

## Deposit Account Agreement

Before applying for an ableBanking online account ("Account"), you should carefully read this Deposit Account Agreement ("Agreement"), which will govern the terms of your Account and includes disclosures we are required by law to provide to you. If you agree with these terms and disclosures, please click "Accept" at the bottom of the page to continue. If you do not agree with these terms and disclosures, please click "Decline" to return to the ableBanking internet home page ([www.ablebanking.com](http://www.ablebanking.com)).

### DEPOSIT ACCOUNT TERMS AND CONDITIONS

The words "we," "our," "us," and the "Bank" mean Northeast Bank, through its ableBanking Division, and the words "you" and "your" mean the Account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the Account.

### IMPORTANT ACCOUNT OPENING INFORMATION

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Before opening an Account, we may ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask for photo identification or other identifying documents, and in some instances, we may use outside sources to confirm the information.

By opening and maintaining an Account with us, you agree to the terms and conditions of this Agreement. Except as otherwise required by law, we may in our sole discretion change the terms of this Agreement from time to time and at any time. When changes are made, we will update the Agreement on the ableBanking website. You will be notified if we revise, modify, or otherwise update this Agreement. Your continued use of your Account constitutes your agreement to be bound by the terms of any such amendment. You will receive a separate disclosure of rates, qualifying balances, and fees ("Truth in Savings Disclosure") and a disclosure covering fees and charges ("Fee Schedule"). Your Account is also subject to Federal and Maine state law, any applicable operating circulars or clearing house rules, and the rules and regulations of our supervisory authorities.

You authorize ableBanking (Northeast Bank) to make all inquiries deemed necessary to verify the accuracy of the information contained in your deposit account application. In addition, you authorize ableBanking (Northeast Bank) to verify your identity and employment, obtain credit and employment history, obtain other background information about you (including without limitation consumer reports from consumer credit reporting agencies) and to verify your criminal history, or lack thereof. ableBanking (Northeast Bank) may report information about your account history with ableBanking (Northeast Bank) to credit reporting agencies. As long as you have an account with ableBanking (Northeast Bank), you authorize ableBanking (Northeast Bank) to periodically make all inquiries deemed necessary to verify the continued accuracy of your information.

## ONLINE BANKING DISCLOSURE

We offer our Accounts online and in order to open an Account with us, you must agree to do business with us electronically using our online banking service ("Online Banking Service"). In addition, you agree to provide us with a valid and active electronic mail address where we may send you electronic communications.

Please note that you must have the following to access the Online Banking Service:

- Internet access
- An internet browser that supports 128-bit encryption and is on the list of supported browsers
- Adobe Acrobat Reader version 6.0 or higher

A full list of supported browsers can also be found within the FAQ section of the ableBanking website, [www.ableBanking.com](http://www.ableBanking.com).

As part of the Account opening process, you will be required to make a deposit from an account at another bank (an "External Account") by using your account log in credentials for that External Account.

We are not responsible for any computer virus or related problems that you may encounter. We encourage our customers to routinely scan their computers using a reliable virus detection product to detect and remove any viruses.

## TYPES OF ACCOUNTS

We offer the following types of Accounts:

**Money Market Deposit Account and High Yield Savings Account:** A Money Market Deposit Account and/or a High Yield Savings Account allows you to make deposits by check, or ACH transfer or wire transfer from an account in a financial institution that is chartered by the United States of America or any state thereof. You can make withdrawals by ACH transfer to an account at a financial institution that is chartered by the United States of America or a state therein, or by writing a check for those accounts opened prior to 4/1/2013. You may also transfer funds to other accounts you own with us.

**Certificate of Deposit Account ("CD Account"):** A CD Account allows you to make deposits by check, ACH transfer or wire transfer from an account in a financial institution that is chartered by the United States of America or a state thereof. With a CD Account, while a physical certificate is not issued, you will receive a funding letter with all the pertinent information about the certificate of deposit. If you withdraw funds before the end of the term, your CD Account is subject to a penalty as described in the Truth in Savings Disclosure.



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### **ACCOUNT OWNERSHIP**

You agree that you are opening an Account with us for personal, family or household purposes, and not for business purposes.

### **INDIVIDUAL ACCOUNT**

An individual account is an Account owned by only one person, who can deposit, transfer or withdraw funds. An individual Account does not create any survivorship rights for any other person.

### **JOINT ACCOUNT**

A joint account is an Account owned by two or more persons. Each joint account owner individually has the right to provide us with instructions, make any decision, obtain any information or make any request associated with the Account, to the extent allowed by the terms and conditions governing the Account. If we provide notice to one joint account owner, all joint account owners are deemed to have received notice. Each joint account owner agrees to be jointly and severally (individually) liable for any Account shortage resulting from charges or overdrafts, whether caused by the joint account owner or another with access to the Account. Any such liability is due immediately and can be deducted directly from the Account balance whenever sufficient funds are available. Joint account owners do not have a right to defer payment of this liability, and each is liable regardless of whether only one person signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

When you open a joint account, it will be a joint account with right of survivorship. This will determine what happens to the account if an account owner dies. This means that if one person on the joint account dies, his or her share belongs equally to the other living people on the account.

### **DEPOSITS**

You may make deposits by (i) transferring funds from an External Account at another bank that you have linked to our Online Banking Service, (ii) mailing a check to us at ableBanking P.O. Box 2606 Lewiston, ME 04241-2606 (iii) telephone transfers as described below, or (iv) ACH or wire transfers as described below. We do not accept deposits in cash, whether in U.S. or foreign currency.

We will attempt to collect for you all items deposited into your Account. We will usually make deposits available to you until collection is final for any items we accept for deposit (including items drawn on the Bank or its affiliates). However, we may delay or refuse to make these funds available to you if we believe, in our discretion, that your item will not be paid. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We will determine when final credit is received for any item. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next following business day that we are open.

### **INTEREST CALCULATION**

Interest begins to accrue in your Account on the business day that we receive credit for your electronic funds and all other non-cash deposits, including checks. Interest will be compounded and credited on a monthly basis. CD interest cycle will occur monthly based on open date of your account. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. The daily periodic rate is calculated by dividing the interest rate by three hundred sixty-five (365) days, even in leap years. We may, at our sole discretion, change the interest rate on your Account(s) at any time and without notice or limit after your account is open, except that the interest rate on a CD Account will not be changed after funding and prior to maturity.

### **WITHDRAWALS AND TRANSFERS**

You may withdraw or authorize electronic funds transfers to or from your Accounts. Transfers from your Accounts may be made to your other Accounts with us or to External Accounts at other banks that you have linked to your ableBanking Service. Subject to the restrictions set forth in this Agreement, any Account owner, acting alone, has authority to withdraw or transfer all or any part of the Account balance at any time.

This Agreement imposes limits on certain types of withdrawals and transfers you can make from a Money Market Deposit Account:

- Paper checks are not permitted on accounts opened on or after 04/01/2013. Use of paper checks ordered from another source will be returned; and Transfers from your Money Market Deposit and/or High Yield Savings Account to an External Account or to third parties by pre-authorized, automatic or telephone transfer are limited to \$25,000.00 per day.

We may refuse any withdrawal or transfer request that you attempt by any method we do not specifically permit, or which is for an amount greater or less than any withdrawal limitations.

If we are presented with an item drawn against your Account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to a penalty. See your Truth in Savings Disclosure for early withdrawal penalties.

### **OVERDRAFT TRANSACTIONS**

When a transaction is presented against your Account, and your Account either already does not have sufficient funds or the transaction would cause your Account to not have sufficient funds, you may be charged a paid item fee or returned item fee (see Fee Schedule) whether or not we honor the withdrawal request.

The fact that we may honor withdrawal requests that overdraw the available Account balance



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does not obligate us to do so in the future.

### **ACH TRANSFERS**

Subject to the terms of this Agreement, you may send or receive Automated Clearing House ("ACH") transfers from your Account. Transfers between your Account and an External Account will be processed via ACH. These ACH transfers will be processed under the Operating Rules of the National Automated Clearing House Association ("NACHA") and you agree to comply with the NACHA rules. You agree that you will only attempt to use External Accounts that you own and are in your name. You agree that we may verify that you own the External Account by contacting the financial institution holding the External Account. We initiate a request to debit funds from your External Account on the business day or next business day after you request us to initiate the transfer. Funds are debited from your Account on the business day or next business day after you request us to initiate the transfer. We will use reasonable efforts to provide notice to you of any rejection of a transaction requested by you. However, we will not be liable for any loss or damage, including interest, in the event of our failure to give such notice. Additionally, we are not responsible for the actions of any other financial institution, including any failure of another financial institution to act in a timely manner in connection with a transaction.

We cannot guarantee the timely delivery or return of funds as a result of the actions of another financial institution, including failure of another financial institution to act in a timely manner.

### **TELEPHONE TRANSFERS**

A telephone transfer of funds from your Account to another Account with us, if otherwise arranged for or permitted, may be made by the same person and under the same conditions generally applicable to withdrawals made in writing. Other Account transfer restrictions may be described elsewhere.

### **CLOSING AN ACCOUNT**

You or we may close your Money Market Deposit Account and/or High Yield Savings at any time. In addition, Money Market Deposit Accounts and/or High Yield Savings Accounts will be closed automatically if we do not receive your Initial Deposit within thirty (30) days of the date on which your Money Market Deposit/and/or High Yield Savings Account is opened. If you close your Account and items are later presented against your account, we are not liable for any losses or damage that may result from dishonoring any items. If your Account is overdrawn when we close it, you agree to pay immediately all amounts you owe us. If you request to close your account, the balance in your Account will be returned via ACH to the External Account from which it was originally funded.

You may close your CD Account at maturity without penalty. Any other closure of your CD Account may be subject to an early withdrawal penalty (see Truth in Savings Disclosure). At closure of your CD Account, you will be paid interest to the date of closure and then any applicable early withdrawal penalty will be assessed. We may also close your CD Account at maturity without advance notice. In addition, your CD Account will be closed automatically if you have not funded your CD Account within sixty (60) days of the date on which your CD Account is opened. If your Account has a balance when we close it, we will return remaining



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funds to you, less any applicable penalty, unless prohibited by applicable law. If you request to close your account, the balance in your Account will be returned via ACH to the External Account from which it was originally funded.

### **STATEMENTS**

We make Money Market Account and High Yield Savings account statements available to you through the Online Banking System. You should review and balance your Account statements promptly after you receive them for any errors in the Account information. You must notify us of any unauthorized signatures, alterations, forgeries, transfers, or any other errors within sixty (60) days of your Account statement becoming available. Failure to notify us within this sixty (60) day period could result in you being unable to recover funds from unauthorized transactions, subject to applicable law. CD Account customers will receive electronic notification of maturity and renewal notices.

Customers must maintain an active online banking profile in order to ensure electronic notification is not disrupted.

### **DIRECT DEPOSITS**

If, in connection with a direct deposit plan, we deposit any amount in an Account that should have been returned for any reason, you authorize us to deduct the amount from this Account or from any other Account you may have with us, without prior notice and at any time, except as prohibited by law. We reserve the right to also use any other legal remedy available to us to recover the amount owed.

### **SETOFF AND SECURITY INTEREST RIGHTS**

By opening this Account you grant us a security interest in any and all of your Accounts with us for obligations owing to us by any owner. These obligations include both secured and unsecured debts and debts you owe individually or together with someone else. We may take or set off funds in any or all of your Accounts with us and with our parent, affiliates or subsidiaries for direct, indirect and acquired obligations that you owe us, our parent, affiliates and subsidiaries, including any balances as a result of not having sufficient funds available, regardless of the source of funds in an account. These rights are in addition to other rights we have to take or charge funds in your Account for obligations you owe us.

In the case of a joint account, we may exercise these rights against the joint account and all joint owners. These rights exist no matter who contributed funds to the joint account. Similarly, each joint owner agrees that we may use the money in their individual Accounts to satisfy obligations in their joint accounts. We may consider this Agreement as your consent to the Bank asserting its security interest or exercising its right of setoff should any laws governing your Account require your consent. If the law restricts our ability to take or setoff funds in your Account, or if some government payments are protected from attachment, levy or legal process, to the extent that you may do so by contract, you waive those conditions and limits and authorize us to apply funds in any or all of your Accounts with us, our parents, affiliates or subsidiaries to obligations you owe us.



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Exercising these rights may result in early withdrawal penalties or may cause us to dishonor items should our action result in nonsufficient funds in your Account. You agree to hold us harmless from any claim arising as a result of our exercise of these rights.

### **AMENDMENTS**

We reserve the right to change the terms of this Agreement or change the terms of your Account at any time, including the right to convert your existing accounts and services into new accounts and services. We will give you such notice of the change as we determine is appropriate, and as required by law. Any change, addition or deletion we may make to this Agreement will supersede all prior versions. If you do not agree with a change, you may close your Account(s) before the effective date of the change, addition or deletion.

### **ACCOUNT TRANSFER**

Your Account(s) may not be transferred, pledged or assigned by you. We reserve the right to transfer or assign your Account(s), at our discretion, to another FDIC insured institution.

### **PROHIBITION ON FUNDING OF UNLAWFUL INTERNET GAMBLING**

Restricted transactions (as defined in Federal Reserve Regulation GG (12 CFR Part 233)) are prohibited from being processed directly or indirectly through any Account or relationship maintained with us. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks or drafts are knowingly accepted by gambling businesses in connection with unlawful Internet gambling.

### **INDEMNIFICATION AND LIMITATION OF LIABILITY**

You agree to indemnify and hold us harmless from any losses, damages, suits and expenses, of whatever kind, including reasonable attorneys' fees, which we incur as a result of relying upon instructions from you, or anyone purporting to be you, provided that we have complied with applicable security procedures. You agree to comply with applicable law and to not use your Account for illegal transactions or activity. Please note, your agreement to comply includes United States economic sanctions laws and regulations, including those issued by the Office of Foreign Assets Control of the U.S. Department of the Treasury and Executive Orders issued by the President of the United States.

You agree to reimburse us for all claims, costs, losses and damages (including collection fees) we incur with respect to occasions when you do not have sufficient funds in your Account or you have returned deposits on your Account. We are not liable to you for claims, costs, losses or damages caused by an event that is beyond our reasonable control (e.g., the acts or omissions of third parties, natural disaster, emergency conditions, government action, equipment or communications malfunction). We are not liable for special, incidental, exemplary, punitive or consequential losses or damages of any kind.

We reserve the right to limit access to your Accounts and/or close your Accounts without prior notice to you. We do not bear liability for such actions.

Our liability for a claim is limited to the face value of the item or transaction, or the actual value of any funds not properly credited or debited. Any recovery you obtain from third parties or an



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insurance company on a particular claim reduces the amount of obligations we have to you on that claim, and you must immediately notify us of such recovery.

This Indemnification and Limitation of Liability does not, in any case, reduce our liability to you as described in Part II, relating to electronic fund transfers.

### **FOR GRANDFATHERED ACCOUNTS OPENED PRIOR TO 04/01/2013**

#### **CHECK PROCESSING AND POSTING**

We may process items mechanically by relying on the information encoded along the bottom of the items. This means that we may not individually examine all of your items to determine if the item is properly completed, signed and indorsed. You agree that we have not failed to exercise ordinary care solely because we use an automated system to process items and do not inspect all items processed in such a manner. We reserve the right not to inspect each item because using an automated process helps us keep costs down for you and all account holders. We may determine the amount of available funds in your Account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the Account balance at the subsequent time will determine whether there are insufficient available funds.

You agree that we may pay checks or other items drawn upon your Account in any order determined by us and may change that order without prior notice to you, subject to the requirements of applicable law.

#### **RESTRICTIVE LEGENDS**

We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00." Further, we are not responsible for any losses, claims, damages or expenses that result from your expectation that we will honor these restrictions.

#### **CHECK CASHING**

We may charge a fee for anyone that does not have an Account with us who is cashing a check, draft or other instrument written on your Account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

#### **TRUNCATION, SUBSTITUTE CHECKS, AND OTHER CHECK IMAGES**

If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may





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incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check Clearing for the 21st Century Act ("Check 21 Act"). Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

### **STOPPING PAYMENT**

If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Call us at 1-888-426-2253, or write us at ableBanking P.O. Box 2606 Lewiston, ME 04241-2606, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. Please refer to our fee schedule for the Stop Payment fee amount.

### **OUR LIABILITY**

If we do not complete a transfer to or from your Account on time or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your Account to make the transfer.
- If the system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite the reasonable precautions that we have taken.
- There may be other exceptions stated in our agreements with you.

### **SCHEDULE OF SERVICE FEES**

You will not be charged for the types of electronic funds transfers described above. Other fees, such as for stop payment orders, may apply to your Account however. These are listed in our Fee Schedule.

### **CONFIDENTIALITY**

We will disclose information to third parties about your Account or the transfers you make:

- Where it is necessary for completing transfers; or
- In order to verify the existence and condition of your Account for a third party, such as a consumer reporting agency or merchant; or
- In order to comply with government agency or court orders; or requirements



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- If you give us written permission; or
- As explained in the Bank's Privacy Disclosure.

## APPLICABLE LAW

This disclosure is subject to all applicable provisions of Federal and Maine laws and regulations governing the Bank. Changes in these laws and regulations may modify the terms and conditions of your account periodically. If any provision of this Agreement is declared to be invalid, unenforceable, or illegal, that part will not affect the validity of the other provisions.