



Attorney Trust Escrow Manager Account Agreement



Name of Law Firm:

Date:

Account Indicator:

(Attorney Trust Account/Attorney Escrow Account/Attorney Special Account)

CHECK ONE BELOW

- Sole Address:
- Partnership Phone:
- Professional Corp. Contact Name:

Orange County Trust Company and Orange Bank & Trust Company (the "Bank" or "OCTC" or "OBT") provides an Attorney Trust Escrow Manager (ATEM) suite of products designed specifically for law firms and attorneys. This Agreement explains the terms and conditions of the ATEM suite.

1. USE OF WORDS

- a. The words "you" "your" and "account holder" refer to each Attorney or Law Firm that maintains an Attorney Trust Escrow Manager account with Orange County Trust Company and/or Orange Bank & Trust Company, a division of Orange County Trust Company.
- b. The words "Bank" "we" "our" and "us" refer to Orange County Trust Company and/or Orange Bank & Trust Company, a division of Orange County Trust Company.
- c. The word "Attorney Trust Master Disbursement Checking Account" refers to a non-interest bearing trust checking account or interest bearing Attorney IOLA Master Disbursement Checking Account maintained in the name of the Attorney or Law Firm.
- d. The word "CBT Sub-Account" refers to the interest bearing client benefit trust sub-account maintained with the Bank in the name of the Attorney's client using the client's tax I.D number.
- e. The word IOLA Sub-Account refers to an interest bearing account maintained with us in the name of the Attorney's client but using the Tax I.D number of the State IOLA Fund. Interest earned on this type of sub is forwarded to the IOLA Fund.

2. Overview — The ATEM Suite consists of certain accounts (each, a "suite Account), defined as follows:

- a. **Attorney Trust Master Disbursement Checking Account**—The Attorney Trust Master Disbursement Checking Account is a standard non-interest bearing trust checking account that contains all trust funds designated for deposit (the ATEM Master Checking Account). All disbursements from the CBT Sub-Accounts or IOLA Sub-Accounts (as defined below) will clear through the ATEM Master Disbursement Checking Account. Each month you will receive a statement detailing all transactions processed through the ATEM Attorney Trust Master Disbursement Checking Account. All printed checks, either those provided by us through a check supplier, or those which are printed by you will reflect the title of the account as it appears on the monthly statement.

- b. Attorney Trust IOLA Master Disbursement Checking Account**—The Attorney Trust IOLA Master Disbursement Checking Account is a standard interest bearing trust checking account which uses the Tax I.D number of the State IOLA Fund and all interest earned on the account is forwarded to the State IOLA Fund. All disbursements from the CBT Sub-Accounts or IOLA Sub-Accounts (as defined below) will clear through the ATEM Attorney Trust IOLA Master Checking Account. Each month you will receive a statement detailing all transactions processed through the ATEM Attorney Trust IOLA Master Disbursement Checking Account. All printed checks, either those provided by the Bank through a check supplier, or those which are printed by you will reflect the title of the account as it appears on the monthly statement.
- c. Client Benefit Trust Sub-Accounts**—You shall be permitted to open separate CBTs. Each CBT Sub-Account will contain your name, the Client’s name, address and tax identification number (“TIN”). The Bank must be provided with the appropriate TIN for each CBT Sub-Account and a W-9 Certification form will be required in order to ensure that the appropriate Form 1099 INT is issued in the name of the Client rather than you. In the event that this information is not provided to the Bank, the Bank will be obligated by IRS rules to implement backup withholding on any interest earned on the applicable CBT Sub-Account at the statutory rates. If your client is an exempt foreign person (a non-resident alien) and, therefore, not subject to U.S. information return reporting or backup withholding rules, your client must complete a Form W-8 BEN (Certificate of Foreign Status) and not the W-9 Form, and you agree to return the completed Form W-8 BEN and the New CBT Sub-Account Setup Form to the Bank. Interest On Lawyers Accounts (IOLA) are maintained under the New York State IOLA Fund tax identification number; therefore W-9 Forms are not required for each IOLA Sub-Account. www.iola.org/lawyers/faq.html
- d.** By submitting the W-9 Form and/or the New CBT Sub-Account Setup Form or New IOLA Sub-Account Setup Form you represent to the Bank that 1) you identified your client using both a primary form of identification that includes a photograph, which is either a valid state issued driver’s license, state issued identification card, or U.S. passport (or foreign passport for non-resident alien only) and 2) that your client’s signature is genuine, and if signed in a representative capacity, was signed by an individual with a valid power of attorney or who is authorized to make the certification on behalf of your client. You represent and warrant to the Bank that you have the authority to establish and operate each CBT Sub-Account or IOLA Sub-Account. After the Bank processes a New CBT Sub-Account Setup Form, New IOLA Sub-Account Setup Form, CBT Sub-Account Transaction Form or IOLA Sub-Account Transaction Form you will receive a confirmation of the transaction. You must notify the Bank of any errors within 14 days of the date the Bank mails or makes available to you the transaction confirmation. The Bank shall not be liable for any damages resulting from erroneous Master Account or Sub-Account information, unless (a) you give the Bank prompt notice as indicated above and (b) you exercise ordinary care in attempting to prevent and detect such erroneous information. Interest earned will be subject to taxation as ordinary income to the Client and a Form 1099 INT will be mailed directly to each Client, except IOLA accounts.

Unless the Bank receives different instructions, (such as funds are to be deposited to an IOLA Sub-Account) funds held in the CBT Sub-Account will be deposited into interest bearing savings accounts with floating interest rates. These rates will be determined by the Bank based on market conditions, and can change periodically. All interest rate changes will become effective the day of said change.

You agree not to use your Master Disbursement Checking Account as an operating account. You will establish and maintain a separate operating account with the Bank. You also agree that you will only use the Master Disbursement Checking Account for transactions related to the CBT Sub-Accounts or IOLA Sub-Accounts. The Bank will provide a monthly statement for your Master Disbursement Checking Account along with separate report which will include information for all linked CBT Sub-Accounts and IOLA Sub-Accounts. All other notices will be sent to you with the exception of the individual Form 1099 INT for the CBT Sub-Accounts.

All CBT Sub-Accounts and IOLA Sub-Accounts linked to the Master Disbursement Checking Account must be closed before you may close the Master Disbursement Checking Account. The Bank has the right to reject any New CBT Sub-Account Setup Form, CBT Sub-Account Transaction Form, New IOLA Sub-Account Setup Form or IOLA Sub-Account Transaction Form for any reason, including but not limited to the Bank's receipt of an incomplete or illegible New CBT Sub-Account Setup Form, CBT Sub-Account Transaction Form, New IOLA Sub-Account Setup Form or IOLA Sub-Account Transaction Form. If the Bank rejects any CBT Sub-Account Setup Form or CBTA Sub-Account Transaction Form, the Bank will attempt to notify you by telephone, electronic transmission, or any other reasonable means within a reasonable time of rejection of the CBTA Sub-Account Setup Form or CBTA Sub-Account Transaction Form; however the Bank shall not be liable to you for any losses due to any failure or delay in notifying you or rejecting the CBTA Sub-Account Setup Form or CBTA Sub-Account Transaction Form. The Bank is not responsible for detecting errors in any CBTA Sub-Account Setup Form or CBTA Sub-Account Transaction Form and; the Bank may rely on the Master Disbursement Checking Account number, and on either the CBTA Sub-Account number or your client's name, in the event they conflict on the CBTA Sub-Account Transaction Form.

If a check or other deposited item is returned unpaid to the Bank or the Bank does not receive final payment on any provisional credit paid to you, and the respective IOLA Sub-Account, CBTA Sub-Account or Master Disbursement Checking Account does not contain sufficient funds to cover the returned item or revocation of provisional credit, then you agree to promptly deposit funds into the Master Disbursement Checking Account or respective IOLA Sub-Accounts, CBTA Sub-Account to cover the returned item or revocation of provisional credit. You agree that the Bank will not be liable for dishonoring any items drawn against the Master Disbursement Checking Account or any other account that has insufficient funds as a result of the Bank's charging the account for the unpaid item.

The bank shall debit all fees and charges, which are related to Attorney Trust Escrow Management Account, from the Master Disbursement Checking Account or any other account maintained by you at the Bank.

Your client is not authorized to transact in any CBTA Sub-Account. However, if the Bank receives a claim to a CBTA Sub-Account from your client or another third party, the Bank may restrict the use of the CBTA Sub-Account until it receives a dispositive court order, an instruction that is signed by you and your client or other third party and in a form acceptable to the Bank, or any resolution that the Bank, in its sole discretion, deems satisfactory. The account holder has the responsibility to verify that the Attorney Trust Escrow Management Account satisfies any legal requirement to the account holder's business.

3. Procedures

- a. All transactions in the CBTA Sub-Account or IOLA Sub-Account shall be made through the Master Disbursement Checking Account. If you want to make additional deposit to, make a withdrawal from, or close a CBTA Sub-Account or IOLA Sub-Account, via the Master Disbursement Checking Account, you must provide the bank with a completed CBTA Sub-Account or IOLA Sub-Account Transaction Form along with the item(s) for deposit, if applicable. If check was deposited into the Master Disbursement Checking Account by means of a Remote Deposit Capture Scanner that should be indicated on the CBTA Sub-Account or IOLA Sub-Account Transaction Form. The Bank will post each requested deposit or other credit to the Master Disbursement Checking Account and then transfer the respective funds to the CBTA Sub-Account identified on the respective New CBTA Sub-Account Setup Form or CBTA Sub-Account Transaction Form. Cash back is not permitted on any deposit. The Bank will post each withdrawal or other debit to the CBTA Sub-Account or IOLA Sub-Account designated on the respective CBTA Sub-Account or IOLA Sub-Account Transaction Form and transfer funds from the CBTA Sub-Account or IOLA Sub-Account to the Master Disbursement Checking Account. Incoming funds transfer payment instructions, including Fed Wire, Automated Clearing House ("ACH"), or any other funds transfer system in which the Bank is participating ("Funds Transfer Payments"), must identify the Master Disbursement Checking Account number and will be credited to the Master Disbursement Checking Account only and not to any CBTA

Sub-Account or IOLA Sub-Account, even if identified in the respective instruction. You agree that you will not originate any Funds Transfer Payments to or from, or other orders for payment, directly to or against any CBTA Sub-Account or IOLA Sub-Account, and you will not authorize any more than six (6) pre-authorized transfers (via a CBTA Sub-Account or IOLA Sub-Account Transaction Form) per monthly statement period from any one CBTA Sub-Account or IOLA Sub-Account.

- b. All CBTA Sub-Account or IOLA Sub-Account Transaction Forms and New CBTA Sub-Account or IOLA Sub-Account Setup Forms must be signed by authorized signatories of the Attorney Trust Escrow Manager accounts. New CBTA Sub-Account or IOLA Sub-Account Setup Forms and CBTA Sub-Account or IOLA Sub-Account Transaction Forms received by the Bank after 3:00p.m. will be processed the next business day following the day on which the forms were or respective form was received.
- c. All written and telephone instruction relating to New CBTA Sub-Account and IOLA Sub-Account Setup and CBTA Sub-Account and IOLA Sub-Account Transaction Forms should be directed to:

Orange County Trust Company

212 Dolson Ave Middletown, N.Y. 10940

Attention-Cash Management Department

(P) 845.341.5000 (F) 845.341.5137

4. Applicable Laws, Rules and Regulations

- a. Each of the accounts described in this agreement is governed by: (1) the laws of New York State; (2) the supervisory rules and regulations of the Federal Reserve System, and the New York State Department of Financial Services; (3) local clearing house rules; and (4) this Bank's rules and regulations pertaining to the bank deposits and checking accounts (to the extent that they are not inconsistent with the terms of this Agreement). You agree to provide any and all information at any time that the Bank might require in order to comply with all such laws, to assist the Bank in such compliance, and to hold the Bank harmless from any liability in connection with the Bank's compliance with applicable law.
- b. **Dishonored Check Reporting Rule.** The accounts governed by this agreement shall be further governed by New York Code, Rules and Regulations (Part 1300). Orange County Trust Company is a banking institution which provides dishonored check reports in accordance with the provisions of 22 NYCRR Part 1300.1.

- 5. Changes/Waiver Bank** may change the terms and conditions of this Agreement at any time, pursuant to applicable law or otherwise. Notice of any changes will be sent by the Bank to you by ordinary mail or electronic communication, and shall be effective when sent.

Bank may waive a condition of this Agreement, but such waiver will apply only on that occasion and any failure to exercise any of its rights in any instance will not preclude the Bank from exercising such rights at any other time.

This Agreement shall be further subject to the terms and conditions of the Deposit Account Agreement provided to you by the Bank. You hereby agree to be bound by both the terms and conditions of this Agreement and the Deposit Account Agreement.



Attorney Trust Escrow Manager Account Agreement



ATEM Master Disbursement Checking Account Number

Date

By:

Signature

Printed Name

Title

Email Address

Internet Access to Master Disbursement Checking Account Y N

Internet Access to All Future Sub Accounts Opened Y N

Desired Login Name*

*Please select Login-ID between 1-15 characters. It may contain all letters or a combination of letters and numbers; it is case-sensitive and cannot contain spaces. Please select a Login-ID that you can remember as you will use this Login-ID once your account is activated.