

### 3. Banking Contract for Retirement Savings Account

**Contract Reference:** RETIRE-2024-SAVINGS

**Parties:**

This agreement is entered into between **[Bank Name]**, hereafter referred to as "the Bank," and **[Customer Name]**, hereafter referred to as "the Account Holder."

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**Eligibility:**

- **Age Requirement:** The Account Holder must be **55 years or older** at the time of account opening.
    - **Verification:** Proof of age will be required, such as a government-issued ID or passport, to ensure the Account Holder meets the age requirement.
  - **Proof of Retirement or Semi-Retirement:**
    - The Account Holder must provide evidence of **retirement** or **semi-retirement** to be eligible for this account. Accepted documentation includes:
      - **Retirement benefits letter** from a government or private pension provider.
      - **Social Security award letter** or equivalent retirement income verification.
      - **Letter from employer** indicating semi-retirement status or reduced work hours, if applicable.
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**Account Features:**

- **No Monthly Maintenance Fees:**
  - This account does not carry any **monthly maintenance fees**, which makes it easier for Account Holders to save without the burden of ongoing charges.
- **Minimum Balance:**
  - The Account Holder is required to maintain a **minimum balance of \$1,000** at all times.

- **Penalty for Low Balance:** If the balance falls below \$1,000 at any time during the month, the Bank will charge a **\$10 fee** for that month.
  - **Interest Rate:**
    - The account earns an **interest rate of 3.5% per annum**, compounded **quarterly**.
      - **Example:** If the Account Holder has \$10,000 in their account, they will earn **\$350 annually**, or approximately **\$87.50** per quarter, if no withdrawals are made and the balance remains constant.
  - **Free Estate Planning Seminars:**
    - The Bank offers **one free estate planning seminar per year** for the Account Holder. This seminar includes advice on:
      - **Creating a will or trust**
      - **Tax-efficient estate distribution**
      - **Protecting assets**
      - **Understanding probate** and other end-of-life planning topics.
    - **Booking Process:** The Account Holder must contact the Bank at least **30 days in advance** to reserve a seat in the seminar, as space may be limited. This service is offered at no additional charge to the Account Holder.
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## **Terms and Conditions:**

1. **Withdrawals:**
  - **Penalty-Free Withdrawals:**
    - The Account Holder is allowed to make **up to 3 penalty-free withdrawals per calendar quarter**. Withdrawals can be made for any purpose, including but not limited to:
      - **Medical expenses**
      - **Living expenses**
      - **Home renovations**
  - **Fee for Additional Withdrawals:**

- A **\$10 fee** will apply to any withdrawals made beyond the initial 3 per quarter.
- **Example:** If the Account Holder makes 5 withdrawals in one quarter, they will incur a fee of **\$20** for the two additional withdrawals beyond the limit.
- **Note:** Withdrawals can be made via:
  - **In-branch transactions**
  - **ATMs** (subject to daily withdrawal limits)
  - **Online transfer** to other accounts (external or internal)

## 2. Tax Considerations:

- **Account Holder's Responsibility:**
  - The Account Holder is solely responsible for reporting any interest earned on this account and any applicable penalties for early withdrawal (if applicable) in accordance with local tax laws.
  - The Bank will issue a **1099-INT form** (or equivalent for non-U.S. residents) annually to report the interest earned on the account during the tax year.
  - **Example:** If the Account Holder earns \$350 in interest during the year, the Bank will report this amount to tax authorities, and it will be the Account Holder's responsibility to include this in their tax filings.

## 3. Beneficiaries:

- **Designating Beneficiaries:**
  - The Account Holder may designate **up to three beneficiaries** for the account, which will ensure that the funds are transferred according to the Account Holder's wishes upon their death.
  - **Designation Process:**
    - Beneficiaries can be designated by completing a **beneficiary designation form**, which can be submitted at any time. The Account Holder can update or change beneficiaries by completing the same form.

- **Notice of Changes:**

- Any changes to the beneficiaries must be submitted in writing, either through the **bank's website** or in person at a branch.
- **Change of Beneficiaries:** Written notice of the change must be signed and submitted by the Account Holder and is effective once processed by the Bank.

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**Effective Date:**

This agreement will become effective on **[Start Date]**, and the terms and conditions outlined herein will remain in force until terminated by either party as outlined in this contract.

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**Signatures:**

By signing below, both parties acknowledge and agree to the terms and conditions outlined in this contract.

- **Bank Representative:** \_\_\_\_\_  
(Signature of Bank Representative)  
Date: \_\_\_\_\_
- **Account Holder:** \_\_\_\_\_  
(Signature of Account Holder)  
Date: \_\_\_\_\_

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**Important Notes:**

- **Communication:** All communications regarding the account (including statements, notices, and updates) will be sent electronically unless the Account Holder opts for paper-based communication. To opt-in, the Account Holder must notify the Bank in writing.
- **Account Updates:** Any changes to the account (such as beneficiary designations, address updates, or contact information) must be reported to the Bank promptly to ensure the account remains in good standing.

- **Account Closure:** Either party may close the account by providing a written request. If the account is closed by the Account Holder within **6 months** of opening, a **\$25 closure fee** will apply. After 6 months, no closure fee will be charged.
  - **Inactivity:** If no activity occurs on the account for **12 consecutive months**, the Bank reserves the right to close the account. The Bank will notify the Account Holder 30 days prior to account closure due to inactivity.
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#### Summary of Key Features:

- **Monthly Maintenance Fee:** None
- **Minimum Balance:** \$1,000
- **Interest Rate:** 3.5% per annum (compounded quarterly)
- **Free Estate Planning Seminar:** 1 per year
- **Withdrawals:** First 3 withdrawals per quarter are free; \$10 fee applies to additional withdrawals
- **Beneficiaries:** Up to 3, with written notice for any changes
- **Tax Responsibility:** Account Holder responsible for reporting interest earned