

Presidential[®] Bank Custody Agreement

(Non-Pledged Account)

THIS CUSTODY AGREEMENT is made by and between the undersigned Grantor (whether consisting of one or more persons), and Presidential Bank, FSB, of Bethesda, Maryland, its successors and assigns (the Bank), as of the Grantor's execution date entered below. By its execution hereof, Grantor hereby appoints the Bank as custodian of any and all mutual fund shares, other securities and other assets owned by the Grantor and delivered by the Grantor to the Bank from time to time, or which are thereafter acquired with the proceeds of any such mutual fund shares, other securities and other assets (collectively, the Assets), which Assets the Bank will hold in custody hereunder by and for the account of Grantor, as the Grantor's agent but subject to the Bank's own interest therein, if any, pursuant to the following terms and conditions:

1. The Bank will hold all of the Assets in its custody on behalf of the Grantor, subject at all times to the instructions of the Grantor not inconsistent with the terms hereof. This Custody Agreement will remain in force until and unless expressly revoked by the Grantor in writing, or otherwise terminated as provided herein.
2. The Bank will establish on its books one or more custody accounts in the name of the Grantor and will send to the Grantor periodic statements of such account(s), reflecting the Assets and all transactions involving the Assets, and will maintain tax records applicable to the Assets and furnish tax information to the Grantor.
3. During the term of this Custody Agreement, and subject to the Bank's interest in the Assets, if any, the Bank will:
 - a. Provide care and custody of the Assets, maintaining them for the account of the Grantor;
 - b. Collect the income earned thereon and the principal or other distributions payable and paid in connection therewith, credit such amounts to the Grantor's custody account when collected, and invest or otherwise dispose of the same according to the Grantor's instructions;
 - c. Effect for the account of Grantor such sales, redemptions, and purchases (against immediately available funds only) of mutual fund shares and other securities as the Grantor may direct, on a regular delivery basis, through brokers or other intermediaries designated by the Grantor and acceptable to the Bank, if any, or otherwise through a broker or other intermediary selected by the Bank, accepting where applicable broker's credit for such securities purchased, sold, or redeemed, until the Bank's receipt of delivery of, or payment for, such securities;
 - d. Receive into the Grantor's custody account from time to time additional cash, mutual fund shares, other securities and other assets of the kind normally held in custody by the Bank, whereupon such assets will be included in the Assets;
 - e. Hold any cash included in the Assets in a deposit account at the Bank, and disburse cash held for the Grantor, as the Grantor may direct;
 - f. Deliver mutual fund shares, other securities and other assets held for the Grantor to others, without payment or against payment, as the Grantor may direct;
 - g. Hold any of the Assets held on behalf of the Grantor in the Grantor's own name, or in the Bank's name, in the name of the Bank's nominee, or in the name of a bank or registered broker-dealer designated by the Bank as an approved sub-custodian or such sub-custodian's nominee, through the Federal Reserve System, or through a foreign or domestic securities depository or clearing agency, either in physical or in book-entry form, as the Bank solely determines;
 - h. Notify the Grantor within a reasonable time of any matured, called or defaulted obligations, of any tender offers, of any stock dividends or stock splits, and of any rights offers and other significant corporate actions, any of which are applicable to the Assets; provided that the Bank receives actual notice thereof at the office where the Assets are administered; and
 - i. Subject to the Bank's consent, perform such other banking or administrative services with respect to the Assets as the Grantor may from time to time direct.
4. The Bank may act upon oral instructions of the Grantor (or any person included therein). The Bank will have no obligation to act upon any instructions of the Grantor, except upon receipt of written instructions signed by the Grantor deemed sufficiently explicit by the Bank and consistent with the terms hereof. The Bank shall have no liability for acting in good faith upon any instruction, whether written or oral, which appears to the Bank to be genuine and authorized.
5. The Bank will have no obligation to give investment advice of any kind to the Grantor, and, except for uninvested cash included in the Assets held in a deposit account at the Bank, the Bank will have no obligation to make any investment or reinvestment of the Assets without explicit instructions from the Grantor. The Bank may return to the Grantor any such uninvested cash which would require collateral as security under applicable regulations.
6. Any transaction executed for the Grantor by the Bank or its affiliates or agents shall be subject to the rules, regulations, customs and usages of each exchange, market, or clearing organization involved in the transaction. The Bank may conduct any transaction in mutual fund shares through the facilities of the National Securities Clearing Corporation (NSCC), in which case the transaction will be subject to the NSCC's Rules. Any order or transaction confirmation or statement of account sent to the Grantor by the Bank shall be conclusive as to the matters described therein, if not objected to within 10 days of mailing by written notice from the Grantor to the Bank. The Bank shall have no liability for any loss caused directly or indirectly by governmental regulations or restrictions, suspension of trading, loss of communications, unusual market conditions, strikes, natural disasters, or other matters beyond the Bank's control.
7. The Bank may charge fees for the services it performs hereunder when and as due, according to the Bank's applicable schedule of fees from time to time in effect, or according to a separate agreement with the Grantor (or any person included in the Grantor), by billing the Grantor, which amounts the Grantor shall then promptly pay in cash to the Bank, or by charging such fees against the Grantor's custody account established hereunder.

- 8. The Bank shall have the right to terminate this Custody Agreement at any time upon written notice to the Grantor.
- 9. This Custody Agreement shall terminate upon the death or incompetence of the Grantor. Upon the death or incompetence of the Grantor, any and all acts performed by the Bank hereunder prior to the Bank’s receipt of written notice of such death or incompetence, at the office where this Custody Agreement is administered, shall be valid and binding upon the Grantor and Grantor’s successors in interest. If the Grantor consists of more than one person, then the death or incompetence of the Grantor shall only be deemed to occur if each such person has died or become incompetent.
- 10. Upon termination of this Custody Agreement, the Bank shall deliver all Assets then held in Grantor’s custody account(s) to the Grantor, or otherwise as provided herein, but only after payment to the Bank of all indebtedness, fees and expenses then owed to the Bank with respect to this Custody Agreement.
- 11. If the Grantor consists of more than one person, then any such person may act alone for the Grantor hereunder, but the Bank may alternatively elect to require all such persons to consent in writing to any instructions given by the Grantor.
- 12. If the Grantor consists of more than one person, then the Assets, or proceeds thereof, may be paid to any such person who is then surviving, or to the guardian or conservator of the estate of any such person who is incompetent, or to the personal representative of any such person who is deceased, or to any such person’s successor in interest, and the Bank shall have no liability in any such case to any other person, regardless of such person’s interest in the Assets.
- 13. The Bank shall have no duty hereunder to take any action other than as specified herein, unless otherwise specifically agreed by the Bank in writing, nor, except as required by law, shall the Bank have any obligation to appear in or defend any suit with respect to the Assets, unless requested to do so in writing by the Grantor and indemnified and compensated to the extent the Bank solely determines shall be satisfactory.
- 14. The Bank shall have no liability to the Grantor or to any other person hereunder, for any act or omission, provided only that the Bank acts in good faith and without gross negligence or willful misconduct. The Grantor shall bear all counter-party risks associated with the settlement of transactions and all risks relating to the validity or enforceability of any of the Assets. The Bank shall have no liability for consequential damages under any circumstance.
- 15. The Bank shall have no obligation to take legal action to collect monies due or enforce any other rights of the Grantor with respect to any of the Assets. The Grantor shall be responsible for all expenses, taxes, and other charges and liabilities incurred by the Bank in connection with the Assets or this Custody Agreement, and the Bank is authorized to charge Grantor’s account hereunder for any such amounts.
- 16. The fees of any attorney retained by the Bank to enforce its rights hereunder against the Grantor or to defend its conduct hereunder, shall be payable by the Grantor, except to the extent, if any, that the Bank may be liable to the Grantor for such conduct.
- 17. The Bank shall not be deemed to have waived any provision of this Custody Agreement, unless waived in writing duly executed by the Bank; no omission or delay by the Bank shall operate as a waiver of any of its rights; and no waiver of a single provision or at one time shall operate as a waiver of any other provision or at any other time.
- 18. The Bank shall have the right to assign its interest in this Custody Agreement to any other banking institution or trust company operating under the laws of the United States or of any State, having the requisite trust powers to assume the Bank’s obligations hereunder.
- 19. This Custody Agreement shall be governed by and construed under federal law as applicable to federal savings banks, and otherwise by and under Maryland law, where not preempted by federal law.
- 20. Any written notices to the Bank hereunder shall be sent to the following address, which the Bank may modify from time to time by written notice to the Grantor.

Presidential Bank, FSB
 ATTN: Custody Department
 4600 East-West Highway
 Bethesda, Maryland 20814

- 21. Any written notice to the Grantor may be sent by the Bank to the Grantor’s address below or to the last known address(es) for statements of the custody account(s) reflecting the Assets.

EXECUTED by the undersigned Grantor this _____ day of _____, 20_____:

GRANTOR:

Primary Name _____ Second Name _____

Signature _____ Signature _____

Primary Taxpayer ID _____

Second Taxpayer ID _____

Address _____ Address _____

City, State, Zip _____ City, State, Zip _____

Upon execution hereof by its authorized representative in the space provided below, Presidential Bank, FSB, hereby acknowledges, accepts and agrees to the terms of the foregoing Custody Agreement.

PRESIDENTIAL BANK, FSB

By _____

Acceptance Date: _____

Agreement to Arbitrate and Waiver of Jury Trial.

This Arbitration and Waiver Agreement is made between (a) Presidential Bank, FSB (the "Bank") and (b) collectively, any person who is included in the Grantor under a Presidential® Bank Custody Agreement ("Custody Agreement"). Such persons included in the Grantor are called collectively the "Customer" herein. The Bank and the Customer hereby agree as follows:

Any claim or controversy (a "Claim") between the parties, whether arising in contract or tort or by statute including, but not limited to, Claims resulting from or relating to the Custody Agreement, shall, upon the request of either party, be resolved by arbitration in accordance with the Federal Arbitration Act (Title 9, US Code). Arbitration proceedings will be held under the auspices of the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitration hearing shall commence within 90 days of the demand for arbitration and close within 90 days of commencement, and any award, which may include legal fees, shall be issued (with a brief written statement of the reasons therefor) within 30 days of the close of hearing. Any dispute concerning whether a claim is arbitrable or barred by the statute of limitations shall be determined by the arbitrator. This arbitration provision is not intended to limit the right of any party to exercise self-help remedies or to seek and obtain interim or provisional relief of any kind from a court of competent jurisdiction before, after, or during the pendency of any arbitration. At the Bank's option, foreclosure under a deed of trust or mortgage may be accomplished either by exercise of the power of sale under the deed of trust or mortgage or by judicial foreclosure.

IF FOR ANY REASON A CLAIM IS NOT ARBITRATED, THE PARTIES IRREVOCABLY AND VOLUNTARILY AGREE TO WAIVE ANY RIGHT TO A TRIAL BY JURY IN RESPECT OF SUCH CLAIM.

CUSTOMER:

Name _____

Name _____

Signature **X** _____
(Seal)

Signature **X** _____
(Seal)

BANK: PRESIDENTIAL BANK, FSB

Signature _____

Acceptance Date _____

Please complete the IRS Form W-9 below for the "Primary Taxpayer ID" entered on page 2 above.

TAXPAYER IDENTIFICATION NUMBER CERTIFICATION

Under penalties of perjury, I, _____, certify that:

- 1. The Primary Taxpayer ID number shown above, _____, is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- 2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
- 3. I am a U.S. person (including a U.S. resident alien).

Note: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Sign Here	Signature of U.S. person	Date
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