceeds. During the lifetime of one or more of the account holders, this account will be treated as an individual account or joint account, as applicable. To change the beneficiary of a joint account, all account holders must sign our documentation naming the new beneficiary.

THE TYPE OF ACCOUNT OWNERSHIP MAY CHANGE HOW YOUR FUNDS ARE PAID IF YOU DIE, EVEN IF YOUR WILL STATES OTHERWISE. PLEASE CONSULT YOUR ESTATE PLANNING ADVISOR OR ATTORNEY ABOUT YOUR CHOICES.

### What are the types of fiduciary accounts that can be established?

An estate account, trust account, guardianship or conservatorship account, or other similar type of account is referred to as a “fiduciary account.” You may open a fiduciary account with the Bank. If you open a fiduciary account, we reserve the right to require any documents we reasonably request to satisfy us that you are authorized to open and use the account, including withdrawing the funds. We do not have to permit any withdrawal from the account until we receive all requested documents. We owe no fiduciary duties to you as the trustee, executor, guardian, or conservator, or to the beneficial owners of the account. Types of fiduciary accounts include the following:

- **Estate account** is an account opened by a fiduciary on behalf of a formal estate. The estate will have its own Taxpayer Identification Number issued by the Internal Revenue Service.
- **Trust account** is an account owned by a trust. In some cases, the trust must have its own Taxpayer Identification Number issued by the Internal Revenue Service.
- **Uniform Transfers to Minors Act account / Uniform Gifts to Minors Act account (“UTMA Account”)** is an account owned by a minor, who receives the funds as a permanent (irrevocable) gift. A custodian controls and manages the account for the benefit of the minor. The definition of a minor varies by state; however, generally, one custodian and one minor are allowed per account. We are not responsible for monitoring the child’s age or eligibility for a UTMA Account, even if our records may include the minor’s date of birth. We act only upon the custodian’s instructions. However, if you are the custodian of an UTMA Account, you cannot pledge it as collateral for a personal loan to you or cash your checks against it. When the minor reaches the applicable age of majority, we reserve the right to pay the funds on deposit in the account to the minor in accordance with the custodian’s duty and in accordance with the provisions of the UTMA without waiting for instructions from the custodian. You may wish to consult your tax advisor or attorney before opening a UTMA Account.

### Who can transact in commercial accounts at the Bank?

If our records list a business organization as the owner of an account, the account is payable to the business organization and not to any individual director, shareholder, member, partner or owner. We may refuse to recognize any resolution affecting the account that is not on our form or that appears to us to be incomplete or improperly executed. We may rely on the accuracy and completeness of all resolutions, Signature Cards, and other documents you deliver to us in connection with the account. If any one or more of the signatures affixed to the front of the Signature Card, or otherwise provided to us as an authorized signature for the operation of the account, are facsimiles or made or reproduced by any mechanical means, we are authorized to rely upon and treat the same, in good faith, as a true and valid signature, and the account holder holds us harmless and indemnifies us from and against any loss, damage or liability we may suffer or incur as a result of our reliance.

If you change your form of ownership or authorized signers, you must notify us when the change occurs. It is important to tell us if there is a change in the officers, signing authority, or beneficial owners of your business or organization. We cannot be responsible for losses you sustain if you fail to inform us of changes in the authority of your representatives to conduct your banking business.

### **What are the rights of joint account holders?**

In joint accounts, we can act on the instruction of any one or more of the joint account holders, without the other account holder(s)'s consent, including instructions to withdraw or transfer funds, make payments or close the account, regardless of the holder's contribution to the account. In the event of conflicting instructions or a dispute among you, we may require all joint account holders to act together in giving us instructions or performing transactions. Any joint account holder may close a joint account. Accessing certain Leumi Online services may require each joint holder to have a separate and unique log in.

### **What happens to your account if you die or become incompetent?**

You (or your estate) and, if your account is a joint account, any joint holders of your account agree to notify us immediately of the death or court-ordered legal determination of incompetence of any owner or authorized signer on your account. We may act as if all owners and authorized signers are alive until we receive notice otherwise. After we receive notice of death or incompetence, we may freeze, refuse and/or reverse deposits and transactions (e.g., governmental or retirement benefits payments payable to the deceased). Before the Bank pays the funds or transfers the assets of a deceased owner's account to the estate, we require a certified copy of the death certificate and a court certificate showing the appointment of a representative of the estate (executor or administrator), as well as evidence that all required taxes have been paid, if applicable. However, if no representative of the estate has been appointed, to the extent allowable under the governing law, the Bank may pay restricted amounts to a surviving spouse or certain other relatives or distributees upon receipt of an affidavit on a form used by the Bank for that purpose. If the account holder is a non-U.S. resident, we may also require a Federal Transfer Certificate, as such term is defined by the Internal Revenue Service from time to time. If we provide assistance in obtaining the tax clearance document or Federal Transfer Certificate, we will charge our out-of-pocket expenses (including reasonable attorney's fees) in this respect to your account.

If your account is a joint account, we may treat the account as the sole property of the survivor(s) after the death of any joint account holder. We may honor withdrawal requests from the survivor(s) after the death of any joint account holder. We will not be liable to any owner for continuing to honor withdrawal requests from any account holder unless we receive at your Branch a written notice signed by any account holder not to pay or deliver any joint deposit. After receipt of such notice, we may require written authorization of all joint account holders for any further payments or deliveries.

We may disregard any notice of incompetence unless the person in question has been declared incompetent by a court of appropriate jurisdiction and we receive written notice and instructions from the court or court-appointed fiduciary regarding the account. If an account owner owes us a debt at the time of death, we are authorized to exercise our right of setoff against the account after the owner's death. We have these rights even if a surviving joint owner or a beneficiary of an in-trust-for account has rights to the account.

We may continue to honor checks for up to ten (10) days following the death of the account owner unless a validly appointed representative of the decedent or another account owner provides us with stop payment instructions.

Upon notification of death or legal determination of incompetence, we will block individual accounts. Joint individual accounts may remain unblocked for up to thirty (30) days after we have been notified of an account owner's death.

### **Are all joint account holders responsible for liabilities on the account?**

*EACH JOINT ACCOUNT HOLDER IS JOINTLY AND SEVERALLY RESPONSIBLE FOR ALL ACTIVITY RELATED TO THE JOINT ACCOUNT, INCLUDING RESPONSIBILITY FOR PAYING OVERDRAFTS CREATED BY ANY AUTHORIZED SIGNER(S) OR PARTY TO THE ACCOUNT, WHETHER OR NOT*

*THEY PARTICIPATE IN THE TRANSACTION OR BENEFIT FROM ITS PROCEEDS. WE MAY BE REQUIRED BY LEGAL PROCESS TO PAY ALL THE FUNDS IN A JOINT ACCOUNT TO SATISFY A JUDGMENT AGAINST ANY OR ALL JOINT ACCOUNT HOLDERS.*

### **What happens if an owner does not sign a Signature Card?**

The failure of a person identified in our records as an owner or a co-owner of an account to sign a Signature Card (or other account related documentation) does not prevent us, in our sole discretion, from treating the person as an owner or a co-owner of that account. We are not liable to anyone as a result.

### **Can you use a power of attorney or appoint an agent for a personal account?**

Yes. You may appoint someone to act for you as your agent or attorney-in-fact (“**agent**”) under a power of attorney. Please note that the form must be satisfactory to us in our discretion and, unless prohibited by law, we may refuse, with or without cause, to honor powers of attorney that you grant to others.

For our customers’ convenience we have a banking Power of Attorney Form. We may, however, accept any form that we believe was executed by you and act on instructions we receive under that form without any liability to us. We are not required to investigate the facts relating to any power of attorney provided to us on your behalf, including whether your signature on the power of attorney is authentic. You agree to reimburse us for all claims, costs, losses and damages that we incur in accepting and acting on any power of attorney form that we believe you executed.

We may pay any funds deposited in your account to your agent or upon the order of your agent. When we accept a power, we may continue to recognize the authority of your agent to act on your behalf without question, until we receive written notice of revocation from you or notice of your death or incapacity and have had a reasonable time to act upon it. We will not be liable for action in accordance with the most current documentation if we have not received such notice.

We may require your agent to present the original form and refuse to act on a copy. In some cases, we may require that your agent confirm in an affidavit that the power has not been revoked or terminated or that you register the power with the appropriate recording authorities. We may restrict the types or sizes of transactions we permit your agent to conduct.

The authority of your agent to receive payments, transact on, or otherwise make changes to your account, generally terminates with your death or incapacity, unless the document creating such agency provides that, in accordance with applicable law, the agent’s powers continue in spite of your incapacity.

We are not responsible for any errors or liabilities incurred by an agent of an owner.

### **What are the rights of an authorized signer on a commercial account?**

An authorized signer is authorized to endorse checks payable to the business. An authorized signer is also authorized to sign checks drawn against your account. We are authorized to pay checks without asking how the checks were issued or how the proceeds will be used, even if the check is payable to the person who signed the check.

An authorized signer is authorized to instruct us to close accounts or do anything else involving any account, and to sign any agreements or documents relating to accounts or other business.

We may, although we are not required to, cash checks payable to – or accept “less cash” deposits from – a business organization.

### Can you transfer ownership of your account?

No, unless we consent to the transfer after you give us written notice of the proposed transfer. Your account is for your use only. It is non-transferable and non-negotiable. Ownership of your account is transferable only on our records with our written consent. Even if we consent, we may require that you close the account and that the new account owner open a new account in their name.

### What happens in the event of uncertainty, conflicting demands or disputes among account owners?

If there is any uncertainty regarding the ownership of an account or its funds, there are conflicting demands over its ownership or control, we are unable to determine any person's authority to give us instructions, or we believe a transaction may be fraudulent or may violate any laws, we may, at our sole discretion: (a) freeze the account and refuse transactions until we receive written proof (in a form and substance satisfactory to us) of each person's right and authority over the account and its funds; (b) refuse transactions and return checks, marked "Refer to Maker" (or similar language); (c) require the signature of all authorized signers for the withdrawal of funds, the closing of an account, or any change in the account regardless of the number of authorized signers on the account; (d) request instructions from a court of competent jurisdiction at your expense regarding the account; and/or (e) continue to honor checks and other instructions given to us by persons who appear as authorized signers according to our records.

### Can you open an IOLTA or attorney trust account as a commercial account?

Yes. If you open an attorney trust account, including an IOLTA or similar account, you authorize us to notify the appropriate state agency if the account is overdrawn or checks are dishonored, if the applicable state requires notice of those events.

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## Information Relating to your Deposit Account

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### How can you update your account information?

It is important that your account records are kept up-to-date. You must inform us of any change in your name, address, other contact information (such as an e-mail address) or U.S. tax status. Be sure to change the address on all of your accounts. If you fail to do so, we will not be liable for undelivered notices, errors, debits or charges to your account resulting from such failure.

For your convenience, you can update your information by:

- signing on to your account at [www.leumiusa.com](http://www.leumiusa.com);
- calling your Bank Leumi USA banking team or the phone number(s) listed on the last page of this Agreement; or
- visiting a local Branch.

We may complete your address change request over the phone; however, it may be necessary to have you place your request in writing.

We reserve the right to change your address for both mailing and records purposes if we receive information from the United States Postal Service or any other third party who we believe in our sole discretion is authorized to make such changes or who has actual knowledge of your current address.

### Can you pledge or assign your account as collateral?

Yes, most accounts can be assigned as collateral for a loan from us or another lender, provided that we consent after written notice from you. For the assignment to be effective, we must receive written notice of the assignment and agree to it in writing. We may refuse to acknowledge or accept your attempted pledge or assignment of your account or any interest in it, including a notice of security interest.

Tax qualified retirement accounts may not be pledged or assigned as collateral.

Unless we agree in writing, any assignment to another lender to which we consent will still remain subject to and subordinate to our right of setoff.

If we consent to a pledge or assignment of your account, we will reflect the change on our records.

### How can you close your account?

You may close your account at any time (except as otherwise provided in this Agreement, for example if there is a claim on your account). The same signatures required for writing checks and making withdrawals are required to close the account. We may allow one account owner or authorized signer to close an account without the consent or signature(s) of any other account owner(s) or authorized signer(s). We may charge a fee to process your request to close your account. Such fees are listed in the applicable fee schedule.

We may close your account at any time with or without cause. We may try to notify you in advance should this be necessary, but we are not obliged to do so. When your account is closed, unless otherwise instructed by you, we will mail you an official check for the final account balance, by ordinary mail addressed to you at the last address shown on our records. The final account balance is the funds remaining in your account as of the date of closing of the account, less fees incurred. If your account is closed in the middle of a statement cycle, such fees are estimated based on the highest amount of fees your account incurred for the previous six statement cycles. We may change the timing of our fee assessment from time to time. At the end of the first statement cycle after the closing, we will calculate the actual amount of fees that your account incurred between the last full statement cycle end date and the effective date of your account closing and, if the estimated amount exceeds the actual amount, we will refund you that excess amount by mailing you an official check as stated above.

If your account is closed, you remain responsible for any transactions you previously arranged for, including those that arrive after your account is closed and any which the Bank returns unpaid. If your account balance is insufficient to pay applicable account fees and charges owed to us, you will continue to be liable to us for the unpaid amount and interest until it is paid in full. Your obligations for transactions conducted before account closure will survive the closure of your account.

### How do we treat dormant accounts?

Generally, your account becomes dormant (inactive) if you do not initiate account-related activity for twenty-four (24) months. An account-related activity is determined by the state law governing your account. Under certain abandoned property statutes, we may be required to send (or “escheat”) the balances in your deposit, investment and foreign exchange account(s) to the appropriate state officials unless you have done at least one of the following during a specified period of time:

- deposited or withdrawn funds;
- signed and returned our active account confirmation form; or

- sent a signed written letter or updated account documents (including tax certifications) to us concerning the account.

Note that pre-authorized transfers or payments and electronic deposits set up on the account may not prevent the account from becoming dormant.

A time deposit account that has not reached initial maturity will not be considered inactive, but if the account renews automatically, it can become inactive starting after the initial maturity date.

We put safeguards in place to protect a dormant account which may include restricting the following:

- transfers between accounts using your ATM/debit card;
- transfers or payments through online or mobile banking;
- wire transfers (incoming and outgoing).

Please refer to our fee schedules for applicable fees.

Please note that the period of inactivity for an account to be considered abandoned property differs by state. In complying with these requirements, the laws of the state of your last known address (as recorded on our bank records) govern the inactivity period and specific requirements applicable to your account. If your address, as recorded on our bank records, is outside of the United States, New York law will govern. Once an account is escheated, your account will be closed. To recover your account funds, you must file a claim with the state.

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## Account Statements and Notices

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### What account statements do we send you? How do we send them?

If you have a checking or money market account, you will receive a statement each month that shows all of the activity for the statement period, including transactions made with your Bank Leumi USA Debit Card and transfers that you authorized in advance. A “statement period” is the period covered by your account statement. If you receive a statement monthly, the statement period may or may not be a calendar month (but in most cases it will not be more than thirty-two (32) days or less than twenty-eight (28) days). The specific dates covered by your statement will be on the statement you receive.

We use postage-paid ordinary mail to send you statements or notices to the postal mailing address that is reflected in our records for the account.

Instead of receiving a paper statement or notice, any authorized signer on an account may elect to enroll in our paperless statement service. If you elect to use the paperless statement service, we will notify you, using electronic mail at the electronic mail address you provided for this service as reflected in our records for the account, of the availability of your statement and other notices related to your account. Statements will be deemed delivered to you when they are made available through Leumi Online banking system. If you elect to use the paperless statement service, it is your responsibility to provide us updates if you change your e-mail address, or notify us to cease electronic delivery of notices and statements if you no longer have an e-mail address. We will bear no liability in the event you fail to so update or notify us.

Regardless of the number of account holders, we only mail to one account holder per account. You agreed that notification given to any one account holder is considered notification to all account holders and is considered delivered to you on the date we first place the statement or notice in the mail or the



date that the electronic mail is first sent, regardless of whether or not you receive it. If two (2) consecutive statements and/or notices are returned to us for any reason, you agree that we may hold subsequent notices and statements until we receive forwarding information from you. Statements and notices held for you will be deemed delivered to you on the date that they are prepared (for held statements), mailed (for returned statements) or otherwise made available to you. At our discretion, we may destroy mail that is returned to us as determined to be undeliverable.

### **What are your responsibilities?**

You are responsible for examining your account statement and notifying us in writing within thirty (30) days after we mail a statement or otherwise make a statement available (for example, paperless statements) if:

- an item that you did not authorize or that is altered is listed on the statement; or
- your account statement contains any error.

These other terms regarding notification periods apply:

- For any unauthorized, improper or missing endorsements, you must notify us within six (6) months after the account statement is mailed or made available.
- If your account is in Illinois and the error is improper payment of a check over a properly lodged stop payment order, the notice of error must be received by us no later than one year after your receipt of the account statement showing payment of the check.
- If you fail to notify us of any unauthorized item within thirty (30) days (fourteen (14) days in New York) after we mail or otherwise make available a statement that lists an unauthorized item, we are not required to reimburse you for unauthorized items by the same person that we pay after that time.
- To reverse any unauthorized ACH payment that was debited from your account, you must notify us no later than fifteen (15) days after we send you, or otherwise make available to you, your account statement that reflects the payment you want to reverse.

You must provide us with all information we need to investigate the alleged error or item. Where appropriate, you must also file police reports and provide any supporting affidavits and testimony we reasonably request.

If you do not comply with the requirements above, we are not required to reimburse you for any claimed loss, and you cannot bring any legal claim against us in any way related to the item or errors.

### **How can you receive your cancelled checks?**

Images of your cancelled checks presented within the past twelve (12) months are available to you through Leumi Online. Check images may also be delivered with your periodic statements. You must speak with your banking team to sign up for this service. Additionally, you may request a copy of any of your cancelled checks by calling your banking team. Please refer to our fee schedule for applicable fees.

### **What is a “Trusted Contact Person”? Why are you asked to designate a Trusted Contact Person?**

A Trusted Contact Person is an individual age eighteen (18) or older who may be contacted about your account. When you open a personal account, we may (but are not required to) ask you to designate a

Trusted Contact Person, and to provide us with contact information for the Trusted Contact Person. If you elect to designate a Trusted Contact Person, you agree that we may contact that Trusted Contact Person if we suspect that financial exploitation has occurred, is occurring or has been or will be attempted with regard to your account and to share information about you and/or your account with the Trusted Contact Person. If you designate a Trusted Contact Person, you may later withdraw or change that designation, and appoint a new Trusted Contact Person, by submitting a written change in designation form.

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## Account Transactions

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This section governs transaction activities for all checking and money market accounts, and as applicable, time deposit accounts.

### When is your signature required for a transaction?

Your signature(s) is required on any check, instruction, notice or communication. Your signature in our records on your Individual Client Relationship Agreement and Signature Card or the Entity Client General Resolution and Relationship Agreement and Entity Client Signature Card, even if made through electronic capture, will be considered your valid authorized signature(s). We are not liable for refusing to honor your check or other signed instruction, notice or communication if we believe in good faith that the signature appearing on the check, instruction, notice or communication is not authentic.

### Can you use a facsimile signature?

Yes, but if you use a form of facsimile or computer-generated signature, or provide a Signature Card authorizing any such signature, you authorize the Bank to pay any check and honor any other signed instruction bearing a similar signature, regardless of your negligence or whether the signature was the same one you previously used.

### How can you make deposits?

You can make deposits:

With a teller, during regular banking hours, at any Branch in the United States by;

- U.S. or international mail service;
- direct deposit (forms for establishing direct deposits can be obtained at any Branch or through Leumi Online);
- an ACH or wire transfer;
- Inter Institution Transfer Service. For more information about these transfer services (refer to Bank Leumi Electronic Banking and Communications Policy and Agreement);
- utilizing Leumi Deposit Capture, a remote check deposit service (available for Commercial Banking clients only), or Leumi Mobile Deposit, a remote deposit service accessible through your smartphone or tablet device (additional fees may apply); or
- Lockbox.

We may accept items payable to you from any source without questioning the authority of the person making the deposit. We also may give cash back to any authorized signer(s) or your agent(s) or attorney-



in-fact in connection with items payable to any owner, whether or not the items have been endorsed by the owner. If you make a deposit or payment that is not accompanied by instructions indicating how or where it is to be credited, we may apply it at our discretion, to any loan or deposit account any of you maintain with us.

### **Can the Bank refuse to accept a deposit into your account?**

We may, at our discretion, refuse to accept funds for deposit to your account for any reason including, but not limited to, checks that have not been properly endorsed or checks with multiple payees or endorsements. You warrant that any third party checks you deposit to your account will be endorsed or authorized for deposit by the co-payees.

We may not accept for deposit a check where one or more of the payees is not an owner of the account. We will, to the extent practical, try to facilitate your transaction by the best means available, including sending the item for collection or forwarding the item to the appropriate processing area. Your account will not be credited until collection or processing is completed.

### **Will the Bank provide you with checks, or can you order your own? Is there an acceptable form for you to use if you order your own?**

When you open a checking or money market account with a check-writing feature, you can order personalized checks through us (including checks that are compatible with accounting software packages). When we place an order for your checks, we act as sales and billing agent for the check supplier and are compensated for our services. The cost in ordering through the Bank varies depending on the style and quantity you select and includes postage and handling. We will automatically deduct the cost from your account balance after your order is processed. You are responsible for verifying the accuracy of all information shown on your checks. If you find an error, you must notify us immediately.

If you arrange for the printing of your own checks or choose to use an independent supplier, the form, encoding and format of the checks must follow our check specification requirements. You are responsible for ensuring that all required information, such as the magnetic ink character recognition (MICR) information, the payee/business client name and address, your account number, and our name and address, properly appears on the check. We reserve the right to refuse to pay checks that do not meet our standards or which cannot be processed or imaged by our standard equipment. If you do not purchase your checks through us, we may charge a fee for each check that rejects during processing due to poor print quality, or if it fails to meet our other specifications.

### **What should you do to protect your checks?**

You agree to safeguard your blank and cancelled checks, and to take reasonable steps to prevent theft and unauthorized use. You must write your checks in a way that prevents someone else from completing, altering, or adding to them without your authorization. If your checks are lost or stolen, you agree to notify us immediately. If you fail to do any of these things, we are not responsible for any losses that may result. For security reasons, we reserve the right to close your account and transfer the balance to a new account. If we do, all checks written but not yet paid may be returned to payees as "Account Closed" or "Refer to Maker." You will be responsible for issuing any replacement checks.

### **Can you use remotely created checks (electronic checks)?**

You may not deposit remotely created checks to an account with us without our prior, express written consent. If you deposit remotely created checks as permitted by us, you agree that we may withhold a portion of the proceeds of such remotely created checks in a reserve account, in an amount that we reasonably believe may be needed to cover future charge backs, returned items, and/or claims that such remotely created checks were unauthorized. You grant us a security interest in the reserve account.

Unless we agree otherwise in writing with you, reserve funds shall not bear interest. Our right to charge your account for returned remotely created checks will not be limited by the balance or existence of any reserve fund. Our rights with respect to the reserve fund, as well as the security interest granted to us, will survive the termination of this Agreement and all agreements and transactions entered into in connection with this Agreement. We may discontinue accepting remotely created checks at any time without cause or prior notice.

We may honor and pay remotely created checks presented on your account, even though they do not contain your signature and may exceed the amounts you authorized to be charged.

### **Are we responsible for reviewing checks to ensure they are properly completed, including verifying multiple signatures?**

No. We may process certain checks mechanically, based on information encoded on the items. This means we may not visually examine each of your checks to determine if they are properly completed and endorsed, and we assume no duty to identify and/or return duplicate checks, checks with duplicate serial numbers, miscoded items, or checks lacking an encoded serial number. We are also not responsible for reviewing the number of signatures required on your account, either on personal or commercial accounts. The Bank assumes no responsibility for the payment of a check, draft or other item drawn on any account which is honored and bears only a single authorized signature, even if you have indicated that more than one signature is required. A multiple-signature requirement is for your internal control purposes only. If we return a check because we believe it does not match your signature on the file with us, we are not liable to you even if you authorized the check.

### **What are the requirements for a correct endorsement of a check?**

To ensure that your check is processed, and processed without delay, you must endorse your check correctly. The area allocated for your stamp or signature is on the back of the check, within 1 1/2" from the "top" edge. Turn the check over, and sign your name and write your account number. Do not make any additional marks or notations on the back of the check. The portion of the check not reserved for your endorsement must remain blank for processing purposes.

### **Can you use an endorsement stamp to endorse items for deposit?**

Yes. Absent specific written agreement to the contrary, to ensure that your endorsement complies with banking regulations, your endorsement stamp should conform to these standards:

- the stamp should only be applied to the endorsement area at the top portion of the back of each check;
- the size of the stamp should be no larger than 2" wide by 1 1/2" high;
- the words "For Deposit Only," "For Remote Deposit Only at Bank Leumi," or "For Mobile Deposit Only at Bank Leumi USA," if applicable should appear along the top edge; and
- your account title and complete account number should be printed clearly in the stamp.

### **Is there a special endorsement requirement for remotely deposited checks?**

Yes. The Federal Reserve Board recently amended the regulations to protect depository institutions from inadvertent or malicious, duplicate deposits of checks when they contain restrictive endorsements. Therefore, the Bank requires that you add the following language in the endorsement area on the back of any check remotely deposited with us:

if you are using your remote deposit capture scanner –

**“For Remote Deposit Only at Bank Leumi”**

if you are using your mobile device –

**“For Mobile Deposit Only at Bank Leumi”**

We may reject or return checks that are deposited using remote deposit without a restrictive endorsement similar to the above.

### **What happens if there are third party endorsements on your check?**

We may require that checks and other items you want to deposit or cash be endorsed by all parties to whom the items are payable, or we may, at our discretion, supply your missing endorsement. We may also require verification of any endorsement through either an endorsement guarantee or personal identification.

If you deposit items which bear the endorsement of more than one person or of persons who are not signers on the account, we may refuse the item, require all endorser to be present, or require you to have their endorsement guaranteed by another financial institution acceptable to us before we accept the item. We may accept for deposit checks payable to any signer on your account when endorsed by any other signer.

### **Who is responsible for any loss if your check is improperly endorsed?**

We will have no liability to you, and you will hold us harmless against a claim asserted by a third party, the payee, or the payee’s transferee or successor-in-interest, arising out of, or relating to, any loss, liability, damage or expense that occurs because your endorsement, another endorsement or information you have printed on the back of the check obscures our endorsement, contains restrictions or improper instructions on your checks, or contains restrictive endorsements that are inconsistent with the means of deposit.

### **What happens if we send an item for collection?**

We may, upon notice to you, send an item for collection instead of accepting it for deposit. This means we will send it to the institution upon which it is drawn, but will not credit your account for the amount until we receive the funds from the other institution. This often occurs with questionable or damaged items and checks or other items drawn on banks outside the United States or that are not payable in U.S. dollars. If we elect to credit your account before then, we may charge the amount back against your account if we do not receive payment for any reason. We may impose a fee in connection with sending and receiving items for collection (e.g., by charging your account or deducting the fee from the amount remitted). Other institutions that send or receive items for collection involving your account also may impose a fee for their services.

### **What happens if a deposited or cashed item is returned?**

Any item that we cash or accept for deposit (including an ACH credit) is subject to final payment. We may deduct funds from your account if an item is lost, stolen or destroyed in the collection process, if it is returned to us unpaid, or if it was improperly paid, even if you have already used the funds. Cash deposits are also subject to later verification of the amount actually deposited, and your account balance may be adjusted based on that verification.

When checks or other items that you deposit to your account are returned for insufficient or uncollected funds, we may, at our discretion, re-present those checks or other items for payment a second time without notifying you that the check or item was returned. You agree that we are not responsible for any

loss or damage you may incur as a result of our not notifying you when such check or other item was first returned.

### Can you receive deposits by ACH?

Yes, but credit for an ACH transfer into your account is provisional until final payment is received by the Bank. We are not required to give you a separate notice of our receipt of an ACH transfer. If we accept ACH credits to your account, you can view the transaction by accessing your account on Leumi Online. You will also receive notice of the credit on your next regular periodic statement. If we do not receive final settlement or payment, we are entitled to a refund from you for the amount credited to your account without prior notice or demand.

You hereby authorize any originating depository financial institution (ODFI) to initiate, pursuant to the operating rules of the National Automated Clearing House Association (NACHA), ACH debit entries to your account for presentment or re-presentment for items written or authorized by you.

You have the right to reverse any unauthorized ACH payment that was debited from your account. If you give us written notice that you want to reverse a payment, we will credit your account for the amount of the payment. You must notify us no later than fifteen (15) days after we send you, or otherwise make available to you, your account statement that reflects the payment you want to reverse. This right of reversal is in addition to your right to stop payment.

### What is your obligation regarding lost, missing, or destroyed deposited items?

You agree to cooperate fully with us to reconstruct any lost, missing or destroyed item by promptly:

- providing us with a copy of the front and back of the deposited item from your or the issuer's records;
- asking the issuer of the item to place a stop payment on it (at our expense) and to issue a replacement item to you (if the deposited item has not been paid); and
- reviewing your records and other information to obtain the issuer's identity and any other information about the deposited item.

If you fail to cooperate with us to reconstruct the deposit, we may adjust any credit made to your account for the deposited item.

We are not responsible for transactions submitted by mail or by an outside depository until we actually record such transactions.

### How can you make a withdrawal from your account?

**At a Branch.** You can withdraw up to your available balance by cashing a check or making a withdrawal at a branch. We may require you to present identification.

**At an ATM.** You can use your Bank Leumi USA Debit Card to withdraw cash from your card-linked accounts at an ATM displaying the PLUS, NYCE or STAR logo. Depending on the terms of your account, there may be a Bank Leumi USA transaction fee for cash withdrawals from ATMs. In addition, the company that owns or operates the machine may charge you a fee for the withdrawal. There is a daily limit of up to \$1,200 per card per day for all ATM location withdrawals and POS transactions using your Bank Leumi USA Debit Card. We may change these limits from time to time and at any time based on security issues and other factors.

### Are there limits on cash withdrawals you may make?

We may place reasonable limits on large cash withdrawals or payments at any branch, including providing us with prior notice for certain large sums. If we do not have sufficient cash for a large withdrawal or payment, we may make arrangements for a later cash payment or offer to make payment with an official check. We assume no responsibility to provide personal protection for customers who elect to carry large sums of money off our premises, and may also require you to sign a document releasing us from any liability resulting from theft.

### Are there other restrictions on your withdrawals?

We reserve the right to require at least seven (7) days' advance notice before permitting a withdrawal from money market accounts, or as applicable under the terms of your specific deposit account. Federal regulations also limit the number of withdrawals and transfers out of your savings account. During any monthly statement period, you may make no more than six (6) withdrawals or transfers (for example by check, ACH, telephone, internet, or preauthorized or automatic transfers) out of these accounts. You are allowed unlimited transfers and withdrawals made in person at the bank, by mail, by using an ATM, or as a transfer of funds from your account to any of your loan accounts with us. Also, a withdrawal request initiated by telephone does not count toward the transfer limit when the withdrawal is disbursed via check mailed to you.

If you exceed this limit after we have notified you, we may change your account to one we choose that does not limit withdrawals, and it may be an account that pays less or no interest.

In addition, if the funds in your account are pledged to us for collateral, or if we are aware of a legal dispute involving the funds in your account, those funds may not be available for withdrawal. Finally, you may only withdraw funds that are available for withdrawal under our funds availability schedule. See the "Funds Availability at Bank Leumi USA" section of this Agreement.

### How do we process credits and debits to your account?

We may accept, pay, certify, or charge to the appropriate account, checks and other items in the order we choose. Even if we provisionally post items to your account during the day, we may treat them as if we received all of them at the end of the day.

Generally, we first credit your account for items and funds that have been accepted for deposit, and then transactions presented for payment against your account and any service charges or fees. The order of posting depends on a number of factors, including, when a transaction occurs, the type of transaction and the amount. The following is the general order in which categories of transactions are processed:

1. **First:** Deposits and all other credits to your account made before the cut-off time are added to your account balance.
2. **Second:** ATM withdrawals, Bank Leumi USA Debit Card PIN and POS purchases are deducted as they occur if there is a sufficient available balance in the account to pay them.
3. **Third:** Checks presented for payment are processed in check sequence number order.
4. **Fourth:** All other transactions received real-time during the day are deducted as they occur if there is a sufficient available balance in the account to pay them. This includes teller withdrawals and cashed checks; funds transfers or Leumi Online bill payments initiated by you and most ACH debits that we receive throughout the day. (ACH debits are received electronically through a merchant you have instructed to bill your checking account, e.g., for your utility or phone bill.)

5. **Fifth:** Any other debit transaction not deducted during the day and fees for services we provide that have not already been debited from your account are deducted from your remaining available balance in the order of highest to lowest dollar amount.

As checks you have written are presented to us for payment during the course of a business day, we may place a hold on available funds in your account for the amount of those checks resulting in a reduction in your available account balance throughout that day. The held funds may be applied against processing of those checks or other transactions later that day.

At any time we may modify the posting order at our sole discretion without notice to you. As such, if you wish to avoid an overdraft or the possibility of a rejected transaction, you should take steps to ensure that your account has sufficient funds to cover each of your transactions and our fees.

### Are we required to honor special instructions written on checks?

No. The Bank may, without inquiry or liability, pay one of your paper items even though:

- special instructions written on the paper item indicate that the Bank should refuse payment (e.g., “Void after 30 days,” “Paid-in-full” or “Void over \$100”);
- the paper item is stale-dated (i.e., it bears a date that is more than six (6) months in the past,) even if the Bank has knowledge of the date on the paper item;
- the paper item is post-dated (i.e., it bears a date in the future); or
- the paper item is not dated.

When you cash or deposit a check with a notation or restriction, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you are responsible for any loss or expense we incur relating to the notation or restriction.

The following applies to you when you open your account in a state other than New York: We will pay a post-dated check when it is presented to us. If you write a post-dated check on your account and intend that the check will not be paid by us until the date written on the check, you must notify us by placing a stop payment order on our form used for that purpose. The request will be processed just like any other stop payment order. However, if you want the check to be paid on or after a specific date, you may contact us to remove the stop payment order on or after that date. See information about stop payment orders below.

### What happens if the amount of your check written in numerals and the amount written in words are not the same?

If you issue a check with the amount payable expressed in contradictory word and numeric descriptions and that check is encoded by us (or our agent,) you authorize us (and our agent) to encode and pay the check on the basis of either the amount expressed numerically or the amount written out in words. In addition, the Bank may pay in U.S. dollars the amount that has been MICR-encoded on your paper item, even though you have purportedly drawn the paper item in a foreign currency.

### How can you stop payment on a check?

Any authorized signer on the account can instruct us to stop payment on a check or other paper item that has not been paid by issuing a stop payment order at a Branch, through Leumi Online or by calling your banking team.

To issue a stop payment order, you will need to accurately provide:

- your account number;



- the date of the check;
- the check number;
- the exact amount (dollars and cents) of the check; and
- the payee's name.

If the information is not exactly correct, or if you do not fully provide the required information, the stop payment may not be effective, and we will not be responsible for failing to stop payment on the check.

### **Is there a fee for a stop payment order?**

We may impose a fee for a stop payment order. Please refer to the Fee Schedule for your account.

### **What is the effective period for a stop payment order?**

A stop payment order must be received in a timely manner that gives us a reasonable opportunity to act on it before paying, accepting, certifying, cashing or otherwise becoming obligated to pay the item. Payment cannot be stopped on a check or other paper item that has already been paid or that is in the process of being paid. At the time that you place a stop payment order, we may not be able to tell you whether the check has been paid or is in the process of being paid. If you order a stop payment by phone, we will ask you to confirm your order in writing, and you should advise us immediately of any changes or corrections. A stop payment order will stay in effect for six (6) months, unless you instruct us to cancel it or to renew it, provided we have not already returned the check. However, if your stop payment request was made verbally, the stop payment will lapse after fourteen (14) days unless you confirm your request in writing. The order may be renewed for additional six (6) month periods. We may pay the check when the stop payment order expires. Under certain circumstances, the law may allow the party in possession of the check to enforce payment, despite the stop payment order. You agree to indemnify us against any claim or loss resulting from honoring your stop payment request.

### **Can you place a stop order on an official check?**

You may not as a matter of right place a stop payment on an official check. If such an instrument has been lost, stolen, or destroyed, you and/or the payee may, under certain circumstances, be allowed to place a stop payment by completing a stop payment request and signing an indemnity agreement form. You may also be required to purchase a surety bond for twice the amount of the instrument.

### **Will the Bank cash a check drawn on your account payable to someone other than you?**

Generally, no. We will only cash a check drawn on your account payable to someone other than you if you provide your Branch a written request, on a form used by us for that purpose, signed by any authorized signer specifying, (a) the number, date, and amount of the check, (b) the payee (and if the payee is an entity, the individual who will be acting on behalf of the payee); and (c) the government-issued photo identification which will be presented by the payee (or if the payee is an entity, by the individual who will be acting on behalf of the payee). We will have no liability to you, and you will hold us harmless against a claim asserted by the payee (or the payee's transferee or successor-in-interest), arising out of, or relating to, our cashing the check if (i) we act in accordance with such request; (ii) such identification reasonably appears to us to be authentic; and (iii) the individual presenting such identification reasonably appears to us to be the individual therein identified.

### **When is an account deemed to have insufficient funds?**

There are insufficient funds in your account when the total funds available for withdrawal are not enough to cover an item presented for payment or other debit entry. Uncollected funds are funds deposited into

an account that are not yet reflected in the available balance and are therefore not available for withdrawal based upon the current Funds Availability schedule. An item is considered to be presented for payment against uncollected funds when the amount of that item exceeds the available balance in the account.

We may not honor a check or payment order or pay any other item presented against your account when it exceeds your account's available balance, and return one or more of your items and/or not allow one or more of the requested transactions.

#### **When is overdraft protection used?**

Based upon a variety of factors which may change from time to time, we may elect in our sole discretion, to pay items, or other debits when there is not a sufficient available balance in your account by paying some or all of the items, and thereby create an overdraft. You authorize us to create such an overdraft. We may discontinue permitting overdrafts without cause or notice to you.

You may direct us not to create overdrafts in your account. Your request to cancel overdraft protection will become effective within a reasonable time after your written notice to your banking team. If you do so, we will then return all items presented for payment on your account and not honor recurring authorized transactions, if there is not a sufficient available balance in your account. An insufficient funds returned item fee may apply. Special overdraft terms for debit card transactions are explained in the agreement governing your use of Bank Leumi USA Debit Card.

#### **How is overdraft protection repaid?**

You agree to repay us immediately the amount of the overdraft without notice or demand from us. Processing fees may arise from checks drawn against insufficient or uncollected funds. Please refer to the applicable fee schedule for specific information on fees and rate of interest charged.

Interest will be assessed monthly on the negative balance in your account. You will see the amount of interest charged monthly as an "O.D. Interest Charge" in your statement. Interest at the overdraft interest rate will be calculated based on the actual number of days that the overdrawn amount is outstanding over a year of 365 days. In no event will the overdraft rate exceed the maximum rate allowed by law. Interest will accrue at the overdraft rate from the date of creation of each overdraft until repayment in full.

If, for any reason, the Bank waives the interest charge on any payment creating or increasing a negative available balance in your account, such waiver shall not constitute a waiver of interest charges on any such payment thereafter.

We may debit any of your accounts, without notice to or consent by you, the amount of any overdraft or any other liabilities or related interest when it is due.

Information about foreign taxes: In order to induce the Bank to make overdrafts, you agree that all payments to be made to the Bank, by you, on account of such overdrafts whether for principal, interest or otherwise, shall be made without set-off or counterclaim, free and clear of, and without deduction for or on account of, any present or future foreign taxes. You also agree that if any foreign taxes are required to be withheld from any amounts payable to the Bank or if the Bank itself is required to pay any foreign taxes in connection with such overdrafts, the Bank, may, in its sole discretion, (a) increase the amounts payable by you to the Bank and to the extent necessary to yield to the Bank (after payment of all foreign taxes) the full amounts which the Bank would have received had the payments not been subject to foreign taxes, and/or (b) debit any of your accounts, in an amount equal to the required payment for foreign taxes.



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## Account Errors and Adjustments

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### When would we make adjustments to your account?

We may make adjustments to your account whenever a correction or change is required. Adjustments might occur, for example, if deposits are recorded in the wrong amount or items you deposit are returned unpaid.

If a claim is made for recovery of all or part of the amount of any collected check after final payment on the grounds that such check bore a forged or unauthorized endorsement or was otherwise not properly payable, we may withhold the amount of the check from your account until final determination of the claim. We will promptly notify you of the claim.

If funds to which you are not entitled are deposited into your account, we have the right to remove these funds from the account at any time without prior notice to you. If there are insufficient funds in the account, we may charge your other accounts to recoup the funds, as more fully explained in the “Special Circumstances” section below.

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## Special Circumstances

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This section contains information about certain special circumstances which may apply to your account.

### Do we have a right of setoff against your accounts?

Yes, to the fullest extent permitted by law, you grant us a right of setoff to, and a security interest in, all funds in any and all of your accounts with us and our affiliates (except IRA, Keogh plans and certain trust accounts) to secure liabilities owed to us, including any overdrafts or fees, which are not paid when due by (a) any one or more of the account holders, including any other person who is a joint account holder; (b) any partnership, limited partnership, or limited liability partnership of which you are a general partner; (c) any limited liability company of which you are a member; or (d) any other person with whom you are a co-obligor, for whom you have agreed to act as surety or guarantor, or for whose debts you are liable or may be contingently liable. This means we may take the funds in your account to satisfy any obligation owed to the Bank or its affiliates. If your account is a joint account, we may use the funds in the account to pay the debt of any joint holder. We do not have to give you any prior notice to apply the funds. You expressly grant us a security interest in your account as collateral for your present and future obligations to us. See the “Security Interest in Property and Bank’s Rights” section of this Agreement.

We also have a right to place a hold on funds in your account(s) if we have a claim against you or pending exercise of our right of set-off. If we place a hold on your account, you may not withdraw funds from the account and we can refuse to pay checks or other items drawn on the account.

You agree to allow us to apply any subsequently credited deposit made to your account against any obligations owed us in whichever order we determine. If we exercise our right of setoff against a time deposit account that is subject to an early withdrawal penalty, the account will be assessed the applicable early withdrawal penalty. Please refer to the applicable Account Receipt for early withdrawal penalty terms.

### How do we handle legal process?

We may comply with any state or federal legal process, including, without limitation, any writ of attachment, adverse claim, execution, garnishment, tax levy, restraining order, subpoena or warrant

relating to you or your account which we believe to be valid, without any liability from us to you. We will promptly notify you concerning legal process unless legal process compels us not to notify you. You agree that we may honor legal process that is served personally, by mail, or by facsimile transmission at any of our offices (including locations other than where the funds, records or property sought is held), even if the law requires personal delivery at the office where your account or records are maintained. You agree that we will have no liability to you for honoring any such legal process. You also agree that we will have no obligation to assert on your behalf any applicable exemptions to execution or attachment under any applicable state or federal law.

We may comply with process we deem appropriate even if it appears to affect the interest of only one owner of a joint account. We may refuse to permit withdrawals or transfers from your account(s) until such legal process is satisfied or dismissed even if such action results in insufficient funds to pay a check you have written or otherwise satisfy an obligation you may have incurred.

Upon receipt of any legal process, you will be liable to us for our processing fee, and reimbursement for our record research, reproduction and handling costs, as well as any legal fees or court costs we may incur. We may deduct such fees, as well as any expenses, including, without limitation, attorneys' fees in connection with any such document or legal process, from your account or any other account you may have with us without prior notice to you, or we may bill you directly for such expenses and fees, even if your account is closed. In addition, you agree that if we are not fully reimbursed for our record research, reproduction and handling costs by the party which served the process, you will be similarly liable to us. Any garnishment, attachment or other levy against your account will be subject to our right of setoff and security interest.

You agree to release and indemnify, defend and hold us harmless from all actions, claims, liabilities, losses, costs and damages including, without limitation, attorneys' fees, associated with our compliance with any legal process we believe to be valid.

When we receive an order instructing us to restrict access to funds in an account, we may remove the funds from the account and maintain them separately. These funds will not earn interest and will not be considered as part of your combined balances when we determine account fees and rates.

### **Are you required to cooperate with any investigation?**

Yes. You agree, in the event of any claim arising from your account, to cooperate and assist both the Bank and any law enforcement authorities in connection with any investigation and prosecution of any suspected wrongdoer. You understand and agree that failure to cooperate may result, in the Bank's sole discretion, in the Bank dishonoring any claim which you have made.

### **What is Foreign Account Tax Compliance Act?**

In order for the Bank to be compliant with the provisions of the Foreign Account Tax Compliance Act ("**FATCA**"), a U.S. federal law effective as of July 1, 2014, the Bank may contact you to request additional information and/or documentation. Please understand that the Bank does not and will not in any way support any attempt by you to evade U.S. taxes or any request by you for help in avoiding detection under FATCA. Furthermore, since the Bank is not in the business of providing tax advice, you should not rely upon the Bank to determine the impact of FATCA on your own business activities or what your own compliance obligations are under FATCA. We encourage you to seek the advice of experienced tax advisors to determine what actions you need to take to become FATCA compliant. Your failure to comply with FATCA may result in restricted access or withholding of taxes from interest payments due to you.

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## Security Interest in Property and Bank's Rights

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### Do we have a security interest in your account?

Yes. As collateral for any liabilities, you grant us a security interest in all of your right, title, and interest in and to the following property (including all cash and non-cash products and proceeds of the property, additions, substitutions and replacements) whether now owned or in the future acquired (the “**collateral**”):

- all accounts you maintain with us and all moneys on deposit or credited to such accounts (including all interest or premiums accrued on the deposits);
- (i) all of your deposit, custodial, investment, securities, or other accounts maintained by Leumi Investment Services Inc., and (ii) any securities, commodity contracts, general intangibles, investment property, financial assets, and other property which may from time to time be deposited, credited, or held in any such account, or in the possession or control of the Bank or any affiliate of the Bank, or the Bank's agents, and all security entitlements arising from any of the foregoing; and
- all of your other personal property (including all money, accounts, general intangibles, goods, instruments, documents and chattel paper) which, or evidence of which, are now or in the future comes into the possession or control of the Bank.

If any collateral is subject to perfection by control with a financial intermediary, financial institution, or otherwise, you must take all necessary steps as we may request to achieve and maintain control of such collateral in the Bank's favor.

Our security interest will be governed by Uniform Commercial Code Article 9, whether Article 9 applies by its terms or not.

For collateral that is jointly owned, each joint account holder consents to the granting of the security interest in the collateral.

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## Funds Availability at Bank Leumi USA

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This section will help you determine when funds from deposits to your checking and money market account will be available for withdrawal. This section also describes certain types of deposits that are given special availability.

However, this section does not apply to checks drawn on, or payable through, offices located outside the United States or not payable in U.S. Dollars. It also does not apply to items that have not been preprinted or post-encoded with the routing number.

### When are your funds available for withdrawal?

The availability of your funds will depend on how the funds are deposited into your account.

- **Same-Day Availability –**

1. Funds from electronic and direct deposits to your account are available on the day we receive the deposit;

2. Cash;
  3. Wire transfers; and
  4. Check deposits (checks of any type) - the first \$200 of your deposit is available on the day of deposit.
- **Next-Day Availability** – Funds from check deposits above the \$200 limit will be available to pay checks or to withdraw on the first business day after the day of your deposit. (For example, you deposit a \$700 check on Monday. \$200 is available on Monday to pay checks to others and to withdraw in cash. The rest is available to pay checks and to withdraw in cash on Tuesday.)

### What is the effective date of your deposit?

If you make a deposit at a Bank Leumi Branch before the branch closes for business that day (but no later than 4:00 p.m. local time), we will consider that day to be the day of your deposit. If we receive a transmission through remote check capture (Leumi Deposit Capture) or mobile check capture (Leumi Mobile Deposit Capture) before 9:00 p.m. Eastern Time, we will consider that day to be the day of your deposit. However, if you make a deposit after those times or on a day that we are not open, we will consider the deposit to have been made on the next business day that we are open. A deposit received by mail is considered made on the day we receive it for processing.

### Are there exceptions to the Bank's general funds availability policy?

Yes, in some cases, we will not make all the funds that you deposit by check available to you in accordance with the general policies discussed above. If your ability to withdraw funds will be delayed for any reason indicated below we will notify you and tell you when the funds will be available.

- **Deposits of more than \$5,000 in one day** – If you deposit checks totaling more than \$5,000 in any one day, the first \$5,000 will be available to you in accordance with the general policy discussed above (unless another exception to the general policy applies). The amount in excess of \$5,000 will generally be available on the second business day after the day of deposit for checks. If you have multiple accounts with us, we may apply this exception to the aggregate deposits to all accounts held by you, even if you are not the sole holder of the accounts and not all of the holders of the accounts are the same.
- **Redeposit of check(s) returned unpaid** – We reserve the right to extend the time within which these checks become available.
- **Special rules for new customers** – You are considered a new customer if your account has not been open for at least thirty (30) days and you did not have another transaction account with us that has been opened for at least thirty (30) days. For the first thirty (30) days, there is no next-business-day availability for the proceeds of checks.

Proceeds of checks will be available on the seventh (7th) business day after the day of your deposit if the deposit meets certain conditions. (For example, checks must be payable to you as payee named on the face of the check and you must obtain approval from the market service team before deposit.)

- **Checks that may not be collectible** – Occasionally, a check is given to the Bank that we decide not to accept for deposit or payment because we doubt the collectability of the funds. When this happens, we will return the check to you or, if you request, send the check out for collection. In that case your funds will be available after we have actually received payment from the bank on which the check is drawn. You will be charged a fee for this service.

On other occasions, we may learn that a check we accepted for deposit may not be honored. Should this happen, we will delay the availability of the deposit for a reasonable period of time until the check is either paid or returned. In all cases, we will notify you of the action we take.

- **Foreign checks** – Checks that are drawn on banks outside the United States are generally sent for collection. Your account will be credited for the U.S. dollar equivalent of the check based upon a timetable which reflects when we would customarily receive payment from the bank on which the item is drawn.
- **Events beyond our control** – If we are unable to conduct business due to an interruption of communication or other equipment facilities, suspension of payments by another bank, war, other emergency conditions or other circumstances beyond our control, it may be necessary to increase some or all of the time periods specified in these availability schedules. If this happens, we will try to inform you if possible.
- **Overdrafts** – We may delay the availability of the deposit if you have overdrawn your account repeatedly in the past six (6) months.
- **Double-endorsed checks** – When you deposit a check into your account, we ask you to endorse it with your signature or endorsement stamp. However, we reserve the right to refuse to accept for deposit any check that is a double-endorsed check. A double-endorsed check is a check that is made payable to someone other than yourself and then endorsed to you by that person. If such a check is mailed to the Bank or sent to the Bank through any remote means, we may elect to return the check to you. In some cases, we will accept such double-endorsed checks on a “collection basis,” which means that the funds will not be available to you until we have received payment from the bank on which the check is drawn. If the Bank accepts such a double-endorsed check for deposit, it may delay the availability of the deposit for a reasonable period of time until the check is either paid or returned. Should this occur, you will be notified of the delay.
- **Provisional credit** – Credit given by the Bank to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, we are entitled to a refund of the amount credited to you in connection with such entry, and we may debit your account for such amount. We will not give you next day notice of receipt of an ACH item. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

We may accept on your behalf, payments to your account which have been transmitted through one or more ACH and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments will be construed in accordance with and governed by the laws of the State of New York.

We will notify you of any changes to our funds availability policies as required by applicable law. We may post such changes online.

For further information, please contact your Bank Leumi USA banking team or toll-free number at 1.800.892.5430.

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## Substitute Checks and Your Rights (Check 21 Disclosure)

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### What is a substitute check?

A substitute check is a paper reproduction created from a digital image of the front and back of the original check and bears the legend “This is a legal copy of your check.” You can use it the same way you would use the original check. Federal law allows banks to replace original checks with “substitute checks.” Under the law, a substitute check is the “legal equivalent” of the original check. In other words, it can be used in the same way and for all purposes for which you would use the original check.

The following rights apply if you receive a substitute check from us in lieu of the original check. These rights do not apply to original checks or to electronic debits. Your rights as to those transactions remain unchanged and are described in the Electronic Banking and Communications policy and Agreement. Please note these rights also do not apply to images of checks furnished to you or viewed through Leumi Online.

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you incur if you believe a substitute check is incorrectly posted to your account (for example, if you think your account was debited for the wrong amount) and production of the original check is needed to determine the validity of the debit. The losses you may attempt to recover may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, overdraft check fees). The amount of the refund you may request 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 if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws.

Under federal law, you may receive up to \$2,500 of your refund (plus interest if you have an interest-bearing account) within ten (10) business days after we receive a complete claim from you and the remainder of your refund not later than forty-five (45) calendar days after we receive a complete claim from you. You will not be entitled to a refund if we determine that the substitute check was correctly posted to your account. Alternatively, we may reverse the refund (including any interest on the refund) if we later determine that the substitute check was correctly posted to your account.

- **Filing a claim** – If you believe a substitute check you have received from us was improperly debited to your account, please call your Bank Leumi USA banking team or the Bank’s toll free number set forth on the back cover of this Agreement or email us at [leumicms@leumiusa.com](mailto:leumicms@leumiusa.com). You must contact us within forty (40) calendar days of the date we mailed, or otherwise made available to you, the substitute check in question. We may extend the time period if you were prevented from contacting us for extenuating reasons. In certain situations, such as forgery claims, we may require that you put your claim in writing. If so, we must receive the information in writing within ten (10) business days from the day you first notified us of your claim. If you are not able to contact us by telephone, you may also write to us at the address indicated on the back cover of this Agreement.
- **Investigation** – In investigating your claim, we may request the following information from you:
  1. description of how you suffered a loss;
  2. amount of your loss;
  3. explanation as to why the original check is needed to determine the validity of the amount charged to your account; and

4. a copy of the substitute check and/or information to help us identify the substitute check (such as check number, the amount of the check and payee).

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## Certain Legal Information

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### Can we change this Agreement?

Yes, we may change the terms of our agreement with you, including the terms in this Agreement, your Account Receipt, and the fee schedules. We may also discontinue any product or service we offer at any time. Unless otherwise required by law, we may change this Agreement without prior notice to you (e.g., by posting the information in our offices, on our web site, or otherwise making it available to you). If we choose to notify you or are required by law to notify you of changes to this Agreement, your Account Receipt, or a fee schedule, we may, to the extent permitted by law, mail, e-mail or deliver a notice, a statement message or the amended document to you at the last address (location or e-mail) on file for you. We also may deliver, as appropriate, the amended document by posting it online. Please visit our website at [www.leumiusa.com](http://www.leumiusa.com) frequently for any changed terms and conditions when applicable. You should retain all notifications of change with copies of your account documentation.

### How do you agree to changed terms?

Your continued use of your account(s) after a change to an Account Document will evidence your agreement to the revised terms.

### How can I get an updated copy of this Agreement?

You can always request a copy of our current Agreement at any Branch by calling your Bank Leumi USA banking team or logging into Leumi Online.

### Are your deposits insured?

Your deposits are insured by the Federal Deposit Insurance Corporation (“**FDIC**”) up to applicable limits. The FDIC website at [fdic.gov](http://fdic.gov) allows you to determine the amount of your deposits which are insured. For more information, please contact the FDIC directly at 1-877-ASKFDIC (1-877-275-3342).

### Will the Bank record telephone conversations with you?

We may monitor or record your telephone conversations or the telephone conversations of your representative with us or with an agent acting on our behalf. We do this from time to time to monitor the quality of service and accuracy of information given to you and to ensure that your instructions are followed.

### What happens if any part of this Agreement is invalid or unenforceable?

Unless otherwise stated, if any of the provisions of this Agreement are, or become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability of the remaining provisions of this Agreement and of such provisions under the law of any other jurisdiction shall not be affected or impaired.

### Will the Bank call you?

Yes. You understand that we or our agents may contact you at any telephone number you provide to us, including your cell phone number. You agree to receive these calls and messages, such as text



messages or prerecorded or autodialed calls. Your service provider may charge you for these calls and messages. Please contact your Bank Leumi USA banking team, or call our toll free number at 1.800.892.5430, if you wish to not receive calls or text messages on your cell phone.

### **Do you have indemnification liability to the Bank?**

Except as otherwise stated in this Agreement, you agree to indemnify, defend and hold the Bank its successors, assigns, correspondents, directors, officers, employees and agents harmless from all losses, costs, damages, fines, expenses (including, without limitation, attorney's fees) and liability for any claims or demands, actions, proceedings, related to or arising out of: (a) your actions and omissions in connection with your accounts or our services, (b) action or omission on the part of any individual who has been listed as a person authorized to act on your behalf in any document provided by you to the Bank, (c) our actions and omissions, provided that they are taken or omitted in accordance with this Agreement or your instructions, and (d) any hedging activities intended to mitigate any loss to which the Bank believes itself to be exposed as a result of your impending default. This provision will survive the termination of this Agreement or any account or transaction entered with you.

### **Are there limits on our liability to you?**

Except as otherwise required by law, we are not liable to you for any claim, cost, loss or damage caused by an event that is beyond our reasonable control. In particular, we are not liable to you if circumstances beyond our reasonable control prevent us from, or delay us in, performing our obligations for a service, including acting on a payment order, crediting a funds transfer to your account, processing a transaction or crediting your account. Circumstances beyond our reasonable control include, but are not limited to (1) natural disasters, such as a tornado, hurricane, earthquake or flood; (2) emergency conditions, such as a war, terrorist attack, riot, fire, theft, insurrection, strikes or labor dispute; (3) a legal constraint or governmental action or inaction; (4) the breakdown or failure of our equipment for any reason, including a loss of electric power, the breakdown of any private or common carrier communication or transmission facilities, any time-sharing supplier or any mail or courier service; (5) the potential violation of any guideline, rule or regulation of any government authority; (6) suspension of payments by another bank; or (7) your act, omission, negligence or fault. We will never be liable for special, indirect, incidental, exemplary, punitive, consequential or similar losses or damages of any kind.

### **What laws govern your account?**

Accounts and services provided by the Bank are governed by federal laws and regulations. To the extent federal laws and regulations do not apply, accounts and services are governed by and will be construed in accordance with the laws of the State of New York (other than its choice of law principles,) even though our relationship includes transactions involving interstate commerce, unless related to abandoned property and certain data privacy issues. For abandoned property, the law of the state of your last known address will apply, and for data privacy issues, the law of the state in which you opened your account will apply. The Arbitration provisions of this Agreement are governed by the Federal Arbitration Act and New York law.

### **What do we require regarding tax compliance?**

You acknowledge and agree that, in order to comply with United States tax laws, the Bank may (i) disclose information about you and your account (including transactional information) to the United States Internal Revenue Service (“**IRS**”); (ii) request certain documentation (including IRS Forms W-8 or W-9) and additional information from you with respect to your account; (iii) withhold U.S. tax from your account or from payments made to you or your account; and (iv) close your account if you have not provided requested documentation or information.



It is a condition of maintaining an account with, or receiving services from, the Bank that you appropriately report and disclose any and all tax related requirements or income tax and/or information reporting with respect to your relationship with the Bank in accordance with the requirements imposed in all jurisdictions in which these obligations arise, including in your home country. You further undertake to continue to remain in compliance with all tax and reporting obligations in the future with respect to your account at the Bank. In order to assure tax compliance, you agree to waive any and all data protection, confidentiality or secrecy rights or claims that you may have with respect to your data at the Bank should any question come from any competent tax authority, directly or indirectly, with respect to your account or any service provided by the Bank. Responsibility for tax compliance on this account and any services provided by the Bank at all times remains with you. You further agree (1) not to hold the Bank liable for possible consequences that may result from the reporting of information as described herein; and (2) to release the Bank from any claims in this respect.

### **What is backup withholding and do we report interest you earn to the IRS?**

Under federal and state tax law, we are required to obtain certain information from you. If you are a U.S. person for U.S. tax purposes, we are required to obtain from you a completed IRS Form W-9 (or substitute form) containing your taxpayer identification number (Employer Identification Number or Social Security Number) and required certifications. If you are not a U.S. person, we are required to obtain from you completed appropriate IRS Form W-8 and any other documentation requested by the Bank regarding your tax status. If you do not give the Bank a valid Form W-9, W-8 or other requested documentation, the Bank will not be able to open your account. If your account is opened and the IRS subsequently notifies us to withhold tax, or if your Form W-8 expires or becomes invalid due to a change in your circumstances that affects your tax status and is not replaced with a valid tax form or if withholding is otherwise required, we will be required to withhold certain of the interest or other income or proceeds paid into on your account whenever such amount is credited to your account.

Unless you are exempt under Federal law, we are required to withhold a portion of your taxable interest and certain other payments (this is referred to as backup withholding) if: (1) you fail to supply us, under penalties of perjury, with your correct taxpayer identification number (TIN); (2) you fail to provide us with the required certified information; (3) the IRS instructs us to withhold; or (4) the IRS notifies you that you are subject to backup withholding. You must provide your TIN whether or not you are required to file a tax return. You must also certify that you are not subject to backup withholding.

A non-resident alien or foreign entity not subject to the information reporting must certify its exempt status by completing an appropriate IRS certification form (e.g., W-8 BEN.) Non-resident aliens may be required to certify their exempt status every three years (or earlier upon request) to avoid backup withholding. You may be subject to civil and criminal penalties if you fail to provide us with a correct TIN or falsify information with respect to withholding. For additional information, contact your tax advisor.

### **Can you use your account for internet gambling or illegal activity?**

No. In accordance with the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) and Regulation GG of the Board of Governors of the Federal Reserve, restricted transactions are prohibited from being processed through an account or relationship with the Bank. We will not maintain a deposit account for a commercial customer which engages in an internet gambling business. The Bank may accordingly review the deposit, ACH, and funds transfer (as beneficiary) activities of commercial customers. The Bank may require commercial customers to certify that they do not engage in an internet gambling business.

The Bank and its affiliates may take any action they consider appropriate in their sole and absolute discretion, to meet compliance obligations in connection with the detection, investigation and prevention of financial crime. Such action may include, but is not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, applications for accounts and/or services, or any payment sent to or by you, or on your behalf, (b) investigating the source of or intended

recipient of funds, (c) combining customer information with other related information in the possession of our affiliates, (d) sharing customer information with our affiliates and with, or at the direction of, government authorities, and/or (e) making further inquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming your identity and status.

Neither the Bank nor its parents, subsidiaries or affiliates will be liable to you or any third party for any loss incurred by you or a third party in connection with the delaying, blocking or refusing of any payment or the provision of all or part of any services or otherwise as a result of financial crime risk management activity.

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## **Resolution of Disputes by Arbitration**

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### **PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY.**

THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR DEPOSIT ACCOUNT, CHECKING ACCOUNT, TIME DEPOSIT ACCOUNT, INVESTMENT ACCOUNT, FOREIGN EXCHANGE ACCOUNT, OR ANY OTHER ACCOUNT OR PRODUCTS THAT BANK LEUMI USA MAY OFFER FROM TIME TO TIME, AND THE SERVICES AND TRANSACTIONS RELATED THERETO. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT.

#### **Can you or the Bank require arbitration to resolve disputes?**

Yes. Either you or we may elect, without the other's consent, to require that any dispute between us (including any dispute you may have with parents, subsidiaries or affiliates of the Bank,) or concerning your deposit account be resolved by binding arbitration, except as may otherwise be discussed below.

#### **What disputes are excluded from these arbitration requirements?**

Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual claim for relief.

#### **How do you or the Bank begin arbitration?**

If either you or the Bank begin arbitration, we or you must choose whom to have handle the arbitration: the American Arbitration Association ("**AAA**") or JAMS. If you start the arbitration, you must notify us in writing at Legal Department, Bank Leumi USA, 350 Madison Avenue, New York, NY 10017. If we start the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules for the AAA or JAMS as well as additional information about initiating arbitration, by contacting either the AAA or JAMS:

American Arbitration Association  
1.800.778.7879 (toll-free)

Website: [adr.org](http://adr.org)

JAMS  
1.800.352.5267 (toll-free)  
Website: [jamsadr.com](http://jamsadr.com)

### **How long do you have to begin arbitration?**

Unless otherwise required by law, any arbitration by you to enforce an obligation, duty or right arising under this Agreement or by law with respect to your account or any account service must be commenced within one year after the cause of action accrues. If applicable state law does not permit contractual shortening of the time during which a lawsuit must be filed to a period as short as one year, you and we agree to the shortest permitted time under that state's laws.

### **What rules will apply to the arbitration?**

The arbitration will occur in the same city as the U.S. District Court closest to your home address, unless the parties agree to a different location in writing.

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years' experience or a retired or former judge, selected in accordance with the rules of the either the AAA or JAMS, whichever forum is selected. The arbitrator shall follow procedures and rules of the forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this arbitration provision, in which case this arbitration provision will prevail. Those procedures and rules may limit the discovery available to you or us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or us. The arbitrator shall decide the dispute in accordance with applicable law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. However, the arbitrator need not provide a statement of his reasons unless one is requested by you or us.

The arbitrator's award will be final and binding unless a party appeals it in writing to the arbitration forum within fifteen (15) days of notice of the award. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same way they are allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen (15) days have passed. A final and binding award may only be reviewed by a court to the extent allowed under the Federal Arbitration Act. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

### **Who pays the costs of the arbitration?**

The party starting the arbitration shall pay the initial filing fee. If you file the arbitration, and the arbitrator rules that you cannot afford to pay the filing fee, or finds other good cause for requiring us to do pay the filing fee on your behalf, or if an award is rendered in your favor, we will either pay or reimburse you for your filing fee. If there is a hearing, we will pay the fees and costs for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum.

### **Can either you or the Bank participate in class or representative actions?**

No. The parties agree that no class action, private attorney general or other representative claims may be pursued in arbitration, nor may such action be pursued in court if either you or we elect arbitration. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account owners or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction); this is so whether or not the claim may have been assigned.

### **May the Bank still exercise its right of set off or use other self-help remedies without starting arbitration?**

Yes. Nothing in these arbitration provisions limits our right to use self-help remedies, such as the right of setoff or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction. With regard to any provisional remedies, you or we may elect to arbitrate any dispute related to such remedies.

### **For how long do these arbitration requirements last?**


These arbitration provisions will survive, and remain enforceable against both you and the Bank, regardless of:

- termination or changes to your deposit account or any other account that the Bank may offer from time to time, or any related services or transactions we provide;
- the bankruptcy of any party; or
- the transfer or assignment of your deposit account or any other account that the Bank may offer from time to time, or any related services we provide.

If any portion of this arbitration provision is deemed invalid or unenforceable, the entire arbitration provision shall be terminated. No provision of this arbitration provision may be amended, severed or waived absent a written agreement between you and us.

## Privacy Notice

Rev. January 2018

<b>FACTS</b>	<b>WHAT DO LEUMI GROUP UNITS DO WITH YOUR PERSONAL INFORMATION?</b>	
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<b>Why?</b>	<p>Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.</p>
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<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>Social Security number and transaction history</li> <li>Account balances and credit history</li> <li>Income and assets</li> </ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
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<b>How?</b>	<p>All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons the Leumi Group units choose to share; and whether you can limit this sharing.</p>
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Reasons we can share your personal information	Do the Leumi Group units share?	Can you limit the sharing?
<b>For our everyday business purposes —</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>YES</b>	<b>NO</b>
<b>For our marketing purposes—</b> to offer our products and services to you	<b>YES</b>	<b>NO</b>
<b>For joint marketing with other financial companies</b>	<b>YES</b>	<b>NO</b>
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	<b>YES</b>	<b>NO</b>
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	<b>NO</b>	<b>We Don't Share</b>
<b>For our affiliates to market to you</b>	<b>NO</b>	<b>We Don't Share</b>
<b>For nonaffiliates to market to you</b>	<b>NO</b>	<b>We Don't Share</b>

<b>Questions?</b>	<p>If you have any questions regarding this notice, please call your account officer or contact Customer Service at:</p> <p>Bank Leumi USA                      579 Fifth Avenue, New York, NY 10017                      Telephone: 1.800.892.5430   Email: <a href="mailto:contactus@leumiusa.com">contactus@leumiusa.com</a></p>
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Who we are	
<b>Who is providing this notice?</b>	Bank Leumi USA Leumi Investment Services Inc.

What we do	
<b>How do the Leumi Group units protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How do the Leumi Group units collect my personal information?</b>	We collect your personal information, for example, when you : <ul style="list-style-type: none"> <li>• Open an account or deposit money</li> <li>• Pay your bills or apply for a loan</li> <li>• Use your credit or debit card</li> </ul> We also collect your personal information from others, such as credit bureaus, affiliates or other companies.
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for non-affiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.

Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>Our affiliates include companies with a Leumi name, such as Bank Leumi le-Israel B.M.</i></li> </ul>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>We do not share with non-affiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include insurance companies and other financial service providers.</i></li> </ul>

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## How to Contact Us

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**Bank Leumi USA**  
579 Fifth Avenue  
New York, NY 10017

### Leumi General Numbers

<b>Toll-free (within the U.S.)</b>	<u>1. 800.892.5430</u>
<b>To call collect from outside the U.S.</b>	<u>+1.917.542.2343</u>
<b>Bank Leumi USA website</b>	<u><a href="http://www.leumiusa.com">www.leumiusa.com</a></u>

**Terms, conditions and fees for accounts, products, programs and services are subject to change.**

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