

April 1, 2022

Treasury Management Services Agreement



Western Alliance
Bank®

Member FDIC

Divisions: Alliance Association Bank | Alliance Bank of Arizona | Bank of Nevada | Bridge Bank | First Independent Bank | Torrey Pines Bank

Subsidiaries: AmeriHome Mortgage



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Definitions

Unless otherwise defined herein, all capitalized terms shall have the meanings provided below:

“ACH” means automated clearing house.

“ACH Pre-fund” means the requirement to pay in advance or immediately for all Entries processed by the Bank for Company regardless of the payment due or value date.

“Acceptable Payee(s)” means Company’s name, or some reasonable variation thereof, and any other third-party Payee name provided to Bank by Company as an acceptable Payee for Checks to be processed under the Lockbox.

“Account” means one or more Consumer and/or Commercial Accounts, as designated by the applicable Account Holder on a Setup Form, to be accessed by or through the Services.

“Account Agreements” means any and all agreements between Company and Bank that govern Company’s Accounts including but not limited to, as applicable, the Deposit Account Agreement and Disclosure, Funds Transfer Agreement, Privacy Policy/Disclosure, any applicable loan agreements or documents, or any other agreement governing the Accounts.

“Account Balance” means the collected or ledger (*i.e.*, available balance including any Float) balance of a Deposit Account.

“Account Holder” means the owner or holder, or the agent of an owner or holder, of an account held at Bank.

“Administrator” means the individual authorized by Company, in conjunction with a Service(s) that has an administrator or administrative end user function, to: (i) serve as a the primary or secondary contact with the Bank for Company’s use of services, as designated on the Setup Form, to have full User access to the applicable Services, including but not limited to BOB or AP Automation, and any accounts identified on the Setup Form; (ii) establish and direct Service features and options to be used by Company to establish Users and their access rights; and (iii) conduct selected transactions and Services on behalf of Company.

“Adverse Event(s)” means, as applicable, when: (i) any Account is subject to levy, attachment or other legal process; (ii) Company or Related Company is the subject of voluntary or involuntary bankruptcy proceedings, or any other action for relief of creditors generally; (iii) Company or any Related Company disputes the authenticity of any Communication or the authority of Bank or the legitimacy of any action taken by Bank in connection with any Service performed in response to any Communication received by Bank; (iv) any third party asserts an interest in an Account, whether or not the interest is later held to be valid; or (v) any other action or inaction deemed by Bank to present undue risk to Bank.

“Agreement” means this Treasury Management Services Agreement, including any applicable Service Descriptions and Setup Forms, as amended from time to time.

“Alerts” means email and/or SMS/text message alerts.

“Alternative Security Procedures” means the alternative Security Procedures determined by Company or Related Company to be

commercially reasonable for each’s usage of the Services and as selected by Company or Related Company on an Alternative Security Procedures Agreement.

“AP Automation” means the web-based, B2B accounts payable and payment automation offered by Bank to its customers.

“API” means application programming interface(s).

“Assessment(s)” means the monthly, quarterly, semi-annual, and annual dues or assessments, and all other amounts, fixed or variable, agreed to by homeowner and Association.

“Association(s)” means a homeowner association or a management company acting on behalf of a homeowners’ association.

“Authorized Representatives” means those individuals authorized to act on the behalf of and bind the Company for purposes of the Services including but not limited to authorized signers.

“Automated Sweep(s)” means the service that, based on directions provided by Company, automatically transfers funds that exceed, or fall short of, as the case may be, a Target Balance at set intervals, generally daily.

“Bank” means Western Alliance Bank and its divisions, Alliance Association Bank, Alliance Bank of Arizona, Bank of Nevada, Bridge Bank, First Independent Bank of Nevada, and Torrey Pines Bank.

“Banking Days” shall have the meaning set forth in the Rules.

“Bill Payment” means payment instructions from Company initiated through BOB to settle third-party bills.

“Bill Payment Account” means the Account selected by Company through Business Online Banking from which Bill Payments are to be made.

“Business Online Banking” or **“BOB”** means the Internet-based Cash management system offered by Bank that enables Company to access its Accounts and to certain electronic services online.

“Business Online Banking Acknowledgement and Authorization” means, as applicable, the Related Company or Consumer Business Online Banking Acknowledgement and Authorization.

“Business Day(s)” means Monday through Friday, excluding Saturdays, Sundays, bank or legal holidays, and any other day that Bank chooses or is permitted to be closed.

“Business-to-Business” or **“B2B”** means a transaction or business conducted between one business and another, such as a wholesaler and retailer.

“Buyer-Initiated Payments” or **“BIP”** means a Card payment process through ePayables that requires the MID to be captured and is used to send a Payment to the acquiring processor directly without the involvement of the Payee.

“Card” means an account, or evidence of an account, authorized or established between a person or legal entity, a Card Network or representatives or members of a Card Network and, in the context of Bank-issued Cards, the Bank, that is accepted from the person or legal entity and included, but are not limited to, credit cards, debit cards, electronic gift cards, authorized account or access numbers, paper certificates, credit accounts and the like.

“Cardholder” means a person or legal entity initiating a transaction using a Card.

“Card Network(s)” means any entity formed to administer and promote Cards including, without limitation, MasterCard Worldwide,





Visa U.S.A., Inc., DFS Services, LLC, American Express, or any other applicable debit or credit card networks.

“Card Network Rules” means the rules, regulations, releases, interpretations and other requirements imposed or adopted by any Card Network.

“Card Security Guidelines” means collectively the Visa U.S.A. Cardholder Information Security Program (“CISP”), the MasterCard Site Data Protection (“SDP”), and (where applicable), the PCI Security Standards Council, the MasterCard PA-DSS (“Payment Application Data Security Standards”) and any other security rules or guidelines applicable to the acceptance and/or usage of Cards.

“Carrier” means a third-party armored transport carrier or car service acceptable to the Bank.

“Cash” means coin and currency.

“Cash Concentration Account(s)” means one or more concentration accounts maintained by the Bank at third-party financial providers on behalf of multiple customers of Bank for the purposes of providing Vault Services.

“Chargeback(s)” means, as the context requires, a returned Check, a Return Entry or Reversing Entry (each as defined in the Rules) and/or a Transaction dispute that is returned to Payment Facilitator by the Card Network.

“Check(s)” means negotiable instruments as defined in the Code and Regulation CC.

“Check Issue File” means the file of Checks submitted by Company through Positive Pay or Check Payee Positive Pay for processing.

“Check Payee Positive Pay” means Positive Pay that allows Company to verify Payee named on a Check in addition to Check amount and Check number.

“Code” means the Uniform Commercial Code as adopted by the State of Arizona, as may be amended from time to time.

“Commercial Account(s)” means a Deposit Account or Loan Account that is established by an entity other than a natural person and the primary purpose of which is not personal, family, or household.

“Communication(s)” means any data, message, information, instructions, orders, Requests, Request Files, Entries, Alerts and/or other communications received through BOB, from an Authorized Representative and/or in the name of Company, Related Company or Consumer.

“Communication Link” means a method or means of communication selected by Company for a particular Service to be used for communicating with Bank regarding that Service.

“Company” means (i) the entity signing the Setup Form establishing Services for a Profile, (ii) any Related Company, and (iii) as applicable, any related Consumers using Services under the Profile.

“Confidential Information” means all information of Bank, its service providers and vendors made available or encountered by Company in conjunction with the Services or provided pursuant to this Agreement and includes all information provided on or in relation to the Setup Forms and any Software provided pursuant to this Agreement.

“Consumer Account” means a Deposit Account or loan account established by a natural person primarily for personal, family, or household purposes.

“Containers” means tamper-proof, transmittal bags, or containers approved by Bank.

“Controlled Disbursement Account” means a commercial demand Deposit Account held by Company at Bank and uses a special routing number.

“Controlled Disbursement Items” means Checks drawn on or other debits permitted (if applicable and allowed by Bank) against the Controlled Disbursement Account.

“Currency” means money denominated in the lawful currency of any country.

“Cutoff Time” means, as applicable, the time the Bank has established, in the Setup Forms or otherwise, for receipt of Communications, instructions, Requests, Transactions, orders, approvals or deliveries for a particular Service and listed in the Schedule of Cutoff Times or applicable Setup Forms.

“DSL” means a digital subscriber line.

“Delivery Date Deadline” means the effective date of transactions as prescribed in the Supporting Documents.

“Deposit Account(s)” means a demand deposit account(s) held at Bank.

“Due Date” means the due date of Company’s bill.

“eCheck” means an electronic Check or direct debit (*i.e.*, an Entry) transaction completed through the Online Payment Processing Services.

“Effective Entry Date” means the date included on any Entry as the date upon or after which such Entry is to be effective.

“Electronic File” means an electronic file containing Electronic Images and other information.

“Electronic Images” means electronic images of certain Checks.

“End User” means each individual user of the Online Payment Processing Services.

“End User Agreement” means the contractual agreement between Bank and/or its third-party service providers or licensors and Users that contains the terms and conditions under which User may use the applicable Service.

“Entry” or “Entries” shall have the meaning given in the Rules, including, but not limited to, CCD (Corporate Credit or Debit), PPD (Prearranged Payments and Deposits), CTX (Corporate Trade Exchange) entries, as well as the data received from Company from which Bank prepares entries.

“Equipment” means any computer programs, equipment, or Software made available to Company by Bank or its Third-Party Service Providers.

“Exception” means, as appropriate, either (i) a presented item for which a matching Check Issue File item does not exist in Business Online Banking or (ii) an Entry that does not match the Filtering Rules.

“Established Token Value” means the value of each WATT set at a declared amount in U.S. Dollars.

“Exception Check” means any Electronic File, or any portion thereof, that Bank in its sole discretion determines to be ineligible for deposit through RDC.

“Filtering Rules” means those rules established by Company in Business Online Banking that dictate which debit Entries are to be





returned or paid and can include criteria such as Originator ID, Standard Entry Class Code, and dollar amount/range.

"Float" means funds not yet collected by the Bank.

"Fee Schedule" means the Business Banking and Related Services Schedule of Fees and Charges, as may be amended from time to time.

"Funding Account" means a Deposit Account from which funds are transferred to fund Controlled Disbursement Items.

"Funds Transfer(s)" means domestic or foreign wire transfer Requests, as the case may be.

"HIPAA" means the Health Insurance Portability and Accountability Act.

"ID" means a unique identifier assigned to an End User or User, as the case may be.

"Indemnified Parties" means Bank, its parent company, affiliates, licensors, processors, third party contractors, and vendors and each of their respective directors, officers, employees, and agents.

"Integrated Payables" means, generally, the service that receives Request Files from Company for processing through various payment channels and/or rails.

"License" means generally the license or sublicense of a Software by Company pursuant to this Agreement.

"Linked Account(s)" means those Accounts linked under Company's Profile for viewing and/or transfer purposes: (i) automatically by function of being owned by Company under Company's taxpayer identification number; (ii) manually after Company executes the appropriate online account linkage form; or (iii) as part of an agency relationship.

"Loan Account" means any commercial loan obligation of Company to Bank referenced on a Setup Form.

"Lockbox" means the United States Post Office address identified or, in the case of Virtual Lockbox, the unique lockbox identifier designated by Bank, as provided in the Supporting Documents.

"Lockbox Account" means the Deposit Account designated by Company to utilize the Lockbox Service.

"Lockbox Online" means Bank's web-based, Lockbox Service portal.

"Lockbox Service" means collectively Bank's traditional and Virtual Lockbox remittance processing or Lockbox services.

"Losses and Liabilities" means any and all losses, liabilities, damages, claims, obligations, demands, actions, suits, judgments, penalties, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered by an Indemnified Party.

"MID" means the merchant identification number issued to a business by its payment processor.

"Master Concentration Account" means the Deposit Account designated by Company as the master or in some cases, the middle-tier concentration account for purposes of Automated Sweep(s).

"Mobile Deposit" means a deposit-capture service designed to allow Users to remotely make deposits to Deposit Accounts by scanning Checks and delivering the images and associated deposit information to Bank for processing.

"Multi-Currency Account" means a Deposit Account held at Bank that allows Company to maintain balances in Supported Currencies.

"Multi-Currency Services" means those Multi-Currency Account services described in the Multi-Currency Account Service Description.

"NACHA" means the National Automated Clearing House Association.

"NOC" means Notification(s) of Change.

"Night Deposit" means any night depository services made available in connection with Vault Services.

"Night Deposit Facilities" means Night Deposit receptacles identified in the applicable Setup Forms.

"ODFI" means an Originating Depository Financial Institution as defined in the Rules.

"OFAC" means the Office of Foreign Asset Control.

"On-Us Entry" means an Entry received for credit to an Account.

"Operating Procedures" means the Payment Facilitator's operating rules and regulations, as may be amended from time to time, and includes the Payment Facilitator's Terms and Conditions.

"Order" means a Funds Transfer request by Company for Bank to buy or sell a Currency at a specified exchange rate or, if the specified exchange rate is not available, at the exchange rate next available to Bank.

"Payee(s)" means, as the context requires, a third party: (i) to whom a Check is made payable; (ii) Company has designated in advance to receive Bill Payments; or (iii) to whom a Payer desires to make a Payment.

"Payer(s)" means a commercial Cardholder who licenses ePayables from Bank.

"Paying Bank" shall have the meaning given to it in Regulation CC but generally means the bank at or through which a Check or Substitute Check is payable and to which it is sent for payment or collection.

"Payment(s)" means, as appropriate, either (i) a Transaction or eCheck transaction(s) conducted through the Online Payment Processing Service, (ii) a Transaction(s) conducted through the eZePay or ePayables Services or (iii) transfer of WATTs conducted via the Platform.

"Payment Facilitator" means the Third-Party Service Provider who provides Equipment, Software, or services to Company or Bank in conjunction with Online Payment Processing Services or eZePay Service.

"Payment Facilitator's Terms and Conditions" shall have the meaning given to it in [Section 2\(a\)](#) of the Online Payment Processing Services Service Description.

"Payment Processing Date" means the date on which Company wants a Bill Payment to be processed.

"Platform" means TassatPay®, the proprietary blockchain-based digital payments platform operated by Tassat® and offered by Bank as a Service that may be used by Company to make Payments, via the transfer of WATT(s), to other Platform Participants.

"Positive Pay" means the service offered through Business Online Banking where Company can manage, approve, and return Checks presented for payment on an Account by verifying Check amount and Check number.

"Primary Account" means the billing account designated by Company on the applicable Setup Form for settlement of any fees or charges related to the Services.



“Primary Administrator” means that individual designated on the Setup Form as the primary Administrator for Company’s BOB or other Service, as the case may be, Profile and relationship.

“Primary Company” means the Company (i) identified by name and EIN on the applicable Setup Form and Business Online Banking Acknowledgement and Authorization and (ii) whose profile is used to establish Service relationship and to which Accounts may be linked.

“Profile” means the profile established on BOB under which Company, any Related Companies and related Consumers are linked and Services are entitled.

“Protected Information” means the non-public personal information, including financial information, of a natural person used to create, or contained within, an Entry and any related Addenda Record.

“RDC” means the remote deposit capture service offered by Bank.

“RDC Administrator” means the security role within RDC authorized to add other users, to reset passwords, to determine who will be authorized to use RDC on Company’s behalf and to assign security roles to them, and to both process and approve Checks deposited through RDC.

“RDFI” means Receiving Depository Financial Institution as defined by the Rules.

“RLOC” means a Commercial Non-Formula Revolving Lines of Credit (Note Type 112).

“Related Company” or **“Related Companies”** means each Account Holder identified on Primary Company’s Setup Form and linked to Primary Company’s Profile for Business Online Banking.

“Remote Checks” means remotely created checks as defined by the Code and/or Regulation CC.

“Remittance Materials” means corresponding invoices, remittance statements, scannable coupons, correspondence items, any other documents or papers, and envelope.

“Reserve Account” means an account established and funded at Bank’s request or on Company’s behalf, pursuant to the Online Payment Processing Services.

“Request(s)” means a request made by Company or Authorized Representative(s) to Bank to initiate, cancel, or amend a payment order (as defined in the Code) made in the name, or having the unique identifier, of Company (as sender) requesting that funds belonging to, or under the control of, Company be transferred to a specified account or beneficiary.

“Request File” means an electronic file containing multiple Requests from Company, where such Requests may be completed through different payment methods and/or rails.

“Reverse Positive Pay” means the service offered through Business Online Banking that allows Company to review Checks presented to Bank for payment to determine whether the Checks should be paid or returned.

“Rules” means collectively the NACHA Operating Rules and Guidelines and any local ACH association rules or guidelines.

“SDN” means the list of Specially Designated Nationals.

“Security Devices” means those certain procedures and security devices, which may include without limitation, codes, encryption, passwords, and other security devices, systems, Software and any supplemental authentication tools that are used by Company.

“Security Procedures” means the Security Devices, security procedures, or Alternative Security Procedures, as applicable, designed to verify the authenticity (but not errors in transmission or content, including discrepancies between Account names and numbers) of Communications.

“Service Description(s)” means the service descriptions, including any schedules and exhibits to the same, that describe the applicable Service or Services, the functionality thereof and any terms and conditions applicable to each as may be attached to the Agreement or provided to Company by Bank separately.

“Service(s)” means, generally, the service or services selected by Company on the applicable Setup Form and/or as described herein.

“Settlement Account” means (1) with respect to Online Payment Processing Services, a Deposit Account(s) designated by Company as the account(s) to be debited and/or credited, as the case may be, by Payment Facilitator or for Transactions, fees, Chargebacks, and other amounts due under or in connection with the Online Payment Processing Services or (2) with respect to Digital Asset Transfer Services and the Platform, the Deposit Account linked to a Wallet to be debited and/or credited, as the case may be, for purchasing and redeeming WATTs transferred via the Platform.

“Setup Form” means, as applicable, the Treasury Management Services Enrollment Form, the applicable Business Online Banking Acknowledgement and Authorization, Alliance Association Bank Enrollment Form, Supporting Documents and/or any other Service enrollment or implementation form completed, including all modifications, renewals and substitutions thereof, and signed by Authorized Representatives.

“Software” means generally any software program used and/or offered in conjunction with this Agreement or any of the Services.

“Sub-Account(s)” means the Deposit Account(s) that are related or tied to a Master Concentration Account.

“Substitute Checks” means substitute checks as defined in Regulation CC.

“Supplier-Initiated Payments” or **“SIP”** means a Card Payment process that uses the Payee’s email to send a notification to the Payee to log into ePayables to obtain the Card number and to submit the Payment to its own acquiring processor.

“Supported Currency(ies)” means those freely convertible foreign Currencies acceptable by Bank for deposit into Multi-Currency Accounts.

“Supporting Documents” means any user guides, user manuals, specification forms, maintenance forms, questionnaires, the Alternative Security Procedures Agreement (as applicable), Schedule of Cutoff Fees and/or other user materials applicable to the Services contemplated in the Agreement.

“Tassat®” means Tassat Group, Inc., an independent third-party, software-as-a-service provider not affiliated with Bank.

“Target Balance” means the target or peg Account Balance (which can be set to any number equal to or greater than zero (0)) established by Company for the Master Concentration Account or Sub-Accounts, as applicable, and provided on the applicable Setup Forms.





“Third-Party Items” means all Checks with third-party endorsements and Checks that are payable to a Payee other than Company (including but not limited to Acceptable Payees) or jointly to Company and a second Payee for deposit into Company’s Lockbox Account.

“Third-Party Service Provider” shall have the meaning given to it in Article Eight of the NACHA Operating Rules.

“Third-Party Sender” shall have the meaning given to it in Article Eight of the NACHA Operating Rules.

“Transaction” means a transaction utilizing a Card conducted between a natural person or legal entity and Company in which consideration is exchanged between the person or legal entity and Company.

“Transaction Data” means the written or electronic record of a Transaction.

“URL” means a uniform resource location.

“Unauthorized Use” means any unauthorized disclosure, possession, use, or knowledge of Confidential Information.

“Usage Data” means the data derived by Bank or Payment Facilitator from Company’s use of Online Payment Processing Services.

“User(s)” means Company, Administrators, any alternate Administrators, Authorized Representatives, End Users, or other individual end users, who may or may not be authorized signers on an Account, of the Services, as authorized by Company or Administrator.

“Vault Services” means those cash vault and deposit services described in the Vault Service Description.

“Vendor” means a supplier or service provider used by Company.

“Virtual Lockbox” means the ability to scan Checks and other Remittance Materials directly from a Company location via Bank-approved scanner and transmit images thereof electronically to the Lockbox for credit to Company’s Lockbox Account.

“Wallet” means a digital container utilized by a Platform Participant in the acquisition, transfer and/or redemption of WATTS.

“Western Alliance Transfer Token(s)™” or **“WATT™”** means a blockchain-based record evidencing a right to redeem a token for an equivalent amount of U.S. Dollars from Bank and may be in any denomination, subject to any limitations established by Bank in its sole discretion, and may be fractionalized for transfer or redemption.





General Terms

1. Agreement; Service Descriptions.
 - a. *Reference to Agreement.* Unless otherwise stated, any reference to the Agreement shall be deemed to include the Treasury Management Services Agreement, Setup Form(s), and applicable Service Descriptions and shall apply to all Services contemplated hereunder. The Agreement applies between the Company signing the Setup Form and Bank.
 - b. *Services.* Company has engaged Bank to perform the Services more specifically described in the following, as updated from time to time: (i) the Agreement, (ii) the Service Descriptions (iii) the Setup Form(s); and (iv) all other Service documentation as provided by Bank to Company. This Agreement and each Service Description may include exhibits, appendices, schedules, or similar materials, which form a part of the Agreement and Service Description, respectively. This Agreement applies to and governs: (i) any Service Company may use, whether or not the specific Service was selected on the Setup Form or written service request; and (ii) any and all Company accounts with Bank that use any cash management services described in the Agreement, whether or not Company has formally designated the accounts on the Setup Form.
 - c. *Acceptance.* Unless otherwise agreed, this Agreement will be deemed accepted by Company upon provision by Bank of a Service. The terms and conditions of the Agreement will apply to the Services and the Accounts which access or are accessed by the Services, in addition to the Account Agreements.
 - d. *Order of Precedence.* Unless otherwise provided, to the extent any provision of this Agreement conflicts with a Service Description, the Service Description will control. To the extent any term or provision of this Agreement directly conflicts with any term or provision of the Account Agreements, the terms of this Agreement (including any Service Description) will control.
 - e. *Account Transfer Limitations.* All transfers to and from an Account in conjunction with one or more of the Services contemplated hereunder are, in addition to the terms of this Agreement, subject to the terms and conditions applicable to the Account as set forth in the Account Agreements, including but not limited to transfer limitations.
 - f. *Service Change Requests.* Any addition, deletion, or change to requested by the Company must be submitted in a form acceptable to the Bank, and no such requested addition, deletion or change will become operative or effective until the Bank confirms to Company that such addition, deletion, or change has been implemented.
 - g. *Service Descriptions.* The terms and conditions of individual Service Descriptions apply only to the extent Company utilizes the Services contemplated in that particular Service Description; provided however, that if Company utilizes a Service that is dependent on other Services, the Service Descriptions of those other Services shall also apply.
 - h. *Restrictions on Services.* Company acknowledges and agrees Bank may impose restrictions (including but not limited to suspension of) on any Services, with or without cause, at any time and either with notice or without notice to Company (including those affected by the restriction). Bank will comply with any notice requirements to the extent applicable law or regulation would require notice of such restrictions.
 - i. *Adverse Events.*
 - i. Without limiting Section 2(h) above and in accordance with the Deposit Account Agreement and Disclosure, if an Adverse Event occurs, Bank may (but is not obligated to) take any one or more of the following actions in connection with one or more (including possibly all) Accounts:
 1. Terminate or close Accounts;
 2. Restrict or terminate Services in connection with Accounts;
 3. Delay availability of funds on deposit in Accounts;
 4. Freeze funds in Accounts and hold them pending instructions acceptable to Bank;
 5. Interplead funds in Accounts with any court, whether or not the court later determines that interpleader is or is not an authorized action by Bank; or
 6. Take any other action necessary to protect Bank against cost, harm, inconvenience, litigation or otherwise as it sees fit in its sole discretion.
 - ii. Company agrees that any arrangements with Bank that restrict access to an Account do not affect the ability to provide Services pursuant to this Agreement.
2. Company Rights. Subject to the terms of this Agreement and each applicable Service Description, Bank hereby grants Company a non-exclusive, non-transferable right to access and use the Services in connection with Company's own business operations in accordance with the Setup Forms. Without limiting the generality of the foregoing, Company agrees not to (a) make the Services available or allow use of the Services in a computer bureau service business, or on a timesharing basis, or (b) otherwise disclose or allow use of the Services by or for the benefit of any third party.
3. Security Procedures; Communications.
 - a. Company and Bank may agree to certain Security Procedures in conjunction with the Services. If Bank takes any action not provided in the Security Procedures in connection with any Communication, the additional action shall not be deemed to become part of the procedures.
 - b. Before using a Service and/or before sending a Communication to Bank, Company will review the Security





Procedures and determine whether they will provide a commercially reasonable method for verifying whether a Communication is that of Company. As part of the review, Company will consider the size, type and frequency of Communications Company will make or anticipates making, along with such other factors as Company may deem relevant or appropriate.

- i. *Commercially Reasonable Procedures.* If the size, type or frequency of Communications made by Company changes such that the Security Procedure in use by Company no longer provide a commercially reasonable method of providing security against unauthorized Communications, Company shall promptly notify Bank. Company agrees that Bank will use the Security Procedures to verify the authenticity of Communications, but that the Security Procedures are not designed to and are not used for the purpose of detecting errors.
 - ii. *Supplemental Security Devices.* Bank may offer to Company or require Company to use additional authentication tools or methods from time to time (for example, challenge questions and phrases for employees). If Company chooses not to implement supplemental authentication tools, Company's access to some or all of the Services may be limited. Company's continued use of any modified Security Procedures will evidence Company's agreement that the modified Security Procedures are commercially reasonable for Company.
 - iii. *Company Responsible for Verified Communications, Even if Unauthorized.* If Bank acts on a Communication in compliance with the Security Procedures, then Company will be obligated on the Communication and it will be treated as Company's Communication, whether or not authorized by Company.
 - iv. *Company Also Responsible for Communications Actually Authorized.* If a Communication is received by Bank and was authorized by Company, Company will be obligated to pay the amount of the Communication whether or not Bank complied with such Security Procedures with respect to that Communication and whether that Communication was erroneous in any respect or that error would have been detected if Bank had complied with the Security Procedures.
- c. Each time Company makes a transfer or payment with a Service, Company agrees and warrants that the Security Procedures established in accordance with this Agreement are commercially reasonable.
 - d. Company will use and safeguard the Services, Security Devices, Security Procedures, Supporting Documents, and the Software (if applicable) in accordance with the Agreement. In connection with Company's safeguarding

obligations, Company will implement and maintain physical, technical, and administrative controls and procedures sufficient to prevent impermissible or unauthorized access to or use of any Service, Supporting Document, Security Device, or procedure.

- e. Company assumes all risks associated with disclosure of any Security Device to its employees. Company agrees to limit disclosures of Security Devices to those employees or agents it will authorize to access the Services on Company's behalf, or who have a specific need to know. Company agrees to follow all requirements and guidance that may be outlined in the Supporting Documents, including but not limited to password change policies and practices. Without limiting the foregoing, Company further agrees to require Authorized Representatives to create new passwords at reasonably frequent periods, based on Company's assessment of the security requirements appropriate for the Services utilized by Company. Company agrees to promptly change security codes and level of authority, as applicable, in the event of any change in personnel or when reasonably prudent to do so.
- f. The Service Description and/or Supporting Documents for each Service shall describe the various means by which the Company may communicate with Bank in connection with such Service. Those means may include, without limitation, the use of Software or the use of an Internet connection. To the extent any of the Services involve the Bank having granted Company Software License usage rights, such grant shall be a non-exclusive, non-transferable right to access and use the Service in connection with Company's own business operations in accordance with the Supporting Documents. Without limiting the generality of the foregoing, Company agrees not to (a) make the Service available or allow use of the Service in a computer bureau service business, or on a timesharing basis, or (b) otherwise disclose or allow use of the Service by or for the benefit of any third party. If applicable, Company shall the Communication Link for a particular Service. Multiple Communication Links may be selected for certain Services, as more specifically described in the Service Description and/or Supporting Documents. Information and instructions may be sent and received by Company through those Communication Links.
- g. Bank may act on a Communication by reference to the Account number only, even if the name on the Account is also provided. Furthermore, any Communication received by Bank will be treated as Communication from Company, and will bind Company, notwithstanding Bank did not verify the authenticity of the Communication, if the Communication is delivered to Bank directly or indirectly by any Authorized Representative, or if Company would otherwise be legally bound by the Communication, regardless of whether any loss to Company would have been prevented had Bank verified the authenticity of the Communication.





- h. Bank is not obliged to act on a Communication that is not transmitted in accordance with the Security Procedures. Bank may act, at its sole discretion, on an incomplete Communication, including but not limited to if in Bank's reasonable opinion, it contains sufficient information. Bank has no duty to discover, and shall not be liable for, errors or omissions made by the Company or the duplication of any Communication by the Company.
 - i. Bank may delay or refuse to process any requested Service. Bank may do so for any reason or for no reason. Bank may provide notice to Company, but is not obligated to do so. Bank may delay or refuse processing, for example, if: (i) processing would or may exceed the available funds in Company's affected Account; (ii) the Communication is not authenticated to Bank's satisfaction or Bank believes it may not have been authorized by Company; (iii) the Communication contains incorrect, inconsistent, ambiguous, or missing information; (iv) processing would or may involve funds which are subject to lien, security interest, claim, hold, dispute, or legal process prohibiting withdrawal; (v) processing would or may cause a violation of any laws or rules applicable to Company or to Bank; or (vi) for any other reason under this Agreement. In addition, Bank shall be excused from failing to transmit or delay in a requested Service if such transmittal would result in Bank's having exceeded any limitation upon Bank's intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in Bank's reasonable judgment otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority. Company agrees that Bank will have no liability to Company or to any other person for any loss, damage or other harm caused by or arising out of any such delay or refusal.
 - j. If the Company informs Bank that it wishes to recall, cancel or amend a Communication after it has been received by Bank, Bank may, but will not be required to, use its reasonable efforts to assist the Company to do so, but shall not be liable for any loss, cost or expense suffered by the Company if Bank does not, or is unable to, amend, cancel or recall that Communication. The Company hereby agrees to indemnify and hold the Indemnified Parties harmless against and from any loss, liability, claim or expense (including legal fees) it may incur in connection with assisting the Company to recall, cancel or amend a Communication.
 - k. Company assumes the sole responsibility for providing Bank with accurate transaction information in the form and format that Bank requires. Bank is not responsible for confirming such information, or for failing to detect and reject duplicate Communications. If Company provides Bank with a Communication that is incorrect in any way, Company agrees that Bank may charge Accounts for the transaction whether or not the error could have been detected by Bank. Bank is not obligated to detect errors in Company's transfer or payment instructions.
- l. Any person identified by Company in the Setup Forms or so designated by any subsequent written notice delivered to Bank may receive information, communications, and notices regarding the Services, and is authorized to transact all business, make all agreements, and sign and deliver all documents in connection with the Services. If the identity of such a person changes, Company will promptly notify Bank in writing. Bank will have a reasonable time after receipt of a notice or other communication to act on it.
4. Account Alerts; Secure Email Messages.
 - a. *Account Alerts.* Company and/or its Users may establish Account Alerts for any of its eligible Accounts through Business Online Banking by completing the appropriate online form specifying the method of notification and Alert preferences. Company acknowledges and agrees that, although Bank will attempt to transmit Alerts in accordance with its specifications, Alerts are not guaranteed to be accurate, nor are they guaranteed to be sent by Bank or received by Company or Users on a timely basis. Bank shall have no liability or responsibility to Company or any other parties for any damages, losses, fees, fines, or costs associated with delay or failure of an Alert. Company agrees to take appropriate steps to independently and periodically verify and confirm Alert information is correct. Company or its Users, as applicable, and shall remain solely liable for any and all wireless carrier, Internet, or other mobile device charges that may apply for Alerts sent or received.
 - b. *Secure Email Messages.* Company understands Users may send and receive email messages to and from Bank through Business Online Banking. Messages to Bank will automatically be routed to a Bank email account. Bank is not responsible for any delay in messages being retrieved. Company and/or Users are responsible to periodically check for messages sent by Bank. Users cannot use email to place stop payments, transfer funds or perform Bill Payment transactions.
 5. Fraud Prevention Tools. Periodically Bank may offer or recommend fraud prevention tools or services intended to assist Company in the prevention of unauthorized activity and/or fraud perpetrated against its Accounts. The decision to implement or not implement such tools is within the sole discretion of Company; provided however, that if Company fails to implement such a tool despite Bank's recommendation, Company shall be precluded from asserting a claim against Bank for paying an unauthorized, altered, counterfeit, or other fraudulent item that the recommended tools were designed to detect or deter, and Bank will have no obligation to credit the subject Account or otherwise be liable to Company for paying such item.
 6. Equipment and Software. Unless otherwise provided in the Agreement, Company is responsible for providing and





maintaining any Equipment and/or Software that is necessary for the applicable Services. Some Service functionality may require Company to download Software from Bank's website or, in some cases, may require Bank to place Software on Company's computer as part of Bank's security and/or User verification tools. Company agrees to use Equipment or Software that is compatible with Bank's Equipment or Software, which Bank may, in its sole discretion, change from time to time. Bank assumes no responsibility for the defects or incompatibility of any computers or Software that Company uses in connection with the Services, even if Bank has previously approved their use. BANK MAKES NO WARRANTY, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR OF MERCHANTABILITY, WITH RESPECT TO THE SERVICES, SOFTWARE, OR EQUIPMENT. Company agrees to notify Bank promptly if any Bank-provided Equipment or Software becomes defective. Bank's sole responsibility (if any) in such instances will be to use best efforts to repair or replace the defective Equipment or Software. Company agrees to comply with the terms of any Software License(s) provided to Company in connection with the Services. Company may not transfer, distribute copy, reverse compile, modify, or alter such Software. Unless otherwise agreed by Bank in writing, the computer programs, Service guides, Security Procedures, Equipment, Software, and systems provided to Company in connection with the Services represent Bank's proprietary property and must be returned to Bank upon request. Bank and/or its suppliers or licensors retain all right, title and interest in and to the intellectual property rights associated with the Services, Software, and Equipment provided, including, without limitation, all rights under any patents, copyrights and related laws, and other proprietary rights, and Company shall use the Services, Software, and/or Equipment consistent with such rights, title and interest of Bank. Company shall indemnify and hold the Indemnified Parties harmless against and from any Losses and Liabilities arising out of: any combination of Services, Software and/or Equipment with any other non-Bank Software or services; any modification of Services, Software or Equipment by Company or any third party acting on behalf of Company; Company's failure to implement corrective or updated Services, Software, or Equipment in a timely manner; or use of the Services, Software, or Equipment not in compliance with this Agreement. Company's license to use the Equipment will end with the termination of this Agreement or upon Bank's prior notice. Company may not use or move the Equipment outside the United States without Bank's written consent. Further, Company may not use the Equipment in a service bureau, time-sharing or outsourcing capacity.

7. Third-Party Service Providers. Company understands and agrees that any of the Services, Equipment and/or Software may be provided directly by Bank or one or more third-party suppliers or providers. For purposes of this Agreement, the Bank shall be deemed the primary provider of the Services, Equipment or Software. Bank shall remain fully responsible for the provision of

the Services by any supplier or licensor, to the same extent as if Bank itself provided or failed to provide such Services, subject to the limitations of liability provided herein.

8. Company Representations. Company represents and warrants to Bank that:
- It is duly organized and validly existing, and is in good standing in every jurisdiction where required;
 - It has the authority to execute and deliver the Setup Form;
 - The officers executing and delivering the Agreement and the Setup Form for and on behalf of Company, are duly authorized to do so;
 - Any consent, authorization or instruction required in connection with the Agreement and each Service Description has been provided by any relevant third party; Bank may rely upon the authority of each Authorized Representative for all purposes until Bank has received written notice acceptable to it of any change from an Authorized Representative and Bank has had a reasonable time to act thereon (after which time it shall rely upon the changed version);
 - Any act required by any relevant governmental or other authority in connection with the Agreement has been or will be done (and will be renewed if necessary);
 - It fully complies with Regulation GG and is not engaged in any activities that Regulation GG defines as "unlawful Internet gambling" nor does it accept payments in connection with the participation of another person in unlawful Internet gambling;
 - Its performance of the Agreement and use of the Services will not violate any applicable law, regulation or other requirement;
 - The Agreement is a legal, valid and binding obligation; Bank, in accepting the Agreement, is acting and relying upon the foregoing representations and warranties; and
 - Unless otherwise agreed to in writing by Bank, the Accounts established by Company with Bank and the Services Company establishes or uses in connection with the Accounts will only be used for business purposes and not for personal, family, or household purposes.

Company will notify Bank immediately if any representation or warranty made by it ceases to be true or if Company becomes aware of any breach of any representation or warranty by any other Related Company.

9. Compliance with Law. Company shall comply with all laws, rules, and regulations applicable to Company, to Company's business and operations, and to the Services, including without limitation, Regulation CC, the Code, as adopted by the State of Arizona, the Rules and any rules established by an applicable network, and the prohibitions applicable to illegal Internet gambling. Company shall have the responsibility to fulfill any compliance requirements or obligations that Bank and/or Company may have with respect to the Services under all applicable U.S. federal and state laws, regulations, rulings, including sanction laws administered by the Office of Foreign Assets Control, and other





requirements relating to anti-money laundering, including but not limited to, the federal Bank Secrecy Act, the USA PATRIOT Act and any regulations of the U.S. Treasury Department to implement such Acts, as amended from time to time.

10. Delayed Processing. In addition to any allowances provided to Bank in any other agreement Bank has with Company, Company agrees that Bank may delay posting of an inbound credit to Account(s), or delay the processing of an outbound transaction, when the delay is due to a suspicion that the transaction may be in violation of applicable law, or the transaction is otherwise under review by Bank.
11. Account Designations. For certain Services, Company may be required to designate one or more Accounts to facilitate the particular Service. If one or more Accounts must be designated, they will be reflected in the Setup Forms. However, Company understands that this Agreement will govern any and all Account for which Company uses any of the Services, whether or not the Account(s) have been formally designated as linked in the Agreement.
12. Security Interest. Company grants Bank a security interest in Accounts (other than fiduciary accounts maintained for the benefit of others) to secure the repayment of any overdraft or obligation that Company incurs under the Agreement. The security interest provided under the Agreement is in addition to any other security interest Bank may have in Accounts or other assets.
13. Reserve Account. Company agrees that it will, if requested by Bank at any time, establish one or more Reserve Accounts to be maintained with Bank in type (including time deposits) and amount satisfactory to Bank, to serve as collateral for and to secure Company's obligations to Bank under the Agreement. Bank may restrict or prohibit Company's access to any Reserve Account(s) and the funds on deposit in them, and may hold such accounts following termination of the Agreement for a period of time sufficient to protect us against loss (including loss due to returned items or Entries). Bank may increase or decrease the required Reserve Account amount from time to time, upon notice to Company. Company agrees to provide immediately available funds to cover a reserve amount requested by Bank. In addition, Bank may transfer funds from another account of Company, or use funds payable to Company or owed by Bank to Company under the Agreement or due to a Service, and credit such funds to a Reserve Account if a deficiency exists between the available funds in Company's Reserve Account(s) and the amounts specified by Bank as the required reserve amount.
14. Sufficient Funds. Company agrees to maintain sufficient available funds (as determined under Bank's funds availability policy) in Accounts to cover all transactions requested through the Service and applicable fees, or such higher amounts as Bank may specify from time to time. Company acknowledges that Bank does not control intermediary banks, including

intermediary banks chosen by Bank, and that Bank does not control whether intermediary banks deduct fees as part of the processing of transfer requests. Company agrees that Company's funds may be held by Bank for a period of time during the term of a Service Description and following termination of the Services, to protect Bank against any possible losses relating to the use by Company of the Services. If Bank does hold funds, Bank may treat the held funds as not available for other purposes, and reject other transactions (for example, Checks or other transfer instructions) in any order Bank chooses. Bank may, at its sole discretion, allow overdrafts/over-limits or negative balances, but Bank also may discontinue the practice at any time with or without prior notice to Company. Bank may prevent or reverse any payments or other service in any order that Bank chooses as a means of preventing or recovering any overdrafts or other exposures. If Company does not have sufficient or available funds or credit in an Account for which a particular transaction was requested, Bank may charge any account of Company held at Bank to cover the cost of the transaction as well as any corresponding fees. Alternatively, and at Bank's sole discretion, Bank may overdraw Company's Deposit Accounts and Company may be charged an overdraft or other fee (such as fees for returned Checks or other electronic items). Accordingly, Company agrees to immediately pay Bank such overdraft or other fees. Company's obligation to pay Bank remains immediately due and payable whether or not the rejected, returned or adjustment entry was processed in accordance with any requirement of any applicable laws or rules applicable to any party other than Bank and notwithstanding Bank or Company may have a claim against another third party for breach of the applicable laws or rules. Nothing in the Agreement shall be construed as Bank's commitment or obligation to lend Company money.

15. Third-Party Items. With respect to Company's deposit of and/or negotiation of Third-Party Items in connection with any of the Services:
 - a. Company represents and warrants that:
 - i. It has the legal authority to deposit and negotiate all Third-Party Items, regardless of the name of the Payee shown on the Check;
 - ii. It has obtained written authorization from each Payee for Bank to endorse such Third-Party Items as payable to Company and to deposit such items into Company's Account;
 - iii. Such Payee authorization includes an assignment to Company of the Payee's right, title and interest in and to each of such Third-Party Item;
 - iv. Company will retain a copy of each such Payee authorization for at least seven (7) years after the termination of the Agreement and will provide a copy of any such authorization to Bank upon request; and
 - v. Each such Payee authorization shall be in effect and fully operative at all times that Bank provides





RDC under the Agreement with respect to such Third-Party Items.

- b. Company agrees to indemnify and hold the Indemnified Parties harmless from Losses and Liabilities suffered or incurred by any of the Indemnified Parties as a result of, or in connection with, Bank's acceptance of Third-Party Items in accordance with the applicable Service Description and the Agreement. The indemnification set forth in this Section shall be in addition to, and not in lieu of, indemnification and other rights of Bank under the Agreement.
- c. Company will also be liable for repayment of any overdrafts and/or fees related to the return of any Third-Party Items, regardless of the balance in Company's Account at the time the Third-Party Item was deposited or returned.
- d. Bank reserves the right to reject any Check for deposit and discontinue the acceptance of Third-Party Items at its discretion, without liability to Company.

16. Transaction Limits and Safeguards. Company agrees not to exceed the transaction limits Bank establishes from time to time for any Account or Service. Company will not allow anyone to initiate transactions on its behalf without proper supervision and adequate safeguards. Company agrees to review pending instructions prior to their submission to ensure they are complete, accurate, and properly authorized.

17. Fees. Company agrees to pay Bank the fees prescribed in Bank's current Fee Schedule. Unless other arrangements are made for payment of the fees, Bank will automatically debit any account maintained by Company with Bank in the amount thereof. Even in the event that the amount owing bears a rate of interest, Company continues to be immediately obligated to Bank to repay the amount in full. Bank does not in any way extend credit to Company under this Agreement. Bank may amend the Service pricing from time to time. Certain prices are subject to change without prior notice (see applicable Fee Schedule for details). Special or additional Services performed at Company's request may be subject to additional terms and fees. If Accounts are analyzed, Company may be able to use available earnings credit to offset certain Service charges. If analyzed Accounts contain funds belonging to third parties, Company represents that use of any related earnings credit is not limited by law, regulation, or agreement with such third parties, and that Company has the requisite authorization from such third parties for such use. In addition to the Service fees, Company agrees to pay all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services, the Agreement, and/or the Software or Equipment made available to Company (excluding any income tax payable by Bank). Company is also responsible for the costs of any communication lines and any data processing charges payable to third parties. If Company is required by the laws of any relevant jurisdiction to make any deduction or withholding from any fees, interest or other amounts, on account of tax or other charges, the Company shall withhold the same and pay it to the relevant authority, and shall

pay Bank such additional amount as may be necessary to ensure Bank receives an amount equal to the amount it would have received had no such deduction been made.

18. Notices.

- a. *General Requirements.* Except as otherwise provided in the Agreement, all notices and other communications by Company to Bank shall be in writing and, addressed to:

Western Alliance Bank
Attn: Treasury Management Client Support
One East Washington Street, Suite 2500
Phoenix, AZ 85004

or at such other address as Bank may specify in writing. Notices to Company may be mailed or sent to Company electronically at the statement, email, or mailing address shown for Company in Bank's deposit or Service records. Any notice or communication to Bank will be effective when Bank has actually received, and has had a reasonable time to act on it. Any notice or communication to Company will be effective when sent by Bank, or as otherwise stated in the notice or communication. Company further acknowledges and agrees that certain notices and communications may be provided to Company by telephone, facsimile or electronic transmission at the telephone number, facsimile number or other location or number as shown on Bank's records.

- b. *Reliance.* Bank may rely on all notices, instructions and other communications sent to Bank via facsimile or electronic transmission as though they are originals. Without limiting the foregoing, Bank is entitled to rely on any notice, communication, or instruction believed by it in good faith to be genuine or to have been signed or authorized by an Authorized Representative of Company.
- c. *Errors; Unauthorized Transactions; Other Notices.* Company will inspect all information provided by Bank in connection with the Services. Company agrees to promptly, by telephone and in writing, notify Bank of any: (i) errors in such information or any discrepancies between its records and the information, statements or confirmations of transactions provided by Bank or otherwise made available to Company; (ii) unauthorized transactions involving any Account; (iii) a breach in the confidentiality of any password or other User credentials; or (iv) other problems with the Services. If Company fails to notify Bank of any such error or discrepancy within fifteen (15) days of the date on which such information is received by or otherwise made available to Company, then Company agrees that Bank will not be liable for any losses resulting from Company's failure to give such notice or any resulting loss of interest relating to any Funds Transfers. If Company fails to notify Bank of any such error or discrepancy within one (1) year of the date on which such information is received by or otherwise made available to Company, then Company shall be precluded from asserting such error or discrepancy against the Bank.





Notwithstanding the foregoing, Bank reserves the right to, in its sole discretion, adjust transaction records for good cause after the expiration of said one (1) year period.

- d. **Change in Business.** Company agrees to provide Bank with at least thirty (30) days' advance notice of: (i) any material (twenty percent (20%) or greater) change in Company's ownership; (ii) any material change in the type, scope or nature of Company's business; or (iii) any anticipated increase (twenty percent (20%) or greater) in the amount or volume of Company's ACH transactions over the preceding calendar quarter (if applicable).

19. Limitation on Liability; Indemnification.

- a. Bank's duties and responsibilities shall be limited to those set forth in this Agreement. In no event shall Bank be liable for: (i) any punitive, indirect, consequential or special damages or lost profits, even if Bank has been advised of the possibility of such damages; (ii) the acts or omissions of a contractor, vendor, processor, third-party servicer or vendor used by Company or Bank, or any loss, cost, damage or expense incurred by any person or entity in connection therewith; (iii) Company negligence or breach of any agreement with Bank; (iv) any loss, cost, expense, or damage to Company in connection with any Communication Link, Software, or any technical computer service, including Software installation or de-installation performed by Bank, or Company's or Bank's use thereof; (v) any ambiguity, inaccuracy or omission in any instruction or information provided to Bank; (vi) the application of any government or funds-transfer system rule, guideline, policy or regulation; (vii) the lack of available funds in an Account to complete a transaction; (viii) Bank's inability to confirm to its' satisfaction the authority of any person to act on Company's behalf; (ix) Company's failure to follow any applicable Software manufacturer's recommendations or Bank's Service instructions; or (x) any Internet sites related to the Services or maintained or operated by Bank or the use thereof or the inability to use such sites by any party, or in connection with any failure or performance, error, omission, interruption, defect, delaying in operation or transmission, computer virus or line or system failure, even if Bank, or representatives thereof, are advised of the possibility of such damages, losses or expenses. There may be other exceptions to Bank's liability, as stated in the Account Agreements or other service agreements with Bank. Bank will not be responsible for determining the compatibility of any installed Software with other system components or for any failure of any technical servicing or Software installation to provide access to the particular cash management service which servicing or Software installation was intended to make available.

- b. Bank's liability and Company's remedy for actual costs and losses resulting from Bank's failure to transmit funds in the correct amount or to the correct beneficiary listed in Company's payment orders shall not exceed the direct money damages that Company incurs as a result of the

failure (e.g., the amount of a wire transfer that is sent to the wrong party, or the amount by which a transfer exceeds the amount Company authorized, plus interest as permitted by law. In all other cases, Bank's actions and/or omissions, whether the claim is in contract or tort, will not exceed the lesser of (i) six times the average monthly charge for the Service(s) in question for the three months immediately preceding the cost or loss, or (ii) twenty-five thousand dollars (\$25,000).

- c. Any claim, action, or proceeding by Company to enforce the terms of the Agreement or to recover for any Service-related loss must be commenced within one (1) year from the date that the event giving rise to the claim, action, or proceeding first occurs.
- d. Company agrees to cooperate with Bank in any loss recovery efforts Bank undertakes to reduce any loss or liability that arises in connection with the Services. Company acknowledges that Service fees have been established in contemplation of: (a) these limitations on Bank's liability; (b) Company's agreement to review statements, confirmations, and notices promptly and to notify Bank immediately of any discrepancies or problems; and (c) Company's agreement to assist Bank in any loss recovery effort.
- e. Company agrees to indemnify and hold the Indemnified Parties harmless from and against any and all Loss and Liabilities arising directly or indirectly out of: (i) the acts or omissions of Company, or any person acting on Company's behalf in connection with Company's use of the Services, including without limitation (a) the breach by Company of any provision, representation or warranty of the Agreement, (b) the negligence or willful misconduct (whether by act or omission) of Company, its clients or any third party acting on behalf of Company, (c) any misuse of the Services by Company, or any third party within the control or on behalf of Company, (d) the failure by Company to comply with applicable state and federal laws and regulations, or (e) any fine, penalty or sanction imposed on Bank by, any clearing house, or any governmental entity, arising out of or connected with the Service; (ii) any act or omission of Bank that is in accordance with the Agreement or instructions from Company; (iii) actions by third parties, such as the introduction of a virus that delay, alter or corrupt the transmission of an image or communication to Bank; (iv) any loss or corruption of data in transit from Company to Bank; (v) any claim by any third party corresponding, that such third party incurred loss due to the Service; or (vi) any claims, loss or damage resulting from Company's breach of, or failure to perform in accordance with, the terms of the Agreement. This indemnity will survive the termination of the Agreement.
- f. Company agrees that it will not assert any claims against Bank based on theories of negligence, gross negligence, strict liability, misrepresentation, or fraud based on or relating to any Communication Link, Software or Company's possession or use thereof or any technical computer service





including, but not limited to, Software installation or de-installation performed by Bank.

- g. **EXCLUSION OF WARRANTIES.** COMPANY ACKNOWLEDGES THAT THE SERVICES ARE PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. BANK IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM COMPANY’S USE OF THE SERVICES. BANK MAKES NO AND EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING COMPANY’S USE OF THE SERVICE AND THE EQUIPMENT, INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BANK DISCLAIMS ANY WARRANTIES REGARDING ANY SOFTWARE, ANY COMMUNICATION LINK, THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICE AND THE EQUIPMENT, INCLUDING ANY WARRANTY THAT THE SERVICE AND THE EQUIPMENT WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. COMPANY ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, TRANSMISSION ERROR, AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING THE SERVICE AND ASSUMES ALL RISKS RELATING TO THE FOREGOING.
20. **Force Majeure.** Notwithstanding any other provisions of the Agreement, Bank shall not have any responsibility or liability for any failure, error, malfunction or any delay in carrying out any of its obligations under the Agreement if such failure, error, malfunction or delay results from events due to any cause beyond its reasonable control, including, without limitation, unavailability of any communications system, sabotage, fire, flood, explosion, acts of God, civil commotion, strikes, stoppages of labor or industrial action of any kind, riots, insurrection, war or acts of government, power or Equipment failure (including that of any common carrier, transmission line or Software), emergency conditions, adverse weather conditions or any other factor, medium, instrumentality, condition or cause. Bank will not be liable or responsible for the acts or omissions of any other financial institution or any third party or for any inaccuracy or omission in a notice or communication received by Bank from Company, another financial institution, or any other third party. In addition, Bank shall be excused from failing to transmit, or delaying the transmission of, any transaction, if such transmittal would result in Bank’s having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in Bank’s otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority. Bank shall not be liable for any failure to perform any of its obligations under the Agreement if such performance would result in it being in breach of any law, regulation, requirement or provision of any government, government agency, banking or taxation authority in accordance with which it is required to act, as it shall determine.
21. **Confidentiality.** Bank, its contractors or vendors, or Bank’s agent (as applicable) will remain the sole owner of all such Confidential Information, and Company will not acquire any interest in or rights to such Confidential Information as a result of Company’s use of any Service except as set forth in the applicable Service Description. Company will maintain the confidentiality of the Confidential Information and will not disclose (or permit its employees or agents to disclose), copy, transfer, sublicense or otherwise make any of it available to any person or entity, other than its employees who have a need to use the Confidential Information in connection with the applicable Service. Company shall notify Bank immediately if it knows or suspects that there has been any Unauthorized Use, and if it is responsible for the Unauthorized Use, it will, at its expense, promptly take all actions, including without limitation initiating court proceedings to recover possession or prevent further Unauthorized Use and obtain redress for any injury caused to Bank as a result of such Unauthorized Use. In addition, except as permitted by applicable law, Company may not decompile, reverse engineer, disassemble, modify, or create derivative works of any computer program provided pursuant to this Agreement.
- To the extent not prohibited by applicable law, Company authorizes the transfer of any information relating to Company to and between the branches, subsidiaries, representative offices, affiliates, contractors, vendors and agents of Bank and third parties selected by any of them, wherever situated, for confidential use in connection with the provision of products or Services to the Company (including for data processing purposes), and further acknowledges that any such branch, subsidiary, representative office, affiliate, contractor, vendor or agent or shall be entitled to transfer any such information as required by any law, court, regulator or legal process.
22. **Audit and Inspection.** Bank reserves the right, with prior notice to Company, to enter upon Company’s premises from time to time during regular business hours to verify that Company’s operations and procedures comply with the terms of the Agreement.
- a. In connection with any such audit, Company agrees to furnish Bank with any documentation or information as is reasonably necessary to establish Company’s compliance with the terms of the Agreement. If it is determined by Bank that additional procedures or controls need to be implemented by Company, Company agrees to implement such procedures or controls within a reasonable period of time to be agreed upon by the parties.
- b. In connection with Bank’s entry on the premises of Company for the purpose of conducting an on-site audit or inspection, or in connection with providing support to Company, Bank shall not be liable or responsible to Company or any third party for any loss, bodily harm, property damage, claims of the introduction of a virus or other malicious code into Company’s system, including any which allegedly delay, alter or corrupt the data of Company,





whether related to the transmission of Check images or other data to Bank or whether caused by the Equipment, Software, Bank Internet service providers, Internet browsers, or other parties providing communication services to or from Bank to Company.

23. Term and Termination.

- a. The term of the Agreement will commence upon full execution of the Agreement and will continue in full force and effect thereafter until terminated as follows:
 - i. Company may terminate some or all of the Services under the Agreement, with or without cause, upon thirty (30) days prior written notice to Bank; and
 - ii. Bank may terminate, suspend, or restrict some or all of Company's access to the Services under the Agreement, with or without cause, at any time immediately upon notice to Company.
- b. Any termination will not affect any obligations arising prior to termination. Upon termination, Bank may terminate Company's access to the Services, and Company will terminate its access to and use of the Services, except to the extent necessary to process transactions that were in process prior to the termination date.
- c. Within thirty (30) days after termination of the Agreement, Company will, at its expense, promptly uninstall and remove all Software provided for the Service from its computers and return to Bank any Software, hardware and Equipment provided by Bank for the Service, including the Supporting Documents, procedures, documentation and any materials relating to the Service in its possession or under its control, destroy all copies of the Supporting Documents and materials relating to the Supporting Documents that cannot be returned, and upon request from Bank certify in writing to Bank that all copies have been returned or destroyed. Company will be responsible and liable to Bank for the replacement cost of all lost, stolen, or damaged Equipment that was provided by Bank to Company in connection with the Service.
- d. Upon termination of the Agreement, all Services and any Software Licenses shall automatically terminate.

24. Company's Records. The Agreement and the Services are not intended to relieve Company of any obligation imposed by law or contract regarding the maintenance of records or from employing adequate audit, accounting, and review practices as are customarily followed by similar businesses. Except as otherwise stated in the Agreement, Company agrees to retain and provide to Bank, upon request, all information necessary to remake or reconstruct any deposit, transmission, file or entry until ten (10) Business Days following receipt by Bank of the deposit, file, entry, transmission, or other order affecting an Account.

25. Business Days; Cutoff Time.

- a. Unless a provision or term of this Agreement uses the term Business Day, the presumption is that calendar days is intended by the Parties.
- b. Some of the Services are subject to Cutoff Times. Information on Cutoff Times can be found in the Schedule of Cutoff Times or applicable Setup Forms. Instructions received after the applicable Cutoff Time or on a day that is not a Business Day may be deemed received as of the next Business Day.

26. Assignment. Bank may assign its rights and delegate its duties under the Agreement to an affiliated company or a third party with or without notice to Company and without Company's consent. Company may not assign any right or delegate any obligation under the Agreement without Bank's prior written consent.

27. Third Parties. Company acknowledges and agrees that Bank may arrange to provide Software, if required, and/or may arrange for the Services covered by the Agreement to be performed or provided by third parties, including its affiliates. Company further agrees that any such party is a third-party beneficiary of the Agreement and as such is entitled to rely on, and avail itself of, the provisions of the Agreement as if it was Bank, including, without limitation, the limitations on liability and the indemnities described in the Agreement. Bank's ability to provide certain Services may be dependent upon Bank's ability to obtain or provide access to third party vendors and networks. In the event such third party network is unavailable or Bank determines in its sole discretion, that Bank cannot continue providing any third-party network access, Bank may discontinue the related Service or may provide the Service through a different party. In such situations, Bank will have no liability for the delay or unavailability of access.

To the extent Company authorizes a third party to access the Services on Company's behalf, Company will be solely responsible and liable for all actions and inactions of said third party. Company expressly assumes the risks associated with providing Service access rights to its agents or third-party vendors, including but not limited to the risk of unauthorized or erroneous transactions. Bank will not be responsible nor will it have any liability whatsoever for any services Company receives from Company's agents, or third-party vendors. Bank reserves the right to require Company to agree to additional terms and conditions as a condition precedent to Company's use of any agent or third-party vendor in connection with Company's access to the Services.

28. Credit Criteria; Financial Statements. Bank may, in its sole discretion, perform credit reviews of Company in accordance with Bank's credit criteria. Company shall, upon Bank's request, provide Bank with any credit-related information and assistance as the Bank may require in performing such review. Company agrees to provide Bank with a financial statement or information on Company's financial condition upon Bank's request.





29. **Waiver.** No party's failure or delay in exercising any right or remedy under the Agreement will operate as a waiver of such right or remedy, and no single or partial exercise of any right or remedy under the Agreement will preclude any additional or further exercise of such right or remedy or the exercise of any other right. No waiver by either party of any breach of the Agreement will operate as a waiver of any prior, current, or subsequent breach. No waiver, breach, right, or remedy will be effective unless made in writing.
30. **Electronic Recordings.** The Bank is authorized (but is not obligated) to record electronically and retain telephone conversations between Company (including its purported Authorized Representatives) and Bank. Accordingly, Company agrees on behalf of itself, its employees and agents that Bank may monitor and/or record Company's telephone and electronic communications in connection with the Services at any time, without further notice. Bank and Company hereby agree that Bank may produce the telephonic or electronic recordings or computer records as evidence in any proceedings brought in connection with the Agreement and the Company hereby acknowledges the validity and enforceability of such telephonic or electronic recordings.
31. **Final Agreement; Amendments.**
- Final Agreement.** The Agreement constitutes the final and complete agreement between Bank and Company with respect to the Services and any required Software, and supersedes all other oral or written agreements, understandings, and representations. This Agreement incorporates, supplements, and supersedes where inconsistent the terms of the Account Agreement(s). This Agreement does not change any other agreements entered into with Bank for non-cash management services, including the Deposit Account Agreement and Disclosure.
 - Amendments.** Bank may amend (add, delete or change) the terms of the Agreement, including but not limited to the terms of any Service Description, Supporting Documents or applicable fees, at any time and at Bank's sole discretion. If Bank deems it reasonably practicable to do so and if the change adversely affects Company's usage of a Service, Bank may notify Company of the change in advance. Otherwise, Bank will notify Company of the change as soon as reasonably practicable after it is implemented, which notice may be given electronically. Company's continued use of the Services after the effective date of the applicable modification will evidence Company's consent to any amendments, including additions, changes, or deletions.
32. **Availability.** Bank, or one of its service providers, may cause a Service to be temporarily unavailable to Company, either with or without prior notice, for site maintenance, security, or other reasons, and Company acknowledges that factors beyond Bank's reasonable control, such as telecommunications failure or Equipment failure, may also cause the Service to be unavailable to Company. In such event, Company must make alternative arrangements for scheduled transactions and Company will be responsible for maintaining procedures and facilities to enable Company to do so if any of the Services are unavailable to Company. Upon notice from Bank of a failure of any Software, hardware or other Equipment necessary for Bank to perform in accordance with a Service Description, Company will as soon as reasonably possible deliver to Bank all data in Company's possession or under its control which Bank reasonably requests in order for Bank to continue to provide the Service.
33. **Headings.** Headings are for reference only and are not part of the Agreement.
34. **Successors and Assigns.** The Agreement is binding upon and shall inure to the benefit of Bank and Company and their respective successors and assigns.
35. **Applicable Law; Severability.** The Agreement shall be construed and interpreted in accordance with all applicable federal law and regulations, and to the extent such law and regulations do not apply, with the laws of the state of Arizona, without regard to its conflict of law provisions. Even if a provision of the Agreement is held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the other provisions of the Agreement will not be affected or impaired by such holding.





AP Automation

1. AP Automation Service.

- a. AP Automation provides Company with the ability to:
 - i. Automate the receipt, review, approval, and payment of Vendor invoices, the generation and delivery of Request Files to Bank for settlement against Company-designated Account(s) and email Remittance Materials to the applicable Vendor providing the details Vendors need to post payments in their accounts receivable systems, and the delivery of a Check Issue File to Bank; and
 - ii. Generate scheduled and/or ad hoc reporting and analytics.
- b. Usage of AP Automation requires implementation of a Bank-supported interface between the accounting software used by Company and AP Automation. Bank maintains, and periodically updates as new software are added, a list of the accounting software supported through AP Automation. In the event Company's accounting software is not supported, Company may request consideration for development of a custom interface; however, nothing herein obligates Bank to grant such request. In the event the parties decide to develop a custom interface, fees may apply and will vary based on the complexity of the development work needed.

2. User Setup and Maintenance.

- a. To utilize AP Automation, Company must appoint at least one individual as an Accounting Manager and one individual as a Payment Authorizer (both roles generally described below and defined within the Service or on the applicable Setup Form) with the authority to manage and take certain actions on Company's behalf within AP Automation.
- b. To establish, modify, or delete Users, Company must complete and submit a Setup Form or other documents, as Bank may require, to CustomerCare@westernalliancebank.com.
- c. Once Users are established or modified in accordance with Company's instructions, Bank does not monitor or oversee the actions of these Users; therefore, Company should use extreme caution when selecting and authorizing the individuals as Users. Company agrees that all actions taken by its Users are binding on Company, and all such persons are Company's agents for purposes of use of AP Automation, each authorized to act individually or in concert.
- d. The fact that Bank is, or may be made aware of, or could have discovered, any limitation on access to AP Automation does not make Bank obligated to enforce or attempt to enforce any limitation. Company understands that each User may utilize AP Automation without regard to any restrictions otherwise applicable to an Account. For example, each User will be able to utilize AP Automation (*i.e.*, generate Requests or Communications) regardless of whether they are also authorized signers on the applicable Account's signature card.

3. Accuracy of Information. Company is solely responsible for the accuracy of the Vendor information provided to Bank and for notifying Bank of any necessary changes or modifications to that information.

4. Request Files. Request Files generated through AP Automation are Requests for payment to the applicable Vendors and, as such, are Communications governed by and subject to the terms and conditions of the Agreement, including but not limited to the Security Procedures, and other related Service Descriptions. By submitting a Request File through AP Automation, Company agrees to be bound by such Communication and liable to Bank for acting on such Communication in accordance with the Security Procedures. Notwithstanding anything contained in this Service Description, Communications generated through AP Automation are also subject to the terms and conditions of the Service Descriptions applicable to the payment method or rail. In the event of a conflict between this Service Description and the Service Description applicable to the particular payment method or rail, the Service Description applicable to the particular payment method or rail shall control.





Automated Sweeps/Cash Concentration Services

1. Sweep Notice. COMPANY'S LOAN ACCOUNT IS NOT A "DEPOSIT," AS DEFINED IN THE FEDERAL DEPOSIT INSURANCE ACT (12 U.S.C.A. §1811, *et seq.*). FUNDS DRAWN FROM COMPANY'S LOAN ACCOUNT BECOME A DEPOSIT WHEN THE DRAW AMOUNT IS ACTUALLY PROCESSED BY THE BANK. FUNDS TRANSFERRED FROM COMPANY'S DEPOSIT ACCOUNT TO MAKE A PAYMENT ON COMPANY'S LOAN ACCOUNT CEASE TO BE A DEPOSIT WHEN THE PAYMENT IS ACTUALLY PROCESSED BY THE BANK. ALTHOUGH THE PAYMENT IS NOT A DEPOSIT, IT REDUCES THE AMOUNT COMPANY OWES THE BANK ON ITS LOAN ACCOUNT, PURSUANT TO COMPANY'S LOAN AGREEMENT WITH THE BANK.
2. Deposit Account/Loan Information. Bank reserves the right to determine which Deposit Accounts Company may use in conjunction with Automated Sweep(s). Money market and savings account types are not be eligible for Automated Sweeps involving transfers out of such account types. Each Deposit Account and the Loan Account must have identical ownership to be eligible for the Automated Sweep.
3. Automatic Sweep/Payment Authorizations. Sweep authorizations options are generally described below and must be specifically selected on the applicable Setup Forms:
 - a. Target Balance Sweep.
 - i. Transfer from Deposit Account. For this type of transfer, at the end of each Business Day, after all debits and credits have been processed for each Sub-Account, Company authorizes the Bank to transfer the Account Balance in excess of the Target Balance for each Sub-Account to the Master Concentration Account. If the Account Balance in any Sub-Account falls below the Target Balance on any Business Day, Company hereby authorizes the Bank to transfer funds from the Master Concentration Account to the applicable Sub-Account, as needed, to maintain the Target Balance in that Sub-Account. If at any time there is a ledger balance in the Master Concentration Account to transfer to some, but not all Sub-Accounts, as needed to maintain the Sub-Account Target Balances, funds will be transferred to the Sub-Accounts in the order applied by Bank, in its sole discretion.
 - ii. Loan Advance. For advances from a Loan Account, Company authorizes the Bank to initiate an advance from the identified Loan Account in an amount sufficient to restore the Target Balance in the Master Concentration Account; provided that, there is sufficient availability on the Loan Account, as determined by the Account Agreements, including but not limited to, the promissory note. Notwithstanding the foregoing, nothing in this Service Description will require the Bank to honor items or other debit transactions against the Master Concentration Account when there are insufficient funds to cover the full amount of such transactions (including but not limited to insufficient available funds from the Loan Account).
 - iii. Loan Payment Sweep. To the extent there is an Account Balance in excess of the Target Balance available in the designated Deposit Account at the end of a Business Day when Company has a payment due on its Loan Account, Company authorizes the Bank to transfer funds from (debit) that Deposit Account to credit or make the outstanding payment due on the applicable Loan Account as identified in the applicable Setup Form. Funds swept from the designated Deposit Account when Company does not have a Loan Account payment due will be applied as unscheduled reductions of principal and reduce the outstanding balance on the Loan Account and, as such, will not satisfy Company's installment obligations under the payment schedule or any accrued interest for the Loan Account.
4. Insufficient Funds. Automated Sweep(s) will only transfer funds from the Master Concentration Account or a Sub-Account, as applicable when there is an available Account Balance in the applicable Deposit Account. Availability of funds for purposes of the Automated Sweep will be determined in accordance with the Bank's funds availability and float policies. If a hold is placed on funds in a Deposit Account, they may not be transferred from that Deposit Account.
5. Processing Sweeps. Company agrees and acknowledges that the transfers completed pursuant to this Service Description are not done on a real-time basis. The Bank will look at the Account Balance in the applicable Deposit Accounts at the end of each Business Day to determine whether a transfer will occur. Further Company agrees and acknowledges that although the transfers will be completed through the Bank's normal processing procedures, the processing may occur after the Bank is closed.
6. Reversals.
 - a. At any time, or from time to time, the Bank in its sole discretion, may reverse any transfer made in conjunction with any Automated Sweep.
 - b. The Bank may provide notice to Company, but is not obligated to do so. The Bank may reverse any transfer or credit, for example, if the Bank determines in its sole discretion that to do may assist the Bank in the avoidance of any loss, liability, or to correct any error, or to cover any overdraft that might arise in a Deposit Account.
 - c. This paragraph is applicable if the promissory note or other loan document governing Company's Loan Account provides that the Loan Account is tied to a borrowing base of eligible receivables. At any time that Company is not in compliance with any applicable borrowing base requirement, the Bank may reverse any transfer pursuant to the Automated Sweep that constitutes an advance on the Loan Account.





7. Inapplicable Restrictions. Company understands that transfers provided under this Service Description will occur without regard to any withdrawal or access restrictions otherwise applicable to the Deposit Accounts or the Loan Account. Company agrees that any arrangements with the Bank to restrict access to the Deposit Accounts or the Loan Account do not impact the Bank's ability to sweep funds or make payments as provided in this Automated Sweeps/Cash Concentration Service Description.





ACH Services

ACH Credit Origination

1. ACH Credit Origination. In conjunction with the Service, Company may initiate credit and/or debit Entries by means of the ACH Network and agrees to be bound by the terms of this Service Description and the Rules. Bank will act as an ODFI with respect to such Entries. Company is responsible for all Entries to the fullest extent provided by law and as set forth in this Service Description. For the purposes of this Service Description, unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the Rules.
 2. Related Service Descriptions for Entries. Company's Entries using Business Online Banking must be consistent with terms and conditions of the Business Online Banking Service Description. Additional terms and conditions may apply to the ACH Service to the extent Company transmits Entries outside Business Online Banking. Company may not submit Entries outside Business Online Banking without Bank's prior written consent.
 3. The Rules. In addition to the terms and conditions contained herein, Company agrees to be bound by the terms and conditions of the Rules. A copy of the Corporate Edition of the Rules can be purchased from NACHA at www.NACHA.org. Company agrees to obtain a copy, to understand and be familiar with the Rules, and to be responsible for keeping up to date with changes in the Rules, including applicable timeframes and deadlines. Company agrees that information or advice received by Company from Bank as to the Rules or the operation of the Rules is not legal advice and is not a substitute for Company's obligation independently to understand and comply with the Rules.
 4. Processing Entries.
 - a. Company shall only transmit PPD (Prearranged Payments and Deposits) or CCD (Corporate Credit or Debit) credit or debit Entries to Bank to the location(s) and in compliance with the formatting and other requirements set forth in the Supporting Documents. The ACH Service will start on a date agreeable to Company and to Bank after all set up requirements have been completed. Company agrees that its ability to originate Entries under this Agreement is subject to exposure limits in accordance with the Rules and as set forth in the Supporting Documents.
 - b. Company will not submit individual or total monthly Entries in excess of the maximum limits established by Bank and reflected in the Supporting Documents, as amended from time to time. The parameters and variations of the limits shall be set at Bank's discretion, including but not limited to limits based on dollar amounts and/or Entry Standard Entry Class Code types. Company will not divide a transaction into more than one Entry in order to avoid these limitations. The Bank may adjust these limitations from time to time by providing notice to Company. The Bank processing of Entries in an amount greater than the established limit(s) shall not be deemed a waiver of this provision; the Bank may cease processing Entries in a greater amount at any time without prior notice. Notwithstanding the above, Company shall be responsible for any Entries it submits in excess of the maximum limits established by Bank, from time to time, along with any associated charges or fees in accordance with the Agreement.
- c. Company may not originate Entries using Standard Entry Class Codes other than CCD, CTX (Corporate Trade Exchange Entry) or PPD without prior notice to and written approval by Bank. Bank may require Company to apply, the form and content of the application must be acceptable to Bank, and execution by Company of such supplemental schedules, agreements and other documents as Bank may require, as a condition precedent to Company's use of other Standard Entry Class Codes. By way of example, the foregoing restrictions and requirements may apply to Company's use of ARC (Accounts Receivable Entries), RCK (Re-presented Check Entries), BOC (Back Office Conversion Entries), POP (Point-of-Purchase Entry), WEB (Internet-Initiated/Mobile Entries), IAT (International ACH Transaction) or TEL (Telephone-Initiated Entries) Standard Entry Class Codes, or if Company is engaging in cross-border (International) transactions. If Company has been approved by Bank to originate Entries using Standard Entry Class Codes in addition to CCD, CTX and PPD, the additionally approved Standard Entry Class Codes will be identified in the Setup Form, and Company agrees to be bound by the Rules applicable to those additional Standard Entry Class Codes. Bank may block unapproved use of a Standard Entry Class Code or an unapproved cross-border transaction.
 - d. If Company is authorized to initiate TEL, the following apply in addition to applicable provisions of the Rules and the Agreement:
 - i. Company will obtain Receiver's oral authorization for each TEL to the Receiver's account. A TEL may be transmitted only in circumstances in which: (1) there is an existing relationship between Company and Receiver, or (2) there is not an existing relationship, but the Receiver has initiated the call to Company. A TEL may not be used by Company when there is no existing relationship between Company and Receiver, and Company has initiated the telephone call. Company and Receiver are considered to have an existing relationship when either: there is a written agreement in place between Company and Receiver for the provision of goods or services, or Receiver has purchased goods or services from Company within the past two (2) years.
 - ii. Authorization must conform to the requirements of the Rules and must provide evidence of Receiver's identity and assent to the authorization. For Single Entry TEL, Company must either record the Receiver's oral authorization or provide, in advance of the Settlement Date of the Entry, written notice





- to Receiver that confirms the oral authorization. For recurring TEL, Company must record Receiver's oral authorization and provide a written copy of the authorization to the Receiver, to the extent required by Regulation E. If Company obtains the authorization over the telephone, Company must:
- (a) state clearly during the telephone conversation that Receiver is authorizing an ACH debit Entry to his or her account, (b) express the terms of the authorization in a clear manner, and (c) Receiver must unambiguously express consent. Silence is not express consent. For Single Entry TEL, Company must retain the original or duplicate audio recording of Receiver's oral authorization or a copy of the written notice confirming Receiver's oral authorization for two (2) years from the date of the authorization.
- iii. For recurring TEL, Company must retain for two (2) years from the termination or revocation of the authorization (1) the original or a duplicate audio recording of the oral authorization, and (2) evidence that a copy of the authorization was provided to Receiver in compliance with Regulation E. At Bank's request, Company must promptly provide Bank with a copy of the authorization and/or notice, as appropriate.
 - iv. For Single Entry TEL, if Company chooses the option to provide Receiver with written notice confirming Receiver's oral authorization, Company must disclose to the consumer during the telephone call the method by which such notice will be provided. The written notice must include, at a minimum, the six (6) pieces of information (identified below) that must be provided during the telephone conversation. Company may not use a voice response unit to capture Receiver's authorization for a TEL; key-entry responses by Receiver do not qualify as a TEL authorization. Company must ensure, at a minimum, the following information is disclosed to Receiver during the telephone call: (1) the date on or after which Receiver's account will be debited; (2) the amount of the transaction; (3) Receiver's name; (4) a telephone number that is available to Receiver and answered during normal business hours for Receiver inquiries; (5) the date of Receiver's oral authorization; and (6) a statement by Company that the authorization obtained from Receiver will be used to originate a Single Entry ACH debit to Receiver's account.
 - v. For recurring TEL, the following minimum information must be included as part of the authorization: (1) the amount of the recurring transactions, or a reference to the method of determining the amount of recurring transactions; (2) the timing (including the start date), number, and/or frequency of the electronic Funds Transfers, or other similar reference, to the consumer's account; (3) Receiver's name or identity; (4) the account to be debited; (5) a telephone number that is available to Receiver and answered during normal business hours for customer inquiries; (6) the method by which Receiver can revoke the authorization; and (7) the date of Receiver's oral authorization.
 - vi. Company will use commercially reasonable procedures to verify the identity of Receiver. Company will use a commercially reasonable method (e.g., use of a directory or database) to verify Receiver's name, address, and telephone number. Company will also verify Receiver's identity by verifying pertinent information with Receiver (e.g., past buying history, mother's maiden name, or Caller ID information).
 - vii. Company will use commercially reasonable procedures to verify that routing numbers are valid. If appropriate, this may include the use of available databases or directories, or contact with Receiver's financial institution. Company will also employ reasonable procedures (if available) to verify the validity of account number structures.
 - viii. In addition to any other warranties given by Company under the Agreement or the Rules, Company warrants the following to the Bank with respect to each TEL: (1) Company used a commercially reasonable method to establish the identity of Receiver; and (2) Company took commercially reasonable steps to verify that the routing number is valid.
- e. If Company is authorized to initiate WEB, the following apply in addition to the applicable provisions of the Rules and the Agreement:
 - i. Authorization for debit WEB must conform to the requirements of the Rules and must provide evidence of Receiver's identity and assent to the authorization. Each authorization must: (1) be in a writing that is signed or similarly authenticated by Receiver; (2) be readily identifiable as an ACH debit authorization; (3) clearly and conspicuously state its terms; and (4) provide Receiver with a method to revoke his or her payment authorization by notifying Company in the manner prescribed. Company must be able to provide Receiver with a hard copy of the authorization if requested to do so. Only a consumer may authorize a WEB, and not a Third-Party Service Provider on behalf of the consumer. Company must maintain records of Receiver's authorization for two (2) years after the termination or revocation of the authorization. At Bank's request, Company must promptly provide Bank with a copy of the authorization.





- ii. Company will employ a commercially reasonable, fraudulent-transaction detection system to screen each WEB in order to minimize the risk of fraud. The level of authentication used shall reflect the risk of the transaction, based on factors such as the transaction amount, the type of goods being offered, whether consumers are new or existing Receivers, and a method of delivery. The Service must authenticate Company's identity as well as that of Receiver. Company agrees to provide Bank with a description of Company's fraudulent transaction detection system, upon request, and evidence that such system is commercially reasonable. Company will use commercially reasonable procedures to verify that routing numbers are valid. If appropriate, this may include the use of available databases or directories. Company also will employ reasonable procedures (if available) to verify the validity of account number structures.
 - iii. Company shall establish a secure Internet session with each Receiver using commercially reasonable security technology that, at minimum, is equivalent to 128-bit SSL encryption technology. The secure session must be in place from the time Receiver enters his or her banking information through time of transmission to Bank. This requirement also applies to any transmission to an agent or service provider. Company will conduct an annual or more frequent security audit to ensure that the financial information obtained from Receivers is protected by security practices and procedures that include, at a minimum, adequate levels of: (1) physical security to protect against theft, tampering, or damage; (2) personnel and access controls to protect against unauthorized access and use; and (3) network security to ensure secure capture, storage, and distribution of financial information. Company's audit will, at a minimum, include and cover those items identified in the Rules as the minimum components that must be addressed in the audit report. Company must provide Bank with a copy of each audit within thirty (30) days of Company's receipt of the audit.
 - iv. In addition to any other warranties given by Company under the Agreement or Rules, Company warrants the following to Bank with respect to each WEB: (1) Company employed a commercially reasonable fraudulent transaction detection system to screen the Entry; (2) Company used a commercially reasonable method to establish the identity of Receiver; (3) Company took commercially reasonable steps to verify the routing number is valid; (4) Company established a secure Internet session prior to and during the key entry by Receiver of any banking information; and (5) there has been no change in Company's operations or other circumstance that would have a negative effect on the security practices identified or examined during Company's last security audit.
- f. Except as provided below for On-Ups Entries, Bank shall: (i) process Entries received from Company in accordance with the file specifications set forth in Rules; (ii) transmit such Entries as an ODFI to a Federal Reserve Bank acting as an ACH Operator; and (iii) settle for such Entries as provided in the Rules. All Entries shall be received by Bank prior to Delivery Date Deadline.
 - g. Bank shall transmit or complete the necessary authorizations for Entries by the Delivery Date Deadline, provided: (i) such Entries are received by the applicable Cutoff Time and Delivery Date Deadline on a Business Day, and (ii) the ACH Operator is open for business on such Business Day. Entries shall be deemed received by Bank at the location set forth in the Supporting Documents, and in the case of transmittal by electronic transmission, when the transmission (and compliance with any related Security Procedure provided for herein) is completed as provided in the Setup Forms. If any of the requirements of this Section are not met, Bank may use reasonable efforts to transmit such Entries to the ACH Operator by the next Delivery Date Deadline which is a Business Day and a day on which the ACH Operator is open for business.
5. Compliance with Security Procedures.
- a. If an Entry (or a request for cancellation or amendment of an Entry) received by Bank purports to have been transmitted or authorized by Company, it will be deemed effective as Company's Entry (or cancellation request) and Company shall be obligated to pay Bank the amount of such Entry even though the Entry (or cancellation request) was not authorized by Company, provided the Bank accepted the Entry in good faith and acted in compliance with the Security Procedures contemplated herein.
 - b. If an Entry (or a request for cancellation or amendment of an Entry) received by Bank was transmitted or authorized by Company, Company shall pay Bank the amount of the Entry, whether or not Bank complied with the Security Procedures and whether or not that Entry was erroneous in any respect or that error would have been detected if Bank had complied with such procedures.
6. Rejection of Entries. Bank may reject any Entry which does not comply with the requirements of [Section 4](#) (Processing Entries) or [Section 5](#) (Compliance with Security Procedures) of this Service Description, or which contains an Effective Entry Date more than one (1) Business Day after such Entry is received by Bank. Bank may reject an On-Ups Entry for any reason for which an Entry may be returned under the Rules. Bank may reject any Entry if Company has failed to comply with its Account Balance obligations under [Section 14](#) (Reserve Account) of the General Terms of the Agreement. Although Bank is under no obligation to do so, Bank





may reject any Entry if Company does not adhere to Security Procedures contemplated herein. Bank shall notify Company either by phone or electronic transmission, including email, or as otherwise agreed to by Bank and Company of such rejection no later than the Business Day such Entry would otherwise have been transmitted by Bank to the ACH Operator or, in the case of an On-Us Entry, its Effective Entry Date. Notices of rejection shall be effective when given. Bank shall have no liability to Company by reason of the rejection of any such Entry or the fact that such notice is not given at an earlier time than that provided for herein.

7. **On-Us Entries.** Except as provided in [Section 6](#) (Rejection of Entries), in the case of an On-Us Entry, Bank shall credit or debit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in [Section 4](#) (Processing Entries) are met. If said requirements are not met, Bank may use reasonable efforts to credit or debit the Receiver's account in the amount of such Entry no later than the next Business Day following such Effective Entry Date.
8. **Notice of Returned Entries.** Bank shall notify Company by phone or electronic transmission, including email, of the receipt of a returned Entry from the ACH Operator no later than one (1) Business Day after the Business Day of receipt of the returned Entry. Except for an Entry retransmitted by Company in accordance with the requirements of [Section 4](#) (Processing Entries), Bank shall have no obligation to retransmit a returned Entry to the ACH Operator if Bank complied with the terms of this Service Description with respect to the original Entry.
9. **Notifications of Change.** Bank shall notify Company of all NOC or corrected NOC received by Bank relating to Entries transmitted by Company by mutually agreeable means, including email, within two (2) Banking Days. Company must make the changes specified in a NOC or corrected NOC (a) within six (6) Banking Days of receipt or prior to initiating another Entry to the Receiver's account, whichever is later, or (b) as otherwise required in the Rules, if the Rules specify a different time for correction.
10. **Pre-Funding.** Bank may require Company to pre-fund certain Entries. Bank may change Company's designation to or from ACH Pre-Fund at any time, with or without cause and at Bank's sole discretion. Bank will inform Company of its designation as an ACH Pre-Fund company, and of any change in the designation. Company will pay Bank, in immediately available funds, an amount equal to the sum of all credit Entries or debit Reversing Entries related to Entry data delivered to Bank at such time as Bank may from time to time designate or, if not otherwise designated (a) if Company is not required to Pre-Fund, no later than the opening of business on the Settlement Date, and (b) if Company is to Pre-Fund, no later than the date of transmittal of the related Entry data to Bank or at such earlier time as Bank may have established for Company.
11. **Inconsistencies.** If a beneficiary of a Request is identified by both name and account number, payment may be made by Bank and by

any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a Request by both name and account number, Bank and other financial institutions may rely on the account number even if the name and the account number are not consistent or identify different parties.

12. **Cancellation or Amendment.** Company has no right to cancel or amend any Entry after its receipt by Bank. However, if such request complies with the Security Procedures for the cancellation of an Entry, Bank may use reasonable efforts to act on a request by Company for cancellation of an Entry prior to transmitting it to the ACH Operator or, in the case of an On-Us Entry, prior to crediting a Receiver's account, but shall have no liability if such cancellation is not affected. Company shall reimburse Bank for any expenses, losses, or damages Bank may incur in affecting or attempting to affect Company's request for the reversal of an Entry.
13. **Provisional Credit.** Company agrees that any payment by Bank to Company for any debit Entry, returned credit Entry or credit Reversing Entry is provisional until Bank has received final settlement for such Entry. Bank may delay availability of provisional funds at its discretion. If final settlement is not received, Bank is entitled to and Company agrees to pay a refund of the amount credited; Bank may charge Company's Deposit Account for the amount due. Bank may refuse to permit the use of any amount credited for a debit Entry or credit Reversing Entry if it believes that there may not be sufficient funds in Company's Deposit Account to cover the Chargeback amount.
14. **Account.** Bank may, without prior notice or demand, obtain payment of any amount due and payable to it under this Service Description by debiting the Account(s) of Company identified on the Setup Form as completed by Company, and shall credit the Account(s) for any amount received by reason of the return of an Entry transmitted by Company for which Bank has previously received payment from Company. Such credit shall be made as of the Business Day of such receipt by Bank. Company shall at all times maintain a balance of available funds in the Account(s) sufficient to cover its payment obligations under the Service Description. In the event there are not sufficient available funds in the Account(s) to cover Company's obligations under this Service Description, Company agrees that Bank may set off against Company Account any amounts Company owes to Bank or Bank may collect funds from any other account owned by Company and held with Bank (in accordance with the Deposit Account Agreement and Disclosure provided to Company at time of account opening) in order to obtain payment of Company's obligations under this Service Description.
15. **Account Reconciliation.** Credit and debit Entries processed by Bank will be reflected on Company's periodic statement issued by Bank with respect to the Account(s) pursuant to the Deposit Account Agreement and Disclosure between Bank and Company. Company agrees to promptly notify Bank of any discrepancy between





Company's records and the information shown on any periodic statement. Such notification time frame shall be in accordance with the Rules. Company agrees that Bank shall not be liable for Company's failure to comply with the Rules, under any theory for any other losses resulting from Company's failure to give such notice or any loss of interest or any interest equivalent with respect to Entry shown on such periodic statement, and Company shall be precluded from asserting such discrepancy against Bank.

16. **Cutoff Time.** A Request is considered executed when Bank executes it. If a Request is received after the Cutoff Time or on a day that is not a Business Day, Bank will process the Request on the following Business Day. Companies who submit Requests via an automated transfer (e.g., Business Online Banking) need not re-submit the Request as the Request will be processed the next Business Day, provided the Request has a "scheduled" or similar status.

17. **Company Representations and Warranties.** With respect to each and every Entry initiated by Company, Company represents and warrants to Bank and agrees that:

- a. Company shall obtain all consents and authorizations required under the Rules and shall retain such consents and authorizations two (2) years after they expire and other documents related to Entries for a period of six (6) years. Without limiting the foregoing, each person as the Receiver of an Entry received by Bank from Company has authorized the initiation of such Entry, and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry. Company will provide the Receiver with a copy of such authorization whenever required to do so. Further, Company agrees to provide the original, copy or other accurate record of the Receiver's authorization to Bank in such time and manner as to enable the Bank to deliver the authorization to a requesting RDFI within ten (10) Banking Days of the RDFI's written request.
- b. Such authorization is operative at the time of transmittal or crediting / debiting by Bank as provided herein;
- c. Entries transmitted to Bank by Company are limited to those types of credit or debit Entries selected by Company on the Setup Form or set forth in this Service Description;
- d. If the amount of a debit Entry to a Receiver's account varies in amount from the previous debit Entry relating to the same authorization or preauthorized amount, Company will, at least ten (10) days before the Effective Entry Date of such debit Entry, send the Receiver written notice of the amount of such debit Entry and its Effective Entry Date, unless the Receiver has previously been notified of Receiver's right to receive such notice and Receiver has elected to receive such notice only when the debit Entry does not fall within a specified range of amounts or varies from the most recent debit Entry by an agreed amount;
- e. If any change is made by Company in the scheduled Effective Entry Date of one or more debit Entries, Company will, at least seven (7) days before the Effective Entry Date of the first such debit Entry to be affected by such change, send the Receiver a

written notice of the new Effective Entry Date(s) of such Entry or Entries;

- f. Company shall be bound by and comply with the Rules as in effect from time to time, including, without limitation, the treatment of a payment of an Entry by the RDFI to the Receiver as provisional until receipt by the RDFI of final settlement for such Entry; and
- g. Company specifically acknowledges that it has received notice of the Rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry. Company shall indemnify and hold the Indemnified Parties harmless against any loss, liability or expense (including attorney's fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.
- h. Company will not use the ACH Service to collect payments for any prohibited business categories or types as developed by Bank, in its sole discretion. Neither Company nor any service provider may initiate corrections to files that have already been transmitted to an ACH Operator.
- i. Company must agree to establish data security policies, procedures and systems as required by the Rules. This must include controls that comply with applicable regulatory guidance on access to all systems used by Company to initiate, process and store Entries. This requires Originators to:
 - i. Protect the confidentiality and integrity of Protected Information;
 - ii. Protect against anticipated threats or hazards to the security or integrity of Protected Information until its destruction; and
 - iii. Protect against unauthorized use of Protected Information that could result in substantial harm to a natural person.

18. **Compliance Audits.** Bank may, upon providing five (5) Business Days' written notice, audit Company for the purpose of ensuring Company's compliance with the terms and conditions of this Service Description and the Security Procedures. Bank may conduct the audit or, in its sole discretion, choose a third-party auditor. If the audit indicates there is a breach in Company's compliance with this Service Description: (i) Bank may immediately terminate the Agreement and pursue its legal remedies, and (ii) Company will pay the cost of such audit. If Company does not cooperate with Bank's request to audit for compliance, Company shall be deemed to have constructively admitted to a material breach in its compliance.

ACH Debit Block/ACH Positive Pay

1. **ACH Debit Block/ACH Positive Pay Services.** ACH Debit Block allows Company to review and confirm debit Entries prior to posting to the Accounts identified for the Service on the Setup Form. ACH Positive Pay is a service, when selected by Company, automatically returns all incoming debit Entries attempting to post to the specified Account.





2. Related Service Description for Business Online Banking. Company's use the ACH Debit Block or ACH Positive Pay Services are facilitated through Business Online Banking and is subject to the terms and conditions of the Business Online Banking Service Description.

3. General Terms.

- a. Company using the ACH Debit Block Service shall establish (and update from time to time) Filtering Rules, as specified further in the Supporting Documents. Alternatively, if Company chooses the ACH Positive Pay Service for specified Accounts, all incoming debit Entries will auto return before posting to the Account. Company is not required to establish Filtering Rules for ACH Positive Pay.
- b. For ACH Debit Block, Company shall review Exceptions it receives from Bank through email notifications made through Business Online Banking, and determine if the Exceptions will be treated as authorized or unauthorized debit Entries. If an Exception item is a valid debit Entry, Company may establish a rule after authorizing to pay the item so that future items will be paid automatically.
- c. Company shall make its Exception decisions online through Business Online Banking on each Business Day by the applicable Cutoff Time.
- d. Company acknowledges that the ACH Debit Block and/or ACH Positive Pay Services do not cover debit Entries which Bank has already paid or finalized or which Bank is already committed to pay or honor under applicable laws, regulations or the Rules.
- e. Bank shall compare incoming debit Entries against Company's Filtering Rules and accept those transactions which are authorized under Company's Filtering Rules.
- f. Bank shall submit to Company as exceptions any debit Entries which do not meet Company's Filtering Rules (unless the Company has chosen the Blocking Service, in which case all ACH transactions will be returned).
- g. Bank shall make reasonable efforts to make Exceptions available to Company on each Business Day by the Cutoff Time.
- h. Exceptions will not reflect in the Company Account records if they are returned.
- i. If Company has not submitted a decision on the same Bank Business Day by the Cutoff Time, Bank will apply the default decision as selected by Company in the Setup Forms.

4. Limitation on Liability. In addition to any other limitation on liability in the Agreement, Company agrees that if Bank pays or rejects for Entries in accordance with this Service Description, Company releases Bank and holds it harmless from any claim that the Checks or items were not properly payable, or for wrongful dishonor (as applicable).

ACH Third-Party Senders

1. Third-Party Senders Generally. The Rules generally define a Third-Party Sender as a type of Third-Party Service Provider that acts on behalf of an Originator as an intermediary in transmitting Entries

between the Originator and an ODFI. Company desires to act as a Third-Party Sender and it acknowledges and agrees to the specific obligations herein as well as those additional obligations and processing requirements as prescribed by the Rules.

2. Authorization. Company represents and warrants to Bank that it has the requisite authority, pursuant to any Origination Agreements with its Originators, to authorize Bank to originate Entries on behalf of the Originators to Receivers' accounts.

3. Responsibilities of Third-Party Senders. All Third-Party Senders who originate Entries through Bank must comply with the following:

- a. General Obligations. Company represents and warrants to Bank and agrees that it shall:
 - i. Perform all of the duties to identify Originators;
 - ii. Assume all of the responsibilities, including, but not limited to, the responsibilities of ODFIs and Originators;
 - iii. Make all of the warranties of ODFIs and the warranty that Originators have agreed to assume the responsibilities of Originators under the Rules; and
 - iv. Make all of the representations and assume all of the liabilities of a Third-Party Sender in accordance with the Rules, including, but not limited to, liability for indemnification for failure of an Originator to perform its obligations as an Originator.
- b. Identification of and Due Diligence on Originators. Company, as a Third-Party Sender, is responsible to know its Originators and their creditworthiness.
 - i. Prior to entering into an Origination Agreement with an Originator, Company must utilize a commercially reasonable method to verify the identity of an Originator and its principals. In addition, before Company can originate Entries for a new Originator but not less than ten (10) Business Days prior to originating Entries for a particular Originator, Company must notify Bank of Company's intent to onboard a new Originator and provide Bank with any information reasonably necessary to identify each Originator including but not limited to the information identified in Section 5(g) of this Service Description. Failure to notify Bank of any new Originators may result in processing delays or even rejection of Entries.
 - ii. Company must notify Bank of any Third-Party Senders for which it transmits Entries, prior to transmitting Entries for that Third-Party Sender.
- c. Agreement with Originators. Company must have an Origination Agreement in place with any Originator on whose behalf Company initiates Entries. Each Originator must agree to be bound by the Rules and to assume the roles and responsibilities of an Originator under the Rules. Further, Company's Origination Agreement with its Originators shall create obligations for each Originator substantially similar to Company's obligations described herein. Company shall, upon





request, provide a copy to Bank of any and all agreements it has with its Originators, including but not limited to Origination Agreements.

- d. *Compliance with Rules.* Company is responsible for its as well as its Originators' compliance with the Rules, Regulation E (for consumer Entries), Article 4A of the Code (for corporate Entries) and all other applicable federal, state and local laws. Company is solely responsible for understanding the impact the Rules have on its organization and ACH activities, as they impose a number of processing and legal obligations of both the ODFI and Originator on Third-Party Senders. Company further agrees that neither Company nor its Originators will originate Entries in violation of the laws of the United States. To the extent Bank is notified of an actual or suspected violation of any applicable law by Company or any of its Originators, Company shall fully cooperate with Bank to resolve any such issues and provide any requested documentation to Bank within the required timeframe. Company shall be responsible for any Losses and Liabilities Bank incurs as a result of such violation or investigation of any suspected violation.
- e. *Risk Assessment of ACH Activities.* Company is responsible for conducting a periodic risk assessment of its ACH activities and those of its Originators. Bank may request copies of such risk assessments and its supporting documentation.
- f. *Audit.* In accordance with Appendix Eight of the Rules, Company must conduct an annual audit of its compliance with the Rules and other applicable laws. The scope of the audit includes data security, record retention, agreements and authorizations and other areas. Company must retain and provide upon request documentation supporting the completion of the audit for six (6) years from the date of the audit and, as Bank may periodically request, provide copies of such audit(s). Company shall provide the requested copy within five (5) Business Days of receiving such request.
- g. *Reporting to Bank.* Company shall, within five (5) Business Days following the end of each calendar quarter, provide Bank with any information considered reasonably necessary to identify each Originator. Information considered to be reasonable includes but is not limited to: Originator name, address, telephone number, website/URL, nature of business, doing-business-as names, principal(s) name(s), principal's address, principal's phone number, principal's email, and primary contact for Originator. Bank may request, at any time, from Company an updated list of Company's Originators and Company agrees to provide such information within two (2) Business Days of such request.
- h. *Originator Responsibilities.* Company represents and warrants to Bank that all Originators for whom it transmits Entries have agreed to assume the responsibilities of an Originator as required by the Rules. Failure by Originators to meet those obligations may result in processing delays or rejection of Entries.
- i. *Performance of ODFI Obligations.* In any case where Company performs the role of an ODFI, Company agrees that it is obligated to meet the requirements of an ODFI under the Rules and warrants that it is authorized and legally capable of doing so.
- j. *Payment to Bank.* Company is required to fund Bank for any credit Entries it originates and any debit Entries returned by the applicable RDFI regardless of whether the Company receives payment from the Originator.
- k. *Performance of Originator Responsibilities.* Company and its Originators are responsible for the retention and delivery of any records, documentation and data related to Entries, including but not limited to copies of source documents and records of authorization, as required by the Rules.
- l. *Security Requirements.* Company must establish, implement and update security policies, procedures and systems related to initiation, processing and storage of Entries and resulting Protected Information as outlined in the ACH Service Description and further described herein. Company is required to verify, as part of its annual audit described in [Section 3\(f\)](#) of this Service Description, that it has established, implemented and updated the data security policies, procedures, and systems required by the Rules. These data security policies, procedures and systems must, at a minimum, protect (x) the confidentiality and integrity of Protected Information, (y) against anticipated threats or hazards to the security or integrity of Protected Information, and (z) against unauthorized use of Protected Information that could result in harm to a natural person. Bank may, at its own discretion, require Company to engage a certified, independent audit firm to conduct a SSAE 16 audit. Company will be solely responsible for any costs associated with the SSAE 16 audit as well as timely remediation of issues identified by the SSAE 16 audit. Company must notify Bank immediately of any actual or suspected breach of the data security requirements of the Rules or any applicable privacy law including, without limitation the Gramm-Leach-Bliley Act.
- m. *Activity of Originators.* Company is responsible to perform ongoing due diligence and monitor the activity of its Originators. Company must provide accurate and complete information to Bank for each Originator in order to minimize risks placed on Company and Bank. Company shall perform ongoing due diligence on Originators to ensure no adverse or negative business activities are occurring and no material change in the nature of business has occurred. If Company identifies any adverse or negative business activity on the part of an Originator, Company must inform the Bank immediately to determine a course of action including but not limited to termination of Company's use of Services for that Originator.
- n. *Types of Entries.* In accordance with its obligations under [Section 4](#) of the ACH Service Description, Company must restrict the types of Entries an Originator is allowed to originate based on the nature of the Originator business.
- o. *Originator Exposure Limit.* Company must establish an exposure limit for each Originator and review those exposure limits at least annually and update as needed.





- p. *Return Rate.* Company acknowledges that Bank has certain responsibilities as an ODFI to monitor and periodically report on Originator and/or Third-Party Sender Unauthorized Entry Return Rate; therefore, Company is responsible for monitoring all origination and return activity over multiple Settlement Dates for Entries transmitted on behalf of its Originators in accordance with the timing requirements of the Rules. If Company or its Originators violate the Unauthorized Entry Return Rate thresholds, Bank, in its sole discretion, may suspend or terminate both Company's and Originator's ACH origination services.
4. Bank Rights and Responsibilities; Limitation of Liability.
- a. All Third-Party Senders must be reviewed and approved by Bank prior to engaging in ACH origination activities for Originators. Bank reserves the right to reject, in its sole discretion, any Third-Party Sender application.
 - b. In performance of its duties under this Service Description or the Agreement, Bank shall be entitled to rely solely on the information, representations, and warranties provided by Company pursuant to this Service Description, and shall not be responsible for the accuracy or completeness thereof.
 - c. Bank shall be responsible for only performing the Services expressly provided for in this Service Description, and shall only be liable for its gross negligence or willful misconduct in performing those Services. Bank shall not be responsible for Company's acts or omissions (including, without limitation, the amount, accuracy, or timeliness of transmittal, or authorization of any Entry received from Company) or those of any other person including, but not limited to, any Federal Reserve Bank, ACH Operator or transmission or communications facility, any Receiver or RDFI (including, without limitation, the return of an Entry by such Receiver or RDFI), and no such person shall be deemed Bank's agent.
 - d. Bank will provide all approved Third-Party Senders with a copy of or access to the Rules on an annual basis.
 - e. Bank reserves the right, upon reasonable notice to Company, to audit Company's and its Originators' compliance with this Service Description, the ACH Service Description, and the Rules.
 - f. Bank shall only be liable for Company's actual costs and losses arising solely from Bank's responsibilities to Company with respect to Entries transmitted pursuant to this Service Description. Bank shall not be liable for any damages or other losses to Company due to claims made by any Originator in connection with any arrangement or agreement under which Company transmits Entries pursuant to this Service Description. In no event shall Bank be liable for any punitive, indirect, consequential, or special damages or lost profits which Company may incur or suffer in connection with this Service Description, whether or not the likelihood of such damages was known or contemplated by Bank and regardless of the legal or equitable theory of liability which Company may assert, including but not limited to lost or damage from subsequent wrongful dishonor resulting from Bank's acts or omissions pursuant to this Service Description.
5. Company Representations and Warranties; Indemnity.
- a. In addition to those representations and warranties elsewhere in this Service Description and the Agreement, for each and every Entry transmitted by Company, Company represents and warrants to Bank and agrees that:
 - i. Each person shown as the Receiver on an Entry has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry and Company shall provide a copy of such authorization to Bank within five (5) Banking Days of Bank's request;
 - ii. Such authorization is operative at the time of (a) transmittal or (b) crediting or debiting by Bank as provided herein; and
 - iii. Entries transmitted to Bank by Company are limited to those types of credit and debit Entries set forth in Section 4 of the ACH Service Description.
 - b. Company agrees to comply with applicable state and federal law or regulation and Company warrants it will not transmit any Entry that violates the laws of the United States, including, without limitation, regulations of OFAC. Company is responsible for reviewing OFAC's SDN for each Entry it initiates to ensure it is not transacting with anyone who appears on the SDN list (*i.e.*, those individuals or companies who have been identified as targets of sanctions).
 - c. Company shall perform its obligations under this Service Description and the Agreement in accordance with all applicable laws, regulations and orders, including but not limited to regulations and orders administered by FinCEN, and any state laws, regulation or orders applicable to the providers of ACH payment services and Company shall be bound by and comply with the provision of the Rules making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry as described in Section 13 (Provisional Credit) of the ACH Service Description.
 - d. In addition to Company's other indemnification obligations under this Service Description or the Agreement, Company shall indemnify and hold the Indemnified Parties harmless against and for any Loss and/or Liability resulting from or arising out of (i) any breach of any of the foregoing warranties, representations, or agreements; or (ii) any claim that Bank is responsible for any act or omission of Company or any other person described in Section 4(c) above.
6. Termination of Services.
- a. *Termination by Company.* Company may terminate the Services contemplated hereunder at any time. Such termination shall be effective on the second (2nd) Business Day following the date of Bank's receipt of written notice of such termination or such later date as is specified in that notice.
 - b. *Termination by Bank.* Bank reserves the right to terminate Company's use of Services contemplated by this Service





Description at any time, with or without cause or advance notice to Company. Further, Bank may terminate or suspend Company's or its Originators' ACH activities, including those origination services contemplated by this Service Description, for a breach of the Rules in a manner that interfere with Bank's compliance with the Rules or other applicable laws.

- c. *No Effect on Rights or Obligations.* Any termination of the Services contemplated by this Service Description shall not affect Bank's rights or Company's obligations with respect to Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to Services performed by Bank prior to termination, or any other obligations that survive the termination of this Service Description or the Agreement.





Business Online Banking

1. Business Online Banking. Company may use Business Online Banking to access its Accounts and to facilitate certain Services as identified in and subject to this Service Description. Bank reserves the right, to place, in Bank's sole discretion, limits on Company's right to use the Business Online Banking.

Subject to Bank's prior approval, Company's may use Business Online Banking to: (i) view balances on Linked Accounts; (ii) view Account history for all Linked Accounts; (iii) transfer funds between Linked Accounts; (iv) request Check stop payments; (v) send secure email messages to Bank; (vi) initiate Funds Transfers; (vii) ACH origination services; (viii) request advances from and make payments to certain Linked Accounts; (ix) pull a report with daily funding totals; and (x) initiate Bill Payments. Additional Business Online Banking Services may be added to or removed by the Bank from time to time as reflected on the applicable Setup Forms.

2. Related Service Descriptions. Certain Business Online Banking Services are subject to terms and conditions of additional Service Descriptions based on the functionality and/or Services and Company is responsible for understanding which are applicable and is governed by the terms and conditions of each.
3. Primary Account Designation. Company agrees to designate one of its Accounts as the Primary Account. Company authorizes Bank to debit the Primary Account or any other account maintained by Company at Bank, in the event insufficient funds are available in the Primary Account, for any fees or other amounts due to Bank in connection with the Services. If the Primary Account is closed for any reason, Bank will charge one of Company's other Accounts for any fees or other amounts due to Bank in connection with the Services. If Company closes its Primary Account and has no other Accounts, Company's Services will be stopped along with any unprocessed Services transfers. To reinstate its Services, Company must open a new Primary Account.
4. Administrator and User(s) and Account Designations.

- a. To utilize Business Online Banking, Company must appoint at least one individual to act as the Primary Administrator with the authority to determine who will be authorized to use the Business Online Banking on Company's behalf. **COMPANY SHOULD REVIEW THIS SECTION CAREFULLY BEFORE SELECTING WHO WILL SERVE AS ITS ADMINISTRATOR(S), AS THESE INDIVIDUALS ARE GRANTED UNFETTERED AUTHORITY WITH RESPECT TO COMPANY'S PROFILE, THE SERVICES SELECTED, AND THE USERS AND THE ENTITLEMENTS OF EACH ASSOCIATED WITH THAT PROFILE. COMPANY ACKNOWLEDGES AND UNDERSTANDS THAT USERS ARE NOT REQUIRED TO BE AUTHORIZED SIGNERS ON COMPANY'S ACCOUNT(S) IN ORDER TO BE A USER IN BUSINESS ONLINE BANKING AND AGREES TO ACCEPT RESPONSIBILITY FOR TRANSACTIONS AUTHORIZED BY SUCH USERS AS IT WOULD**

FOR THOSE INITIATED AND/OR AUTHORIZED BY AUTHORIZED SIGNERS.

- b. An Administrator will, among other things, have the authority to:
 - i. Establish additional Administrators and Users (who may or may not be authorized signers on an Account), establish User rights and/or limits, and remove existing Users.
 - ii. Determine what Business Online Banking entitlements will be granted to particular Users, when to change passwords, and any limitations on the use of the Services by individual Users.
- c. Company is solely responsible for monitoring the Primary Administrator and Users to whom Primary Administrator grants access and authority. At the time of Company's initial setup, the Primary Administrator is granted full access and authority, without limitation, to all Accounts and Services entitled under Company's Profile and is solely responsible for User administration for that Profile.
- d. Bank is only involved in Administrator setup at the time of Company's initial enrollment; any subsequent changes or modifications to those Administrators must be done by Primary Administrator. Every Administrator has the ability to self-administer his or her User entitlements. **Bank will not nor does it have any obligation to control, monitor, or otherwise oversee the Administrator function or User entitlements and/or access, regardless of whether Bank assisted Company in establishing either; therefore, Company should use extreme caution when selecting and authorizing the individual to serve as its Primary Administrator.**
- e. Company agrees to all action taken by the Administrator or any User designated or authorized by the Administrator, and all such persons are Company's agents, each authorized to act individually or in concert, for purposes of use of the Services. The fact that Bank is, or may be made aware of, or could have discovered, any limitation on access to Business Online Banking does not make Bank obligated to enforce or attempt to enforce any limitation. Company understands that the Administrator and each User may utilize Business Online Banking (including inquiries, transfers, and account verification) without regard to any restrictions otherwise applicable to an Account. For example, the Administrator and each User will be able to utilize Business Online Banking regardless of whether they are also authorized signers on the applicable Account's signature card.
5. Access to Account Data. Company can obtain Account Balance and other Account information through Business Online Banking. Since certain information and transactions are not processed by Bank until after the close of Bank's Business Day, some transactions may not be reflected on Business Online Banking until the next Banking Day. Posted items may be reversed due to insufficient funds, stop payment orders, legal process, and other reasons. Certain balances also may not be subject to immediate withdrawal. Bank assumes no responsibility for any loss arising from incomplete information





or for any temporary interruption in Bank's information system. If Company is unable to access Business Online Banking for any reason, Company may contact Bank at (888) 995-2265 for support.

6. Bill Payment Service.

- a. *Bill Payment Account Designation; Payment Details.* When using Bill Payments, Company must designate at least one Bill Payment Account. Company will also have the ability to identify other Accounts Company wishes to use to make Bill Payments. For each Bill Payment, Company will also be required to provide the complete name of the Payee, the account number and the Payee's remittance address (as exactly as shown on the billing statement or invoice), the amount of the Bill Payment and the Payment Processing Date. If the Payment Processing Date is not a Business Day, then Company's Bill Payment will be processed the next Business Day.
- b. *Setting Up Payees.* To initiate Bill Payments, Company must establish Company's list of Payees. Bank reserves the right to reject any Payee at any time, at its discretion. Bank is not responsible if a Bill Payment is not made to a Payee because Company provided Bank with incomplete, incorrect, or outdated information regarding the Payee or Company attempted to make a Bill Payment to a Payee that is not on Company's established list of Payees. Also, Bank reserves the right to refuse to prohibit payment to a Payee via a Bill Payment.
- c. *One-Time Payment.* Company can use BOB to make a one-time Bill Payment. A one-time Bill Payment will be processed on the Payment Processing Date; provided that, the Payment Processing Date selected by Company is a Business Day and Company submits Company's one-time Bill Payment prior to the Bill Payment Cutoff Time for that date. If Company selects a Payment Processing Date that is not a Business Day or submits Company's Bill Payment after the Bill Payment Cutoff Time for that date, then the Payment Processing Date will be the next business day.
- d. *Recurring Payments.* Company can use BOB to make recurring Bill Payments. The Bill Payment Service allows Company to schedule a Bill Payment to be processed on Company's selected frequency on an ongoing basis. However, if the future Payment Processing Date is on a non-Business Day, then the new future Payment Processing Date will be the next Business Day.
- e. *Available Funds.* For same-day Bill Payments, Company will need to have sufficient available funds in Company's designated Bill Payment Account to cover the amount of all Bill Payments scheduled on the same Business Day Company logged onto BOB, even if Bank does not debit Company's Bill Payment Account on that same Business Day. For future one-time or recurring Bill Payments, Company will need to have sufficient available funds in the Bill Payment Account on the Payment Processing Date. Company can initiate Bill Payments up to the available funds in Company's Bill Payment Account,

plus any linked credit or other overdraft facility. If Company exceeds these limits, then Bank may prevent (or reverse) payments in any order and in any amount that Bank chooses, even if the result is to reduce Company's transactions to a level below the amounts needed to pay Company's Bill Payments.

- f. *Certain Payees Not Recommended.* Bank does not recommend that Company use Bill Payments to pay Company's federal, state, or local taxes, courts or other governmental entities. Bank will not be liable for penalties, interest, or other damages of any kind if Company tries to use Bill Payments to remit or pay money for taxes, or to courts or governmental agencies.
- g. *Scheduling Bill Payment.* Bill Payments should be scheduled well in advance of the Due Date to allow a Payee to receive the Bill Payment by the Due Date set by Company's Payee and without considering any grace period that may be offered by Company's Payee. Some companies paid through Bill Payments are not set up for electronic payment and therefore will receive a paper draft on Company's behalf. These paper draft Bill Payments can take up to six (6) Business Days to process before the Payee receives the Bill Payment. Longer exception periods may be required for Bill Payments to the U.S. Territories of Guam, Puerto Rico, U.S. Virgin Islands, and payments to international military bases. Company is responsible for ensuring that Company initiates a Bill Payment in time for the payment to reach the Payee before its Due Date (without considering any grace period). Company must allow at least six (6) Business Days (or longer for the exceptions noted above), prior to the Due Date, for each Bill Payment to reach the applicable Payee. Bank is not responsible for any damages Company may suffer if Company does not allow sufficient time between the Payment Process Date and the Due Date of Company's bill or obligation, without counting any grace period offered by the Payee.
- h. *Payment Methods.* Bank reserves the right to select the method in which to remit funds on Company's behalf to Company's Payees. These payment methods may include, but may not be limited to, an electronic payment, or a demand draft payment (where a negotiable instrument is created and drawn off of Company's Bill Payment Account).
- i. *Payment Changes and Cancellation.* Company may change or cancel a Bill Payment via BOB as long as Company logs onto BOB and makes the change prior to the Payment Processing Date for the applicable Bill Payment and Company follows the terms and conditions applicable to Bill Payment changes and cancellations.
- j. *Accurate Information on Payees.* If the Bill Payment provides Company with a series of options regarding Payee address or location, Company is responsible for correcting that information if such information does not agree with Company's records or with Company's particular bill. Bank and the others that handle Company's Bill Payment (including the Payee's bank) are entitled to rely on information Company supplies, such as the Payee's account number or the routing number of the Payee's bank, even if the name Company gives to Bank and the number Company gives to Bank identify





different persons. Bill Payments that are made through the ACH are subject to the Rules, and Company agrees to be bound by the Rules, including the rule making payment to the Payee provisional until receipt by the Payee's bank of final settlement of the credit transaction. If final settlement is not received, Company will not be deemed to have paid the Payee the amount of the electronic Bill Payment.

- k. **Entries.** If a Bill Payment is processed electronically through ACH, the Entries and the transaction will also be subject to the terms and conditions of the ACH Service Description, to the extent applicable.

7. **Check Stop Payment Service.** Company may use Business Online Banking to initiate stop payments on Checks that Company has written against Company's Accounts. Company may initiate a stop payment on a Check by providing Bank with timely, complete, and accurate information including but not limited to the following: the number of the Account on which the Check is drawn; the date of the Check; the Check number; the Payee information and the EXACT amount of the Check (dollars and cents). If any information is incomplete or incorrect, Bank will not be responsible for failing to stop payment on the Check. Requests become effective when Bank has had a reasonable opportunity to confirm receipt and has verified that the item has not been paid and shall remain effective in accordance with applicable law. If Company wishes to cancel or amend any other Business Online Banking Service transaction (e.g., Funds Transfers or Entries), Company should review the relevant Service Description for the terms and conditions under which it may cancel, amend or reverse such transactions. If Company contacts Bank, Bank may at its sole discretion attempt to assist Company, but will not be liable for any failure to successfully stop payment on transactions.

Company may not use this Check stop payment service to stop payment on any Entry or Funds Transfer, point-of-sale ACH/EFT transfer; any cashier's check, certified check or other official institution check have purchased from Bank or any Check which Bank has guaranteed. Company understands that its stop payment request is conditional and subject to Bank's verification that the Check has not already been paid, or any Service not already performed, or that stopping payment may subject Bank to risk of loss or damages under any law or regulation (including clearing house or other processor rules).

All stop payment orders, renewals, and revocations of stop orders will be subject to Bank's current policy on stop payment orders. From time-to-time, Business Online Banking may be inoperable. If that occurs, Company's request can be communicated to Bank by telephone. A Check stop payment order is effective for six (6) months only and will expire automatically, at which time Company is responsible for any renewal desired by Company for another six (6) month term. There will be a fee assessed for each stop payment request processed.

8. **Email Messages; Encrypted Transmissions.**

- a. While access to Bank through the secure email function of the Services is "online", messages sent to Bank through email are not reviewed by Bank personnel immediately after they are sent. If immediate attention is required, Company must contact Bank by telephone or in person or through some other procedure not using Business Online Banking.
- b. Encryption of data transmissions does not guarantee privacy. Data transferred via Business Online Banking is encrypted in an effort to provide transmission security. Notwithstanding Bank's efforts to ensure that Business Online Banking is secure, Company acknowledges that the Internet is inherently insecure and that all data transfers (including transfer requests and electronic mail) occur openly on the Internet. This means that the data transfers potentially can be monitored and read by others. Bank cannot and does not warrant that all data transfers utilizing Business Online Banking will not be monitored or read by others. Company's email messages may be acted upon by Bank if received in a manner and in a time providing Bank a reasonable opportunity to act. Nevertheless, unless otherwise provided herein, email messages will not serve as a substitute for any requirement imposed on Company to provide Bank with "written" notice.

9. **Multiple Entity Access through Business Online Banking.**

- a. **Multiple Entity Access.** Within Business Online Banking, multiple entities (including but not limited to Related Companies), Consumers and Linked Accounts may be linked, in the sole discretion of Bank, under the Profile. Any Account Holder who is utilizing BOB in conjunction with its Accounts agrees to be bound by the terms and conditions of this Agreement as evidenced by the applicable Business Online Banking Acknowledgement and Authorization signed by such Account Holder or by such Account Holder's usage and/or continued usage of BOB. This Section only applies to Company if there are multiple entities under the same Profile as Company, regardless of whether Company is Primary Company or a Related Company.
- b. **Authorization.**
 - i. Each Related Company authorizes Bank to link its Accounts under the Primary Company thereby giving the Administrator(s) the ability to allow every other Related Company and/or User (even if in breach of obligations of confidentiality) access to Related Company's Accounts through BOB and to utilize Services on its Accounts in conjunction with multiple-party access. This may include Services that are made available to other Related Companies but that are not made available by Bank directly to the Related Company whose Accounts are affected. This includes authority granted under this Agreement or under any other agreement between Related Company and Bank.
 - ii. Without limiting the foregoing, each Related Company authorizes Bank to debit or credit its Accounts and otherwise to act in accordance with





- Communications received from any other Related Company or User.
- iii. Except to the extent expressly prohibited by law or regulation, authorization to use the Services is deemed to have been given and is hereby confirmed to have been given by Related Company to any person: (i) to whom Related Company provides actual authority (for example, by appointment as agent or by resolution of Related Company's board of directors or governing body); (ii) who has apparent authority to act on behalf of Related Company; or (iii) who receives Security Devices from Related Company, any Administrator, or any other person previously given access to the Security Devices by Related Company.
 - iv. The authorization of Related Company continues until Related Company notifies Bank and expressly withdraws authorization for that person to use the Security Devices and Bank has had a sufficient time to act on such information.
- c. **Certification of Authorization.** Each Related Company agrees to provide appropriate corporate, partnership or other applicable entity authorization, upon request and in a form satisfactory to Bank, verifying the authority of the authority of the individual granting the authorization described in this Section.
 - d. **Security Procedures.** If Company qualifies as a Related Company under this Agreement and it uses the Services, it is representing and warranting to Bank that it has independently reviewed and agrees the Security Procedures selected by the Primary Company on the Setup Form (and further described in [Section 4 \(Security Procedures\)](#) of the General Terms) are commercially reasonable for Related Company and will remain so until such time as it notifies Bank in writing to the contrary. Changes in Security Procedures applicable solely to Related Company may require separating Related Company from Primary Company's Profile and establishment of a distinct and separate BOB profile for Related Company.
 - e. **Withdrawal Limitations.** Related Company understands Services may be used to initiate Funds Transfers (debits and/or credits) from and to Accounts without regard to any withdrawal or signature restrictions otherwise applicable to the affected Account. Related Company is solely responsible for knowing the applicable transaction limitations or signature restrictions with respect to a particular Account.
 - f. **Independent Selection.** Each Related Company acknowledges that Bank did not at any time solicit Related Companies for activation of multiple-party access. Each Related Company acknowledges that Bank is providing the multiple-party access as an accommodation to and at the express request of Related Company, and accepts all risks associated with the use of the multiple party access services by itself and by the other Related Companies.
 - g. **Indemnification.** Except to the extent expressly prohibited by law or regulation, each Related Company shall jointly and severally, defend, indemnify and hold harmless Indemnified Parties from and against any and all Losses and Liabilities resulting from or arising out of any losses due to action or inaction by any other Related Company or its Users in the use of BOB or the Services or by Bank in the granting multiple-party access.
 - h. **Fees.**
 - i. Company authorizes Bank to debit Primary Account (identified on the Setup Form) for any fees or charges related to the Services.
 - ii. In addition to other applicable fees that have been separately disclosed in the applicable Schedule of Fees and Charges, Bank reserves the right to impose a multiple-party access fee. Bank will notify Related Company regarding the amount of said fee.
10. **Consumer Accounts.**
 - a. Consumer Accounts may only be added to a Profile with the express permission of the Bank. Any Consumer Account that is accessed through Business Online Banking is subject to the terms and conditions of this Agreement to the extent those rights or obligations do not conflict with the Deposit Account Agreement and Disclosure or applicable loan agreements. If there is a conflict between the Agreement and the Account Agreement and Disclosure or the applicable loan agreements, as the case may be, the Deposit Account Agreement and Disclosure or applicable loan agreements shall control.
 - b. Consumer Accounts on BOB are prohibited from originating Entries (with exception of Bill Payments processed through ACH network), international (U.S. dollar) wires, and foreign exchange wire transfers through BOB.
 - c. Special Funds Transfer rules apply to Consumer Accounts and are provided in the applicable Business Online Banking Acknowledgement and Authorization.
 11. **RLOC.**
 - a. Company acknowledges and agrees that the Administrator will have the ability to entitle other User(s), established under the same Profile, with the ability to advance from and make payments to the RLOC added to Company's Profile and that such individuals may differ from the person(s) named or authorized under the loan agreement for the subject RLOC.
 - b. Company acknowledges and agrees that the Administrator(s) and any User(s) who have been granted access to and/or authority with respect to a RLOC linked on the Profile shall be deemed additional authorized individuals under the applicable loan agreements. Company agrees to be bound by the actions of the Administrator and any User with respect to Company's RLOC.





Check Services

Check Positive Pay

1. Related Service Description for Business Online Banking. Company's use of Check Positive Pay, Check Payee Positive Pay, or Reverse Positive Pay is facilitated through Business Online Banking and is subject to the terms and conditions of the Business Online Banking Service Description.
2. Types of Positive Pay.
 - a. *Classic Check Positive Pay.* Positive Pay allows Company to compare its lists of Checks recently issued will be compared through Positive Pay against Check amount and serial numbers against the specified Company Account(s) and identified on the Setup Forms.
 - b. *Check Payee Positive Pay.* Similar to Positive Pay except that Check Payee Positive Pay includes Check Payee name in the list of attributes verified as part of the service.
 - c. *Reverse Positive Pay.* Reverse Positive Pay allows Company to review Checks presented to Bank for payment to determine whether they should be paid or returned.
3. General Terms.
 - a. Positive Pay and Payee Positive Pay both permit Company to identify Exceptions and instruct Bank whether to pay or return the Exceptions.
 - b. Company must submit a Check Issue File to Bank prior to the Cutoff Time on the Business Day of issuance of any Checks against accounts that are subject to Positive Pay or Payee Positive Pay. Company assumes full responsibility for the timely and accurate submission of the Check Issue File and data to Bank. The Check Issue File must be in the format and contain the information specified by Bank in the Supporting Documents. Company must inspect each Exception and submit a "pay" or "return" decision for each Exception to Bank on the same Bank Business Day by the Cutoff Time.
 - c. Company may research Exceptions in Business Online Banking by viewing the Check images.
 - d. Company grants Bank full authority to honor all Checks that match the serial numbers, amounts, and Payee name (for Payee Positive Pay) corresponding to the Check Issue File submitted by Company and maintained at Bank.
 - e. All Exceptions for which Bank does not receive a timely "return" or "pay" decision will be handled according to the default procedure reflected on the Setup Form. If no default decision is selected by Company, Bank shall default to a "return" decision for any Exception for which Company has not submitted a decision on the same Business Day by the Cutoff Time.
 - f. Bank is not obligated to verify signatures on any Checks that match the information Company provides or that Company fails to return nor is it required to physically examine matching Checks to confirm they are properly signed, completed and encoded.
 - g. If Company orders or prints Checks from any source other than Bank, Company agrees to meet the Bank's MICR encoding and printing specifications.
 - h. Company acknowledges Positive Pay and Payee Positive Pay apply to Checks that are presented for payment to Bank with exception of items which Bank has already cashed, negotiated or paid or which Bank is already committed to honor or pay under applicable laws or regulations.
 - i. Subject to funds being available pursuant to Bank's funds availability policy as detailed in the Deposit Account Agreement and Disclosure, Bank shall honor all Checks that either match the serial numbers and amounts corresponding to the Check Issue File that is provided in conformance with this Service Description, or that fall under the optional Exception threshold established by Company on the Setup Form.
4. Security Procedures. Company agrees to implement reasonable internal security procedures in connection with Positive Pay, Payee Positive Pay, or Reverse Positive Pay. Bank recommends imposing a dual control environment in connection with the transmission of Check Issue Files and related instructions.
5. Limitation on Liability. In addition to any other limitation on liability in this Agreement, Company agrees that if Bank pays or rejects for payment Checks or items in accordance with this Service Description or the Setup Forms, Company releases Bank and holds it harmless from any claim that the Checks or items were not properly payable, or for wrongful dishonor (as applicable).

Check Print & Mail

1. Check Print & Mail Service. Subject to Bank's prior approval and periodic modifications of available services/functionality, the Bank's Check Print & Mail Service allows Company the ability to electronically issue/print and mail Checks through the Bank's Integrated Payables. Company will submit Request Files to Bank through Integrated Payables to the Bank for processing.
2. Accuracy of Information. Company is solely responsible for the accuracy of the Vendor information provided to Bank and for notifying Bank of any necessary changes or modifications to that information. Bank will not be responsible for errors or omissions in Vendor information provided or input by Company.
3. Timing of Payments. Company is solely responsible for ensuring Request Files are submitted with enough room
4. Check Print & Mail Request Files. Check Print & Mail Request Files are Requests for payment to the applicable Vendors and, as such, are Communications governed by and subject to the terms and conditions of the Agreement, including but not limited to the Security Procedures, and other related Service Descriptions. By submitting a Check Print & Mail Request File, Company agrees to be bound by such Communication and liable to Bank for acting on such Communication in accordance with the Security Procedures.





Controlled Disbursement Account

1. Controlled Disbursement Account. Company may use this Service to manage its corporate Cash positions by managing the flow of Checks through the banking system to meet Company-specific funding objectives.
2. Establishment of a Controlled Disbursement Account. In order to the Service, Company must establish a Controlled Disbursement Account and, in addition to the Deposit Account Agreement and Disclosure, is subject to and governed by the terms and conditions of this Service Description. Company must maintain good, sufficient and collected funds in its Controlled Disbursement Account to cover all Controlled Disbursement Items presented for payment against the Controlled Disbursement Account and other charges associated with Company's use of the Service. If there are insufficient funds in the Controlled Disbursement Account or if Company so chooses, it may transfer available collected funds from a Funding Account to the Controlled Disbursement Account provided such transfer is initiated prior to the applicable Cutoff Time.
3. Controlled Disbursement Items.
 - a. A Controlled Disbursement Account may only be used for clearing and managing Controlled Disbursement Items. No Funds Transfers, Entries, deposits or other transactions may be initiated into or out of Company's Controlled Disbursement Account.
 - b. Company will only use Checks for the Controlled Disbursement Account that comply with the specifications provided by the Bank in the Supporting Documents and have met all applicable Check stock quality test procedures required by Bank. Failure to comply or use of Check stock which has failed such test(s) may subject Company to Exception processing and/or manual processing fees.
 - c. Company must use the unique bank routing number provided by Bank for the bottom MICR line of the Controlled Disbursement Items.
4. Report of Transactions.
 - a. Each Business Day, Company may pull a report that displays all Controlled Disbursement Items, along with relevant information (e.g., Check number, posting date, posted Check amount) on the particular Controlled Disbursement Items, that will post to the Controlled Disbursement Account at the end of that Business Day.
 - b. Bank will make this information available electronically through Business Online Banking by such time of day as it may from time to time establish so that Company can ensure adequate collected funds are available in the Controlled Disbursement Account each day to cover that day's Controlled Disbursement Items. Such information is generally available by 7:00 am Pacific Time. If, for any reason, the Federal Reserve Bank does not provide the Bank with the information on or before the Cutoff Time, Bank may estimate the amount of Controlled Disbursement Items for that day and transfer a corresponding amount from a Funding Account.
5. Return of Unpaid Items and Debits.
 - a. Bank, in its sole discretion, may return any or all Controlled Disbursement Items if:
 - i. There are insufficient collected and available funds in the Controlled Disbursement Account by the established deadline to fund the total of the Controlled Disbursement Items for that Business Day;
 - ii. Charges cannot post to the Controlled Disbursement Account because it is closed, suspended, frozen, subject to a dispute, or unavailable for any other reason, including but not limited to reasons provided in the Deposit Account Agreement and Disclosure;
 - iii. There is a communications failure or another condition that prevents the Bank from obtaining information from or transmitting information or funds; or
 - iv. There are insufficient collected and available funds in the Controlled Disbursement Account because presentments exceeded the estimated amount that Bank transferred from a Funding Account to the Controlled Disbursement Account.
 - b. Bank assumes no responsibility for determining which Controlled Disbursement Items should be returned or unpaid if there are insufficient funds in the Controlled Disbursement Account, and Company agrees no to assert any claim against Bank arising out of the order in which Controlled Disbursement Items are or not paid. The Bank may pay and return Controlled Disbursement Items in any order that it chooses.
 - c. Bank may, but is in no way obligated to do so, create an overdraft in the Controlled Disbursement Account and such overdraft will be governed by the Deposit Account Agreement and Disclosure.





Digital Asset Transfers

1. Digital Asset Transfer Terms and Conditions.

- a. Company's use of the Platform is subject to and governed by the terms and conditions of:
 - i. This Agreement;
 - ii. The TassatPay® Platform User Agreement; and
 - iii. Any provisions or instructions that appear (i) on a screen when enrolling for, activating, accessing, or using the Platform, or (ii) in any User guide or other Supporting Documents provided by Bank to Company.
- b. In the event of a conflict between this Agreement and the TassatPay® Platform User Agreement or any other terms or instructions, this Agreement shall control.

2. Platform End User Agreement. In order to use the Platform, Company must complete the appropriate Setup Forms and Supporting Documentation as may be required by Bank. In addition, Company and each of its Users will be required to execute and/or accept and agree to the TassatPay® Platform User Agreement containing additional terms and conditions imposed by Bank and/or Tassat®. As between Bank and Company, Company shall be solely responsible for verifying each User's identify, and for contracting with, and managing the relationship of Users of the Platform.

3. Accessing the Platform.

- a. Company must enroll in the Service, via the appropriate Setup Form, in order to use the Platform and establish one or more Wallets. Company must have high-speed Internet access from sufficiently powerful computers hardware and appropriate Software, including Bank-supported Internet browsers, as described in the Supporting Documents.
- b. The Platform may, at Bank's option and in its sole discretion, be accessed through Business Online Banking or directly using the Platform website.

4. Establishing Users; Security Procedures.

- a. Company may designate Users with authority to access the Platform and initiate Payments via the Platform, pursuant to such processes and Security Procedures as Bank may establish from time to time.
- b. Bank will, from time to time, establish Security Procedures permitting the Administrator to access the Platform.
- c. Bank will, from time to time, establish Security Procedures that must be employed by Users to access the Platform and/or conduct Payments on the Platform.
- d. Bank may, at its option and in its sole discretion, permit Company to specify the type of access and/or entitlements a User may have, and other functions the User may perform with respect to Wallets.
- e. Bank may, at any time without prior notice, change, add to, or terminate (i) the Security Procedures and/or (ii) the access of any User to the Platform.

- f. Company will be responsible for authorizing each additional User access rights and/or directing the Bank to establish credentials for such User in accordance with the Security Procedures. Company is solely responsible for verifying the identity of each User and managing Company's relationship with each User, prior to granting the User access to the Platform.
- g. Company and Users shall be responsible for safeguarding any passwords or other Security Devices used with the Platform. Any use of The Platform verified using an established Security Procedure is deemed authorized use. Company is responsible for validating the transactions of its Users, including resetting any applicable Security Devices and cancelling or disabling the Security Devices associated with any User.

5. Wallets.

- a. Company may establish one or more Wallets. Wallets allow Company to hold WATT™ and engage in Payments via the Platform.
- b. By establishing a Wallet, Company agrees, and represents and warrants, that Company has created the Wallet and will use the Wallet and engage in Payments via the Platform only for its own account and benefit, and not on behalf of or for the benefit of any third party. Company is solely responsible for all Payments that occur with respect to or through a Wallet.
- c. Bank may, in its sole discretion and at any time and for any reason:
 - i. Refuse to permit Company to open a Wallet;
 - ii. Suspend or terminate any Wallet; and/or
 - iii. Suspend or terminate Company's ability to engage in Payments via the Platform.
- d. Company must link each Wallet to a Settlement Account that is a Commercial Account. Wallets may only be linked to one Settlement Account at a time.
- e. **Wallets are held by Company for its own account, and are not Deposit Accounts under the Agreement. Neither Wallets nor WATT™ are "deposits," as defined in the Federal Deposit Insurance Act (12 U.S.C. §1811, et seq.), and are not insured by the FDIC or any federal government agency.**
- f. **Payments made using the Platform are not a "funds transfer" or "payment order" governed by Article 4A of the Uniform Commercial Code or the Federal Reserve Board's Regulation J.**

6. Payments Completed via the Platform.

- a. Each WATT™ may be:
 - i. Purchased for its Established Token Value in U.S. Dollars by Company.
 - ii. Redeemed for its Established Token Value by Company or any other Platform Participant holding the WATT™ in a Wallet. The Established Token Value does not fluctuate, and there is no secondary or speculative market for WATT™. WATT™ may be





- purchased, transferred, and redeemed in fractions of the WATT™.
- b. Company may only purchase WATT™ from Bank using funds from the linked Settlement Account. The Settlement Account must have an Account Balance sufficient to fund the purchase. Further, Company must have a sufficient number of WATT™ to fund any Payments initiated via the Platform.
 - c. Company may redeem WATT™ held in Company's Wallet(s) from Bank at any time (subject to the other terms of this Agreement) and the Established Token Value of the redeemed WATT™ will be deposited by Bank into the Settlement Account linked to the Wallet from which the WATT™ are redeemed.
 - d. Company may at any time (subject to the other terms of this Agreement):
 - i. Make a Payment by transfer of WATT™ from its Wallet, up to the available balance of WATT™ held in said Wallet, to any other Platform Participant that has authorized Company to make Payments to the Platform Participant using the Platform, by using the transfer functionality within the Platform.
 - ii. Receive a Payment by transfer of WATT™ to its Wallet from any other Platform Participant that Company has authorized to make Payments to Company using the Platform, by using the transfer functionality within the Platform.
 - e. Except for transfers authorized under this paragraph, no other transfer of an interest in WATT™ is permitted.
 - f. Company agrees, represents and warrants that all Payments it makes or receives using the Platform will be for business purposes, and not for personal, family or household purposes.
 - g. Company acknowledges and agrees that Bank and/or Tassat® may periodically introduce and/or enforce transaction or velocity limitations, in each's sole discretion and with or without notice to Company.
7. Platform and WATT™ Availability. Platform is generally available 365/24/7 with WATT™ transfers settling within minutes; however, the Platform may periodically become unavailable due circumstances beyond Bank's control such as system outages (whether upstream or downstream) and/or scheduled maintenance. While Bank and/or Tassat®, as applicable, will use commercially reasonable efforts to prevent such outages and/or notify Company of any known availability issues, and without limiting any other limitations of liability contained herein, Bank shall not be liable to Company for delays in processing due to circumstances beyond its reasonable control. In certain instances, settlement of WATT™ may be delayed due to such outages or maintenance.
8. Finality of Platform Payments.
- a. Company cannot cancel, reverse, or modify pending or completed Payments. There is no right to place a "stop payment" order on a Payment once it is authorized. Bank will not initiate a Payment on Company's behalf. If a pending transfer or redemption cannot be completed via the Platform for any reason, the WATT™ will remain in the Wallet. Company may review its pending and completed WATT™ Payments within the Wallet.
 - b. Because all Payments are final, and pending or completed Payments cannot be canceled or modified, Company is solely responsible for maintaining the security of its passwords and any other Security Devices required as part of a Security Procedure used to access the Wallet or authorize and initiate Payments. Any Payment authorized and initiated in compliance with the applicable Security Procedures will be deemed authorized by Company. There are no limits on the number of WATT™ that may be redeemed by any person accessing Company's Wallet using the Security Procedures, and no limit to the number of WATT™ Company may lose as a result.
9. Transfer Warranties.
- a. With respect to each transfer of WATT™, Company represents and warrants to the Platform Participant to which Company transfers a WATT™ that:
 - i. Company is enrolled in the Platform and authorized to transfer WATT™;
 - ii. The transfer is duly authorized by Company;
 - iii. The WATT™ (or any fraction thereof) being transferred are owned by Company, prior to transfer, and have not been altered or tampered with in any way;
 - iv. There is no third party, including without limitation any creditor or secured party, with an enforceable interest against the WATT™ being transferred;
 - v. To the best of Company's knowledge, the WATT™ being transferred are not subject to any claim or defense of Bank, and Bank is obligated to redeem the WATT™ being transferred.
 - b. With respect to each transfer of WATT™, Company represents and warrants to Bank and the Platform Participant receiving the transfer that the receiving Platform Participant has authorized the Payment by Company using the Platform.
 - c. These warranties may not be disclaimed by Company. A Platform Participant to whom the warranties are made and who took the WATT™ in good faith may recover from Company as damages for breach of warranty an amount equal to the loss suffered as a result of the breach, but not more than the amount of the WATT™ transferred plus expenses and loss of interest incurred as a result of the breach.
10. Redemption Warranties.
- a. With respect to each redemption of a WATT™, Company represents want warrants to Bank that:
 - i. Company is enrolled to use the Platform and authorized to redeem WATT™;
 - ii. The redemption is duly authorized by Company; and
 - iii. The WATT™ being redeemed are owned by Company, were purchased by or transferred to





Company as part of an authorized Payment, and have not been altered or tampered with in any way.

- b. These warranties may not be disclaimed by Company.

11. Discharge of Obligations.

- a. Unless otherwise agreed, if Company receives a transfer of WATT™ in payment for an obligation, the obligation is discharged to the same extent discharge would result if an amount of money equal to the amount of the Established Token Value of the received WATT™ were taken in payment of the obligation. Discharge of the obligation does not affect any liability that the obligor may have under any applicable transfer warranties.
- b. If Company redeems WATT™ from Bank, Bank's redemption obligation is discharged with respect to such WATTs upon deposit by Bank of the Established Token Value for the redeemed WATT™, in U.S. dollars, into the applicable Settlement Account. For the avoidance of doubt, Bank's redemption obligation is discharged even if such deposit is subject to (i) the Bank's right of setoff, (ii) third-party liens or attachments, or (iii) any security interest that Bank may have in the proceeds of redeemed WATT™.

12. Limitations on Responsibility and Liability.

- a. **Bank shall not have any responsibility for Company's use of the Platform or to address any claims that Company or any third party may have relating to and/or use of the Platform. Except as required by law, Tassat® shall have no liability to Company for (i) any transfers of money or value using the Platform, or (ii) otherwise in connection with the Platform, including without limitation (a) any failure to complete a transaction in the correct amount, (b) any unauthorized transaction, or (c) any related losses or damages. Without limiting the foregoing, neither Bank nor Tassat® shall be liable to any person for any typos or keystroke errors that User may make when using the Platform.**
- b. **The Platform (including all content, functionality, and materials), is offered by the Bank on an "as is," "as available," "where is," and "where available" basis, with no warranty of any kind—whether express, implied, or statutory—including without limitation warranties of title or the implied warranties of merchantability or fitness for a particular purpose or noninfringement. This does not affect those warranties which are incapable of exclusion, restriction, or modification under the laws applicable to this Service Description.**
- c. **Company acknowledges and agrees that neither Bank, nor its direct or indirect subsidiaries, nor any of its employees, agents, third party providers, or licensors, warrant that the Platform will be uninterrupted or error free; nor does Bank make any warranty as to the results that may be obtained from use of the Platform, or as to the timeliness, sequence, accuracy, reliability, completeness, or content of any information, service, or product provided through the Platform.**

- d. **To the maximum extent permissible under applicable law, in no event shall Bank be responsible for any loss of any kind, including without limitation loss associated with (i) any computer viruses which may infect any computer system or mobile device or (ii) malicious or unlawful activity by a third party, loss of value, property damage, or bodily injury, caused by or related to access to or use of the Platform. To the maximum extent permissible under applicable law, in no event shall Bank be responsible to Company or any third party claiming through Company for any direct, indirect, special, consequential, incidental, punitive, exemplary, lost profits, economic or other damages arising in any way out of the installation or use (or inability to use) of the Platform and regardless of the form of action, whether in contract, warranty, tort (including negligence), strict liability, or otherwise.**

- 13. Fees. Fees may be assessed in accordance with the applicable Schedule of Fees and Charges and, unless directed to do otherwise, Bank will charge any applicable fees to the corresponding Settlement Account(s).
- 14. Third-Party Beneficiaries. No person is a third-party beneficiary of the terms of this Service Description, except that a Platform Participant receiving Payment from Company using WATT™ is a third-party beneficiary of the provisions of this Service Description concerning transfer warranties and discharge of obligations, as both are addressed herein, and may enforce those provisions directly against Company.
- 15. TassatPay®; Tassat®. TassatPay® is owned and operated by Tassat and is a registered trademark of Tassat®. Tassat® is not a financial institution, nor does it take deposits or hold funds at any time. Tassat® does not provide deposit or other banking products. Tassat® makes no representation regarding the products issued by its customers using Tassat® technology.





eZePay

1. eZePay Service. eZePay collectively refers to the suite of services offered by Bank that provides Company the ability to collect customer payments electronically through a URL unique to Company. Company's usage of eZePay is subject to Bank's approval and periodic modification thereof, in Bank's sole discretion. Company is responsible for all Payments to the fullest extent provided by law and as set forth in this Service Description and the ACH Service Description.
 - ii. If the Cardholder disputes a charge initiated by Payment Facilitator on Company's behalf, the Chargeback amount will include all applicable fees. Such fees may include any Chargeback fees assessed by the Payment Facilitator and passed through by Bank as well as Chargeback fees from Bank, if applicable.
2. Accessing eZePay. Bank will assign (i) Company a unique URL on the Internet for accessing the Service and (ii) the Administrator an ID and/or unique password to access the Service. Company will be responsible for assigning each additional User an initial ID and password and the administration of all User ID's and passwords issued by Bank to Company. Company must have high-speed Internet access from sufficiently powerful computer hardware and appropriate Software, including Bank-supported Internet browsers, as described in the Supporting Documents.
3. End User Agreements. In order to use the Service, Company and each of its Users may be required to execute an End User Agreement(s) containing additional terms and conditions imposed by Bank and/or the Payment Facilitator. As between Bank and Company, Company shall be solely responsible for verifying each User's identity, and for contracting with, and managing the relationship with Users of the Service.
4. Card Processing.
 - a. Acceptance of Cards. Company agrees to comply with the Operating Procedures and all Card Network Rules, as such may be changed from time to time. Company acknowledges that Bank or Payment Facilitator may be required to modify this Service Description or the Operating Procedures, respectively, from time to time in order to comply with requirements imposed by the Card Networks.
 - b. Merchant of Record. Company acknowledges and agrees, regardless of whose name shows on a Card sales transmittal or confirmation, that its intent is to be the merchant of record for the purposes of processing Card transactions using the Service and agrees to indemnify and hold the Indemnified Parties harmless for any Losses and Liabilities, including but not limited to Chargebacks, suffered as a result, direct or indirect, of Company processing Card transactions pursuant to this Service Description, except to the extent such Losses and Liabilities arising directly or indirectly from or related to Bank's gross negligence or willful misconduct.
 - c. Settlement.
 - i. Upon Bank's receipt of Transaction Data, Payment Facilitator will process such Transaction Data to facilitate transfer of funds from the various Card Networks for the Card sales. After Bank receives credit for such Transaction Data, subject to Bank's other rights under the Agreement, Bank will provide credit to the applicable Deposit Account. Company acknowledges such credit is provisional and subject to Chargebacks and adjustments in accordance with the Operating Procedures, Card Network Rules, and/or the Agreement.
- d. Card Information. Company represents to Bank that Company does not have access to Card information (such as the Cardholder Card account numbers, Card expiration dates, or security codes) nor will Company request access to any such Card information from Cardholders, Bank or Payment Facilitator. In the event that Company receives such Card information in connection with the Service, Company agrees that it will not use it for any fraudulent purpose or in violation of any applicable rule or law including, but not limited to the Card Network Rules or the Payment Card Industry Data Security Standards. If at any time Company believes that Card information has been compromised, Company must immediately notify Bank and assist, as necessary, in providing notification and relevant information to the proper parties. Company must ensure its compliance and that of any third-party service provider utilized by Company, with all security standards and guidelines that are applicable to Company and published from time to time by Visa U.S.A., Inc., MasterCard Worldwide or any other Card Network, including, without limitation, Card Security Guidelines. If any Card Network requires an audit of Company due to a data security compromise event or suspected event, Company agrees to cooperate with such audit. Company may not use any Card information other than for the sole purpose of completing the transaction authorized by the client for which the information was provided to Company, or as specifically allowed by Card Network Rules, Operating Procedures, or required by law.
5. Chargebacks. If any Payments are returned unpaid for any reason, Bank may charge any one of Company's Deposit Accounts for the amount of the returned Payment plus applicable handling/Chargeback fees. If any Payments are returned as unauthorized, Bank may, but will not be obligated to, supply proof of authorization.
 - a. Bank may assess a fee to Company's Deposit Account as disclosed on the Schedule of Fees and Charges for each Chargeback related to a Payment.
 - b. Upon the closure of Company's Deposit Account or Reserve Account, Bank may setoff or otherwise hold back Company's funds in an amount sufficient to cover any possible Chargebacks that may occur on the closed Deposit Account or Reserve Account for such period that is reasonably determined by Bank.





6. ACH. Company is responsible for ensuring its compliance and that of its Users (as applicable) with the Rules, this Agreement, and the ACH Service Description.
7. Recurring or Scheduled Payments. Company acknowledges and agrees that it will only make modifications to the payments authorized by the User as agreed upon by Company and User. Company also agrees to notify User in writing at least ten (10) days prior to the effective date of any change to allow User time to refuse the change, in compliance with NACHA. Company shall indemnify and hold the Indemnified Parties harmless from any Loss and Liabilities resulting from Company's modification of the payment amount or frequency.
8. Security Procedures. Notwithstanding any other applicable Security Procedures described in the Agreement, Company is solely responsible for verifying the identity of each User and managing the relationship with each User, prior to providing the Service. Company and Users shall be responsible for selecting and safeguarding their passwords for using the Service. Any use of the Service through a valid User credentials (*i.e.*, user ID and password) is deemed authorized use. Company is responsible for validating the transactions of its Users, including resetting passwords and cancelling or disabling any User ID.
9. Authentication. Company may use its system or a third-party system to authenticate Users and grant access to the Service, applicable payments types, properties and payment schedules. Company shall use best efforts to safeguard this information and is solely responsible for securely storing the information, managing access and/or managing a third party that provides the authentication solution.
10. Audit and Inspection. In accordance with Section 23 (Audit and Inspection) of the General Terms, Bank shall have the right to monitor and audit Company from time to time to ensure Company is complying with the Rules as well as all applicable Card Network Rules and Operating Procedures. Company consents to Bank performing such activities to ensure Company's compliance with the Rules, Card Network Rules, and/or Operating Procedures.





Funds Transfers

- Funds Transfer Service. If Company chooses to utilize Funds Transfers, Company may submit Requests to Bank in accordance with the terms and conditions of this Service Description and, if the circumstances require, the Funds Transfer Agreement. Subject to the terms of this Service Description, Bank may execute a Request received in the name of the Company, whether such Requests are written, oral, telephonic, or electronic, unless otherwise specifically agreed in writing. Company is responsible for all Requests to the fullest extent provided by law and as set forth in this Service Description. Bank may choose the Funds Transfer mechanism, including but not limited to Fedwire, correspondent bank transfer, or internal transfer, to be used when acting on upon Company's Request.
- Related Service Descriptions for Funds Transfers. If Company will communicate Requests using the Bank's Business Online Banking, all Requests must be consistent with the terms and conditions of the Business Online Banking Description.
- Inconsistencies. If a beneficiary of a Request is identified by both name and account number, payment may be made by Bank and by any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a Request by both name and account number, Bank and other financial institutions may rely on the account number even if the name and the account number are not consistent or identify different parties.
- Provisional Credit. When Bank gives Company credit for an incoming Request, it is provisional until Bank receives final settlement for the Request. If Bank does not receive final settlement, Company must return the funds previously credited to the Account to Bank, and the person who sent the Request will not be treated as having paid Company.
- Confirmation; Duty to Review and Report. Bank shall provide confirmation of advice based on the request of the Company (fax or email) and in any case shall include the Funds Transfer as part of the periodic Account statements provided by Bank to Company. Bank reserves the right to charge Company for confirmations. Company agrees to examine the confirmations and monthly Account statements promptly upon receipt or availability, whichever occurs first. Company shall notify Bank immediately and in no event later than fourteen (14) days after receipt or availability, whichever occurs first, of the advice or statement of the existence of any errors, unauthorized transactions or irregularities reflected on the advice or Account statement. Failure to notify Bank within fourteen (14) days shall relieve Bank of responsibility for errors, unauthorized transactions, or irregularities that may arise after the 14th day. Failure to notify Bank within one (1) year shall preclude Company asserting the errors, unauthorized transactions, or irregularities against Bank.
- Cutoff Time. The Cutoff Time applicable to Requests is generally 1:00 pm Pacific Time. A Request is considered executed when Bank executes it. If a Request is received after the Cutoff Time or on a day that is not a Business Day, the Request will be processed the next Business Day. If Company submits Requests via an automated transfer (e.g., the Business Online Banking) after the Cutoff Time, Company does not need not re-submit the Request as the Request will be processed the next Business Day, provided the Request has a "scheduled" status.
- Subject Rules and Regulations. Company acknowledges that any Request executed by Bank will be subject to rules and regulations applicable to payment orders, including recordkeeping and information transmittal requirements under federal Bank Secrecy Act and its implementing regulations. Company acknowledges and agrees that Bank may capture and transmit information regarding a Request (including but not limited to, beneficiary's name, address, and beneficiary's account number) as part of the processing of a Request. Company agrees to assist Bank in connection with any requirements imposed on Bank fulfilling Bank's obligations in this regard.
- Liability of Company. Notwithstanding any other allocation of liability is the Agreement, Company shall be liable for any loss or damage resulting from Company's breach of the Agreement or this Service Description or to Company's negligence contributed, or which resulted from unauthorized, fraudulent, or dishonest acts by Company's current and/or former Authorized Representatives or Administrator(s).





Lockbox

1. Lockbox Service. If Company uses Bank's Lockbox Service, Company shall direct its customers to mail their payments in the form of Checks to the Lockbox, or in the case of Virtual Lockbox, to the Company for electronic transmission to the Lockbox. In either case, the deposits shall be directed to the Lockbox Account. Bank will have unrestricted and exclusive access to the mail directed to the Lockbox.

Except as specifically provided in this Service Description, the Lockbox Service does not cover the handling of the Company's Deposit Account(s) or the processing of Checks drawn on those Deposit Account(s). All Deposit Accounts are subject to, and Bank's operation of said Deposit Account(s) will be in accordance with, the terms and provisions of Bank's Deposit Account Agreement and Disclosure, a copy of which Company acknowledges having received.

2. Commencement of Lockbox Service. The Lockbox Service will start on the date separately agreed to by the Bank and Company if the following events have occurred prior to such date:

- a. Bank has established a Lockbox with the number and at the address specified by Bank to Company;
- b. Company maintains one or more Deposit Accounts in good standing with Bank;
- c. Company has designated to the Bank in writing the names of Acceptable Payees;
- d. Company has completed all Setup Forms applicable to the Lockbox Service, including but not limited to the procedures for handling returned Checks and restrictive notations on Checks, and the processing options selected by Company for the Lockbox Service; and
- e. Company has provided to Bank such other information and documents as Bank requests to enable Bank to commence and operate the Lockbox for Company and to enable Bank to comply with its other obligations under this Service Description.

3. Lockbox Processing.

- a. On each Business Day, Bank will pick up at and transport from the Lockbox to the processing site or sites the Checks or any other mail addressed to the Lockbox. The following Lockbox Service will be performed by Bank:
 - i. Open the envelopes picked up from the Lockbox and remove the contents.
 - ii. Inspect all Checks received for acceptability based, including but not limited to for Acceptable Payees, on the Setup Forms completed by Company.
 - iii. Prepare all acceptable Checks and their associated paperwork for further processing.
 - iv. Capture an image of each Check with its Remittance Materials (if applicable) before it is deposited and make available a secured web site for displaying the images.

- v. Prepare and process daily deposits to the Lockbox Account.
- vi. Process deposits according to agreed-upon processing instructions.
- vii. Shred all Remittance Materials as described on the Setup Forms and in accordance with Bank's document retention policy.

b. If Bank receives any mail containing Company's Lockbox number at Bank's operations locations (instead of the Lockbox), Bank may in its sole discretion handle the mail as if it had been received at the Lockbox. Bank will process a Check only if it is made payable to an Acceptable Payee and if the Check is otherwise processable as provided in the Setup Forms.

c. Bank may treat as an Acceptable Payee any variation of any Acceptable Payee's name that Bank deems to be reasonable. Bank shall provide Company prior notice of any proposed change in the location or address of the Lockbox. If any Payee on the list of Acceptable Payees delivered to Bank pursuant to the Setup Forms is a legal entity other than Company, Company represents and warrants to Bank that Company has the proper authorization from such Payee (a) to have such Check indorsed for deposit, and deposited, into the applicable account, and (b) for Bank to perform the Lockbox Service pursuant to this Service Description for such Acceptable Payee.

4. Exception Handling. Company may choose additional exception handling options within the Lockbox Service. Some options are listed below:

- a. Reference File Processing. Company may choose to send a reference file that could contain customer account and invoice information. Incoming payments are matched against the file for validation.
- b. Positive/Stop File Processing. Company may send positive or stop file to indicate whether payments for the accounts listed should be accepted or identified as an exception.
- c. Client Decisioning. Company may choose to have exceptions presented through Lockbox Online, where Company has the ability to correct or reject those items in question.

5. Lockbox Online Administrators.

- a. To utilize Lockbox Online in conjunction with the Lockbox Service, Company must appoint at least two (2) individuals to act as an Administrator with the authority to determine who will be authorized to use the Lockbox Online on Company's behalf. The Administrators will be able to, among other things, designate Users, establish User rights and/or limits, and remove existing Users. The Administrators will also determine what Lockbox Online functionality will be available to particular Users, when to change passwords, and any limitations on the use of the Lockbox Service by individual Users.
- b. Company is solely responsible for the appointment and administration of the Administrators. Bank does not control





- or oversee the Administrator function subsequent to the initial setup of the Profile.
 - c. Company agrees to all actions taken by the Administrators or any User designated or authorized by the Administrator(s), and all such persons are Company's agents for purposes of use of Lockbox Online, each authorized to act individually or in concert. The fact that Bank is, or may be made aware of, or could have discovered, any limitation on access to Lockbox Online does not make Bank obligated to enforce or attempt to enforce any limitation.
 - d. Company understands that the Administrators and each User may utilize Lockbox Online without regard to any restrictions otherwise applicable to an Account and/or regardless of whether each are also authorized signers on the applicable Account's signature card.
- 6. Consolidated Receivables. Company may choose to have Bank capture payments from other payment channels through the Lockbox and report through Lockbox Online. Those payment channels may include:
 - a. Funds Transfers;
 - b. ACH;
 - c. eZePay; and/or
 - d. Other payment channels as made available by Bank.
- 7. Card Processing. In order for Company to accept Card payments through the Lockbox, Company will be required to meet certain requirements and additional costs may apply. The following is applicable in relation to accepting Card payments via Lockbox:
 - a. Company must establish a merchant services account with Bank's merchant processor and Company's usage of Lockbox Online will be subject to the relevant terms and conditions of such processor;
 - b. Company will provide Bank with samples and evidence of where a Card number may be written on Company's customer bills or Remittance Materials;
 - c. Bank will use commercially reasonable efforts to locate Card numbers on the documents mailed into the Lockbox; however, look for such documents to validate if Card numbers are located in the designated area; and
 - d. Bank will:
 - i. Separate Card payments into separate batch;
 - ii. Process Card payments through a virtual terminal/API call;
 - iii. Omit Card payment information from scanned Remittance Materials prior to storing in archive; and
 - iv. Settle merchant transactions at end of each Business Day with the merchant processor and include relevant information in Company's daily Lockbox reporting.
- 8. Virtual Lockbox.
 - a. Company may utilize Virtual Lockbox as a standalone Service or in conjunction with a traditional Lockbox. All images scanned via Virtual Lockbox will be stored in the Lockbox archive accessible in Lockbox Online. Company will have ability to data capture certain information at time of scan. All reporting will be addressed within Lockbox Online.
 - b. In addition to the traditional Lockbox requirements, usage of Virtual Lockbox requires Company to:
 - i. Train its own employees on the use of Virtual Lockbox and provide evidence thereof to Bank upon request;
 - ii. Maintain appropriate internal business controls, including, but not limited to, the following:
 - 1. Established and documented procedures related to the recording of receipts, preparation of and reconciliation of deposits;
 - 2. Segregation of duties in the recording and processing of deposited Checks; and
 - 3. Timely reconciliation of Bank statements.At Bank's request, Company shall provide evidence of the foregoing controls and copies of the relevant portions of audit reports testing such controls.
 - c. Company shall use Equipment consistent with the Bank's requirements as provided in the Supporting Documents and shall not take any actions to deploy or incorporate Equipment in any way not intended for it without Bank's prior written approval. Company will ensure that the Equipment for Virtual Lockbox is clean and operating properly.
 - d. Unless Company has obtained prior written approval from Bank, Company will not attempt to scan and transmit to Bank any Check which is drawn on a deposit account of Company held at a financial institution other than Bank, or a deposit account of any business entity of which Company is not a principal, officer or authorized signer held at Bank and subject to the restrictions contained in this Service Description. Company will only use Virtual Lockbox for its own purposes or that of a Related Company (if approved by Bank) and in accordance with this Service Description. In the event Bank has approved Company to use Virtual Lockbox in relation to Related Companies, Company acknowledges and agrees that all such Related Companies shall have common ownership to Company and Company agrees accept the increased business risk and warrants that Checks will be deposited into the Lockbox Account owned by the same Payee.
 - e. Company will not attempt to scan and transmit to Bank any previously truncated and reconverted Substitute Check or submit any duplicate Electronic Images to Bank. Company shall not deposit to Company's Lockbox Account or otherwise negotiate any original Check from which Company has previously created and submitted to Bank as an Electronic File, unless Bank has notified Company that the Electronic Image is an Exception Check. Any previously truncated Check or Substitute Check must be physically deposited with Bank at one of the Bank's deposit-taking locations. Notwithstanding the foregoing, Bank may redeposit any returned Substitute Check or Electronic Image consistent with the terms of the Deposit Account Agreement and Disclosure.





- f. Company will (i) ensure that Checks are restrictively endorsed or otherwise processed to permit only financial institutions to acquire rights of a holder in due course in the collection process of Checks, (ii) handle, process, maintain and destroy original Checks as set forth in Section 9(i) below and in the Supporting Documents, and (iii) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Check more than once in any form.
 - g. Company will use Virtual Lockbox, including the entering, processing and transmittal of Electronic Images, in accordance with the Supporting Documents. In addition, Company will provide, at its own expense, a broadband Internet connection, such as via DSL or other connectivity having equivalent or greater bandwidth and all other computer hardware, software, including but not limited to a compatible web browser, and other Equipment, Software and supplies required to use Virtual Lockbox, all of which must satisfy any minimum requirements set forth in the Supporting Documents or as otherwise may be acceptable to Bank. Company will provide, or obtain from another party selected by Company at Company's expense, support and maintenance of such Internet connection and all other computer hardware, software, and Equipment required to use Virtual Lockbox, including without limitation troubleshooting Internet connectivity issues with Company's Internet service provider, and Bank will not be responsible therefore.
 - h. Company shall be responsible for verifying Bank's receipt of Company's transmission(s) by verifying that deposits have been posted to the appropriate Lockbox Accounts, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Bank.
 - i. Company shall be responsible for installing and implementing any changes and upgrades to Virtual Lockbox as required by the Bank within five (5) Business Days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of Virtual Lockbox.
 - j. Company will retain each original Check in accordance with the Supporting Documents. If not directed otherwise by the Bank, Company will store original Checks in a safe and secure environment for such time as Company deems necessary and advisable for a period of minimum of ten (10) Business Days and a maximum of sixty (60) days after such Check has been digitized and processed. Company shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks; and (b) that the information contained on such original Checks or on any corresponding Electronic Images are not disclosed to third parties. Company will promptly (but in any event within five (5) Business Days) provide any retained original Check (or, if the original Check is no longer in existence, a sufficient copy of the front and back of the original Check) to Bank as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Check or as Bank otherwise deems necessary. Company will use a commercially reasonable method, or as otherwise directed by Bank to destroy original Checks and Electronic Files after Company's retention period has expired.
9. Deposits. Company authorizes Bank to endorse Checks received through the Lockbox, and to deposit them into Company's Lockbox Account. Bank will credit the Lockbox Account with funds no later than the next Business Day, subject to Bank's funds availability policy. Lockbox deposits credited to Company's Lockbox Account will be reflected on Company's periodic statement issued by Bank with respect to the Lockbox Account pursuant to the Deposit Account Agreement and Disclosure. If Cash is sent to the Lockbox with any Remittance Materials, the Cash will be processed as a deposit. Notwithstanding the foregoing, Company expressly acknowledges that the Lockbox may not be used to facilitate Cash deposits and Company assumes all risk of loss associated with Cash deposits made through the Lockbox.
 10. Returned Checks. If any of the Checks (or Electronic Image of the same) are returned unpaid for any reason, Bank may charge any one of Company's Deposit Accounts for the amount of the returned Checks plus applicable handling fees, without regard to whether the institution on which the Checks were drawn effected a timely return before its midnight deadline. Bank may, but is not be obligated to, supply an endorsement (utilizing Bank's endorsement stamp) on all items on behalf of Company.
 11. Reporting and File Handling.
 - a. Standard Reports and Files. As part of the Lockbox Service, Bank will provide Company with a set of standard reports and files. All reports will be delivered through Lockbox Online. Reports will be viewable and downloadable in various formats. Standard reports include:
 - i. Batch Summary Report;
 - ii. Batch Detail Report;
 - iii. Deposit Detail Report;
 - iv. PDF file of all images scanned; and
 - v. Standard AR file in CSV and pipe delimited formats.
 - b. Custom Reporting. Company may request a custom format or alternate delivery of reports and files; however, additional fees or charges may apply. The following report formats and/or files are considered custom and fees apply:
 - i. SFTP files and reports delivered via SFTP; and
 - ii. Any other specific custom reports requested by Company.
 12. Company Responsibilities. Notwithstanding its obligations elsewhere in the Agreement, Company's responsibilities under this Service Description include, but are not limited to, each of the following:
 - a. If Company requires electronic data capture of information on Remittance Materials, then Company agrees to encode such Remittance Materials in accordance with this Service Description and Supporting Documents.





- b. Company authorizes Bank to create ledger suspense entries, deposit corrections, or other such entries to balance transactions as may be necessary for the efficient processing of the Checks captured through Lockbox.
 - c. Company will notify Bank in writing of any modification, addition, or deletion to the list of Acceptable Payees for the Checks to be received through the Lockbox. Bank will not be obligated to implement any changes until Bank has actually received the change and had a reasonable opportunity to act upon the change. All changes are subject to Bank's rights to reject any addition, deletion, or modification to the list of Acceptable Payees.
13. Funds Availability.
- a. Funds deposited in connection with this Service Description are subject to Bank's funds availability policy as disclosed in the Deposit Account Agreement and Disclosure. For the purpose of application of Bank's funds availability policy and Regulation CC, funds deposited to the Lockbox are considered deposited on the day on which the deposit is removed from the Lockbox and is available for processing by Bank. If Bank uses a correspondent financial institution to process payments, deposits to a Lockbox Account: (a) may be delayed by one (1) Banking Day; (b) may be affected by local bank holidays applicable to the correspondent financial institution; and (c) the availability may depend on the availability of the correspondent institution and any required Third-Party Service Provider or Funds Transfer system.
 - b. For Virtual Lockbox, Company agrees it will only submit Checks for processing to Bank that meet the definition of Check.
 - c. Company will not scan and/or transmit for processing any: Checks payable to third-parties or in any way not payable solely to Company; demand drafts or Remote Checks as defined by the Code and Regulation CC, respectively; Checks that are stale dated by six (6) months or more or post-dated; savings bonds; Substitute Checks; images of Checks that do not meet the ANSI X9.37 standards for image quality as required by Regulation CC or other standards established or required by Bank or applicable law; Checks that have been returned unpaid for any reason; or any Check that exceeds Company's transaction limitations as may be established by Bank from time to time.
14. Collections. Unless otherwise agreed, while Company utilizes the Lockbox Service, all funds held in the Lockbox Account shall be deemed to be Company's funds for all purposes, including adjustment, attachment, set-off, security interests, execution, garnishment and/or other forms of legal process. The crediting and collection of Checks will be handled under the same agreement as applied to other commercial deposits. Remittance Materials shall be provided to Company as agreed to by Bank in the Setup Forms.
15. Reconciliation. Except as otherwise specified in the Setup Forms, Bank will not reconcile the Checks, Cash or other Remittance Materials contained in the envelopes with invoices, remittance statements, or any other documents or papers also contained in the envelopes.
16. Protected Health Information. Except with prior notice to and written approval by Bank and a definitive written agreement entered into by and between the Bank and Company, Company shall ensure that protected health information (as that term is defined by HIPAA) is not provided to Bank and that the provision of Lockbox Services does not result in Bank being deemed a "business associate" or otherwise subject the Bank or its handling of protected health information to HIPAA, or under any other medical privacy and securities laws, rules or regulations. Company shall provide to Bank such assistance as Bank may request should Bank's provision of the Lockbox Service subject Bank to any compliance obligations under HIPAA or otherwise under any medical privacy or security laws, rules or regulations.
17. Statement; Notice of Discrepancy. Company agrees to notify Bank: (a) no later than ten (10) days after Company receives or is provided access to an advice of deposit, or Electronic Image summary, if there is any error in such advice, and (b) no later than fifteen (15) days after Company receives, or is provided access to, a periodic statement on the Lockbox Account if such statement contains an error or fails to show a deposit that should have been made during the time period covered by such statement. If Company fails so to do, then Company shall be precluded from asserting such error or failure, and the advice or statement shall be deemed to be accurate as to any claims by Company (but shall not preclude later adjustment by Bank).
18. Termination. Company has the right to terminate the Lockbox Service, with or without cause, upon providing no less than sixty (60) days' written notice to Bank. Should Company terminate the Lockbox Service without prior notice, Company will owe Bank two (2) times the minimum monthly fees as reflected in Bank's then current Lockbox schedule. Upon termination of the Lockbox Service, (a) Bank will close the applicable Lockbox, and (b) Bank will dispose of any mail addressed to the Lockbox according to written instructions provided by the Company for a period of three (3) months after the termination date, unless otherwise arranged and/or agreed to in writing by Company and Bank. Lockbox Service fees with respect to such disposition will be based on Bank's estimate and prepaid directly to Bank at the time of such termination by a Check made payable to Bank.





Multi-Currency Account

1. **Multi-Currency Account.** Bank offers Multi-Currency Services to business customers with incoming and outgoing payment flows in the same Supported Currency. If Company decides to utilize the Multi-Currency Services, Company agrees to be bound by the terms and conditions of this Service Description.
2. **Related Service Description for Business Online Banking.** Multi-Currency Services are only available through Business Online Banking and subject to the terms and conditions in the Agreement (including the terms and conditions regarding Security Procedures in the General Terms) and the Business Online Banking Service Description.
3. **Multi-Currency Account.** At Company's request, and in accordance with the terms and conditions of this Service Description, Bank will establish one or more Multi-Currency Accounts in which Company can make deposits and withdrawals, and receive and make Funds Transfers in Supported Currencies. All Multi-Currency Account opening requests require establishment or maintenance of an Account and are subject to Bank approval, in Bank's sole and absolute discretion. Each Multi-Currency Account is limited to a single Supported Currency; therefore, Company will be required to establish a separate Multi-Currency Account for each Supported Currency it desires to utilize in its payment flows. Company can use Business Online Banking to monitor and review balances and initiate Funds Transfers in each Multi-Currency Account.
4. **Deposits and Withdrawals.** Deposits to and withdrawals from Multi-Currency Accounts may be initiated by Company or third parties in accordance with this Section.
 - a. **General Terms.**
 - i. All deposits to or transfers from Multi-Currency Accounts shall be made via Supported Currency Funds Transfers submitted through Business Online Banking.
 - ii. Company is solely responsible for providing accurate and complete information for all Supported Currency Funds Transfers to or from Multi-Currency Account in accordance with this Service Description, the General Terms of the Agreement, and the Funds Transfer Service Description.
 - iii. Deposits made to Multi-Currency Accounts will become available for withdrawal or for other use by Company as governed by applicable law, clearing house or payment system rules and regulations, and pursuant to Bank's funds availability policy, notwithstanding the issuance of a confirmation or receipt, or the posting of the item to the Multi-Currency Account.
 - b. **Company-Initiated Supported Currency Funds Transfers.** Company may initiate Supported Currency Funds Transfers (i) to a Multi-Currency Account from another Account owned by Company, including other Multi-Currency Accounts, or (ii) from a Multi-Currency Account. When the source or destination account, as the case may be, is denominated in a different Currency than the Supported Currency of the destination Multi-Currency Account, the source Currency will be exchanged, between Company and Bank on a spot basis in accordance with Section 5 of this Service Description, for the appropriate Supported Currency. The proceeds of the Currency exchange will be deposited to the destination Multi-Currency Account. All Company-initiated, Supported Currency Funds Transfers, including all required Company approvals, must be received by Bank prior to Bank's Cutoff Time for foreign Currency wire transfers.
5. **Exchange Rate.**
 - a. If Company requests a Funds Transfer that requires the purchase or sale of a Supported Currency, Bank will transfer, or may instruct its correspondent bank to transfer, the Funds Transfer in the target Supported Currency selected by Company at an exchange rate chosen by Bank or its correspondent bank, as applicable. If such Funds Transfer is returned for any reason and Company requests reconversion of the same, Company acknowledges and agrees that the exchange rate for reconversion may differ from that used by Bank or its correspondent bank, as applicable, to process the initial Funds Transfer.
 - b. The exchange rates chosen by Bank or its correspondent banks are based upon market conditions and other factors existing at the date and time of each exchange, including exchange rates charged by other parties, the amount of the transaction, the applicable Supported Currency, the desired rates of return,





market risk and credit risk, and the date and time of the exchange. Company acknowledges that exchange rates for commercial transactions are typically less favorable than the exchange rates for large interbank transactions, as reported in The Wall Street Journal or elsewhere. A Funds Transfer that requires an exchange and collection of foreign Currency may take longer than a Funds Transfer that does not necessitate or involve a Currency conversion, and any such delay may result in losses or gains due to changes in the applicable exchange rates.

6. Confirmations. Bank will provide Company with an electronic confirmation of each deposit to and/or withdrawal from each Multi-Currency Account via an alert, secure email, text message or other electronic method mutually agreed upon by Company and Bank, as described further in the General Terms. The confirmation will reflect the actual settlement date (i.e., date of deposit at or withdrawal from Bank), adjusted for any bank holidays, and the applicable exchange rate, if any. There is no exchange of Currencies arising out of, or any exchange rate associated with deposits to or withdrawals from a Multi-Currency Account in the Supported Currency of said account.
7. Provisional Credit. Company acknowledges and agrees that all deposits credited to Multi-Currency Accounts are provisional until Bank receives final settlement for the Funds Transfer. If Bank does not receive final settlement, Bank may revoke any provisional credit previously given and charge back the Multi-Currency Account. Bank may in its sole discretion refuse to credit Company's Multi-Currency Account or allow Company to make a withdrawal until final settlement is received.
8. Fees. Company agrees to pay all fees charged for use of Multi-Currency Services and Funds Transfers, in addition to fees Bank generally charges to Deposit Accounts. Fees will be charged by Bank, in accordance with the most recent Schedule of Fees and Charges, in U.S. Dollars to the Primary Account without notice to Company. In addition, Company agrees to pay all fees that may be charged by any of the parties to a deposit or withdrawal from the Multi-Currency Account, including without limitation any correspondent bank fees or charges. Bank shall not be liable for any loss or damage to Company that arises from Bank's dishonoring any items because of insufficient funds in Company's Primary Account or other Linked Accounts resulting from the charging of these fees.
9. Liability. Company shall be liable for any loss or damage arising out of or resulting from Company's breach of the Agreement or this Service Description; Company's negligence; or unauthorized, fraudulent, or dishonest acts by Company's current and/or former Authorized Representatives or Users. In addition to any other limitation on liability in the Agreement, Company agrees that Bank is not liable or for any action or inaction it takes, or for any losses or damages arising out of or resulting from such action or inaction, in connection with any Communication, regardless of form, it receives from Company's Authorized Representative(s) or User(s), or from

persons Bank believed in good faith were authorized by Company to instruct Bank with respect to Multi-Currency Account.

10. FDIC Insurance
 - a. As a U.S.-based, deposit account, Multi-Currency Accounts are FDIC-insured up to applicable limits. **However, this does NOT mean that Company's principal is protected against loss due to fluctuations in Supported Currency values.** Company's funds will fluctuate in value based on fluctuations in the value of the Supported Currency. FDIC insurance coverage is provided as governed by the FDIC's deposit insurance regulations (12 CFR Part 330).
 - b. Due to the nature and volatility of the foreign exchange markets, the values of Supported Currencies are subject to potentially wide fluctuations against the U.S. Dollar. The amount of FDIC deposit insurance available to Multi-Currency Accounts will be determined and paid in the U.S. Dollar equivalent of the Supported Currency, as the value of such Currency is determined by the FDIC under its regulations, on Bank's date of default.
11. Hours of Availability. Multi-Currency Services are available to Company seven (7) days per week, 24 hours per day except for circumstances as described in the Agreement or applicable Service Descriptions. Settlement services for deposits to and withdrawals from a Multi-Currency Account will only be available during Business Days. Company may not be permitted to deposit or withdraw Supported Currencies, or Funds Transfers may be delayed, if such Request occurs outside of normal business hours in the jurisdiction issuing the relevant Supported Currency or on days, including Saturdays, Sundays and legal holidays, on which banks in the country of the relevant Supported Currency are required or permitted to be closed.
12. Interest. No interest will be earned on balances of Supported Currencies held in Multi-Currency Accounts. However, discretionary fees may apply if there is a negative interest rate.
13. Limits on Funds Transfers. Company may request certain domestic (U.S. Dollar) or international (U.S. and non-U.S. Dollar) Funds Transfer limits on the applicable Setup Form. However, daily aggregate Funds Transfers from Multi-Currency Account(s) may be limited at Bank's sole discretion.
14. Termination. Bank, in its sole discretion, may terminate the offering of any or all Multi-Currency Services, including but not limited to closure of one or more Multi-Currency Accounts, to Company upon notice to Company at any time without liability to Bank. Company may terminate its use of Multi-Currency Services upon prior written notice to Bank. If Company or Bank terminates the Multi-Currency Account or Bank ceases to offer Multi-Currency Services, Bank may, at its discretion, convert any balances held in a Supported Currency into U.S. Dollars at the then-prevailing exchange rate as determined by Bank and credit the U.S. Dollar equivalent on the next Business Day to the





Primary Account or a Linked Account, unless Company and Bank agree in writing to a different arrangement.

15. Risks Involved in Maintaining a Multi-Currency Account. The exchange rates of foreign Currencies are significantly affected by economic and political events as well as military and governmental actions. These risks include but are not limited to exchange rate risk, liquidity risk, price risk, credit risk, sovereign risk, execution risk, and market disruptions.
- a. *Exchange Rate Risk.* Multi-Currency Accounts are subject to exchange rate risk that may materially affect the reported U.S. Dollar value of the Supported Currency held in a Multi-Currency Account, **even if the Supported Currency is not actually converted into U.S. Dollars.** Foreign Currency exchange rates vary over time, and may vary considerably during the term a Multi-Currency Account is open. Consequently, Supported Currencies may have significant price movements, even within the same day, and may lose value against other Currencies; in particular, a Multi-Currency Account may lose value as measured in U.S. Dollars. Changes in foreign Currency exchange rates result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the foreign Currency's country, other relevant countries, and the United States, including economic and political developments in other countries. Of particular importance to potential exchange rate risk are: (1) existing and expected rates of inflation; (2) existing and expected interest rate levels; (3) the balance of payments in the foreign Currency's country and the United States and between each country and its major trading partners; and (4) the extent of government surplus or deficit in the foreign Currency's countries and the United States. All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the foreign Currency's country and the United States and other countries important to international trade and finance. Relevant information relating to these conditions may not be as well-known or as rapidly or thoroughly reported in the United States as United States developments are reported in the United States.
 - b. *Liquidity Risk.* The liquidity, trading value, and amounts payable in connection with Multi-Currency Accounts could be affected by the actions of the governments of the originating nations of the Supported Currencies. Foreign Currency exchange rates can be either fixed by sovereign governments or floating. Foreign Currency exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. Dollar. However, governments do not always allow their currencies to float freely in response to economic forces. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the trading value of their respective Currencies. They may also issue a new Currency to replace an existing Currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a Currency. Thus, a special risk in opening a Multi-Currency

Account to engage in foreign Currency or exchange transactions in a Supported Currency is that the liquidity, trading value and amounts payable in connection with that Supported Currency could be affected by the actions of sovereign governments which could change or interfere with theretofore freely determined Currency valuation, fluctuations in response to other market forces and the movements of Currencies across borders. There will be no adjustment or change in the terms of a Multi-Currency Account in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of the issuance of a replacement Currency, or in the event of other developments affecting the Supported Currency, U.S. Dollars, or any other Currency.

- c. *Price Risk.* The value of Supported Currencies is subject to the risks of unpredictable and sometimes dramatic market fluctuations which may result in Company's deposits in a Multi-Currency Account being reduced in value compared to other Currencies. A decline in a Supported Currency's exchange rate relative to other Currencies may reduce Company's earnings or may reduce the U.S. Dollar equivalent of the principal amount deposited in a Multi-Currency Account.
- d. *Credit Risk.* Credit risk arises from uncertainty over counterparty's ability to meet its obligations. The primary credit risk for a Multi-Currency Account is with respect to Bank or a correspondent bank.
- e. *Sovereign Risk.* Sovereign risk includes the political and legal risks associated with foreign exchange transactions. Any imposition by any governmental or regulatory authority of the country of the relevant Supported Currency may result in the inability to affect outward remittances of the whole or any part of such payments (whether in the local Currency, the original deposited Currency, or any other Currency) from such country, which can thereby result in the loss of all or part of the principal sum deposited in a Multi-Currency Account. If a sovereign risk event occurs, there is an additional risk of the subsequent devaluation and/or lack of convertibility from or to that Supported Currency. In addition, governmental restrictions or taxes could increase the cost of acquiring or disposing of Supported Currencies.
- f. *Execution Risk.* Company's ability to execute desired Multi-Currency Account transactions may be limited by operational or systems constraints and Company's ability to execute desired Supported Currency transactions may be further limited by the rapid pace at which fluctuations in the Currency markets may occur. Systems or telecommunications delays or failures could delay or prevent execution of desired transactions and adverse market movements may occur before Orders for Supported Currency trades can be executed.
- g. *Market Disruptions.* Significant events can occur that disrupt the normal operations of financial markets, including currency markets and exchanges, making Currency or exchange rates unavailable to Bank. Such events may reduce the liquidity of a





foreign Currency or of the exchange markets generally. Examples of market disruptions include the failure of a major institution, war, a major political event, or the failure of a government to meet its financial obligations (*i.e.*, sovereign risks).

AS A RESULT OF THESE AND OTHER RISKS, THE U.S. DOLLAR VALUE OR LIQUIDITY OF SUPPORTED CURRENCY IN A MULTI-CURRENCY ACCOUNT MAY INCREASE OR DECREASE SIGNIFICANTLY OVER TIME. ANY LOSS DUE TO FLUCTUATION IN THE RATE OF EXCHANGE OR OTHERWISE RESULTING FROM A FAILURE TO EXECUTE A FUNDS TRANSFER BY COMPANY THAT IS BEYOND THE REASONABLE CONTROL OF BANK IS ASSUMED SOLELY BY COMPANY AND NOT BY BANK.

COMPANY UNDERSTANDS AND ACCEPTS THE RISKS ASSOCIATED WITH A MULTI-CURRENCY ACCOUNT AND WARRANTS THAT COMPANY HAS THE FINANCIAL RESOURCES TO BEAR THE RISK OF LOSS ASSOCIATED WITH MULTI-CURRENCY ACCOUNT.





Online Payment Processing Services (AAB Customers Only)

1. Online Payment Processing Services. Through Online Payment Processing Services Bank provides Company the ability to accept Cards and eChecks for the payment of Assessments by End Users. Company is responsible for all Payments to the fullest extent allowed by law and as set forth in this Service Description and the ACH Service Description.
2. Card Processing.
 - a. *Acceptance of Cards.* In conjunction with its acceptance of Cards, Company agrees to comply with the Operating Procedures and all Card Network Rules, as such may be changed from time to time. Company acknowledges that Bank or Payment Facilitator may be required to modify this Service Description or the Operating Procedures, respectively, from time to time in order to comply with requirements imposed by the Card Networks. In addition, by accepting Cards, Company agrees that it has read, and agrees to be bound by, Payment Facilitator's sub-merchant terms and conditions, as may be periodically updated, located at www.propay.com/en-us/Legal/ProFac-Sub-merchant-Terms-and-Conditions ("**Payment Facilitator's Terms and Conditions**"). Bank will use commercially reasonable efforts to notify Company when Bank becomes aware of changes to the Operating Procedures; however, Company is solely responsible for monitoring and/or complying with any changes published by the Payment Facilitator. In the event Company's Transaction volume exceeds a total of one million dollars (\$1,000,000), Company will be required to enter into a separate merchant processing contract with Payment Facilitator and/or its sponsor bank.
 - b. *Merchant of Record.* Company acknowledges and agrees, regardless of whose name shows on a Card sales transmittal or confirmation, that its intent is to be the merchant of record for the purposes of processing Transactions using Bank's Online Payment Processing Services and agrees to indemnify and hold the Indemnified Parties harmless for any Losses and Liabilities, including but not limited to Chargebacks, suffered as a result, direct or indirect, of Company processing Transactions pursuant to this Service Description, except to the extent such Losses and Liabilities arising directly or indirectly from or related to Bank's gross negligence or willful misconduct.
 - c. *Settlement.*
 - i. Upon Bank's receipt of the Transaction Data, Payment Facilitator will process the Transaction Data to facilitate the funds transfer from the various Card Networks for the Card sales. After Bank receives credit for such Transaction Data, subject to Bank's other rights under the Agreement, Bank will provide provisional credit to Company's Settlement Account. Company acknowledges such credit is provisional and subject to Chargebacks and adjustments in accordance with the Operating Procedures, Card Network Rules, or this Agreement.
 - ii. If the Cardholder disputes a charge initiated by Payment Facilitator on Company's behalf, a Chargeback may result.
- d. *Card Information.* Company represents to Bank that Company does not have access to Card information (such as the Cardholder's Card account number, expiration date, and CVV2) and Company will not request access to such Card information from Bank or Payment Facilitator. In the event that Company receives such Card information in connection with the processing services provided under this Service Description, Company agrees that it will not use it for any fraudulent purpose or in violation of any Card Network Rules, including but not limited to Payment Card Industry Data Security Standards or applicable law. If at any time Company believes that Card information has been compromised, Company must notify Bank promptly and assist in providing notification to the proper parties. Company must ensure its compliance and that of any Third-Party Service Provider utilized by Company, with all security standards and guidelines that are applicable to Company and published from time to time by the Card Networks, including, without limitation, the Card Security Guidelines. If any Card Network requires an audit of Company due to an actual or suspected data security compromise event, Company agrees to cooperate with such audit. Company may not use any Card information other than for the sole purpose of completing the Transaction authorized by the Cardholder for which the information was provided to Company, or as specifically allowed by Card Network Rules, Operating Procedures, or required by law.
- e. *Disputes.* In addition to the rights and obligations described in Section 4 (Chargebacks) below, Company acknowledges and agrees that:
 - i. Company must promptly and consistently inspect its Transaction history and immediately report any possible errors to Bank and/or Payment Facilitator.
 - ii. The Payment Facilitator may initiate a Chargeback when a dispute between Company and a Cardholder arises and Company acknowledges and agrees that the amount of a Chargeback may offset the value of such Chargeback from monies owed to Company. Company agrees not to reenter or reprocess, or direct Bank to do either with respect to, any Transaction that was a Chargeback. If Company disagrees with a Chargeback, Company may request a Chargeback reversal from Payment Facilitator so long as it is within the applicable Card Network's timeline as published in the applicable Card Network Rules.
 - iii. Company agrees that Bank may terminate or suspend Company's acceptance of Cards or require Company to establish a Reserve Account in the event of any Excessive Activity (as that term is defined in the Payment Facilitator's Terms and Conditions) in conjunction with Company's Transactions.
 - iv. Bank or Payment Facilitator may revoke or reverse any credit given to Company where: (i) the





Transaction was not made in compliance with this Agreement, the Card Network Rules, the Operating Procedures or applicable law; (ii) the Cardholder disputes liability to Bank or Payment Facilitator for any reason, including but not limited to those Chargeback rights enumerated in the Card Network Rules; (iii) the Transaction was not directly between Company and the Cardholder; or (iv) a deposit to Company was made erroneously.

- iii. Bank may assess a fee to Company's Deposit Account as disclosed on the Schedule of Fees and Charges, or, at Bank's discretion, to the Cardholder's Card account(s) for each Chargeback related to a Payment.
- iv. Upon the closure of Company's Deposit Account or Reserve Account, Bank may setoff or otherwise hold back Company's funds in an amount sufficient to cover any possible Chargebacks that may occur on the closed Deposit Account or Reserve Account for such period that is reasonably determined by Bank.

3. eCheck Processing.

- a. Company, as an ACH originator and a Third-Party Sender, is responsible for ensuring its compliance as well as its Originators' (as applicable) compliance with the Rules, the Agreement, the ACH Origination Service Description and the Third-Party Sender Service Description.
- b. Company will not: (a) permit the use of eCheck by any third party in a service bureau, timesharing or similar arrangement; (b) reproduce, download, modify, create derivative works from, distribute, or attempt to reverse engineer, decompile, disassemble, or access the source or object code for, the software portion of eCheck; (c) use eCheck, or any component thereof, in any manner contrary to applicable laws or government regulations; or (d) otherwise effect, attempt or enable the unauthorized use (with or without administrative user ID and/or password) or misuse of eCheck.
- c. Bank or its supplier shall have the right to remit, stop, cancel, and manage eChecks and ACH re-issuance and returns as deemed most reasonable by Bank, and Bank may cancel eChecks, or block Company or any End User from initiating additional eChecks, if Bank reasonably believes that an invalid or fraudulent Entry would otherwise be processed. Bank will promptly notify Company of the decision to cancel or block the eCheck. Company is solely responsible to contact the End User regarding the cancelled or blocked eCheck and to recover Payment errors. Bank will not contact End Users in the ordinary course; however, from time to time, Bank may contact Company to recover Payment errors.

4. Chargebacks.

- i. Chargebacks can be received for a number of reasons. The following are some of the most common reasons for Chargebacks: (i) a refund is not issued to a client upon the return or non-delivery of goods or services; (ii) an authorization/approval code was required and not obtained; (iii) the transaction was allegedly fraudulent; (iv) the client disputes the Card sale or the signature on the sale documentation, or claims that the sale is subject to a set-off, defense or counterclaim; or (v) the client refuses to make payment for a Card sale because in the client's good faith opinion, a claim or complaint has not been resolved, or has been resolved but in an unsatisfactory manner.
- ii. Company is responsible for payment to Bank of all Chargebacks.

5. Payment Restrictions. For recurring or scheduled Payments:

- a. Company must obtain a written request or similar authorization and/or authentication from End Users for the payments to satisfy the applicable Assessments being charged to the End User's account, specifying the frequency of the recurring charge and the duration of time during which such charges may be made.
- b. Company acknowledges and agrees that it will only make modifications to the Assessment authorized by the End User as agreed upon by Company and End User. Company shall indemnify and hold the Indemnified Parties harmless from and Loss and Liabilities resulting from Company's modification of the Assessment amount.

6. Reserve Account. Company acknowledges and agrees that Bank may establish a Reserve Account pursuant to Section 14 of the General Terms of the Agreement.

7. Security Procedures. Notwithstanding any other applicable Security Procedures described in the Agreement, Company shall comply with the following as it relates to its usage of Online Payment Processing Services.

- a. Company is solely responsible for verifying the identity of each End User, and for contracting with, and managing the relationship with each End User, and obtaining all necessary End User authorizations to provide Online Payment Processing Services. Company and End Users shall be responsible for selecting and safeguarding their passwords for using Online Payment Processing Services. Any use of Online Payment Processing Services through a valid password shall be authorized use, provided that Bank or Payment Facilitator will cancel or disable any End User promptly following notification from Company. Company is responsible for validating the Transactions of its End Users, including assigning passwords.
- b. Bank or Payment Facilitator may assign Company (a) a unique URL on the Internet for accessing the Online Payment Processing Services, and (b) a unique user ID and/or a unique password to access Online Payment Processing Services (or a group of such IDs and passwords). Company is solely responsible for assigning each additional administrative user a single unique password and an ID. Company shall be solely responsible for the administration of all passwords and IDs issued by Company to administrative users for access to Online Payment Processing Services and will use commercially





reasonable efforts to ensure that each password provided to an administrative user and the URL are kept confidential and utilized solely by such administrative user for the purposes authorized hereunder.

The processing fee may be avoided by making payments outside of the Service, such as via the End User's bank's bill pay service.

8. **License.** Company hereby grants to Bank and Payment Facilitator (a) a non-exclusive, royalty-free, fully paid-up license to use, reproduce, display, modify and create derivative works from data based on information transmitted by or to Company via Online Payment Processing Services solely for the purpose of operating, maintaining, supporting and enhancing Online Payment Processing Services; and (b) a non-exclusive, royalty-free, fully paid-up, perpetual irrevocable license to use, display, modify, create derivative works from and disclose in any manner Usage Data for any purpose, provided that Usage Data is only used or disclosed in an aggregate form and does not, directly or indirectly, identify Company or any End User, or identify, or contain any personally identifying information about, any employee, consultant, or any other individual affiliated with Company or an End User.
9. **Audit and Inspection.** In accordance with [Section 19](#) of the General Terms, Bank shall have the right to monitor and audit Company from time to time to ensure Company is complying with all applicable Card Network Rules, Operating Procedures or Rules, including review of Company's website content and active IP addresses, and other verifications to comply with the Card Network Rules, Operating Procedures and Rules. Company consents to Bank performing any such activities to ensure compliance with the Card Network Rules, Operating Procedures and/or Rules.
10. **Reporting to Card Networks.** Card Networks often maintain lists of merchants who have had their merchant agreements or Card acceptance rights terminated for cause. If this Service Description is terminated for cause, Company acknowledges that Bank may be required to report Company's name and the names and other information regarding its principals to the Card Networks for inclusion on such list(s). Company expressly agrees and consents to such reporting if terminated as a result of a breach of this Service Description or Agreement or for any reason specified as cause by any one of the Card Networks. Furthermore, Company agrees to waive and hold Bank and/or Payment Facilitator harmless from and against any and all claims which Company may have as a result of such reporting.
11. **Fees and Charges.** Bank may charge End Users a processing fee for initiating certain transactions through the Service. Bank may retain the entire processing fee, or Bank may retain a portion of the processing fee and remit the rest to the Association's management company or a third party that has contracted with the Association's management company, pursuant to a separate agreement between Bank and the Association's management company or, third party that has contracted with the Association's management company, for the costs associated with the acceptance of payments via the Service. End User has the right to terminate or cancel the payment transaction if End User does not want to pay the processing fee.





Remote Deposit Capture

1. RDC. If RDC is selected by Company on the Setup Form, Bank will provide to Company RDC to enable Company to transmit images of Checks to Bank for deposit. RDC enables Company to use Equipment, consistent with the Bank's requirements set forth in the Supporting Documents, to create Electronic Images and to transmit an Electronic File to Bank for deposit to the specified Account. After Bank receives Company's Electronic File, Bank, at its sole option, may use the Electronic File to either: (a) create Substitute Check(s), that Bank presents to the Paying Bank; or (b) generate one or more electronic files (from the original Electronic File) for presentment directly or indirectly to Paying Bank.
2. Related Service Description for Business Online Banking. If Company chooses to facilitate any part of RDC using Bank's Business Online Banking, all such use must be consistent with the terms and conditions of the Business Online Banking Service Description.
3. Conditions to Provision of RDC. In connection with RDC, Company shall comply with the following:
 - a. Company shall maintain one or more Accounts at Bank for the receipt of deposits of Checks.
 - b. Company shall be responsible for training its own employees in the use of RDC.
 - c. Company shall maintain satisfactory internal business controls, including the following:
 - i. Established and documented procedures related to the recording of receipts, preparation of and reconciliation of deposits;
 - ii. Segregation of duties in the recording and processing of deposited Checks; and
 - iii. Timely reconciliation of Bank statements.
 At Bank's request, Company shall provide evidence of the foregoing controls and copies of the relevant portions of audit reports testing such controls.
 - d. Company shall use Equipment consistent with the Bank's requirements in the Supporting Documents and shall not take any actions to deploy or incorporate the Equipment in any way not intended for it without Bank's prior written approval. Company will ensure that the Equipment for RDC is clean and operating properly.
 - e. Company will only submit Checks for processing to Bank that meet the definition of "check" in Regulation CC.
 - f. Unless prior approval by Bank in writing, Company will not attempt to scan and transmit to Bank any Check which is drawn on a deposit account of Company at Bank or any other financial institution, or a deposit account of any business entity of which Company is a principal, officer or authorized signer. Company will only use RDC for its own purposes and in accordance with this Service Description. Company with a business need may request to have multiple entities established as a single Company within the RDC system. The multiple entities shall have a common ownership. If such is provided, Company understands and agrees to accept the increased business risk associated with such provision and warrants that Checks will be deposited into the correct account. For example, a Check made payable to an entity must be deposited into that entity's account.
 - g. Company will not scan and transmit for processing any Checks payable to third parties or in any way not payable solely to Company, demand drafts or Remote Checks, respectively, Checks that are stale dated by six (6) months or more or post-dated, savings bonds, Substitute Checks, Checks that do not meet the definition of a Check (facsimile, scanned, or any other reproduction of the original Check does not meet the definition) under Regulation CC or the Code, images of Checks that do not meet the ANSI X9.37 standards for image quality as required by Regulation CC or other standards established or required by Bank or applicable law, Checks that have been returned unpaid for any reason or any Check that exceeds Company's transaction limitations as may be established by Bank from time to time.
 - h. Company will not attempt to scan and transmit to Bank any previously truncated and reconverted Substitute Check and shall not submit any duplicate Electronic Images to Bank. Company shall not deposit to the applicable Account or otherwise negotiate any original Check from which Company has previously created and submitted to Bank as an Electronic File, unless Bank has notified Company that the Electronic Image is an Exception Check. Any previously truncated Check and Substituted Check must be physically deposited with the Bank. Notwithstanding the foregoing, Bank may redeposit any returned Substitute Check or Electronic Image consistent with the terms of the Deposit Account Agreement and Disclosure.
 - i. Company will (i) ensure that Checks are restrictively endorsed or otherwise processed to permit only financial institutions to acquire rights of a holder in due course in the collection process of Checks, (ii) handle, process, maintain and destroy original Checks as set forth in Section 3(n) and in the Supporting Documents, and (iii) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Check more than once in any form.
 - j. Company will use RDC, including the entering, processing and transmittal of Electronic Images, in accordance with the Supporting Documents. In addition, Company will provide, at its own expense, a broadband Internet connection, such as via DSL or other connectivity having equivalent or greater bandwidth and all other computer hardware, Software, including but not limited to a compatible Web browser, and other Equipment and supplies required to use RDC, all of which must satisfy any minimum requirements set forth in the Supporting Documents or as otherwise may be acceptable to Bank. Company will provide, or obtain from another party selected by Company at Company's expense, support and maintenance of such Internet connection and all other computer hardware, Software, and Equipment required to use RDC, including without limitation troubleshooting Internet





connectivity issues with Company's internet service provider, and Bank will not be responsible therefore.

- k. Company shall be responsible for verifying Bank's receipt of Company's transmission(s) by verifying that deposits have been posted to the appropriate Accounts, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Bank.
 - l. Company shall be responsible for installing and implementing any changes and upgrades to RDC as required by the Bank within five (5) Business Days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of RDC.
 - m. Company shall exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by the Bank or otherwise required for use of RDC and shall further prevent the use of RDC by unauthorized persons. Company assumes full responsibility for the consequences of any missing or unauthorized use of or access to RDC or disclosure of any Confidential Information or instructions by Company, its employees and agents.
 - n. Company will retain each original Check in accordance with the Supporting Documents. If not directed otherwise by the Bank, Company will store original Checks in a safe and secure environment for such time as Company deems necessary and advisable for a period of minimum of ten (10) days and a maximum of sixty (60) days after such Check has been digitized and processed. Company shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, and (b) that the information contained on such original Checks or on any corresponding Electronic Images are not disclosed to third parties. Company will promptly (but in any event within five (5) Business Days) provide any retained original Check (or, if the original Check is no longer in existence, a sufficient copy of the front and back of the original Check) to Bank as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Check or as Bank otherwise deems necessary. Company will use a commercially reasonable method, or as otherwise directed by Bank to destroy original Checks and Electronic Files after Company's retention period has expired.
 - o. Company understands and agrees that a Check that is not paid by a payor financial institution, or is otherwise returned for any reason, will be returned to Company and Company's Account charged for the amount of the Check plus any associated fee as disclosed in Bank's Supporting Documents, which may be changed from time to time in Bank's discretion. Bank's right to charge the Account of Company will apply without regard to whether the Check is timely returned to Bank or whether there is any other claim or defense that the Check has been improperly returned to Bank.
4. Mobile Deposits.
- a. In addition to the terms of this Agreement and the Deposit Account Agreement and Disclosure, the following terms and conditions apply specifically to use of Mobile Deposit:
 - i. All Checks are subject to Bank's Mobile Deposit eligibility guidelines, which can be obtained by calling Bank at (888) 995-2265 and are hereby incorporated by reference.
 - ii. Bank reserves the right to reject any item transmitted through Mobile Deposit, in its sole and absolute discretion, without liability to Company. Bank is not responsible for items it does not receive or images that are dropped during transmission. An image will be deemed received when Company receives a confirmation from Bank that it has received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.
 - iii. Company must retain the original item for five (5) Business Days from date of transmission of deposit. Upon request from Bank, Company will promptly provide the retained item or sufficient copy of the front and back of the item to Bank to assist in the clearing process, to resolve any third party claims with respect to the item or for Bank's audit purposes.
 - iv. All deposits submitted through Mobile Deposit may be subject to transaction and daily deposit limits as periodically established by Bank. All limits and amounts may be modified or changed from time to time or on an exception basis by Bank, in its sole discretion. Company may request the limits applicable to the Accounts by calling Bank at (888) 995-2265.
 - v. Warranties and Indemnification.
 - 1. Without limiting any other representation or warranty Company makes in any other agreement governing the Accounts, Company warrants to Bank that:
 - a. Company nor Authorized Representatives will only transmit eligible Checks.
 - b. Checks will meet the quality standards outlined in Mobile Deposit eligibility guidelines referenced above.
 - c. Neither Company nor Authorized Representatives will transmit duplicate items.
 - d. Company is not aware of any factor that may impair the collectability of the item.
 - e. Company will not deposit or re-present the original item.
 - f. All information Company provides to Bank is accurate and true.





- g. Company will comply with Agreement and all applicable rules, laws and regulations.
 - 2. Company agrees to indemnify and hold the Indemnified Parties harmless from any loss arising from or related to Company's breach of this warranty provision.
- 5. Processing Company's Electronic File. If Company transmits Company's Electronic File to Bank before the Cutoff Time on any Business Day, Bank will process Company's Electronic File on that Business Day. If Company transmits Company's Electronic File to Bank after the Cutoff Time on any Business Day, Bank will process Company's Electronic File on the next Business Day.
 - a. Electronic Images processed for deposit through RDC will be deemed to have been received by Bank for deposit at the time the Electronic Files are actually received and accepted at the location where Bank or its designated agent posts the credit to the Account. A deposit of Electronic Images will be deemed to have been received and accepted by Bank for deposit when all of the following have occurred: (i) Bank has preliminarily verified that the image quality of the Electronic Images is acceptable to Bank in its discretion, all Check information is complete and the deposit totals are balanced to the Check information provided for the deposit; and (ii) Bank has successfully performed all further validation routines with respect to the deposit. Notwithstanding the foregoing, Electronic Files received by Bank for deposit may be rejected by Bank in Bank's sole discretion.
 - b. Checks will be processed and ready for presentment by Bank after Bank receives all good digitized images and associated data for any given transmission from Company. Company agrees to view the images of each scanned Check that is sent to Bank. If Check information received by Bank is not complete or cannot be processed by Bank for any reason, Bank may reject the Electronic Image, notwithstanding any transmission confirmation and charge the amount back against any provisional credit to Company's Account. Company will be responsible for verifying Bank's receipt of Company's transmissions by verifying that deposits have been posted to Company's Account. Bank will use commercially reasonable efforts to ensure Checks are presented for payment to the applicable payor financial institution within a reasonable period of time following such receipt.
 - c. If under Sections 4(a) or 4(b) above an Electronic Image is not accepted for deposit, Company may then submit the original Check to Bank for processing or contact the maker to reissue the Check. If Company submits the original Check for processing, Bank reserves the right to refuse to process the Check for deposit and presentment to the payor financial institution and may instead require Company to have the maker reissue the Check.
 - d. It is Company's responsibility to understand and build into its transmission schedules the appropriate deadlines necessary to meet the availability schedules of Bank as set forth in the Deposit Account Agreement and Disclosure or as otherwise established by Bank. Company is further responsible for understanding and building into its transmission schedule the changes in transmission windows required by time changes associated with Daylight Savings Time.
- 6. Exception Checks. When Bank reviews and processes Company's Electronic File, Bank shall reject Exception Checks including, without limitation, Electronic Images of Checks drawn on financial institutions located outside the United States, Electronic Images that are illegible, Electronic Images of checks previously converted to substitute checks, and Electronic Images with unreadable MICR information. The Bank will not be liable for delays in the deposit of and funds availability for Exception Checks, even if such delays result from errors or other problems in the operation of the Equipment. Each Business Day on which Bank reviews and processes Company's Electronic File, Bank will notify Company of all Exception Checks through a communication channel designated by Bank. Company agrees that if it wishes to attempt to deposit any Exception Check to Company's Account, it shall do so only by depositing the original Check on which the Exception Check is based. Company acknowledges and agrees that even if Bank does not initially identify an Electronic Image as an Exception Check, the Substitute Check created by Bank therefrom may nevertheless be returned to Bank because, among other reasons, the Electronic Image is deemed illegible by Paying Bank. Bank's failure to identify an Exception Check shall not preclude or limit the obligations of Company to Bank under Section 4 above.
- 7. Security Procedures.
 - a. Company will be solely responsible for establishing, maintaining and following such security protocols as deemed necessary to ensure that output files transmitted directly to Bank are intact, secure and confidential until received by Bank.
 - b. Company agrees to implement Security Procedures that Bank may offer to verify the authenticity of any Electronic Files transmitted to Bank in the name of Company. Regardless of the Security Procedures implemented by Company, Company agrees that Bank may rely on and Company will be obligated on the Electronic File, whether or not the Electronic File was authorized by Company. Also, if an Electronic File was authorized by Company, Company will be obligated on the Electronic File even if Bank did not verify its authenticity using the Security Procedures and even if the Security Procedures would have prevented error. Company agrees that the Security Procedures are intended to verify authenticity and not to detect error.
 - c. Company may appoint an individual to various security roles within RDC. (If such authority is provided by Company to an RDC Administrator, Company understands and agrees to accept any increased business risk associated with such RDC Administrator's access and use of RDC on Company's behalf. For example, an RDC Administrator could process and approve a fraudulent Check for deposit, and should that same RDC Administrator have access to the Company's payment system



- or Checks, draw on those funds before the fraudulent Check is discovered. Company assumes full responsibility for the actions of the RDC Administrator, the authority the RDC Administrator gives others to act on Company's behalf, and the actions of any persons designated by the RDC Administrator to access and use RDC.
- d. Company agrees to change its password(s) periodically and when circumstances require (e.g., a User's employment with Company has ended).
 - e. Bank may elect, at Bank's discretion, to verify the authenticity or content of any transmission by placing a call to any authorized signer on the applicable Deposit Account or any other person designated by Company for that purpose. Bank may deny access to RDC without prior notice if unable to confirm any person's authority to the access RDC or if Bank believes such action is necessary for security reasons.
 - f. Company warrants each time Electronic Files are transmitted using RDC that the Security Procedures are commercially reasonable (based on the normal size, type, and frequency of transmissions). Company agrees to be responsible for any transmission Bank receives through RDC, even if it is not authorized by Company, provided it includes a password or is otherwise processed by Bank in accordance with this security procedure.
8. Services Software. At any time during the term of this Service Description, Bank may require in its sole discretion the use of Software in connection with RDC. If Software is required, Bank will provide to Company a copy of the Software or instructions on how to obtain the necessary Software.
- a. To the extent the Bank requires the use of Software in connection with RDC, Company will implement and use the Software, as set forth in the Supporting Documents and any applicable materials relating to the Supporting Documents to transmit output files to Bank.
 - b. Company acknowledges that (i) its License to any Software that may be required for RDC is directly from the Software provider, pursuant to the License agreement that appears when any such Software is electronically accessed by Company or otherwise provided to Company, (ii) Bank may provide certain "first level" support to Company with respect to the Software, but that Bank will have no responsibility, for maintenance, support, infringement protection, or otherwise, to Company with respect to the Software, and (iii) Company will look strictly to the Software provider, or its successors, with respect to any issues concerning the Software that cannot be satisfactorily resolved with Bank's assistance.
 - c. Company will use the Software solely for the purpose of transmitting Electronic Files to Bank consistent with this Service Description and not for communications with any other party. Company will not allow access to the Software or the use of RDC by any person other than Company or its Users, and will only process Checks directly related to a transaction or obligation between Company and its direct payor.
 - d. Company will promptly return all copies of the Software and Supporting Documents, including materials related to the Supporting Documents, to Bank upon termination of the Service Description.
 - e. Company will not reproduce the Software or other functionality or content included or used for RDC or on which RDC is based. Additionally, Company will not decompile, reverse engineer or disassemble the Software or otherwise attempt to derive computer source code from the Software functionality of RDC.
 - f. Bank may, from time to time, require and change the Software required for this purpose, provided such change does not result in any additional License or maintenance fees payable by Company. Company will be responsible to install and implement and changes to the Software within five (5) Business Days following notice of such change.
9. Bank Rights and Responsibilities.
- a. For all Electronic Images processed by Company pursuant to this Service Description, either (i) digitized images will be converted to Substitute Checks and presented for payment to established endpoints, or (ii) the Electronic Image will be presented for payment through image exchange networks. Bank may in its sole discretion determine the manner of processing. All such processing and presentment shall be done in accordance with the applicable Cutoff Times and as otherwise established by the Bank from time to time.
 - b. Unless otherwise agreed by Company and Bank, Bank will process any returned Checks in accordance with applicable law and the Deposit Account Agreement and Disclosure.
 - c. Bank may at its sole option, with or without cause, at any time and from time to time, refuse to process any Electronic Images. Bank may from time to time establish exposure limitations and assign them to Company.
 - d. In addition to any other rights Bank may have as regards the Accounts of Company as well as rights otherwise provided to Bank under this Service Description, Bank may hold and use funds in any Account following termination of this Service Description for such time as Bank reasonably determines that any Check processed by Bank prior to termination may be returned, charged back or otherwise a cause for any loss, liability, cost, exposure or other action for which Bank may be responsible. Without limitation, Company recognizes that under the UCC, Regulation CC and the rules of any image exchange network Bank's representations and warranties as regards Electronic Images and Substitute Checks may expose Bank to claims for several years following processing of the Electronic Image or Substitute Check.
 - e. In the event RDC becomes unavailable, Company may deposit original Checks and other Checks to any Deposit Account at Bank in person or in any other manner permitted by agreement between Company and Bank, and Company will be responsible for maintaining procedures and facilities to enable Company to do so if RDC is unavailable to Company.





10. Company's Agreement to Indemnify Bank. In addition to any rights or obligations provided for elsewhere in the Agreement, Company shall indemnify, defend, and hold harmless Indemnified Parties from and against Losses and Liabilities incurred by Indemnified Parties arising directly or indirectly from or related to the following (except for Losses and Liabilities arising directly or indirectly from or related to Bank's own gross negligence or willful misconduct):
 - a. Bank acting as a "reconverting bank" under the Check 21 Act through the creation of Substitute Checks or purported Substitute Checks using an Electronic Image or Electronic File or an illegible Electronic Image;
 - b. Bank presenting to Paying Bank an Electronic File for payment;
 - c. Company's failure to exercise adequate security controls or dispose of original Checks in accordance with Sections 3(c) and 3(n) above, or failure to securely dispose of such original Checks, in which event such Losses and Liabilities shall include, without limitation, consequential damages; and
 - d. Company's failure to exercise due care in handling and operating the Equipment. This Section 10 shall survive the termination of this Service Description.

11. Bank Liability. Notwithstanding any other limitations on liability provided for in the Agreement, Bank will not be liable to Company for any refusal of a Payor Bank to pay an Electronic Image or Substitute Check for any reason (other than the breach of contract, gross negligence or willful misconduct of Bank), including without limitation, that the original Check, Electronic Image or Substitute Check was allegedly unauthorized, was a counterfeit, had been altered, or had a forged signature. Furthermore, Bank's liability for errors or omissions with respect to the data transmitted or printed by Bank in connection with this Service Description will be limited to correcting the errors or omissions. Correction will be limited to reprocessing, reprinting and/or representing the Electronic Images or Substitute Checks to the Payor Bank.

12. Disaster Recovery. Bank shall maintain a disaster recovery plan for RDC in the event of delays or unavailability of RDC, which such plan Bank may determine in its sole discretion. Company acknowledges that Bank's disaster recovery plan may require Company to deposit Checks in an alternative manner, such as through deposit of paper Checks at a Bank branch.





Vault

1. **Vault.** Vault Services may be facilitated using Cash Concentration Accounts. As a result, credits, debits, and adjustments to Company's Cash Concentration Account(s) may be delayed one Business Day. The Bank, not Company, will have direct access to funds in Cash Concentration Accounts. The Vault Services allow Company to place orders for Cash. Before utilizing the cash vault feature, Company must identify the name(s) and location(s) of the persons authorized by Company to receive the service security credentials on the applicable Setup Form. Company's duty to safeguard the security credentials under this Service Description shall at least equal the duty as it applies to Security Procedures under the Agreement.

Company authorizes the Bank to debit its designated Deposit Account for the amount of any Cash order under this Service Description as early as the day the Cash order is placed by Company. If Company fails to designate one of its Deposit Accounts for this purpose, Company authorizes the Bank to debit any of Company's Deposit Accounts for the amount of the Cash orders.

To facilitate the Vault Services, Company will be responsible for contracting with a Carrier for transportation services to and from the Bank. The Bank shall not be a party to the contract between Company and Carrier. Carrier shall for all purposes be considered the agent of Company and Company acknowledges and agrees that Carrier is not an agent, employee or other representative of Bank. Neither the Bank nor its employees or agents shall supervise, direct or control Carrier's performance under this Service Description or under Carrier's agreement with Company.

Each time Company uses the Vault Service to order Cash, Company agrees that it will have sufficiently available funds in its account to cover the amount of the Cash order and any applicable fees.

2. **Deposits.** The deposit feature of the Vault Services allows Company to present items and Cash for deposit to Company's Deposit Accounts, using Bank-designated depository facilities. Deposits of Cash may be subject to a daily- or transaction-based limitations. All deposits made must be entered by Company on deposit tickets. The deposit tickets must be locked, sealed in the Containers and placed with the Carrier by Company or an Authorized Representative, or personally delivered to the Bank-designated depository facility. Items delivered to the Bank pursuant to this Service Description, including any instructions provided in the Supporting Documents, and must be payable to Company and be properly indorsed by Company.

The Bank may, in its discretion, re-deposit and clear any items deposited pursuant to this Service Description that have been returned for: (i) non-sufficient funds; (ii) refer to maker, or similar indication; or (iii) uncollected funds. If the Bank is unable to successfully re-clear or deposit the returned items, the item will be charged back against Company's Deposit Account.

Upon delivery of the deposit to the Bank by the Carrier, the Bank is authorized to open the Container and verify the contents, and to credit the contents thereof for the benefit of the designated Account of Company. If no Account is designated, the Bank may credit for the benefit of any Account of Company's. If the contents of the Container do not conform to the deposit ticket, the Bank will credit only those contents as are found therein that follow this Service Description and the Supporting Documents. If the aggregate amount of the contents of any Container, as counted by the Bank, is less than that reported on the deposit slip covering that Container, the Bank will debit the Company's Deposit Account by such difference and report the difference to Company. Company agrees that the Bank's records as to the contents of the Container opened by the Bank, including the amount of any Cash contained therein, shall be conclusive evidence of the contents of the Container. Neither the Bank will be deemed a bailee, the risk of damage, loss or shortage is expressly assumed by Company, and the Bank shall have no liability for any such damage, loss or shortage.

A notice of any discrepancy between the contents of the Container and the deposit ticket will be delivered or otherwise made available to Company. The Bank reserves the right to return any nonconforming items to Company and Company agrees that the Bank may charge Company's Cash Concentration Account for the return costs. Alternatively, and at the Bank's discretion, the Bank may require Company to arrange to pick-up nonconforming items. Company agrees to hold the Bank harmless for any loss or shortage, including that the contents of the Carrier fail to conform to the accompanying deposit slip.

Company agrees to maintain a complete record of all contents placed in the Containers and in the case of loss, to promptly, diligently, and completely cooperate with the Bank in the identification or replacement of the items so lost. Such cooperation shall include, without limitation, requests by Company to makers of missing items to issue duplicates, and in the event the makers thereof refuse to do so, then to assert all its legal and equitable rights against said makers or, if applicable, to subrogate such rights to the Bank or its assigns. The provisions of this paragraph are not intended to alter or modify the responsibility for any loss, shortage or discrepancy set forth in the Service Description.

Company recognizes that in following the instructions of Company, the Bank may come into possession of items to which parties other than the Bank may claim an interest. In that regard, Company hereby agrees at all times to indemnify and hold the Indemnified Parties harmless from and against any and all claims, actions, whether groundless or otherwise, as well as from and against, any and all liabilities, losses, damages, judgments, costs, charges, attorneys' fees, and any other expenses of every nature and character in any way related to the claims by any party or parties other than Company, whether by action or non-action, with respect to any item of any nature whatsoever, alleged or claimed to have been delivered to the Bank by Company.



Containers delivered by the Carrier on a Business Day after applicable Cutoff Time, or to the Bank on a day when the Bank is not regularly open for business, need not be opened, verified or credited by the Bank until the following Business Day.

Bank may make Night Deposit available to Company. Night Deposits must be facilitated by Company using Containers and only be placed in the designated Night Deposit Facilities. For the purposes of Night Deposits only, Containers may only be used for the deposit of items and currency, but no coin. Cutoff Times for Night Deposit Facilities may vary by location. All other terms and conditions applicable to Containers under the Vault Services shall also apply to Night Deposits.

3. Containers. Deposits shall be made in locked, sealed Containers and in accordance with instructions received from the Bank, if any, including the use of any special deposit bags or deposit slips. No other Containers will be accepted by the Bank. The Containers shall include no property other than: (a) negotiable instruments payable to Company; (b) Cash; and (c) deposit slip(s) indicating the total dollar amount of such negotiable instruments, Cash and the account or accounts of Company in which such items are to be deposited. Company agrees to purchase from the Bank any and all additional Containers that Company may need from time to time.

Bank may accept Containers from any person Bank believes in good faith to be the Carrier. Bank shall not assume responsibility for collection or be considered to have received a Container until it is actually delivered by the Carrier to the Bank and Carrier receives from Bank written acknowledgment of receipt of such delivery, and the contents have been verified by Bank. Similarly, any Container contents returned or sent to Company by or on behalf of the Bank shall be deemed received by Company when delivered by the Bank to the Carrier.

4. Company Insurance. Company acknowledges that, at all times during the term of the Service Description, it shall be Company's sole responsibility to purchase and maintain insurance against loss or damage to the contents of the Containers, including Cash, while being handled by the Carrier and/or Bank, its officers or employees, under this Service Description. Bank is not and shall not be considered an insurer of any of the deposits or contents placed with the Carrier.