

National Bank of Anguilla Limited Plan for Children Club Accounts

Notice to Grantor, Contributors Beneficiary and Responsible Individual: National Bank of Anguilla Plan for Children Club Accounts is an important legal instrument with significant legal implications. In adopting the National Bank of Anguilla Children Club Accounts, the Grantor, Contributor, Beneficiary and Responsible Individual acknowledge that no representations or warranties have been made by National Bank of Anguilla its agents or employees regarding the suitability of the National Bank of Anguilla Limited Plan for Children Club Accounts the determinations of which have been made solely by the Grantor, Contributors, Beneficiary and Responsible Individual. Neither National Bank of Anguilla Limited nor its agents or employees assume responsibility for the legal implications for the Grantor, Contributors, Beneficiary and Responsible Individual establishing and/or contributing to a Children Club Accounts under the National Bank of Anguilla Plan.

Article I- Name and Purpose

Section 1.1 Name: The National Bank Plan shall be known as the National Bank of Anguilla Plan for Children Club Accounts.

Section 1.2 Purposes. The National Bank Plan is established for the purpose by establishing Children Club Accounts for the benefit and welfare of the Beneficiary.

Article II- Construction and Definitions

Section 2.1 Construction

- (a) **General.** The article and section headings in the National Bank of Anguilla Plan have been inserted for convenience of reference only and are to be ignored in any construction of the provisions. If any provision of the Plan, as amended from time to time shall for any reason be invalid or unenforceable, the remaining provisions shall nevertheless be valid, enforceable and fully effective.
- (b) **Intent.** It is the intent that the Plan shall at all times be a plan providing for the establishment and maintenance of a Children Club Accounts and the Plan shall be construed and interpreted so that it shall continue and remain such.

Section 2.2 Applicable Law. The Plan shall be construed, administered, regulated and governed in all respects under and by the laws of Anguilla.

Section 2.3 Definitions. The following terms shall have the following meanings in the National Bank of Anguilla Children Club Accounts Plan.

- (a) **Account** means the account established pursuant to the Plan as a Children Club Accounts for the benefit of the Beneficiary.
- (b) **Adoption Agreement** means the agreement entered into between the Grantor and the Custodian by which the Grantor adopts the National Bank of Anguilla Children Club Accounts Plan and establishes a Children Club Accounts, as such agreement exists when entered into by the Grantor and the Custodian, or as amended from time to time.
- (c) **Beneficiary** means the person named by the Grantor or the Responsible Individual as applicable, entitled to receive the proceeds of the Children Club Accounts upon distribution.
- (d) **Contribution(s)** means the amount(s) contributed under the Plan by or on behalf of the Beneficiary.

(e) **Contributor** means an individual who makes a contribution to a Children Club Accounts.

(f) **Distribution(s)** means the cash payment(s) to a Beneficiary of all or a part of the assets in the Account.

(g) **Eligible Individual** means an individual who is eligible to make a Regular Contribution to the Children Club Accounts.

(h) **Grantor** means the individual who enters into the Adoption Agreement which establish the Children Club Account for the benefit of the Beneficiary and who makes the initial contributions to that Account.

(i) **National Bank of Anguilla Limited** means the Sponsor or any Custodian.

(j) **Plan** means the plan established by the Adoption Agreement of the Grantor by which the Account for the benefit of the Beneficiary is created as set forth therein and as amended from time to time.

(k) **National Bank Plan** means the National Bank of Anguilla Limited Plan for Children Club Accounts as set forth herein and as amended from time to time.

(l) **Responsible Individual.** Until the Beneficiary reaches the age of eighteen (18) under the governing law of Anguilla, his or her parent or legal guardian must act on his or her behalf under the terms of this Plan. That person is the "Responsible Individual". The Children Club Accounts can have only one Responsible Individual at any time. The Custodian is not bound to inquire whether the Responsible Individual has the power to act on behalf of the Beneficiary or is properly exercising such power to act. In the absence of the actual knowledge that the Responsible Individual is exceeding his or her power or improperly exercising them, the Custodian is fully protected in dealing with the Responsible Individual as if the Responsible Individual possesses and is properly exercising the powers he or she purports to exercise. The Custodian is not obligated to assure the proper application of the Children Club Accounts assets paid or delivered to the Responsible Individual.

Regardless of who initially opens a Children Club Accounts or contributes to it, the Responsible Individual is the only one authorized to exercise control of the account and authorize any and all transactions. The Responsible Individual must be the parent or legal guardian regardless who the Grantor or Contributor is. A Grantor or Contributor who is not the parent or legal guardian may not name himself or herself as the Responsible Individual.

If the Responsible Individual becomes incapacitated or dies while the Beneficiary is still a minor, the Beneficiary's other parent or successor guardian shall become the responsible Individual. The Beneficiary automatically becomes the Responsible Individual when he or she attains the age of majority under the laws of Anguilla.

(m) **Sponsor** means National Bank of Anguilla and any bank or trust company resulting from any merger consolidation or other reorganization involving National Bank of Anguilla.

Article IV- Contributions

Section 4.1 General.

(a) **Contributions to Accounts.** All Contributors to all Account shall be made at such intervals as the Grantor or Contributor shall determine in the Grantor or Contributor's sole and exclusive discretion

(b) **Form of Contributions.** All Contribution must be made in cash.

(c) **Irrevocability of Contributions.** All contributions are irrevocable once made to the Children Club Accounts. The funds belong to the Beneficiary and may be withdrawn only by the Beneficiary or the Responsible Individual, as applicable.

(d) Maximum Amount of Contributions. The maximum amount allowed to be contributed to the Children Club Account shall be EC\$5,000.00. Once the account reaches the maximum amount the account shall be converted in a Regular NBA Savings Account

Section 5.1 Distributions.

(a) General. All Distributions shall be requested in writing on a form provided by the Custodian.

(b) Funds Remaining After Beneficiary Reaches 13 Years of Age.

If funds remain in the Children Club Accounts for the Beneficiary on the date on which the Beneficiary reaches 13 years of age, such funds will be distributed to the Beneficiary within thirty (30) days after such date.

Section 5.2 Distributions After Death. The Beneficiary, or Responsible Individual, if applicable, shall have the right to designate primary and contingent Beneficiary (ies) to receive the balance of the Beneficiary Account in the event of the Beneficiary death prior to distribution of the entire balance to the Beneficiary. The Beneficiary or Responsible Individual, if applicable, may designate the percentage of the Account that each primary and contingent Beneficiary shall be entitled to receive. If the Beneficiary or Responsible Individual fails to designate, the account shall be distributed in accordance with the law.

If the Beneficiary dies:

Upon receipt of notice of the death of Beneficiary and a completed National Bank Claim Form, the proceeds of the Children Club Accounts will be distributed to the Beneficiary(ies) or estate, as applicable.

Section 5.3 Spendthrift Clause.

The benefits, payments, proceeds or Distributions under the Plan or interest or amounts in the Account shall not be subject to the claim of any creditor of the Grantor, any Contributor, the Beneficiary or Responsible Individual, or to any legal process by any creditor, except to the extent permitted by law.

Neither a Contributor, the Grantor, the Beneficiary nor the Responsible Individual shall have any right to alienate, pledge, encumber, commute, anticipate, borrow or assign the Account or any benefits, payments, proceeds, Distribution, interest or amounts prior to the Distribution thereof in the Beneficiary.

Article VII – Miscellaneous

Section 6.1 Written Authorization Required

All requests, directions, instructions, information and declarations from the Beneficiary or the Responsible Individual, as applicable, the Grantor or any Contributor, or from the estate of the Beneficiary upon the death of the Beneficiary to the Custodian shall be in writing and in such form as the Custodian may direct.

Section 6.2 Records and Reports

The Custodian shall keep records of all contributions, receipts, investments, distributions, disbursements and all other transactions of the Account. The Custodian shall render a report With respect to the Account at least.

Section 6.3 Compensation of the Custodian.

The Custodian may charge a fee for its services according to its standard schedule of fees as in effect from time to time. Such fees shall be paid by the Beneficiary within thirty (30) days of receipt of the Custodian's bill or shall be deducted from the Account as the parties may agree. If the Custodian fee is not paid within such thirty (30) day period, the Custodian shall deduct its fee from the Account. Any legal fee or costs incurred by the sponsor or Custodian in connection with any legal action relating to an Account may be deducted from the Account.

Section 6.4 Amendments to the Prototype Plan and Form of Adoption Agreement.

This Plan may be amended from time to time. Any amendments shall be made by written instruments executed by the Sponsor, a copy of which shall be mailed to the Beneficiary or the Responsible Individual, as applicable, at his last known address.

Section 6.5 Amendments to the Beneficiary's Plan.

If the Beneficiary wishes to change any information furnished by the Beneficiary or Grantor on the Adoption Agreement, the Beneficiary or the Responsible Individual, as applicable, must complete the appropriate form provided by the Custodian.

Accepted and agreed on this ____ day of _____ 200_

SIGNED, SEALED AND DELIVERED)

BY: _____)

FOR AND ON BEHALF OF GRANTOR)

IN THE PRESENCE OF:)

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_____)

SIGNED, SEALED AND DELIVERED)

BY: _____)

FOR AND ON BEHALF OF NATIONAL)

BANK OF ANGUILLA LTD)

IN THE PRESENCE OF:)

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