

# THE COUNTRY BANK OF NEEDHAM

www.thecountrybankofneedham.com

## Commercial Account Rules

October 2025

These Commercial Account Rules (“Rules”) govern all commercial deposit accounts at The Country Bank of Needham (“Accounts”) and constitute an agreement by and between the entity that has established the Account (“Customer,” “you,” or “your”) and The Country Bank of Needham (“Bank,” “we,” or “our”). By opening an Account and either signing the signature card for the Account or using the Account in any way, Customer accepts and agrees to these Rules.

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### 1. Account Documentation

**Customer Identification Program.** To comply with federal law aimed at preventing terrorism funding and money laundering, all financial institutions must obtain, verify, and record information that identifies each person or business entity opening an Account. When you open an Account with Bank, you must provide your business entity name, principal and local (if different) address, date of establishment, employer identification number, and other required information. Bank may also seek additional information or documentation. You agree that Bank may obtain information about you from third parties to confirm your identity and for Account-related purposes. These procedures apply even if you are already a Bank customer.

Further, federal laws require Bank to collect information to identify and verify the beneficial owners of the legal entity that is the Bank’s customer. Bank may request additional documentation to verify Customer’s identity, authority of individuals acting on Customer’s behalf, nature and purpose of the relationship, and other Account-related matters.

**Authorization Forms.** Required forms when opening an Account include account resolutions, a commercial signature card, and other documents establishing the authority of persons authorized to access the Account and conduct banking business with Bank. An “Authorized Person” is anyone identified to Bank as such or acting with actual or apparent authority on Customer’s behalf. Bank may require additional documentation as needed. Customer agrees to keep all information current, including changes in business name, address, Authorized Persons, and contact info. Customer authorizes Bank to recognize Authorized Persons until receiving written notification of changes, allowing reasonable time for Bank to act. Bank is not liable for losses due to failure to timely notify such changes. Bank may refuse to honor transactions until properly authorized forms are received.

**Compliance with Law.** Customer agrees to use Accounts only for lawful business purposes and comply with all applicable laws, rules, and regulations (“Applicable Law”). This includes NACHA rules, Federal Reserve regulations, and regulations enforced by the Office of Foreign Assets Control. Both parties agree to be bound by these rules and laws.

**Master Treasury Management Agreement.** If a Master Treasury Management Agreement (“Master Agreement”) exists between Bank and Customer, it governs treasury management Services, with these

Rules continuing to govern Accounts. In case of conflict, the Master Agreement prevails. Use of such Services implies acceptance of the Master Agreement terms.

Customer agrees to promptly review Account Information and notify Bank of any Account Problems as soon as possible. Failure to do so may affect Customer's rights.

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## 2. Deposits

**Collection.** When Customer deposits or cashes any check, draft, or other item ("Item") with Bank, Bank acts as Customer's agent in collecting the Item. Customer bears the risk of loss for each Item during collection and is responsible for returned or rejected Items. Bank may debit Customer's Account for any credited amount if the Item is not collected, regardless of timing. Customer agrees to assist Bank in collection efforts. Bank is not liable for actions or insolvency of other banks or processors. Bank may process Items on a collection-only basis and is not responsible for any restrictive legends on Items.

**Verification.** All deposits and credits are subject to final verification. Credit for deposits is provisional and may be corrected without notice. Bank may refuse deposits or Items and may limit minimum or maximum balances. Bank relies on the account number on deposit slips even if names differ and has no responsibility for inconsistencies.

**Imaging.** Bank generally does not retain paper originals of deposit documents, preferring to store images that are treated as originals.

**Deposit Receipts and Reconciliation.** Deposit receipts reflect amounts based on deposit slips completed by Customer. Bank is not obligated to verify receipt accuracy. Adjustments for discrepancies over \$2 may be made up to one year after the deposit statement date. Smaller discrepancies may not be adjusted. Unreported discrepancies become final after this period.

**Preauthorized Drafts.** Customer warrants legal authorization for preauthorized drafts deposited. Bank may reverse credit if drafts are returned unpaid.

**Returned Items.** Returned unpaid Items cause Bank to debit Customer's Account for the amount plus fees. Bank may re-present unpaid Items and charge fees for re-presentation or returned Items. Customer remains liable for counterfeit or altered Items regardless of availability confirmation.

**Endorsements.** Bank accepts Items last endorsed by Customer and may supply missing endorsements. Endorsements must be within the top 1.5 inches at the trailing edge of the check. Improper endorsements may delay processing or forfeit recovery rights.

**Encoding.** Customer is responsible for accuracy of any encoded information on deposited checks.

**Restriction on In-Branch Deposits.** Cash deposits over \$25,000 may be refused at branch locations for safety reasons, except as provided in treasury management service terms.

**Foreign Currencies and Checks.** Foreign currency deposits will be converted to U.S. dollars at Bank's rates and may incur fees. Foreign checks may be processed on a collection basis and returned uncollected.

**Funds Availability.** Funds availability is governed by Bank's Funds Availability Policy. Availability does not guarantee final payment or settlement. Deposits may be reversed or charged back at any time.

**Substitute Checks.** Bank may use substitute checks in processing, which are legal equivalents of original checks.

### **3. Withdrawals and Transfers**

**Presentment.** Bank may charge your Account on the day an Item is presented by any means. Bank may place holds on funds if notified that your Item has been deposited for collection elsewhere. Bank has no obligation to honor any Item or withdrawal if it would create or increase an overdraft. Payment or return of Items is at Bank's sole discretion and may occur in any order.

**Overdraft.** If your Account's Available Balance is insufficient to cover transactions, it will be in overdraft. Bank may pay or return Items regardless of order or resulting overdraft. Overdraft amounts and fees are immediately due. Bank may charge overdraft fees whether payment is made or not.

**Uncollected Balance Usage Fee.** A fee is charged on negative collected balances (non-available funds) based on an 18% annual rate or \$18 minimum, calculated daily.

**Available Balance; Posting Order.** Available Balance equals the prior Business Day's balance adjusted for pending transactions and holds. Bank decides payment of multiple Items when funds are insufficient, posting deposits first, then fees, ATM/debit purchases in order of occurrence, followed by other debits from lowest to highest amount. Posting order may change due to circumstances beyond Bank's control.

**Electronic Presentment and Representation.** Checks may be converted to electronic form. Returned checks may be re-presented electronically. Bank may return Items electronically at its discretion.

**Dates and Restrictions.** Bank may honor or refuse post-dated, undated, or stale-dated (over six months old) Items. Stop payment orders are required to prevent payment.

**Processing Requirements.** Bank processes Items using automated systems relying on MICR data and does not inspect each Item. Bank disregards information other than MICR line, signature, and payee identity.

**Signature Requirements.** Signature or endorsement requirements set by Customer are for internal control only; Bank is not liable for paying Items lacking required signatures. Items with unreadable signatures may be returned unpaid.

**Facsimile or Mechanical Signatures.** Bank may rely conclusively on facsimile, mechanical, or electronic signatures as authorized regardless of method or source. Customer assumes all risks and responsibility for security of signature devices.

**License of Your Marks.** Customer grants Bank a limited license to use trademarks or logos (“Marks”) for checks issued. Customer represents having rights to Marks and agrees Bank uses them only as authorized.

**Checks Presented Over the Counter.** Bank may refuse to cash checks presented over the counter. Proper ID and fees may be required for non-customers. Bank is not liable for dishonoring such checks.

**Savings Deposits.** Bank may require seven days’ written notice for withdrawals from savings accounts.

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#### **4. Account Information; Recordkeeping and Reconciliation**

**Availability.** Bank will provide periodic statements and notices by mail or electronically. Customers may access Account Information via electronic services. Bank will notify receipt of wire transfers and electronic credits but disclaims liability for delays or failures.

**Your Obligations.** You are responsible for promptly reviewing Account Information and reporting any issues (“Account Problems”) such as unauthorized transactions, altered checks, erroneous fees, or missing deposits. You agree to maintain reasonable fraud prevention procedures and cooperate in investigations. Delayed notification may limit your rights.

**Special Provisions for Pass-Through Accounts.** Accounts held for others (trustees, agents, custodians) may qualify for additional FDIC insurance coverage. Customer agrees to maintain records of beneficial owners and provide such information to the FDIC upon Bank failure to ensure insurance coverage. Failure to do so may result in limited insurance and legal liability.

**Time Limitation.** Legal claims related to Account Problems must be initiated within one year of the first statement reflecting the issue.

#### **5. Remittance Transfer Rule**

**Application.** This section applies to you if classified as a “Remittance Transfer Provider” under Regulation E and related rules implementing the Electronic Fund Transfer Act. When you use our funds transfer Services for a Remittance Transfer, Bank acts as your agent, not as a Remittance Transfer Provider.

##### **Definitions.**

- “Designated Recipient” means the authorized recipient of a Remittance Transfer in a foreign country.
- “Remittance Transfer” means the electronic funds transfer requested by a Sender to a Designated Recipient.
- “Remittance Transfer Provider” means a person providing Remittance Transfers for consumers in the ordinary course of business.
- “Sender” means a consumer who requests a Remittance Transfer primarily for personal, family, or household purposes.

**Customer Undertakings.** You represent that you have policies ensuring compliance with the Remittance Transfer Rule and that each transfer complies with required disclosures, consents, error resolution, cancellation, and refund procedures.

**Bank's Role.** Bank's Services do not include monitoring or ensuring your compliance with the Remittance Transfer Rule. You are responsible for compliance.

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## 6. Electronic Funds Transfers

**Application.** This section governs Electronic Funds Transfers ("EFTs") unless a separate written agreement exists. EFTs include wire transfers, ACH entries, SWIFT payments, and other electronic payment or receipt transactions.

**Operating Rules.** EFTs are subject to applicable Operating Rules from payment networks, the Federal Reserve, and other systems. Bank is not liable for inaccurate or incomplete information from payment networks.

**Legal Compliance.** You must comply with applicable laws, OFAC regulations, and screening requirements for EFTs.

**Credits.** Bank will notify you of EFT credits via Account Information but is not liable for delays. Credits are provisional until final settlement. Bank may reverse credits if final settlement fails.

**Processing EFTs.** You are responsible for the accuracy of Payment Orders. Bank will select processors and intermediary banks as needed.

**Authorization.** You authorize Bank to debit or credit your Account for EFTs received or requested. You are responsible for all Payment Orders authorized by you or your agents. Bank may debit or credit Accounts without prior notice.

**Payment.** Payment Orders must be funded before execution along with applicable fees. You agree to pay fees charged by Bank or third parties.

**Limit on Liability.** Bank's liability for failure or delay in executing Payment Orders is limited to interest at the Federal Funds rate, except where caused by payment networks.

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Please review this section and let me know if you want me to continue with the next part. Thank you for confirming. Here is Part 4 of the rewritten Commercial Account Rules for The Country Bank of Needham, covering Sections 7 and 8:

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## 7. Fees and Charges

Subject to any separate written agreement, you agree to pay our standard fees and charges related to your Accounts as established from time to time. A current fee schedule is available from your relationship officer. You also agree to pay costs and fees for complying with legal requests or

subpoenas on your behalf. If you or your affiliates have linked Accounts, you are responsible for unpaid fees across those Accounts. Unless otherwise agreed, Bank may debit fees from your Accounts, even creating an overdraft. Electronic transfer fees may be deducted from proceeds. Unpaid fees may incur finance charges.

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## **8. Stop Payment Instructions**

**Checks.** Authorized Persons may request stop payments on Items not paid, accepted, certified, or converted to electronic payments. Requests must include exact account name, number, check number, and amount and be received before payment. Stop payments last six months and may require additional information. Oral stop payments must be confirmed in writing within 14 days. Stop payment orders do not apply to cashier's or certified checks. You agree to indemnify Bank for losses from honoring Items contrary to stop payments. Liability is limited to the face amount of the Item.

**Preauthorized Payments.** To stop preauthorized payments, contact Customer Service or your banking center at least three Business Days before the payment date. Written confirmation may be required within 14 days. Fees apply for stop payment orders. Once stopped, no further payments to that payee will be made unless you provide new authorization. Bank is responsible only for exact information provided.

## **9. Protecting Your Accounts**

You acknowledge that your Accounts face evolving risks of unauthorized or fraudulent activity. You are responsible for implementing reasonable and effective procedures to prevent fraud, misuse, and unauthorized access. This includes safeguarding checks, account numbers, security procedures, access devices, and internal controls.

Bank offers various services to assist in fraud prevention, such as positive pay and transaction controls. If you opt not to use these services or fail to implement reasonable anti-fraud measures, you assume the risk of resulting losses and agree to hold Bank harmless.

You must immediately notify Bank of any known or suspected loss, theft, or unauthorized use of checks, cards, codes, or access devices. Until Bank receives such notification and has a reasonable opportunity to act, Bank may honor transactions using those items.

Bank provides various secure methods to access your Accounts electronically. You are responsible for all transactions and information accessed using your authorized credentials.

If Bank suspects fraud or unauthorized activity, it may suspend or freeze Accounts or place holds on funds. Bank is released from liability for any resulting returned or unprocessed transactions.

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## **10. FDIC Insurance**

The Federal Deposit Insurance Corporation (FDIC) protects depositors against loss due to bank failure up to \$250,000 per depositor, subject to FDIC rules and account ownership categories.

## 11. General Account Matters

**Account Forms.** All checks, withdrawal slips, and deposit slips (“forms”) must be obtained through us or comply with our specifications. You are responsible for verifying the accuracy of information on the forms you use. Our liability for printing errors on forms obtained through us is limited to replacement costs. If you use non-Bank forms, you must submit samples for testing and may be required to reprint at your expense if problems occur.

**Account Usage.** Bank is not obligated to examine or question the source of funds deposited. If you hold Accounts in a fiduciary or agency capacity, you are solely responsible to principals or beneficiaries. Bank is not responsible for monitoring your compliance with governing instruments.

**Checking Subaccounts.** Each checking account consists of a checking subaccount and a non-interest-bearing savings subaccount used for internal purposes such as reserve accounting and sweeps. Funds may be transferred between subaccounts to maintain threshold balances. Transfers do not appear on statements and incur no fees. Interest rates apply to both subaccounts combined.

**Electronic Access.** Authorization to access Accounts electronically is valid through use of codes, passwords, or similar methods. Bank cannot guarantee against unauthorized access but is not liable for transactions or information accessed using authorized credentials.

**Interest Calculation Method.** Applicable accounts earn interest using a variable Annual Percentage Rate (APR) compounded daily on an actual/actual basis. Interest is paid only in whole cents and may be rounded down.

**Earnings Credit Calculation Method.** Some accounts earn earnings credits to offset fees, calculated on average investable balances at a variable rate.

**Deposit Placement Fee.** Certain accounts may earn deposit placement fees based on average collected balances.

**Entire Agreement.** These Rules, the Funds Availability Policy, account opening forms, schedules, and any service terms constitute the entire agreement and supersede prior agreements. No oral agreements exist. These Rules may not be altered via electronic communications. They bind successors and assigns.

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## 12. Certificate of Deposits (CD)

CDs have terms ranging from seven days to seven years. No additional deposits or withdrawals are accepted during the term. Penalties apply for early withdrawal based on term length. CDs are FDIC-insured up to legal limits.

**Interest Rates and Yields.** Current rates are available from your Relationship Manager. Fixed rate CDs maintain the rate until maturity; variable rate CDs may change. Interest accrues from the deposit day and is calculated daily. Interest compounding frequency depends on principal amount.

**Interest Credit.** Interest may be credited monthly, quarterly, semi-annually, annually, or at maturity and paid by capitalization, transfer, or check. Interest is not paid after maturity unless renewed.

**Early Termination Penalty.** Early withdrawal penalties vary by term length and may not exceed interest earned, except for a minimum 7-day interest penalty in the first 6 days. Penalties may be waived upon death or court orders. Promotional CDs may have special terms.

### **13. Disclosing Information**

Bank acknowledges that non-public information obtained from Customer in connection with providing Services may be confidential. Bank has implemented policies and controls to safeguard Customer information in compliance with applicable laws and regulations.

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### **14. Indemnity and Limitations on Liability**

To the fullest extent permitted by law, Bank will not be liable for consequential, special, incidental (including attorneys' fees), punitive, or indirect losses or damages incurred in connection with your Account, even if Bank was advised of the possibility of such loss. Bank's liability is limited to direct monetary damages resulting from negligence or willful misconduct.

Customer agrees to indemnify and hold Bank and its affiliates harmless from losses, damages, claims, and expenses arising from Customer's breach of obligations, violations of law, Account use, or Bank's compliance with instructions given under these Rules. This indemnity does not apply to losses directly caused by Bank's negligence or bad faith.

Claims against Bank must be commenced within one year of the event giving rise to the claim.

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### **15. Termination**

Bank reserves the right to close your Accounts at any time, with or without cause. Customer may close Accounts by providing written notice and allowing Bank reasonable time to act. A zero balance does not automatically close an Account. Bank's rights under these Rules survive Account closure.

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### **16. Set Off and Security Interest**

Bank may charge any of your Accounts to satisfy any obligation you owe to Bank or its affiliates, including loans, advances, and other liabilities, whether present or future, direct or contingent. You grant Bank a consensual security interest in your Accounts in addition to Bank's common law right of setoff.

Bank may act on instructions from its affiliates regarding your Accounts without further consent. Setoff rights do not apply to fiduciary Accounts held solely for others where prohibited by law. "Accounts" include any accounts with Bank or its affiliates.

You agree Bank may exercise these rights even if it causes loss of interest, returned transactions, or penalties. Bank will notify you as required by law.

## **17. Pledged or Assigned Accounts**

Bank may terminate, place a hold on, or dishonor items drawn on any Account you have assigned or pledged as security to third parties, whether Bank consented or not. Upon notice of a claim on such Accounts, Bank may hold funds. Bank has no liability for refusal to honor Items on pledged or encumbered Accounts.

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## **18. Legal Process**

If your Account becomes subject to a claim or legal process, Bank may suspend payment, freeze, or take actions on the Account until final resolution. Bank is not liable if acting in good faith. Fees may apply for such claims.

If Bank is involved in legal proceedings concerning your Account or obligations, you agree to reimburse reasonable attorneys' fees and related costs. Bank may pay funds subject to claim to a court clerk for resolution. Bank may place holds anticipating such fees.

Bank has no liability for complying with legal process or for insufficient funds or restrictions resulting from such actions.

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## **19. Unlawful Internet Gambling Enforcement Act Notification**

Restricted transactions related to unlawful Internet gambling are prohibited through any Account. This includes credit, funds, instruments, or proceeds accepted in connection with unlawful Internet gambling. "Unlawful Internet gambling" means placing or receiving bets via the Internet where illegal under applicable law.

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## **20. Telemarketing Sales Rule**

If subject to the Telemarketing Sales Rule (TSR), you are prohibited from creating or using certain payment methods including remotely created payment orders or checks (Prohibited TSR Payments). You are responsible for understanding and complying with the TSR and ensuring no Prohibited TSR Payments are deposited or processed through Bank.

## **21. Amendment**

Bank may amend these Rules from time to time and will notify you by any reasonable means, including electronic notice or website posting. Amendments take effect on the stated date or 30 calendar days after notice if no date is specified. If you do not agree, you may close your Account before the effective

date. Continued use after the effective date constitutes acceptance. Changes to interest rates, earnings credit rates, or security procedures do not constitute amendments and may occur without prior notice.

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## 22. Miscellaneous

**Force Majeure.** Bank is not responsible for failure or delay in performance due to causes beyond reasonable control, including fire, equipment failure, strikes, acts of God, terrorism, war, or government actions.

**Governing Law; Venue; Waiver of Jury Trial.** These Rules are governed by Ohio law and applicable federal laws. You consent to jurisdiction in Cincinnati, Ohio courts and waive any right to jury trial in disputes arising from these Rules.

**Severability.** Invalid or unlawful provisions will be modified to comply with law without affecting the remainder.

**Notices.** Notices must be in writing and sent to addresses on file. Notices are effective upon receipt.

**Electronic Communications.** Electronic communications are not binding unless Bank expressly agrees. Bank will never request confidential information electronically.

**Processors.** Bank may use third-party processors for Services, who are third-party beneficiaries of these Rules.

**Inactive Accounts.** Accounts inactive for specified periods may be considered inactive, with fees and reduced statements. Funds may be turned over to the state per abandoned property laws.

**Relationship.** The relationship is debtor and creditor; no fiduciary relationship exists except as required by law.

**Recording.** Bank may record communications without notice.

**Transfer and Assignment Restrictions.** Accounts may not be transferred or assigned without Bank's written consent.

**Other Agreements.** Conflicts with other agreements are resolved in favor of the specific agreement.

**Waiver.** Waivers of provisions apply only in writing and for specific occasions.

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## Funds Availability Policy for Transaction Accounts

Bank works to ensure funds availability on deposits. Deposits made before cut-off times on Business Days are considered received that day. Deposits after cut-off, weekends, or holidays are considered received the next Business Day. Cut-off times vary by location; contact your banking center or visit <https://www.thecountrybankofneedham.com> for details.

Funds availability varies by deposit type:

- **Same-day availability:** Cash deposits, wire transfers, instant payments, and electronic direct deposits.
- **Next Business Day availability:** Certain government and cashier's checks deposited in person with special deposit slips.
- **Second Business Day availability:** Most other deposits.
- **Fifth Business Day availability:** Deposits at non-Bank ATMs.

Delays up to seven Business Days may apply for reasons such as large deposits, repeated overdrafts, or suspicion of uncollectible Items.

New Accounts may have special rules for funds availability.

Foreign checks may require extended processing.

Limits exist on ATM cash withdrawals and transfers for security reasons.

Savings/MMDA accounts have transaction limits and fees for certain withdrawals beyond six per month.