

# CDARS Deposit Placement Agreement

You, the undersigned, and

(referred to in this agreement as “we” and “us”) are entering into this agreement to set forth the terms and conditions under which we will assist you from time to time in placing your funds in time deposits with depository institutions (each an “Insured Institution”) whose accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”). Through an arrangement with Promontory Interfinancial Network, LLC (“Network”), we will endeavor to place your funds in time deposits (“CDs”) issued by Insured Institutions through the Network’s Certificate of Deposit Account Registry Service<sup>SM</sup> or CDARS<sup>SM</sup> in principal amounts that, when aggregated with interest to accrue over the term of the CD, will not exceed the \$100,000 FDIC insurance limit for deposits of one depositor at one Insured Institution, or such other insurance limit as Congress and the FDIC may establish. We will also act as your custodian with respect to your CDs pursuant to the custodial agreement that we have separately entered into with you (“Custodial Agreement”). The terms of our custodial relationship with you are set forth in the Custodial Agreement. Funds held in an account with us pending placement through CDARS or resulting from payments on CDs are subject to the FDIC insurance limits applicable to your deposits with us.

CDARS includes a proprietary process owned by the Network that allocates orders submitted by Insured Institutions on a specified date (each, an “Order Date”) to (i) place funds for their depositors at other Insured Institutions that are willing to accept deposits through CDARS or (ii) receive funds so placed by other Insured Institutions. CDARS offers different types of transactions through which we can place your funds with such Insured Institutions. In a “CDARS Reciprocal Transaction,” we receive through CDARS on an Order Date funds for deposit with us in an amount equal to the amount of your funds that we place through CDARS on that Order Date, but we do not receive a fee. In a “CDARS One-Way Transaction,” we do not receive funds for deposit through CDARS on an Order Date, but we receive a fee from one or more Insured Institutions that receive deposits through CDARS on that Order Date. Funds that we submit for placement for you through a CDARS transaction may be placed at an Insured Institution without regard to whether the Insured Institution is participating in CDARS on that Order Date through a CDARS Reciprocal Transaction or through a CDARS One-Way Transaction or otherwise. **We will place your funds through a CDARS Reciprocal Transaction unless we notify you that we will place your funds through a CDARS One-Way Transaction and you agree to our doing so.**

This agreement sets forth important information about the placement process. By signing this agreement you agree to be bound by its terms each time that you submit funds to us for placement. Please read it carefully. Some of the features of the CDs and the placement process are:

- When we place your funds, you will be issued CDs by Insured Institutions that have entered into agreements with the Network.
- We will act as your custodian with respect to those CDs.
- The CDs issued to you by Insured Institutions will have the interest rates and annual percentage yields (“APY”) you have agreed to with us.
- You will not be charged a fee in connection with CD placements.
- You may select the maturities and payment terms of your CDs from those that are available through CDARS at the time that you submit your funds for placement.
- You may designate any Insured Institution as ineligible to receive your funds.
- Early withdrawal of any CD you purchase may be available, but may be subject to substantial penalties.

## Section 1. Your Relationship With Us

### (a) Agency and Custodial Relationship

We have entered into a contract with the Network pursuant to which we will endeavor to place your funds at other Insured Institutions that have also entered into contracts with the Network. Pursuant to our contract with the Network, we will adhere to the Network’s policies and procedures in placing your funds.

We will act as your agent in connection with the placement of your funds in CDs. On certain Order Dates, we may have the opportunity to place your funds through either a CDARS Reciprocal Transaction or a

CDARS One-Way Transaction. **Although we will act as your agent in connection with the placement of your funds, we are not acting as your investment adviser and have no obligation to advise you of alternative investments available through CDARS or otherwise. Further, we make no representations with respect to the interest rates on deposits available on an Order Date through us or through CDARS, and we may receive greater benefits when we place your funds through one type of CDARS transaction than when we do so through another type of CDARS transaction or than we would if you instructed us to make a deposit other than through a CDARS transaction.**

We will act as your custodian with respect to your CDs acquired through CDARS. We have entered into an agreement with The Bank of New York to act as our sub-custodian with respect to such CDs for which we are acting as your custodian. No physical certificates evidencing the CDs will be issued. Each CD for which we act as your custodian will be recorded on the records of the Insured Institution that issues the CD in the name of our sub-custodian, will be recorded on the records of the sub-custodian in our name, and will be recorded on our records in your name, all in a manner that will permit FDIC deposit insurance to “pass through” to you as the beneficial owner of the CD. You will receive from us a confirmation of the issuance of your CDs and periodic account statements that will reflect your ownership of your CDs. The confirmation of CD issuance and the account statement(s) will be the only evidence that you will receive of your ownership of the CDs.

While we are acting as your custodian, (i) all payments with respect to the CDs by the Insured Institutions that issue the CDs will be made to us, and we will credit the funds to an account or accounts you maintain with us or disburse the funds pursuant to your instructions, and (ii) you can enforce your rights in the CDs only through us. You may not transfer the CDs directly to another custodian. At your election, you may dismiss us as custodian, and your ownership of a CD may be recorded in your name on the books of the Insured Institution that issued the CD. If you choose to have the CD maintained in your name on the books of the Insured Institution that issued the CD, you will be able to enforce your rights in the CD directly against that Insured Institution.

### (b) Fees

You will not pay a fee in connection with your placement of funds. If we place your funds through a CDARS Reciprocal Transaction, we will pay a fee to the Network for using the CDARS order allocation services and certain other services. If we place your funds through a CDARS One-Way Transaction, we and the Network will receive a fee from one or more Insured Institutions receiving deposits through CDARS on that Order Date. We may, in our discretion, waive some or all of our fee, and the Network may, in its discretion, waive some or all of its fee. The Network may offer us and our employees non-cash incentives in connection with our placement of funds through CDARS.

If you have been referred to us by a registered broker-dealer to place your funds through CDARS, we may pay a fee to that registered broker-dealer.

### (c) Limits on Placements

Although we, through our arrangement with the Network, will endeavor to place your funds, on a particular Order Date the Network may not be able to allocate orders in a way that results in the placement of some or any of your funds. If any of your funds cannot be placed, the unplaced funds will be returned to you. You may ask us to resubmit unplaced funds for placement through CDARS on another day on which the Network performs its allocation service.

### (d) Each CD Will Be an Obligation of the Issuer

Each CD will be a deposit obligation of the Insured Institution that issued the CD. Each CD will constitute a direct obligation of the Insured Institution that issued it and will not be, either directly or indirectly, our obligation or an obligation of the Network. Your CD will not be issued until the issuing Insured Institution receives and accepts your funds.

### (e) APY

If you are not a “consumer” for purposes of the Truth-in-Savings Act (“TSA”), or if our communication with you in connection with your placement of your funds through CDARS is not an “advertisement” for purposes of the TSA, we are not obligated to provide you with an APY on your CDs.

## **Section 2. The Network**

### **(a) General**

The Network is not your agent and is responsible solely to us for performing the services for which we have retained it. The Network uses the proprietary process included in CDARS to allocate orders submitted on a specified Order Date by Insured Institutions to other Insured Institutions that are willing to accept deposits through CDARS.

On an Order Date, the Network uses the CDARS allocation process to propose placements of funds with Insured Institutions wishing to receive funds, subject to your approval as set forth in the procedures set forth in Section 3 of this agreement ("Placement Procedures"). CDs for funds placed through CDARS will be issued to you on the business day immediately following the Order Date (the "Settlement Date").

### **(b) CDARS Reciprocal Transaction**

When we notify the Network that we wish to submit your funds for placement through a CDARS Reciprocal Transaction on an Order Date, we will agree to accept for deposit an equal or greater amount of deposits through CDARS. On the Settlement Date, CDs will be issued to you and we will accept deposits placed by other Insured Institutions.

Your funds may be placed at Insured Institutions that are submitting funds for placement through a CDARS Reciprocal Transaction or at Insured Institutions that have requested deposits through CDARS on that Order Date. The Network, in addition to fees payable to it, may realize profits or incur losses in connection with the placement of your funds at one or more of those Insured Institutions on the terms you have agreed to with us.

When your funds are placed through a CDARS Reciprocal Transaction, we may make or receive payments based upon the difference between the interest rate we have agreed upon with you for your CDs and the interest rate we pay on CDs that we issue to customers of other Insured Institutions. These payments will be calculated pursuant to a formula that uses the projected volume-weighted average interest rate for deposits placed through CDARS Reciprocal Transactions on the same day your funds are placed. These payments are intended to provide us with the same interest cost on the CDs we issue to depositors of other Insured Institutions through a CDARS Reciprocal Transaction as we would have incurred had we issued the CDs directly to you.

Any profits or losses realized by the Network and any payments made or received by us will not change the terms we have agreed to with you for your CDs.

### **(c) CDARS One-Way Transaction**

On any Order Date, the Network may receive commitments from Insured Institutions wishing to receive funds through a CDARS One-Way Transaction. Based on these commitments, the Network communicates to us the maximum amount of funds that can be submitted for placement through CDARS One-Way Transactions in each CD maturity on that Order Date.

If we place your funds through a CDARS One-Way Transaction, we will not receive deposits on the Settlement Date, and we will not make or receive payments as described under "CDARS Reciprocal Transactions" above. Your funds may be placed at Insured Institutions that are submitting funds for placement through CDARS Reciprocal Transactions or that have requested funds for deposit on that Order Date. As set forth above, we and the Network each will receive a fee when we place your funds through a CDARS One-Way Transaction, and we or the Network may waive all or part of this fee. Any fees received by us or the Network will not change the terms we have agreed to with you for your CDs.

## **Section 3. Placement Procedures**

### **(a) Order Dates and Terms of CDs**

Each time you notify us that you wish to place funds through CDARS, we will inform you of (i) the available Order Dates, (ii) the CD maturities available on each Order Date, (iii) the payment terms of CDs available on each Order Date, (iv) whether early withdrawal of the CDs is available and any penalties that will be imposed on you for early withdrawal, (v) any limits with respect to placing funds and (vi) whether we intend to submit the funds for placement through a CDARS One-Way Transaction.

The terms and conditions available for CDs may change from time to time. Each CD issued by an Insured Institution will have a principal amount that, when aggregated with interest to accrue during the term of the CD, will not exceed the FDIC insurance limit. You may obtain information about the terms of the CDs made available through CDARS on an Order Date at [www.CDARS.com/products](http://www.CDARS.com/products).

The interest rates and APYs for the CDs we offer to obtain for you through CDARS will be agreed upon by you and us. For placements through CDARS Reciprocal Transactions, the interest rate and APY we agree upon with you will reflect the interest rate and APY we are willing to pay on comparable deposits that we accept on the same day CDs are issued to you. For placements through CDARS One-Way Transactions, the interest rate and APY we agree upon with you will reflect the interest rate and APY that Insured Institutions requesting funds through CDARS One-Way Transactions for that Order Date are willing to pay after paying fees to the Network and us.

Interest on your CDs will compound daily. Payment options may vary based on the maturity of the CD. You may have the option with some CDs to choose between monthly payments of interest and payment of interest at maturity or other available interest payment terms. In addition, depending on the terms and conditions of a particular CD, you may be able to change the payment terms of the CD during the term of the CD. If you choose to have interest paid to you during the term of the CD, you may not be able to re-invest the interest you are paid at an interest rate as favorable to you as the interest rate paid on the CD.

Each CD will earn interest from the day your funds are deposited at the

Insured Institution that issues the CD up to, but not including, the day your CD matures. If the date on which a payment with respect to a CD is due is not a business day, that payment will be made on the next business day. A "business day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, are authorized or required by law or regulation to close.

### **(b) Presumption of CDARS Reciprocal Transaction**

We will submit your funds for placement through a CDARS Reciprocal Transaction unless we inform you that we will place your funds through a CDARS One-Way Transaction and you agree to our doing so. If we submit your funds for placement through a CDARS One-Way transaction and the Network is not able to allocate our order, we may resubmit your funds on that Order Date through a CDARS Reciprocal Transaction, unless you instruct us not to do so at the time you request that we submit your funds. If we so resubmit your funds through a CDARS Reciprocal Transaction, the CDs issued to you will have the same terms as the CDs that would have been issued to you through the CDARS One-Way Transaction.

If you are a public funds depositor or a non-profit institution submitting funds for placement and wish your funds to be placed only through CDARS Reciprocal Transactions, please inform us by checking the box at the end of this agreement.

### **(c) List of Insured Institutions**

Each time you notify us that you desire to place funds through CDARS, you may obtain from us a list of Insured Institutions at which your funds may be placed. Not all of these Insured Institutions may be available to issue CDs on each Order Date, and, before the list is provided to you, we may have designated some Insured Institutions as ineligible to receive funds from our depositors. You should review the list provided to you and inform us of the name(s) of any Insured Institution(s) at which you do not want to make a deposit, for any reason. At your option, you may also provide us with the names of Insured Institutions not then on the list at which you do not want to make a deposit. Once you have informed us of the name of an Insured Institution at which you do not want to make a deposit, your funds—whether submitted for placement through CDARS at the time you sign this agreement or in the future—will not be placed at that Insured Institution until you notify us in writing that funds may be placed in the Insured Institution. (For your convenience, at the time you sign this agreement you may indicate to us on Schedule 1 the names of Insured Institutions at which you do not want to make a deposit.) Upon your request, we will obtain from the Network the list it maintains of Insured Institutions at which you do not wish to make a deposit. As set forth below, you are responsible for monitoring your deposits at each Insured Institution for purposes of FDIC insurance coverage.

### **(d) Request for Placement of Funds**

When you request that we place your funds through CDARS, we will submit to the Network a request for placement of your funds ("Order"), including the type of CDARS transaction through which we are submitting the funds, the Order Date, the amount of funds to be placed and the terms (including interest rate and APY) of the CDs you are seeking. The Order will be in a form established by the Network. In order for us to submit an Order, you must provide us with all information required by the Network no later than the time specified in paragraph 1 of Schedule 2.

### **(e) Approval of Proposed Placements**

On each Order Date for which you have submitted an Order, we will make available to you a list of the names of Insured Institutions at which your funds are proposed to be placed, the proposed deposit amount at each Insured Institution and the names of proposed alternate Insured Institutions at which your funds may be placed. You may obtain that list from us on the Order Date at or after the time specified in paragraph 2 of Schedule 2, and, at any time prior to the time specified in paragraph 3 of Schedule 2, you may notify us of the name or names of any of the proposed or proposed alternate Insured Institutions at which you do not want to make a deposit. Although you may direct us not to place funds at a proposed or alternate proposed Insured Institution, you cannot direct us to place funds at a specific Insured Institution or specify the amount to be placed at any Insured Institution.

If you eliminate one or more of the proposed or proposed alternate Insured Institutions from the list, or if one or more of them becomes unavailable for placement for any reason, your funds will be placed at the Insured Institutions that were not eliminated. If a sufficient number of proposed and proposed alternate Insured Institutions are eliminated or become unavailable so that not all of your funds can be placed, only as much of your funds will be placed as can be accommodated at the remaining Insured Institutions in CDs with principal amounts that, when aggregated with interest to accrue during the term of the CD, will not exceed the FDIC insurance limit. Your remaining funds will not be placed on that Order Date. In such case, we will inform you of the amount of your funds that will not be placed on that Order Date, and you may request that we resubmit your unplaced funds on another Order Date by repeating the procedure outlined above.

If in connection with any placement of your funds through CDARS you eliminate a proposed or proposed alternate Insured Institution in accordance with the above procedures, funds that you subsequently submit for placement through CDARS will not be placed in those Insured Institutions until you notify us otherwise in writing.

### **(f) Your Consent to Placement**

Your funds will not be placed unless you have consented to their placement. You will be deemed to have consented to the placement of your funds at the proposed or proposed alternate Insured Institutions as of the time specified in paragraph 3 of Schedule 2 if by that time you:

- (i) communicate your approval to us;
- (ii) do not request the list of proposed and proposed alternate Insured Institutions from us;
- (iii) request the list of proposed and proposed alternate Insured Institutions from us, but do not respond to the proposed list; or

- (iv) respond to the list of proposed and proposed alternate Insured Institutions by eliminating one or more of the Insured Institutions, in which case you will be deemed to have consented to the placement of your funds at those Insured Institutions that you have not eliminated.

**(g) Time by Which We Must Have Your Funds; Settlement of Transactions**

Unless we have made other arrangements, each time that you agree to a placement of funds under this agreement you also agree that, by the time specified in paragraph 4 of Schedule 2, you will have in an account with us immediately available funds, which under applicable law are irreversible and are not subject to any lien, claim or encumbrance, equal to the amount of funds you have informed us that you are seeking to place. On the Settlement Date, your funds will be deposited at Insured Institutions, payments to be made in connection with the placement of CDs will be made, and the CDs will be issued.

**(h) Additions and Early Withdrawal**

No additions may be made to any CD. Insured Institutions generally impose a penalty on withdrawal of a CD prior to its maturity. However, no penalty will be charged for early withdrawal upon the death of the sole account holder of a CD. Written verification acceptable to the Insured Institution that issued the CD may be required in such an event. We will inform you of the early withdrawal penalty applicable to your CDs when you submit funds for placement.

Pursuant to the Internal Revenue Code of 1986, as amended, the beneficiary of an Individual Retirement Account ("IRA") (but not a Roth IRA) may incur a penalty if the beneficiary does not begin making withdrawals from the IRA after age 70-1/2. A CD held in an IRA is not eligible for early withdrawal without penalty simply because the beneficiary must withdraw the CD to avoid a tax penalty.

Early withdrawal of a CD may be made only in whole, not in part. You may request early withdrawal by contacting us, at which time you may specify which of your CDs you would like us to withdraw. If you choose not to specify which of your CDs to withdraw, early withdrawals will be made in accordance with Network procedures. In general, early withdrawal proceeds will be available to you two business days after we receive your early withdrawal request.

Neither we nor the Network will advance funds in connection with early withdrawals, and early withdrawal proceeds will not be available to you until they are paid to us by the Insured Institution that issued the CD being withdrawn.

**(i) No Automatic Renewal or Rollover**

The CDs will mature on the date shown on the confirmation of CD issuance. Upon maturity, the principal amount of, and unpaid accrued interest on, the CD will be paid to you. The CDs will not be automatically renewed or rolled over, and interest on the CDs will not continue to accrue after the maturity date. If upon maturity you wish to re-deposit your funds in CDs through CDARS, you must instruct us to re-submit the funds as a new placement or you must take advantage of our preauthorized re-submission process.

**(j) Preauthorized Re-submission**

At the time you submit funds to us for placement through CDARS, you may request that we re-submit those funds for placement through CDARS upon the maturity of your CDs. We will contact you before re-submitting your funds through CDARS to establish the new terms (including interest rate and APY) and the other specifics of your Order for your re-submitted funds.

**(k) No Physical Certificates**

As set forth in Section 1, no physical certificate evidencing a CD will be issued. You should not purchase a CD through CDARS if you need to take physical possession of a certificate.

**Section 4. Important Considerations**

**(a) Compare Features**

You should compare the rates of return and other features of a CD to other available deposit accounts before deciding to purchase the CD. Although the CDs are issued by other Insured Institutions, the rates of interest paid on the CDs are determined by us based on (i) the interest rates and APYs we are willing to pay on deposits that we accept through CDARS on the Settlement Date (if your funds are placed by us through a CDARS Reciprocal Transaction) or (ii) the interest rate and APY that Insured Institutions that have requested funds through CDARS One-Way Transactions for that Order Date are willing to pay after paying fees to the Network and us (if your funds are placed by us through a CDARS One-Way Transaction).

**These rates may be higher or lower than the rates on CDs available through a CDARS One-Way Transaction (if we are placing your funds through a CDARS Reciprocal Transaction) or a CDARS Reciprocal Transaction (if we are placing your funds through a CDARS One-Way Transaction) or on comparable deposits available directly from us, from Insured Institutions that issue the CDs through CDARS, from other Insured Institutions, or from insured depository institutions not participating in CDARS.**

**(b) Uninsured Deposits With Us**

Funds held in an account with us prior to placement through CDARS and payments of CD interest and principal that are deposited in an account with us may not be covered by FDIC insurance if, when aggregated with other deposits you maintain with us in the same capacity, the total amount of your deposits in accounts with us exceeds the FDIC insurance limit. You should discuss with us the options for holding your funds prior to placement and for having the payments on the CDs deposited with us or elsewhere.

**(c) Insolvency of an Insured Institution**

In the event an Insured Institution approaches insolvency or becomes insolvent, the Insured Institution may be placed in a regulatory conservatorship or receivership in which the FDIC is typically appointed as conservator or receiver. The FDIC may

thereafter pay off the CDs issued by that Insured Institution prior to maturity or transfer the CDs to another insured depository institution. If the CDs are transferred to another institution, you may be offered a choice of retaining the CDs at a lower interest rate or having the CDs paid off. See Section 5 below, "FDIC Insurance Information."

**(d) Reinvestment Risk**

If your CD is paid prior to maturity as a result of the issuing Insured Institution's insolvency or a voluntary early withdrawal (see Section 3(h) above, "Additions and Early Withdrawal"), you may not be able to reinvest your funds at the same interest rate that you received on the original CD. Neither we nor the Network is responsible to you for any losses you may incur as a result of a lower interest rate on an investment replacing your CD.

**(e) Investment Restrictions**

If you are subject to restrictions with respect to the placement of funds in depository institutions, it is your responsibility to determine whether the placement of your funds through CDARS satisfies those restrictions.

**Section 5. FDIC Insurance Information**

In general, all accounts and deposits that you maintain with an Insured Institution in the same insurable capacity (whether you are acting directly or through an intermediary) would be aggregated for purposes of the FDIC insurance limit. Insurable capacities include individual accounts, joint accounts and individual retirement accounts. Upon request, we will provide you with a copy of the FDIC brochure "Questions and Answers About Your Insured Deposit From the Federal Deposit Insurance Corporation." You may also obtain information about deposit insurance coverage by contacting the FDIC, Office of Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by telephone (877-275-3342, 800-925-4618 (TDD) or 202-942-3100), or by e-mail (dcainternet@fdic.gov), or by visiting the FDIC website at [www.fdic.gov](http://www.fdic.gov). You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one capacity.

The present maximum \$100,000 FDIC deposit insurance coverage applies to the principal and accrued interest on all CDs and other deposit accounts maintained by you in the same insurable capacity at a single Insured Institution. The records maintained by the Insured Institution, us and our sub-custodian regarding ownership of CDs will be used to establish your eligibility for federal deposit insurance payments in respect of CDs issued through CDARS. In addition, you could be required to provide certain documentation to the FDIC before insurance payments would be released to you.

In the event that deposit insurance payments become necessary for your CDs, the FDIC is required to pay the original principal amount plus accrued interest to the date of the closing of the relevant Insured Institution, as prescribed by law, subject to the maximum coverage limitation. No interest is earned on deposits from the time an Insured Institution is closed until insurance payments are received. We will notify you if we receive any payments from the FDIC with respect to your CDs.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on FDIC deposit insurance coverage, the healthy institution may assume your CDs under their original terms or offer you a choice between either receiving payment of the CDs or maintaining the deposits at a different rate. We will advise you of your options in the event of a deposit transfer.

As with all federally insured deposits, if it becomes necessary for federal deposit insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make the insurance payments available. Neither we nor the Network will be obligated to make any payments to you in satisfaction of a loss you might incur as a result of (i) a delay in insurance payouts applicable to a CD, (ii) your receipt of a decreased interest rate on an investment replacing a CD that is repaid prior to its scheduled maturity, or (iii) payment in cash of the principal and accrued interest of a CD prior to maturity in connection with the liquidation of an Insured Institution or the assumption of all or a portion of its deposit liabilities. Also, neither we nor the Network will be obligated to advance funds to you prior to payment from the FDIC.

**Section 6. Total Amount of Your Deposits at Insured Institutions; Publicly Available Information**

Funds we submit for placement on your behalf on any Order Date are placed in CDs at enough different Insured Institutions to prevent the principal amount and interest to accrue over the term of each CD placed on that Order Date from exceeding the \$100,000 FDIC insurance limit. It is your responsibility, however, to monitor the total amount of deposits that you hold with each Insured Institution in order for you to determine the extent of FDIC deposit insurance coverage available to you on deposits at that Insured Institution, including the CDs issued through CDARS. See Section 5 above, "FDIC Insurance Information," for more information on FDIC insurance coverage. The Insured Institution at which a deposit is made is responsible for the full amount deposited with it, and neither we nor the Network is responsible for any insured or uninsured portion of any CD or any other deposits.

Publicly available financial information concerning the proposed and proposed alternate Insured Institutions can be obtained by you at the website of the National Information Center of the Federal Reserve System maintained at [www.ffiec.gov/nic/](http://www.ffiec.gov/nic/). Neither we nor the Network guarantees the financial condition of any Insured Institution or the accuracy of any publicly available financial information about the Insured Institution.

**Section 7. Confidentiality of Information**

We will provide your name, tax identification number and other pertinent identifying information to the Network and other parties providing services in connection with the placement of your funds and the issuance and holding of your CDs. We may also release such information to (i) an Insured Institution that has issued a CD to you, but only to the extent necessary to comply with any applicable law, rule or regulation or a judicial order and (ii) the FDIC in connection with a claim for deposit insurance on your CD. You hereby consent to the release of that information to and its use by (a) the Network and other parties providing services in connection with the placement of your funds and the issuance and custodianship of your CDs, (b) Insured Institutions that have issued CDs to you to the extent necessary to comply with any applicable law, rule, regulation or judicial order, and (c) the FDIC in connection with a claim for deposit insurance on your CDs. The information will not be disclosed to other Insured Institutions except as set forth herein and will not be used by the Network or any other parties to whom we release the information for any other purpose except as set forth herein or directed by you.

**Section 8. Disputes**

Any disputes arising out of or in connection with this agreement will be governed by the dispute resolution, arbitration, choice of law, venue, waiver of jury trial, and costs related to dispute provisions, if any, contained in your Custodial Agreement with us under which we act as custodian for your CDs.

**Section 9. Miscellaneous**

Any information we are required to deliver to you pursuant to this agreement may be given to you by mail, facsimile or other electronic transmission.

This agreement,

- constitutes the entire agreement between us relating to the placement of deposits through CDARS and the other matters contained herein,
- supersedes all prior contracts or agreements relating to the placement of funds through CDARS, whether oral or written, and
- may not be amended by any oral representation made or oral agreement reached after the execution of this agreement.

We may amend this agreement or any related document by modifying or rescinding any of its existing provisions or by adding any new provisions at any time by sending written notice of the amendment to you. We may provide written notice of an amendment to this agreement by means of a letter, an entry on your account statement or other means. Any amendment will be effective as of the date established by us in the amendment, subject to applicable law.

This agreement is not assignable, in whole or in part, by either party except by operation of law or as required by law.

The headings in this agreement are inserted for convenience and identification only, and are not intended to describe, interpret, define or limit the scope or intent of this agreement or any clause hereof.

By signing below, you acknowledge that you have received this agreement, that you have read and understood this agreement and that you were given the opportunity to ask us any questions you may have had with respect to this agreement, the transactions contemplated by it, the CDs and FDIC insurance coverage of the CDs and deposits maintained with us.

**Notice to Texas Residents**

Each time we place funds for you through the Network you are representing to us, the Network and each Insured Institution that is issuing CDs to you that your deposits with each Insured Institution issuing CDs to you (including the CDs and all deposits held directly by you or through other agents or custodians), when aggregated in accordance with FDIC regulations, are within the FDIC insurance limit applicable to you.

Check this box if you are a public funds depositor or a non-profit institution submitting funds for placement and wish your funds to be placed only through CDARS Reciprocal Transactions.

**DEPOSITOR(S)**

Name of Depositor: \_\_\_\_\_

By: \_\_\_\_\_

Name:  
Title:

Depositor Tax ID or Other Depositor ID: \_\_\_\_\_

ID Type: \_\_\_\_\_

Name of Depositor: \_\_\_\_\_

By: \_\_\_\_\_

Name:  
Title:

Depositor Tax ID or Other Depositor ID: \_\_\_\_\_

ID Type: \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

**DEPOSITORY INSTITUTION**

\_\_\_\_\_  
(Print Name of Institution)

By: \_\_\_\_\_

Name:  
Title:

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

**SCHEDULE 1**

INITIAL LIST OF INSURED INSTITUTIONS AT WHICH YOU DO NOT WANT TO MAKE A DEPOSIT (ATTACH ADDITIONAL PAGES AS NECESSARY)

\_\_\_\_\_  
Institution City and State

\_\_\_\_\_  
Institution City and State

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**SCHEDULE 2**

IMPORTANT TIMES AND DEADLINES IN CONNECTION WITH THE PLACEMENT OF YOUR FUNDS

This schedule contains important times and deadlines with respect to the placement of your funds. These times may change from time to time or on any particular Order Date, and we will inform you of any change, as applicable, before you submit your funds for placement.

1. Time by which your request to have your funds placed must be submitted: \_\_\_\_\_ on the Order Date.
2. Time at or after which you may obtain the list of names of the Insured Institutions at which your funds are proposed to be placed: **2:30 p.m. ET** on the Order Date.
3. Time by which you must inform us of the name or names of any proposed Insured Institution at which you do not want to make a deposit: **3:30 p.m. ET** on the Order Date.
4. Time by which we must have your available funds on account: \_\_\_\_\_ on the \_\_\_\_\_ Date.

## Custodial Agreement

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**You, the depository institution, may wish to use your own form of custodial agreement. The Network is providing this form of custodial agreement for your convenience. Before using this form of custodial agreement, you should ensure that this custodial agreement complies with the laws of your state. This form of custodial agreement is not designed for use with Individual Retirement Accounts (“IRAs”).**

**In accordance with Section 8 of the CDARS Deposit Placement Agreement, you may wish to include your standard dispute resolution, arbitration, choice of law, venue, waiver of jury trial, and costs related to dispute provisions.**

**GENERAL AGREEMENT FOR CUSTODY OF CERTIFICATES OF DEPOSIT —  
FOR INDIVIDUAL, TRUSTS AND BUSINESS ENTITIES**

To: [Depository Institution]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please hold in safekeeping, and act as custodian with respect to, all time deposits including, but not limited to, certificates of deposit (all such time deposits will be referred to herein as "CDs") issued pursuant to the CDARS Deposit Placement Agreement between you and the undersigned for funds of the undersigned placed through the Certificate of Deposit Account Registry Service<sup>SM</sup>. It is agreed between us as follows:

You are authorized to collect for account of the undersigned all interest and other payments of income or principal pertaining to the CDs unless they are payable directly to the undersigned; to surrender for payment maturing CDs and those called for redemption; to endorse on behalf of the undersigned for the above purposes all checks and other instruments requiring endorsement; to cause the CDs to be registered in your name or in the name of your nominee if you consider it desirable; to deliver or transfer the CDs as the undersigned may from time to time instruct; to receive the CDs for account of the undersigned; to place orders for the purchase of the CDs, on the instructions of the undersigned and to pay for the same provided the undersigned has funds on deposit with you or arranges to make funds available in advance for such purpose; and to execute and deliver or file on behalf of the undersigned all appropriate receipts and releases and other instruments, including whatever certificates may be required from custodians or may be necessary to obtain exemption from taxes and to name the undersigned when required for the purpose of the instrument.

Instructions may be given orally or in writing. The following are authorized to give instructions on behalf of the undersigned (check all that apply).

The undersigned (individual or partnership).

Any of the following individuals. (List of names and legal capacities)

Any \_\_\_\_\_ of the following officers and their respective successors in office. (List of names and their titles)

The undersigned, or the undersigned's account, is one of the following:

- |                                              |                                                                                      |
|----------------------------------------------|--------------------------------------------------------------------------------------|
| <input type="checkbox"/> Individual          | <input type="checkbox"/> Custody (including guardian, agent, nominee or conservator) |
| <input type="checkbox"/> Joint _____         | <input type="checkbox"/> Payable Upon Death Account                                  |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Irrevocable Trust                                           |
| <input type="checkbox"/> Partnership         | <input type="checkbox"/> Other _____                                                 |
| <input type="checkbox"/> Corporation         |                                                                                      |

You may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process that you believe (correctly or otherwise) to be valid. You may notify the undersigned of such process by telephone, electronically or in writing. If you are not fully reimbursed for your record research, photocopying and handling costs by the party that served the process, you may charge such costs to the undersigned's account, in addition to any minimum fee you charge for complying with legal processes.

You may honor any legal process that is served personally, by mail, or by facsimile transmission at any of your offices or an office of your agent (including locations other than where the funds, records or property sought is held), even if the law requires personal delivery at the office where the undersigned's account or records are maintained.

You shall have no liability to the undersigned for any action taken or omitted by you hereunder in good faith.

The undersigned agrees to indemnify you and your nominees against, and to hold you and them harmless from, all expenses (including counsel fees), liabilities and claims arising out of the holding, delivery or transfer of the CDs and compliance with any legal process that you believe (correctly or otherwise) to be valid. The undersigned agrees to pay any service charges imposed by you on this custodial account.

This agreement may be terminated at any time at the option of either party, provided, however, that any termination by you will not become effective until the end of the term of any CD in your safekeeping at the time you notify the undersigned of your intention to terminate this agreement.

**DEPOSITOR(S)**

Name of Depositor: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

Name of Depositor: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

**DEPOSITORY INSTITUTION**

\_\_\_\_\_  
(Print Name of Institution)

By: \_\_\_\_\_  
Name:  
Title:

Acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_

(NOTE: If the depositor is a corporation, the following certificate should be signed by an appropriate officer of the depositor other than one signing the form of custodial agreement.)

I [Name], [title of office] of the above named corporation signing the foregoing agreement, hereby certify that: I am personally familiar with all instruments and records relating to the organization, and operation of the corporation and the meetings and proceedings of its stockholders and all boards and committees entrusted with authority in the management of its affairs; by corporate action taken in conformity with such instruments and records and appearing from said records to be still in force, the foregoing letter of agreement was authorized to be signed and delivered on behalf of said corporation; and each of the persons signing on behalf of said corporation is the qualified holder of the office given opposite his/her signature and was authorized to sign the said letter of agreement in that capacity.

Signature: \_\_\_\_\_