



Treasury Services

Terms and Conditions

This Agreement (“Terms & Conditions”) which includes the terms and conditions for Treasury Management Services (this “Agreement”) is by and between American Bank (“Bank,” “we,” or “us”) and the Client identified on the Treasury Management Master Agreement (“Client” or “you”). Bank and Client are sometimes collectively referred to as the “Parties.” By executing the Treasury Services Master Agreement (the “Master Agreement”) or using any service described in this agreement (“Services”), Client agrees to be bound by these Terms and Conditions, the Treasury Services Master Agreement, the Electronic Banking Agreement, and any Separate Agreements, addenda and any supplement or amendment to any of the same. Member also agrees that the deposit accounts to which the Services apply are governed by the Commercial Deposit Account Agreement and any other documents governing deposit accounts. Except as otherwise provided herein, where any terms and conditions contained in the Master Agreement, the Account Terms, a Separate Agreement, or any other agreement between the parties conflict with the terms of this Agreement, the terms of this Agreement control unless the Sales Agreement, the Account Terms, a Separate Agreement to which Bank is a party, or any other agreement to which Bank is a party, provide that its terms shall prevail over the terms of this Agreement. You do not have to sign this Agreement, but once you have executed a Master Agreement or used any of the Services (as defined in this agreement), you have agreed to the terms and conditions of this Agreement.

1. **Authorizations.** Treasury Management Online Banking Schedule, Commercial Online Banking Access and Authority, sets forth those Bank accounts associated with the Client and Tax ID in the Treasury Services Master Agreement that Client wishes to access with the Online Banking Services (the “Account” or “Accounts”). Client unless noted in the Online Banking Schedule, all accounts belonging to the Client and Tax ID in the Treasury Services Master Agreement, will be accessible through Online Banking.
 - a. Client shall appoint, on Treasury Management Online Banking Schedule, an individual or individuals (the “Administrator” or “Administrator(s)”) with the sole authority to determine who will be authorized to use the Services (“Authorized Representative(s)”) on Client’s behalf. The Administrator should establish secure user IDs and passwords (“Security Codes”) for each Authorized Representative, set limits on each Authorized Representative’s authority to access information and conduct transactions, set which Security Procedures shall be used for each Authorized Representative, accept on behalf of Client the terms and conditions governing the Services including acceptance of Security Procedures, modify features of or terminate Services and designate other or additional Administrators with the same Administrator rights and authorities. Client assumes sole responsibility for the actions of the Administrator(s) and all Authorized Representatives, the authority the Administrator(s) gives Authorized Representatives to act on Client’s behalf, and all other actions of the Administrator and all Authorized Representatives. Client further assumes sole responsibility for revoking the authority of any Administrator(s), changing the Administrator(s), and/or adding additional Administrator(s).
 - b. The Administrator shall designate which Accounts will be utilized for Services, payments, fees, and transfers and is an Authorized Representative of Client for all purposes including use of the Services. If Administrator designates an account that requires more than one signature for the withdrawal or transfer of funds, then Client agrees that Bank may act upon any Service instruction that is accompanied by the Security Codes designated by Client or the Administrator for that account and the Service in question. Note: This may mean that Bank will act upon the instruction of only one person, even though the signature card for the Account in question requires two or more signatures on checks, and Client agrees to hold Bank harmless for any transfer or payment of an item with fewer than the required signatures. As long as an instruction is accompanied by the Security Codes, the transaction will be deemed authorized by Client. **BANK WILL RELY ON THE MOST CURRENT AUTHORIZATIONS SUPPLIED BY CLIENT AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK SHALL HAVE NO LIABILITY FOR UNAUTHORIZED ACTIONS TAKEN OR TRANSACTIONS PERFORMED BY THOSE INDIVIDUALS NAMED AS ADMINISTRATOR OR AS AUTHORIZED REPRESENTATIVES.**

- c. Client understands and agrees that any agents, employees or applicants for employment with Client who are or may become Administrators or Authorized Representatives, or may otherwise have any responsibility for handling Client's financial affairs (including processing, writing or receiving checks or electronic transfers, handling account statements or other financial information, conducting Digital Deposit Services such as scanning or storing original checks, or creating, transmitting or storing substitute check images, or acting otherwise in a responsible manner regarding Client's financial affairs) have: been asked specifically whether they have ever been convicted of a felony; had a thorough background check conducted, are subject to a system of reasonable financial controls that are in place, and that Client has instituted a program that encourages Client's agents and employees to report fraudulent or dishonest activities to Client's management.
- 2. The Agreement.** This Agreement is comprised of the Terms and Conditions of this Agreement, the Electronic Banking Agreement, applications for Treasury Management Services, Schedules, user guides and operating instructions, and all attachments, authorizations, exhibits, together with all amendments or modifications thereto, and are cumulative with, and in addition to, any Deposit Account Agreement and related deposit account signature cards and authorizations, loan account agreements, the applicable deposit and loan account disclosures, any credit account agreements relating to any credit accounts Client may have with Bank (together, the "Bank Agreements, Schedules and Disclosures"). In addition, use of the Service are subject to the rules and regulations of any federal or state agency that supervises Bank's activities or insures accounts at Bank, including, but not limited to, those of the National Automated Clearing House Association ("NACHA"), and any other applicable local clearing house association, Federal Check 21 Act, Regulation CC – 12 CFR 229, Accredited Standards Committee X9's Specifications for Electronic Exchange of Check and Image Data DSTU X9.37-2003 ("ANS X9"), American National Standards X9 specification, Federal Reserve Bank (or any other) Clearinghouse Rules, Chapters 3, 4 and 4A of the Texas Business and Commerce Code ("Texas UCC"), and any network association agreements as are currently in effect and as amended from time to time (all of the foregoing referred to collectively as the "Rules"). The Client agrees to be bound by and held subject to the Rules, as well as the provisions contained in the Bank Agreements, Schedules and Disclosures. Client acknowledges that he or she has read and understands the Terms and Conditions of this Agreement and the Treasury Management Service Specific Provisions Addendum for any Services utilized.
- 3. Security Procedures; Client's Data Security Obligations; Limitation on Liability; Responsibility for Loss.**
 - a. Generally. Client and Bank shall comply with the security procedure requirements ("Security Procedures") contained in the Bank Agreements, Schedules and Disclosures. Bank may provide Client with the Secure Access Codes to access the Services. Bank may also provide Client with operating procedures and user guides in connection with the Services. Client agrees to: (a) comply with the operating procedures in connection with the Services; (b) take reasonable steps to safeguard the confidentiality and security of the Security Codes, any user guide, and any other proprietary property or information Bank provides to Client in connection with the Services; (c) closely and regularly monitor the activities of Administrators and Authorized Representatives who access the Services; and (d) notify Bank immediately by telephone and confirm such oral notification in writing to Bank within 24 hours of such oral notification if Client has any reason to believe the security or confidentiality required by this provision has been or may be breached. Bank will replace the Security Procedures in accordance with Bank's standard security requirements related to the applicable Service(s). To the maximum extent permitted by applicable law, Client will be solely liable for all transactions, including funds transfer instructions and other communications, initiated before Bank has received such notification and has had a reasonable opportunity to act on such notification. Any transaction initiated or authorized using Client's Security Codes and Security Procedures will be considered authentic, valid and binding to Client and Bank. Bank reserves the right to change any or all of the Security Procedures offered and/or used at any time by giving oral or written notice to Client. Client agrees that its use of the related Service or Services after Bank provides notice of such changes constitutes Client's acceptance of the new Security Procedures. Client acknowledges that the purpose of Security Procedures is to authenticate the identity of the person initiating the action, not to detect errors in any transmission or content. Bank is not agreeing to any security or other procedure for the detection of

errors. Client represents that for the Service or Services it requests, it considers the Security Procedures to be commercially reasonable with respect to the size, type, and frequency of funds transfers it anticipates issuing and the information which will be transmitted.

- b. Security Codes. Client agrees to change the Security Codes assigned to Authorized Representatives on a regular basis, but no less frequently than every ninety (90) days. Client agrees to delete and/or change as appropriate the Security Codes whenever anyone who has had access to the Security Codes is no longer employed or authorized by Client to use the Services. Client will be temporarily locked out after incorrect attempts at entering the Security Codes. Bank may require Client to change the Security Codes at any time. Bank may deny access to the Services without prior notice if Bank is unable to confirm (to Bank's satisfaction) any person's authority to access the Services or if Bank believes such action is necessary for security reasons.
- c. Online Banking Alerts. When certain changes are made to the Account(s) Client has set up in Online Banking, Bank will automatically send Administrator (or, as directed by Administrator, to an Authorized User) an account alert letting Client know the change was made. Client shall contact Bank immediately if the change(s) was not authorized by Client. Additionally, some of the Services give Client the option to set up, or change from time-to-time, one or more categories of information to receive voluntary account alerts from Bank. SHOULD CLIENT NOT ELECT TO UTILIZE THE ACCOUNT ALERTS OFFERED BY BANK, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND ACCEPTED BY BANK IN COMPLIANCE WITH THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.
- d. Account Alerts. All account alerts will be sent to Administrator's (or as directed by Administrator to an Authorized User's) secure mailbox in Online Banking. Client understands and agrees that Client's account alerts may be delayed or prevented by a variety of factors beyond Bank's control, and Bank neither guarantees the delivery of nor the accuracy of the contents of any account alert. Client also understands and agrees that Bank shall not be liable for any delays, failure to deliver, or misdirected delivery of any alert; for any errors in the content of an alert; or for any actions taken or not taken by Client or any third-party in reliance on an account alert. Because account alerts are not encrypted, Bank will never include Client's Security Codes or full account number. However, account alerts may include Client's name and some information about Client's accounts. Anyone with access to Client's phone, e-mail, or mobile device (including SMS text messages, if available) will be able to view the contents of these alerts.
- e. Computer Hardware and Software. Client's Data Security Obligations. With regard to obtaining any Services under this Agreement, Client must comply with the computer hardware, software, and Security Procedure requirements as set forth in these General Provisions and/or as set forth in any Service Specific Provisions Addendum or any supplemental information and/or instructions provided by Bank. Bank reserves the right as encryption technology develops to impose further reasonable requirements to maintain the appropriate level of security for the Services and transactions contemplated hereunder and Client agrees to abide by such requirements. Client understands, acknowledges and agrees that installation, maintenance and operation of Client's computer (hardware and software) and related internal client security procedures, including, but not limited to, data security protection, firewalls and anti-virus software, is Client's sole responsibility, and that Client is solely responsible for securing, encrypting, protecting and otherwise safeguarding Client-owned and Client-stored data. Client agrees to establish prudent security standards and policies that include proper safeguards to protect the confidentiality of all URL Addresses, Security Codes, and Security Codes that are selected by Client for using the Services. Furthermore, Client understands and acknowledges that if Client does not follow commercially reasonable hardware, software, physical access and physical storage security procedures regarding any Client-owned data, including such data containing the sensitive personally identifiable information ("PII") of any individual, the security of Client's transactions and/or Client-owned data (including sensitive PII) may be compromised.

- f. Anti-Virus and Malware Protection. Notification to Bank; Responsibility for Loss. Client acknowledges and agrees that the threat of fraud resulting from theft of electronic data is a serious potential threat to Client's business and Client agrees it will take all reasonable steps to make certain that its computers and data security systems are protected from unauthorized access or use, and in an event of any unauthorized access or use, Client will take all reasonable steps to immediately inform Bank of such data security breach. CLIENT UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT BANK IS NOT RESPONSIBLE FOR ANY LOSS OR DAMAGES RESULTING FROM ANY ERRORS OR FAILURES OF CLIENT'S COMPUTER OR DATA PROCESSING SYSTEMS, INCLUDING, BUT NOT LIMITED TO, ANY COMPUTER VIRUS OR MALWARE ATTACK (SUCH AS A KEYSTROKE LOGGING PROGRAM OR SIMILAR MALWARE), ANY ATTACK BY A PERSON ATTEMPTING OR ACTUALLY GAINING UNAUTHORIZED ACCESS TO CLIENT-OWNED DATA, OR ANY INTERNET-RELATED PROBLEMS THAT MAY BE ASSOCIATED WITH CLIENT'S ACCESS AND USE OF THE SERVICES.
- g. Transaction Limits. The schedules for Online Banking, ACH Origination, and Online Wire Transfers set out the Administrator's per-transaction limits for Business Bill Pay, the various types of ACH transactions and for wire transfers that are performed using Online Banking. The transaction limits specified in the schedules for Online Banking, ACH Origination, and Online Wire Transfers apply to all accounts utilizing the Services. Administrator sets the per-transaction limit for transfers between accounts at Bank for each Authorized User (up to Administrator's limit). SHOULD CLIENT NOT ELECT TO SET TRANSACTION LIMITS FOR ADMINISTRATOR, OR SHOULD ADMINISTRATOR NOT SET TRANSACTION LIMITS FOR AUTHORIZED USERS, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND ACCEPTED BY BANK IN COMPLIANCE WITH THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.
- h. Limits. The per-transaction limits listed in the schedules for Online Banking, ACH Origination, and Online Wire Transfers apply to electronic payment instructions initiated through Online Banking only and do not apply to payment instructions initiated through other means, including, but not limited to, payment orders for wire transfers under paragraph F, section 2 below.
- i. Dual Controls. Some of the Services allow Administrator to require a second person to approve each initiated transaction ("Dual Controls"). SHOULD CLIENT NOT ELECT TO USE DUAL CONTROLS, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND ACCEPTED BY BANK IN COMPLIANCE WITH THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.
- j. Security Tokens. Bank reserves the right to require the use of a security token for ACH and Online Wire Services. Tokens are used for two factor authentications. RSA Tokens are available in both Hard Tokens (physical fob) and Soft Tokens (app on smartphone). Tokens are a great benefit to both the bank and the Client as they offer an additional layer of security. IN THE EVENT THAT BANK REQUIRES THE USE OF A SECURITY TOKEN AND CLIENT ELECTS NOT TO USE SUCH TOKEN, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND

ACCEPTED BY BANK IN COMPLIANCE WITH THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.

- k. **Fraud Management Services.** Some of the Services allow the Administrator to use additional Fraud Management Services as described in paragraph E below. These Fraud Management Services include ACH Blocks and Filters, ACH Positive Pay and Check Positive Pay and the Bank reserves the right to require the use of the Fraud Management Services, or any portion thereof. SHOULD CLIENT NOT ELECT TO USE FRAUD MANAGEMENT SERVICES, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND ACCEPTED BY BANK IN COMPLIANCE WITH THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.
- l. **Authorization of Transactions Complying with Security Codes or Security Procedures.** Client agrees to be bound by any transfer or payment order Bank receives through the Services, even if the order is not authorized by Client, if it includes the Security Codes or is otherwise processed by Bank in accordance with Bank's Security Procedures described above.

4. Business Days; Posting; Funds Availability.

- a. **Business Days.** Any day on which a majority of Bank's offices are open to the public for conducting substantially all business functions shall be a "Business Day;" provided, however, that Saturdays, Sundays and federal holidays are not Business Days even if a majority of Bank's offices are open.
- b. **Posting of Transactions.** Transactions (such as deposits, funds transfers, instructions and entries) related to any Service will be posted to the applicable Account as provided for in Bank's then current Funds Availability Disclosure. Bank may change any cutoff deadline at any time by giving notice, as required by law, of the change to Client.
- c. **Funds Availability.** Any funds transferred pursuant to a transaction hereunder will be available for withdrawal or advance as provided for in Bank's then current Funds Availability Disclosure, as amended from time to time, and in accordance with applicable law.

5. Availability of Services. All Services are available during Bank's regular business hours as described in the Electronic Banking Agreement (EBA). Amending/Canceling a Transaction. Unless Bank Agreements, Schedules and Disclosures or the rules and regulations of any federal or state agency that supervises Bank's activities or insures Accounts provide otherwise, Client does not have a right to cancel or amend a payment or transfer instruction once Bank has received it. If Bank attempts to reverse a transaction at Client's request, Bank assumes no liability for any interest or loss that results if the reversal is not affected. Requests to cancel a transaction must state the exact amount (dollars and cents) of the transaction Client wishes to stop. Client agrees to indemnify, defend, hold harmless and reimburse Bank for all expenses, losses, claims, actions, proceedings and damages Bank incurs in effecting or attempting to affect any reversal. Client is solely responsible for providing notice to the receiver/beneficiary that a reversal is being transmitted and the reason for the reversal no later than the settlement date of the reversing entry.

6. Rejection of Transaction. Bank may refuse any transaction, transfer or payment instruction without cause or prior notice.

- 7. Erroneous Instructions.** CLIENT AGREES THAT TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK WILL NOT BE LIABLE FOR ANY INSTRUCTION, FUNDS TRANSFER ORDER, AMENDMENT OR CANCELLATION, OR ANY LOSS ARISING THEREFROM, ERRONEOUSLY TRANSMITTED BY CLIENT OR ANYONE AUTHORIZED BY CLIENT HEREUNDER OR CONTAINING AN ERROR IN CONTENT AS PROVIDED BY CLIENT OR ANYONE AUTHORIZED BY CLIENT HEREUNDER, REGARDLESS OF WHETHER BANK FOLLOWED THE SECURITY PROCEDURES AGREED UPON HEREIN.
- 8. Name and Identifying Number.** If any funds transfer instruction by Client describes the intended recipient of funds inconsistently by name and account number, Client agrees that payment by the receiving bank (which may be Bank) may be made on the basis of the account number alone even if that account is not owned by the person or entity named in the funds transfer instruction. If any funds transfer instruction identifies an intermediary bank or the payee's bank inconsistently by name and identifying number, Client agrees that Bank may rely solely on the identifying number as the proper identification of the intermediary bank or the payee's bank even if it identifies a bank different from the bank Client identified by name. To the extent permitted by applicable law, Client acknowledges and agrees that its obligation to pay Bank the amount of the funds transfer pursuant to a funds transfer instruction will not be excused in any circumstance and that Client will reimburse Bank for any losses or expenses Bank incurs as a result of Bank's reliance on the identifying number provided in the funds transfer instruction.
- 9. Notice of Returned Payments or Transfers.** Bank may notify Client electronically, in writing, by telephone, or otherwise if a Funds Transfer Service is rejected or returned for any reason. Bank will not be obligated to credit Client's account with any interest, unless the return is caused by Bank's failure to properly execute Client's instruction. Client may also elect a different form of notification of a rejected or returned Funds Transfer Service than those offered by Bank and agrees to be bound by such form of notification selected.
- 10. Unauthorized Transaction.** Bank may process any payment or transfer instruction (including an amendment or cancellation instruction) that Bank believes is transmitted or authorized by Client if Bank acts after Client provides the Security Codes Client and Bank have agreed upon for the Service. The instructions will be deemed effective as if made by Client, and Client will be obligated to pay Bank in the amount of such transactions, even though they are not transmitted or authorized by Client.

 - a. Bank may elect to verify the authenticity or content of any instruction as an alternative Security Procedure by placing a call to any Authorized Representative on Client's Account or any other person designated by Client for that purpose. If Bank is unable to verify an instruction to its satisfaction, Bank may reject the instruction.
- 11. Transaction Limits and Safeguards.** Client agrees not to exceed the Service transaction limits set forth in this Agreement or any Schedules or as Bank establishes from time to time for Client's Account(s) in connection with the Funds Transfer Services. Client agrees that it will not allow anyone to initiate transfer or payment instructions on Client's behalf without proper supervision and adequate safeguards, and that Client will review pending payment and transfer instructions prior to their submission to Bank to ensure that they are complete, accurate and properly authorized.
- 12. Account Reconciliation and Reporting of Discrepancies.**

 - a. Generally. The Account statements provided to Client by Bank will notify Client of (i) the execution of funds transfers and all debits or credits to Accounts of Client held by Bank resulting from transactions pursuant to the Agreement; and (ii) amounts debited by Bank from the Account(s) for payment of fees for the Services hereunder or other charges pursuant to the Agreement. Client agrees that Bank will not be required to provide any other notice to Client of the execution of any fund's transfers, debits, credits or charges.
 - b. Notification of Discrepancies. Client agrees to promptly report to Bank any discrepancies between Client's records and Bank's records and/or account statements and any relevant facts pertaining to a potentially unauthorized or erroneous funds transfer of any kind. (i) For funds transfers, such report should be made within

30 calendar days from the date Client receives notice from Bank that the funds transfer was processed or that Client's Account was debited with respect to the funds transfer. Client's failure to notify Bank of any such discrepancies may result in Client forfeiting any interest potentially due on the amount of the unauthorized or erroneous funds transfer due to Client's failure to provide notification within 30 days as stated herein. (ii) For all ACH transactions that are believed to be unauthorized or erroneous, such report should be made no later than one Business Day following the date of the unauthorized or erroneous entry so that Bank can return the item to the Originating Depository Financial Institution (the "ODFI") within the two (2) Business Day period required under NACHA Rules. Failure to do so for debits against an Account will preclude Bank from returning the transaction through the ACH system and re-crediting the Account. At Client's request, Bank will go outside the ACH system and request a credit from the ODFI based on a violation of the ODFI's warranty that the transaction was authorized.

- c. Foreign Currency Exchange Conversions. Bank assumes neither risk of loss nor any liability, which any person (including Client) may suffer by reason of foreign currency exchange conversions. Any gains resulting from foreign exchange conversion in connection with any Client transaction pursuant to any Service hereunder shall inure to Client.

13. Cooperation in Loss Recovery Efforts. Except as otherwise stated in the Agreement, in the event of any damages for which Bank or Client may be liable to the other, or to a third-party with respect to the Service(s), Bank and Client will undertake commercially reasonable efforts to cooperate with each other (as permitted by applicable law) in performing loss recovery efforts and in connection with any action(s) that the relevant party may be obligated to defend or elect to pursue against a third-party.

14. Client Records; Ownership of Data; Response to Data Security Breach Incidents; Responsibility for Loss.

- a. Client Records. The Agreement will not relieve Client of any obligation imposed by law, contract, or otherwise regarding the maintenance of records or from employing adequate audit, accounting and review practices. Client shall retain and provide to the Bank upon request all information necessary to remake or reconstruct any deposit, transmission file, or entry for at least ten (10) Business Days following receipt by Bank of the deposit, transmission file, entry, or other order affecting any of Client's account(s); provided, however, that Bank's records, kept in the ordinary course of business, will be presumed to accurately reflect the contents of Client's instructions to the Bank and, in the absence of manifest error, will be binding and conclusive.
- b. Ownership of Data. The parties understand, acknowledge and agree that all data provided by Client to Bank, and all data produced, compiled or otherwise provided by Bank to Client, in any form or format, is the sole and exclusive property of Client and copies thereof shall be provided to Client at Client's request from time to time and at any time ("Client-owned Data"). Once Client-owned Data is delivered by Bank to Client, retrieved by Client from Bank, or otherwise created as a by-product of a transaction between Client and Bank and retained by Client, such Client-owned Data is solely within Client's possession, control, security and possession.
- c. Response to Data Security Breach Incidents. As stated in Section 14 (b) above, Client has the sole responsibility for security and protection of Client-owned Data. In the event of any security breach incident involving any potential or actual unauthorized access or acquisition of Client-owned Data (e.g. a computer hacking, virus attack, or theft or loss of any equipment containing Client-owned Data), it is Client's sole responsibility to determine whether Client has the obligation, under applicable law, to notify potentially affected individuals whose sensitive PII may have been compromised by the security breach incident. Client must conduct, at its sole cost and expense, any audit and forensic investigation of such security breach incident. Client bears the sole responsibility for any and all costs of complying with required data breach notifications to individuals, credit bureaus and/or governmental entities as required by applicable law, and any and all costs for credit report monitoring or fraud monitoring associated with such security breach incident.
- d. Responsibility for Loss. If, despite Client efforts, Client suffers any damage or loss as a result of any unauthorized access or data security breach (e.g. computer hacking, virus attack, or theft or loss of equipment or other

information containing Client-owned Data), and regardless of whether such unauthorized access or breach results from the activities of Client's employees, agents, subcontractors, or any unaffiliated third-party, any such loss or damage shall be the sole responsibility of the Client.

- 15. Fees.** Client shall pay such fees as Bank may from time to time establish in Bank's Schedule of Fees and Service Charges, or pursuant to its established Account Analysis fee structure, together with any direct or indirect transfer or other charges incurred by Bank. The fees and charges may be charged directly against Client's Account(s) with Bank or may be charged indirectly or imposed upon Client with account analysis and balance requirements.
- a. Bank may amend the Services' pricing from time to time. Certain prices are subject to change without prior notice. Client understands and agrees that Client's continuous use of the Services indicates Client's acceptance of any pricing changes. Special or additional Services performed at Client's request will be subject to such additional terms and fees as Client and Bank may agree. In addition to the Service fees, Client agrees to pay for all taxes, tariffs, fines and assessments levied or imposed by any government agency, clearinghouse or other governing body in connection with the Services, this Agreement, and/or the software or equipment made available to Client (excluding any income tax payable by us). Client also is responsible for the costs of any communication lines and any data processing charges payable to third parties.
- 16. Notices and Contact Information; Consent to Recording; Electronic Delivery of Disclosures.** Unless otherwise stated in the Agreement, all notices required pursuant to the Agreement and the Services shall be in writing. Bank shall be entitled to rely on any written notice or other written, electronic or telephone communication believed by it in good faith to be genuine and to have been initiated by an Authorized Representative of Client to Bank. Any such communication will be deemed to have been authorized by Client. The parties agree that Bank's records of telephonic or electronic instructions shall be conclusive evidence of the actual notice or instructions given by Client and recorded by Bank.
- a. Client consents to Bank's recording and monitoring of any telephone conversations and Online transmissions or communications including, but not limited to, requests or instructions. Bank, however, has no duty to record or monitor such telephone conversations or Online transmissions and communications, and the election to record and/or monitor is within Bank's sole discretion.
 - b. Client acknowledges and agrees that, to the extent permitted by applicable law, Bank may deliver all notices, disclosures, amendments or other communications required hereunder to Client by e-mail at Client's e-mail address as provided to Bank. To the extent permitted by applicable law, Client agrees that each such communication will be binding and enforceable to the same extent as if it were delivered to Client in writing by regular mail, branch posting, or in person.
 - c. Client may send e-mail to Bank and receive e-mail from Bank. Bank reserves the right to determine, in its sole discretion, and from time to time, what constitutes a secure or unsecured communication sent to Bank over the Internet. (i) Communications sent to Bank over the Internet are currently considered unsecured unless the information is encrypted with the equivalent of 128-bit encryption technology or transmitted via a secure session using a commercially reasonable security technology that provides a level of security that is equivalent to 128-bit RC4 encryption technology. (ii) Client agrees that unsecured e-mail will not be used to deliver sensitive personal or private information that includes, but is not limited to, bank routing numbers, account numbers, Social Security numbers, Check Card numbers, personal identification numbers ("PINs"), home addresses, user IDs, passwords, Security Codes, ACH entries, or to provide required notices to Bank pursuant to any agreement Client has with Bank, unless such agreement expressly provides for e-mail notification. (iii) CLIENT ACKNOWLEDGES AND AGREES THAT ANY COMMUNICATIONS CONTAINING SENSITIVE PERSONAL OR PRIVATE INFORMATION OR TRANSACTION REQUEST(S) SENT TO BANK THROUGH AN UNSECURED ELECTRONIC NETWORK ARE IN VIOLATION OF BANK AND NACHA POLICY AND PROCEDURES. CLIENT UNDERSTANDS AND AGREES THAT BANK IS NOT LIABLE FOR ANY LOSS OR DAMAGE INCURRED BY CLIENT WHEN AN UNAUTHORIZED PERSON GAINS ACCESS TO ANY SUCH E-MAIL. CLIENT AGREES TO INDEMNIFY AND HOLD

BANK HARMLESS IF BANK ACTS WITH ORDINARY CARE IN GOOD FAITH BY RESPONDING TO ANY E-MAIL PURPORTED TO BE SENT BY CLIENT. BANK'S IMPLEMENTATION OF ITS NORMAL PROCEDURES REGARDING RECEIPT AND MAINTENANCE OF CONFIDENTIAL INFORMATION CONSTITUTES ITS EXERCISE OF DUE CARE. (iv) E-mail transmitted by Client to Bank may not be delivered to Bank immediately. If Client needs to contact Bank immediately to stop a payment, to report an unauthorized use of Client's Security Codes, to report unauthorized access to an account, or for any other reason, Client shall contact Bank by telephone at the telephone number provided herein, or in person. Bank will not be responsible for acting on or responding to any e-mail request made until Bank actually receives Client's e-mail message and Bank has a reasonable opportunity to act. (v) Client should check its e-mail regularly as Bank may attempt to notify Client by e-mail in the event of any technical difficulties or other occurrence that may affect Bank's Online Services.

- d. Administrator's initial telephone number, e-mail address, and mailing address are set forth on Treasury Management Online Banking Schedule. Client must notify Bank, in writing, of any change in Client's contact information.
- e. All notices to be delivered by Client to Bank pursuant to the Agreement can be made to the mailing address, e-mail address, or telephone number indicated below, as applicable pursuant to the terms of the Agreement and the requirements of the notice.

American Bank, N.A.
PO Box 6469
Corpus Christi, TX 78466-6469
Attention: Treasury Management Department
Phone: 1-800-725-9980
Fax: 1-361-992-2862
E-mail: TreasuryManagement@americanbank.com

17. Disclaimer of Warranty. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BANK AND ITS AFFILIATES AND SUPPLIERS MAKE NO WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, ABOUT ANY OF THE SERVICES, ANY PROCESSING EQUIPMENT OR ANY PROCESSING SOFTWARE DESCRIBED IN THIS AGREEMENT, AND HEREBY DISCLAIM ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT. CLIENT ASSUMES THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE SERVICES AND THE SERVICE DOCUMENTATION.

18. Limitation of Liability/Responsibility of Client.

- a. The Services may require Bank to receive, process, and report information involving Client's Accounts and transactions. Bank will not be responsible for determining the accuracy, timeliness or completeness of any information that Client or others provide to Bank. Bank will not have a duty to interpret the content of any data transmitted to Bank, except to the limited extent set forth in this Agreement. Unless otherwise agreed in writing, Bank will not be required (by means of any Security Procedure or otherwise) to detect errors in the transmission or content of any information Bank receives from Client or third parties.
- b. The Bank's entire liability and Client's exclusive remedy with respect to Bank's disclaimer of warranty is limited to reprocessing the information for the period in question and to provide corrected reports at our own expense.
- c. In no event shall Bank be liable to Client for any damages, including lost profits, lost savings or other direct, indirect, incidental, special or consequential damages arising out of the use or inability to use the Services and documentation, or for any claim by another party.

- d. Client shall be solely responsible for protecting against unauthorized access to the Services through the use of physical security, passwords, following Client's internal security procedures and controls, and instituting proper security and accounting protections appropriate for Client's business. Bank will be held harmless for processing any request received by Client that originated using the Security Codes.
 - e. Where Client has access to the funds transfer services or transfers between its accounts, Bank will only accept transfer requests upon proper execution of Security Procedures that are entirely within Client's control. Bank may consider funds transfer requests received from Client as having been authorized by Client and Bank shall be held harmless for executing any transfer.
 - f. Where Client elects to execute a stop payment request through the Services, Bank agrees to enter the stop payment to its main computer system within a reasonable period of time after receiving the request. Prior to requesting a stop payment, Client should first verify that the item has not already been posted to its account. If a stopped item has already been paid prior to Bank's entry of the request, then Bank shall not be liable for any loss incurred by Client arising from the event.
 - g. Client assumes the sole responsibility for providing Bank with complete and accurate information in the form and format that Bank requires. Bank is not responsible for confirming such information, or for monitoring or refusing to process duplicate instructions by Client. Bank is not obligated to detect errors in Client's transfer or payment instructions.
 - h. Client must accurately describe transaction beneficiaries, intermediary financial institutions, and the beneficiary's financial institution in transfer and payment instructions. If Client describes any beneficiary or institution inconsistently by name and number, other institutions and Bank may process the transaction solely on the basis of the number, even if the number identifies a person or entity different from the named beneficiary or institution.
 - i. Client acknowledges that it is not possible for the Services to be totally free from operator, programming or equipment error, and that errors in processing and compiling data may occasionally occur (e.g., due to the failure of others to provide accurate information, telecommunication failures, or a breakdown in an electronic data interchange). As such, Client agrees to review and verify all results and to maintain adequate controls for insuring both the accuracy of data transmissions and the detection of errors. Unless otherwise required by law, Bank's sole responsibility for any reporting errors caused by Bank will be to reprocess the information for the period in question and to provide corrected reports at our own expense. Client agrees to maintain adequate backup files of the data. If Bank is unable to provide a Service for any reason, Bank will promptly inform Client of the problem and will take reasonable steps to resume processing.
 - j. Bank's ability to provide the Services is dependent upon Bank's ability to obtain or provide access to third-party networks. In the event any third-party network is unavailable, or Bank determines in its discretion, that it cannot continue providing any third-party network access, Bank may discontinue the related Service or may provide the Service through an alternate third-party network. In such situations, Bank will have no liability for the unavailability of access. Bank will not be responsible for any services Client receives from third-party vendors.
- 19. Indemnification.** Client agrees to indemnify, defend and hold Bank, its parent company, affiliates and subsidiaries, and its respective directors, officers, employees and agents, harmless from and against any claim, damage, loss, liability and cost (including, without limitation, attorneys' fees) of any kind which results directly or indirectly, in whole or in part, from: (a) Bank's actions or omissions, if they are in accordance with Client's instructions or the terms of this Agreement; or (b) actions or omissions of Client, Client's agents or employees.

- 20. Third Parties.** If Client intends to make use of a third-party (“Third-party”) to administer any of its Cash Management activities, Client agrees to notify Bank, in writing, in a form acceptable to Bank, of the name and contact information of any Third-party whom Client hires, employs, or to whom Client delegates its duties or responsibilities under the Agreement, before that Third-party initiates any transaction or performs any obligation authorized or required under this Agreement. Client agrees that it shall be solely responsible for all acts of any such Third-party. By using the System, Client agrees to provide information, including financial information, which Bank may, in its sole discretion, require from time to time regarding Client or any Third-party which Client hires, employs, or retains in any manner, to administer the System or assume any of Client’s duties under the Agreement. Client understands and acknowledges that because of the risks involved, Bank may refuse, in Bank’s sole discretion, to provide the System for any reason, including if Client or the Third-party retained by Client does not meet Bank’s qualification criteria. Our acceptance of any Third-party retained by Client based on Bank’s qualification criteria is not a representation or warranty by Bank regarding the fitness of the Third-party’s capabilities or financial condition, nor is such acceptance by Bank an endorsement of any Third-party’s ability to perform the Third-Party services for Client. Client agrees that it will not allow any Third-party to use Bank’s System or to process transactions to Client’s account(s) without Bank’s prior written consent. Bank reserves the right to require an agency agreement or other written agreement in form acceptable to Bank indicating such Third Parties’ authority to act on behalf of Client.
- 21. Guaranty.** Bank reserves the right to require, as a primary inducement for Bank to enter into this Agreement, a Guarantor or Guarantors. Guarantor or Guarantors, individually and severally named below, agree to be bound by all terms and conditions of this Agreement to the same extent and in the same manner as the Client, and unconditionally and irrevocably, personally guarantees the continuing full and faithful performance and payment by Client of each and all of the Client’s duties and obligations to Bank under this Agreement or any other agreement currently in effect or in the future entered into between the Client or its principals and Bank, as such agreements now exist or are amended from time to time, with or without notice to Guarantor. For the purpose of this Agreement, a Guarantor must be a principal or owner of Client.
- 22. Miscellaneous.**
- a. Compliance with Anti-Money Laundering Laws. Client has complied with all requirements of the U.S.A. Patriot Act, Bank Secrecy Act, the requirements of the Office of Foreign Asset Control (“OFAC”), and all other laws applicable to its banking relationships (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of all federal, state, local and foreign governments and all agencies thereof, and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against Client alleging any failure to comply with any federal or state laws or regulations. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, government agency, or court to which Client is subject or any charter of Client, or conflict with or create any right to accelerate, terminate, modify, or cancel or require any notice under any other agreement, or other arrangement to which Client is a party or by which either is bound.
 - b. Authority. Client is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, as shown in its signature on this Agreement. Client has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes valid and legally binding obligations of Client and is enforceable in accordance with its terms and conditions.
 - c. Waiver. Bank or Client may delay enforcing its rights under this Agreement without losing them. Any waiver by Bank or Client shall not be deemed to be a waiver of other rights or the same right at another time.
 - d. Right to Audit. Bank reserves the right to audit Client at any time to ensure compliance with applicable law, Rules, and the terms of this Agreement, including, but not limited to, compliance with the Security Procedures. Client shall permit Bank, upon reasonable prior notice, to visit, inspect, and audit Client’s records and facilities for compliance with the terms of this Agreement.

- e. Amendment; Term; Termination. Bank may change, amend, or alter the terms of this Agreement at any time. If no federal or state law specifically governs an amendment, then at least ten (10) days prior to the effective date of the amendment, Bank will deliver notice to Client of the amendment. Notwithstanding the foregoing and to the extent permitted by applicable law, Bank may amend any term of the Agreement without prior notice or obligation to Client: (i) if a service provider changes any term without providing Bank sufficient prior notice to enable Bank to timely notify Client; (ii) for security reasons; (iii) to comply with applicable law or the Rules; or (iv) as otherwise expressly provided in the Agreement. Use by Client of the Services following the effective date of any amendment(s) shall constitute Client's acceptance of, and agreement to, the amendments. If Client does not agree to the changes as set forth in an amendment, Client may choose to terminate the Services affected by the amendment prior to the effective date of the amendment by discontinuing further use of the Service and following the procedures set forth in these General Provisions. Unless otherwise provided for herein, the Agreement may not be amended or modified unless agreed to in writing by Bank.
- i. This Agreement is effective from the date the Services are accessed by Client and shall remain in force until termination.
 - ii. Bank may, in its sole discretion, terminate the Agreement in its entirety or with respect to one or more specified Services effective immediately if: (i) Client fails to maintain adequate collected and available balances to cover all transactions, costs and expenses relating to one or more Services; (ii) there is an occurrence of a material change in Client's credit and/or risk analysis criteria as determined by Bank in its sole and absolute discretion; (iii) Bank at any time determines that Client or Client's third-party vendor does not meet Bank's risk or other qualification requirements; (iv) Bank discovers any willful misconduct (including, but not limited to, writing or knowingly passing bad checks, or types of fraudulent activity) on the part of Client or any other party; (v) Client is in default of any terms of the Service Specific Provisions, including, but not limited to, violations of the Rules or other applicable law, of this Agreement where such default gives Bank the right to terminate, immediately or otherwise, the Agreement or a specific Service; (vi) Client has selected a particular Service, but Client has not used such Service for a period of time deemed to constitute an inactive Service by Bank (in Bank's sole discretion); (vii) Client is in default of any terms of the Agreement or any other agreement with Bank; or (viii) client is in violation, in the opinion of Bank, of any applicable federal or state law, including the provisions of the Unlawful Internet Gambling Enforcement Act. In any of these events, Bank's sole obligation shall be to provide notice of its termination of the Agreement to Client as soon as is commercially reasonable.
 - iii. Either party may terminate the Agreement, with or without cause, in its entirety or with respect to one or more specified Services at any time, upon thirty (30) days written notice to the other of its intent to do so.
 - iv. In the event of termination of the Agreement or any Service hereunder, the rights and responsibilities of the parties shall continue through any applicable settlement period including Client's responsibility to pay Bank for Services, and to maintain a reserve account as otherwise stated in this Agreement, with respect to transactions processed prior to the effective date of termination. If this Agreement, or any Service, is terminated by Bank, Bank may accelerate all amounts due and to become due under this Agreement, and Client shall promptly make full payment to Bank of all amounts due and amounts incurred under this Agreement. Upon termination, Client agrees to return any and all written and electronic documentation related to the Services to Bank. Client shall retain no copies in any form. The indemnification and liability provisions, as well as the provisions of this Agreement that protect the proprietary rights of Bank will survive any such termination.
- f. Assignment. This Agreement is binding upon and insures to the benefit of Bank and Client's successors in interest and permitted assigns. Client may not assign all or any part of its rights or obligations under the Agreement without Bank's prior express written consent, which may be withheld in Bank's sole discretion.

Bank may assign or delegate all or any part of its rights or obligations under the Agreement, including without limitation, the performance of the Services described herein.

- g. No Third-Party Beneficiaries. The Agreement is for the benefit of Client and Bank and is not intended to grant, and shall not be construed as granting, any rights to or otherwise benefiting any other person, except as expressly otherwise provided for in the Agreement.
- h. Other Agreements; Severability; Construction. If any provision of the Agreement or of any writing used in connection with the Agreement is unlawful or unenforceable, each such provision or writing will be without force and effect without thereby affecting any other provision hereof. The headings in the Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in the Agreement should be construed so the singular includes the plural and the plural includes the singular. Any provision that by its terms or operation is designed to survive termination, expiration or cancellation of this Service shall so survive.
- i. Governing Law. The Agreement will be governed by the laws of the State of Texas (without reference to its conflicts of law principles). In addition, any dispute arising from or related to Client's accounts with Bank or the Services provided hereunder shall be governed by applicable federal laws and regulations, Federal Reserve Bank Rules and Operating Circulars, and general commercial bank practices applicable to accounts such as those held by Client and Services such as those offered hereunder.

Treasury Management Services

A. ACH

1. Upon Client's completion of the Bank's required applications, Schedules to this Agreement, or additional agreements as required by Bank from time to time, and approval thereof by Bank, Client may initiate Entries (defined below) through Bank for deposit to, and for payment from, Accounts maintained at Bank, by means of the Automated Clearing House ("ACH") system, and Bank shall act as an Originating Depository Financial Institution ("ODFI") according to the terms of this Agreement. Client agrees as follows:
2. **Definitions.** The following additional terms are defined as follows:
 - a. "Entry" or "Entries" mean electronic orders through Bank to transfer funds by means of the ACH network.
 - b. "NACHA" is the National Automated Clearing House Association – www.nacha.org.
 - c. "ODFI" means Originating Depository Financial Institution.
 - d. "Originator" means a person that has authorized an ODFI (directly or through a Third-party Sender) to transmit, for the account of that person, (a) a credit Entry to the Receiver's deposit account or loan account with an RDFI or the RDFI's general ledger account, or, if the Receiver also is the RDFI, to such Receiver's account, (b) a debit Entry to the Receiver's deposit account with an RDFI or the RDFI's general ledger account, or, if the Receiver also is the RDFI for the Entry, to such Receiver's account, or (c) a non-monetary Entry with respect to the account of that person.
 - e. "Receiver" means a person that has authorized an Originator to initiate (a) a credit Entry to the Receiver's deposit account or loan account with an RDFI or the RDFI's general ledger account, or, if the Receiver is also the RDFI, to such Receiver's account, (b) a debit Entry to the Receiver's deposit account with an RDFI or the RDFI's general ledger account, or, if the Receiver also is the RDFI, to such Receiver's account, or (c) a non-monetary Entry with respect to the account of that person.
 - f. "RDFI" means Receiving Depository Financial Institution.

- g. “Rules” or “NACHA Rules” mean the operating rules of NACHA – www.nacha.org/c/achrules.cfm.

3. ACH Services Approval and Underwriting Process.

- a. Bank Approval and Monitoring of Client’s ACH Operations Risk. Client agrees and acknowledges Bank shall provide ACH Services subject to Bank’s approval. To obtain approval from Bank, Client is required to undergo Bank’s screening and risk analysis process regarding Client’s proposed ACH operations. After any initial approval for ACH Services by Bank, Bank shall also, in its sole discretion (including the occurrence of certain events described below), undertake additional ACH operations credit and risk analysis monitoring activities that Bank deems necessary, in Bank’s sole and absolute discretion, while Bank is providing ACH Services to an approved Client. Client agrees to cooperate with Bank regarding any ongoing risk analysis activities, including providing financial or other documents in a timely manner upon Bank’s request, and taking any risk mitigation or other ACH Entry origination procedures as required by Bank.
- b. ACH Operations Credit and Risk Criteria. Bank’s ACH operations credit and risk analysis shall be based on certain factors deemed relevant by Bank in its sole discretion, including, but not limited to, the following factors: (i) the credit worthiness, financial condition and financial performance of Client, particularly Client’s capital adequacy relative to Client’s ACH activity volume; (ii) the nature, conduct and geographic location of Client’s business, including whether Client engages in certain high-risk ACH activities or transaction environments, or whether certain “Standard Entry Class” (“SEC”) codes Bank either deems to be high-risk, or does not allow, are present in Client’s ACH transactions; (iii) the historic level and dollar amounts of Client’s ACH returns, including any return levels or dollar amounts in excess of generally acceptable ACH return parameters (as determined by Bank in its sole discretion), or a sudden increase in Client’s ACH return levels; and (iv) whether Client adheres to all authorization requirements set forth in the NACHA Rules. For the avoidance of doubt, under no circumstances is Client allowed to initiate any ACH Entries to a Receiver that is located in a country outside the U.S., and Client is specifically not permitted to initiate IAT Entries. Client understands that failure to abide by such restrictions may result in Bank immediately suspending or terminating Client’s ACH Services.
- c. Material Change in Credit and Risk Analysis Criteria. If Client is approved for ACH Services and either fails to maintain the minimum risk analysis criteria, or if, in the opinion of Bank, Client undergoes a material change in its operations that Bank believes increases the risk of Client’s ACH operations, then Bank may, in its sole discretion, take any and all of the following actions: require Client to establish a Reserve Account (as defined in Subsection d. below); or terminate ACH Services to Client, generally upon prior written notice from Bank, or immediately if Bank deems immediate termination necessary, to comply with NACHA rules (“NACHA Rules”). Events that constitute a material change in a Client’s business operations include, but are not limited to: (i) levels of ACH returns that exceed generally acceptable return levels (as determined by Bank); (ii) a significant or sudden increase in Client’s ACH return levels as compared to Client’s historic ACH return levels; (iii) significant changes in the nature of Client’s business, including its product and services lines or transaction environments; or (iv) the occurrence of any other event that Bank believes represents a material change in Client’s financial performance or financial condition. Upon learning of any such material change, Bank will inform Client of the issue, and Bank may exercise its right to temporarily suspend Client’s ACH Services in order to investigate the issue. After investigation, Bank may invoke its rights to require Client to establish a Reserve Account, or Bank may, in its sole discretion, exercise its right to terminate ACH Services to Client generally upon prior written notice from Bank, or immediately if Bank deems immediate termination necessary to comply with NACHA Rules.
- d. Reserve Account. Upon written notification by Bank, Client shall immediately establish a separate account funded with an amount required to protect Bank against the risks associated with Client’s ACH operations (the “Reserve Account”). Such Reserve Account must be established by the date requested by Bank, and the required Reserve Account amount expressly includes any existing or anticipated Client-related ACH returns, including all fees, costs, fines and penalties assessed against either Client or Bank associated with such Client-related ACH

returns. The Reserve Account will not bear interest, and Client will not have any right or interest in the Reserve Account funds; provided that upon satisfaction of all of Client's obligations under this Agreement, Bank will pay any funds remaining in the Reserve account no sooner than ninety (90) days after the effective date of termination of Client's ACH Services pursuant to NACHA Rules and Federal Reserve Board's Regulation E. Effective upon the establishment of any Reserve Account, Client irrevocably grants Bank a security interest in the Reserve Account and any and all funds in the Account, together with the proceeds thereof. Client also agrees to execute and deliver to Bank such instruments and documents that Bank may reasonably request to perfect and confirm the security interest and Bank's right of setoff in the Reserve Account. Client understands and acknowledges that Client's failure to establish and fund a Reserve Account immediately upon Bank's request shall be grounds for immediate termination of Client's ACH Services provided by Bank, with such termination in Bank's sole discretion.

4. **Required Prefunding of ACH Entries.** Unless otherwise approved in writing by Bank, Client shall prefund all ACH credit Entries by submitting the ACH credit Entries one Business Day in advance of the desired settlement date. If Client's account has funds that are at least equal to the aggregate amount of the ACH credit Entries, then the ACH credit Entries will be processed on the desired settlement date. However, if Client does not have the necessary funds available in its account, then the ACH system will cancel the ACH credit Entries and cancel them from Bank's system. Bank will notify Client that the ACH credit Entries were not processed via the "Alerts" section in Bank's Online Banking System. Bank shall not attempt to re-send the ACH credit Entries, and Client must initiate and submit new ACH credit Entries once Client's Settlement Account contains sufficient funds.
5. **Transmission of Entries.** Client will transmit entries to Bank at the location, in the manner, and before the deadlines, all as specified by Bank from time to time. The total dollar amount of Entries, and the frequency of the Entries shall not exceed the Limits imposed by Bank from time to time and shall not in any event exceed the funds available for payment of the Entries in the Settlement Accounts. Client authorizes Bank to transmit all Entries received by Bank from Client in accordance with this Agreement, and to credit or debit the entries to the specified Authorized Accounts.
6. **Security Procedures.** Client shall comply with the Security Procedures within the Bank Agreements, Schedules and Disclosures and established by Bank from time to time, and Bank may reject Entries initiated in violation of the Security Procedures. If Bank reasonably complies with the applicable Security Procedures, Client shall be responsible for any unauthorized Entries originating from Client and shall hold Bank harmless from such Entries. The persons authorized to act for Client shall be designated by Administrator. Bank shall provide Client with updated Security Procedures upon Client's request for ACH Services, and thereafter as updated by Bank. Client further understands, agrees and acknowledges that in the event that Client either refuses to follow or improperly uses the Security Procedures, Bank has the right to terminate ACH Services to Client, generally upon prior written notice from Bank, or immediately if Bank deems immediate termination necessary, in Bank's sole discretion, to comply with the NACHA Rules. Client agrees to be bound by any Entry, transfer or payment order Bank receives through the Services, even if the order is not authorized by Client, if it includes the Security Codes or is otherwise processed by Bank in accordance with Bank's Security Procedures.
7. **Transaction Limits.** The Treasury Management ACH Schedule, and any amendments thereto, set out the Company's per-transaction limits for each Entry by Payment Type. The transaction limit specified in the Treasury Management ACH Schedule applies to all accounts utilizing the Services for Entries through the ACH network. Administrator sets the per-transaction limit for Entries for each Authorized User (up to Company's Administrator's limit).
8. **Exposure Limits.** Client shall comply with the monetary File limits established by Bank.
9. **"Entry Settlement Limit"** means the maximum aggregate amount of In-Process Entries permitted to be outstanding at any time, which amount shall be separately communicated to Client by Bank in writing from time to time.

10. **“In-Process Entries”** means the aggregate dollar amount of all credit or debit Entries initiated by Client and in process on any date for which settlement has not occurred with respect to credit Entries, or the applicable period for the return of items has not expired with respect to debit Entries.
11. **“Overlimit Entry”** means an Entry the amount of which would cause the aggregate amount of In-Process Entries to exceed the Entry Settlement Limit.
12. Client agrees that Bank, in its sole discretion, may decline to process an Overlimit Entry. Bank may suspend any Overlimit Entry submitted by Client Member and may, following its receipt of an Overlimit Entry, suspend all In-Process Entries. Client acknowledges that any Overlimit Entry or other In-Process Entries suspended by Bank will not settle on their scheduled Settlement Date. If Member wishes to initiate an Entry that would cause the amount of In-Process Entries to exceed the Entry Settlement Limit, Member may submit to Bank its request to initiate an Entry that otherwise would be an Overlimit Entry. Client must submit its request at least two (2) Business Days prior to the date on which Member wishes to initiate the Entry that otherwise would be an Overlimit Entry. Bank may require from Client financial or other information in connection with Bank’s consideration of the request and Member agrees to promptly provide Bank with such information. Bank may grant or deny Client’s request at its sole discretion. In addition to the foregoing, Bank reserves the right, in its sole discretion, to limit the nature and amount of the preauthorized debit/credit Entries processed under this Agreement or to refuse to process any debit/credit Entries under this Agreement if, in Bank’s sole judgment: (i) there is reasonable cause to believe that any Entry will be returned or will not settle in the ordinary course of the transaction for any reason; (ii) to do otherwise would violate any limit set by the applicable clearing house association or any governmental authority or agency to control payment system risk; or (iii) a preauthorized credit Entry or the return of a preauthorized debit Entry would create an overdraft of Client’s Accounts. If any of the foregoing actions are taken by Bank with respect to a particular preauthorized debit/credit Entry, Bank will notify Client as promptly as practicable, but in no event later than two (2) Business Days after its decision.
13. **Rules.** Client has obtained, or has access to, the NACHA Rules. Client agrees to comply with, and be bound by, the NACHA Rules. Client will be responsible to procure updates and amendments to the NACHA Rules and to comply with them without express notice from Bank. Unless otherwise defined herein, capitalized terms have the same meaning as they have in the NACHA Rules. Client hereby understands and agrees that Bank is only able to provide ACH Services to Client via Bank’s role as both an ODFI and RDFI, as applicable, under the NACHA Rules, that Bank must comply with all of the NACHA Rules in order to provide ACH Services, and that Bank’s compliance with the NACHA Rules includes, but is not limited to, immediately ceasing any ACH Services provided to Client if Bank must, in Bank’s sole and absolute discretion, take such action against Client to comply with NACHA Rules and to avoid or mitigate any fines or penalties being assessed against Bank by NACHA for Client’s ACH activities. In the event Client violates any of the applicable ACH Rules and NACHA imposes a fine on Bank because of Client’s violation, Bank may charge the fine to Client. Client understands, acknowledges and agrees that it is Client’s sole responsibility to obtain a copy of the NACHA Rules, as well as any and all subsequent versions and updates to the NACHA Rules, which can be obtained from the NACHA website (www.nacha.org).
14. **Office of Foreign Assets Control (“OFAC”).** Client acknowledges that ACH transactions it initiates must comply with the laws of the United States, including OFAC-enforced sanctions. Clients who initiate ACH transactions should not be acting on behalf of, or transmitting funds to or from, any blocked party subject to OFAC-enforced sanctions. Bank, as the ODFI, may from time to time need to suspend processing of a transaction for greater scrutiny that might result in delayed settlement and/or availability. Client also acknowledges that failure to comply with applicable OFAC-enforced sanctions could result in liability for fines and other penalties assessed against Bank pursuant to OFAC enforcement, which Client agrees to pay directly or to reimburse to Bank. Information regarding OFAC requirements may be obtained at their website (<http://www.treas.gov/offices/enforcement/ofac>) or by calling the toll-free OFAC Compliance Hotline at 1-800-540-6322.
15. **Bank Obligations.** Subject to the provisions of this Agreement, Bank shall in a timely manner and in accordance with NACHA Rules, process, transmit, and settle for the Entries received from Client.

- 16. Warranties.** Client warrants to Bank without limiting the following:
- a. Each entry is accurate, is timely, has been authorized by the party whose account will be credited or debited and otherwise complies with NACHA Rules;
 - b. Each debit entry is for a sum which, on the settlement date with respect to it, will be owing to Client from the party whose account will be debited, is a sum specified by such party to be paid to Client, or a correction of a previously transmitted erroneous entry;
 - c. Client will comply with the terms of the Electronic Funds Transfer Act if applicable, or Uniform Commercial Code Article 4A (UCC4A) if applicable and shall otherwise perform its obligations under this Agreement in accordance with all applicable laws and regulations;
 - d. Client will retain the original or a copy of Client authorizations for consumer Entries as required by the NACHA Rules for a period of not less than two years after termination or revocation of such authorization and will, upon request of Bank, furnish such original or copy to Bank; and
 - e. Client shall indemnify Bank against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing warranties or agreements.
- 17. On Us Entries.** "On us" entries are defined as those transactions where the receiving account is held within Bank. Subject to the provisions of this Agreement, Bank will settle On-Us entries in accordance with the NACHA Rules, but not before the Effective Date, as provided herein. The Effective Date shall be determined in accordance with Bank policy then in effect.
- 18. Prenotification.** Client must comply with all prenotification requirements of the NACHA Rules. A prenotification is a non-dollar entry sent through the ACH network by an Originator to an RDFI. It conveys the same information (with the exception of the dollar amount and transaction code) that will be included on subsequent entries, and it allows the RDFI to verify the accuracy of the account data. The use of the prenotification process by an Originator is optional. Since the prenotification process helps to ensure that subsequent entries to a Receiver's account are posted correctly, we strongly recommend that Client initiate a prenotification entry for any new ACH transaction. If Client elects to originate a zero-dollar prenotification entry, Client agrees to wait three Business Days prior to originating the first dollar entry to that Receiver. The prenotification can be returned or result in a Notification of Change ("NOC") entry. If the prenotification is returned, Client shall research the problem and make any necessary corrections before transmitting another entry.
- 19. Payroll Processing.** Client may contract with a Third-party for the processing of all or part of Client's payroll Entries. It shall be Client's responsibility to make sure, and Client warrants that, Third-party is in compliance with all NACHA Rules, applicable law, and that Entries may not be initiated in violation of the laws of the United States. It shall be the responsibility of the Third-party and Client to deliver or transmit Entries in accordance with this Agreement. Payroll Entries will not be processed if Client's Settlement Account does not have sufficient collected balances to cover the aggregated value of the payroll Entries. Bank shall not attempt to re-send the ACH payroll Entries, and Client must initiate and submit new ACH payroll Entries once Client's Settlement Account contains sufficient funds. Client warrants that all payroll data, documents and information furnished to Bank are genuine and correct and that Bank shall have no duties or responsibilities whatsoever and shall never be deemed to be the agent of Client with respect to any matters involving the withholding or payment of amount pursuant to any pension, profit sharing, hospitalization, insurance, or other tax, social security, or other laws, rules, and regulations.
- 20. Provisional Credit.** Client acknowledges that the NACHA Rules make provisional any credit given for an Entry until Bank receives final settlement. If Bank does not receive final settlement, it is entitled to reverse the Entry and provide such notice as required by the NACHA Rules. With regard to ACH Credit Entries specifically, credit is given provisionally by the RDFI to the ACH Receiver for the Entry until the RDFI has received final settlement

through the ACH network. If the RDFI does not receive such payment for such Entry, then under the NACHA rules, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's Account and the Originator of the ACH Credit Entry will not be considered to have paid the amount of the Credit Entry to the Receiver.

- 21. Settlement.** Client will maintain an account (the "Settlement Account") with Bank at all times during the term of this Agreement. Client will maintain in the Settlement Account as of the applicable settlement date available funds sufficient to cover all credit Entries initiated by it. Client authorizes Bank to debit the Settlement Account on the applicable settlement date in the amount of each credit Entry. Client will maintain in the Settlement Account available funds sufficient to cover its Entries. Client also authorizes Bank, without prior notice, to debit the Settlement Account or any other account of Client for any amount payable under this Agreement. When required by Bank, Client will maintain sufficient available funds in the Settlement Account at the time Client initiates an Entry, to pay for the Entry.
- 22. Cancellation and Amendment.** Client shall have no right to cancel or amend any Entry after receipt by Bank. However, Bank shall use reasonable efforts to act on a request by Client to cancel an Entry before transmitting it to the Automated Clearing House or settling an On-Us Entry. Bank shall have no liability if it fails to cancel the Entry. Upon request, Bank may approve a reversing Entry initiated by Client to correct an Entry which Client initiated in error. All requests to reverse files must be transmitted by Client to the Bank's ACH Operator no later than the fifth banking day following the erroneous entry. Client shall notify the receiver of any reversing Entry which Client initiates. Notification to the receiver shall include the reason for reversal and shall be made no later than the settlement date of the reversing Entry.
- 23. Rejection of Entries.** Bank may reject and not process any Entry (or group of Entries), including an On-Us Entry, if it does not comply with applicable law, NACHA Rules, if the format is improper, if it violates the Security Procedures, if Client does not have sufficient available funds in its Account, or if Client is not otherwise in compliance with the terms of this Agreement. Bank shall use its best efforts to notify Client of such rejection no later than the Business Day such Entry would otherwise have been processed by Bank or, in the case of an On-Us Entry, its Effective Date. Bank shall have no liability to Client by reason of the rejection of any Entry or the fact that such notice is not given at an earlier time than that provided for herein. Bank has no obligation to originate a transaction where authorization has been revoked.
- 24. Notice of Returned Entry; Error Resolution.**

 - a. Notification to Client. Bank shall use its best efforts to notify Client of the receipt of a returned Entry (an Entry processed by Bank but returned for specific reasons by the RDFI or the ACH Operator) no later than one Business Day after its receipt.
 - b. Resubmission. Bank shall have no obligation to re-transmit a returned Entry if Bank complied with the terms of this Agreement and the NACHA Rules in processing the Entry. Bank shall remake Entries if the Entry was returned by the ACH operator due to mishandling of the Entries by Bank, but only if Client provides sufficient information to remake the Entry.
 - c. Limit on Resubmission. Except for RCK Entries, an ACH Entry returned for insufficient or uncollected funds may be reinitiated no more than two times following the return of the original Entry. For RCK Entries, an Entry returned for insufficient or uncollected funds may be reinitiated as long as the item has been presented no more than one time in its physical form and no more than one time as an RCK Entry.
 - d. Returned ACH Entry Warning Notices. Where Bank or NACHA believes the return rate for Client's Entries returned as unauthorized exceeds the normal and acceptable return rate for Client, Bank shall notify Client of such excessive administrative return rate and/or overall return rate. Client, upon request from Bank, will provide the following information: (i) Client's address, telephone number, contact person, principal owner(s) and taxpayer identification number; ii) the name, address, telephone number, contact person, principal owner(s) and

taxpayer identification number of any Third-Party Service Provider acting on behalf of Client with respect to origination of Entries, (iii) a general description of the nature of the business of Client; and (iv) an explanation of the reason(s) for the excessive return rate. The Client will provide this information to Bank within five Business Days after receipt of the request from Bank. As part of Bank's ACH Services underwriting process, Bank routinely monitors and submits reports to NACHA regarding Clients' historic ACH Entry return levels and dollar amounts. Under the NACHA Rules, if an individual Client's ACH Entry return levels exceed certain parameters, then Bank, as the ODFI, is instructed to take certain actions to mitigate a Client's unacceptable levels or dollar amounts of ACH Entry returns. If Bank does not comply with such requirements in its role as an ODFI, Bank is subject to censure, fines and penalties imposed by NACHA. Client understands and agrees that in order to protect itself from risks, and to inform its Clients of problems with returned ACH Entries, Bank has implemented an "Excessive ACH Returns Warning Notice and Escalation Procedure," whereby Bank will inform Client of Client's excessive ACH Entry return levels or dollar amounts, as determined by Bank in its sole discretion, and Client agrees to take all steps requested by Bank immediately to decrease the levels and/or dollar amounts of Client's ACH returns. If Client fails to comply with the required actions as outlined by Bank in any "Excessive ACH Returns Warning Notice," then such failure to comply shall be deemed to be a material violation of this Agreement, and Bank may, in its sole and absolute discretion, immediately terminate ACH Services to Client. Client also acknowledges and agrees that it is bound by all of the NACHA Rules and other applicable state and federal laws and regulations regarding error resolution procedures for Receivers (including those regarding erroneous Entries), Receiver authorization and return issues (including investigation and proper handling of Written Statement of Unauthorized Debit), and that Client or any of Client's Third-Party ACH processors have policies and procedures in place to investigate and resolve Receiver stop payment and revocation of authorization issues in accordance with NACHA Rules.

- 25. Periodic Statements.** The periodic statement issued by Bank for the Settlement Account will reflect credits and debits as a result of the Entries.
- 26. Data Retention.** Client shall retain data on file adequate to permit remaking of Entries for five Business Days following the date of their transmittal to Bank as provided herein and shall provide such data to Bank upon its request. Without limiting the foregoing, Client specifically agrees to be bound by and comply with all the applicable provisions of the NACHA Rules with regard to the retention of documents or any record, including, without limitation, Client's responsibilities to retain all items, source documents and records of authorization in accordance with NACHA Rules.
- 27. Notification of Change.** Bank shall provide Client all information, as required by the NACHA Rules, with respect to each Notification of Change ("NOC") Entry or Corrected Notification of Change ("Corrected NOC") Entry received by Bank relating to Entries transmitted by Client. Bank must provide such information to Client within two (2) Business Days of the Settlement Date of each NOC or Corrected NOC Entry. Client shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) Business Days of Client's receipt of the NOC or Corrected NOC information from Bank or prior to initiating another Entry to the Receiver's account, whichever is later.
- 28. Termination.** Bank may terminate the ACH Authorization Services with respect to Client for any reason set forth in other sections of this Agreement pertaining to ACH Services, and for any reason by giving Client prior written notice of termination at least thirty (30) days prior to the date on which Bank intends to terminate the ACH Authorization Services; provided, however, that if Bank believes, in its discretion, (a) that a Payable Item or a Credit Posting Item, as the case may be, has been returned due to incorrect or incomplete information given by Client to Bank regarding the Payable Item or Credit Posting Item, (b) an otherwise unauthorized ACH Debit Item has been paid or an otherwise unauthorized ACH Credit Item has been accepted due to incorrect or incomplete information given by Client to Bank regarding the item, (c) Bank is unable to pay a Payable Item due to the lack of sufficient funds in the Accounts to pay the Payable Item, or (d) there exists facts or circumstances that support the reasonable conclusion that (i) Bank or Client is or may be subject to losses for fraud, other illegal activity, mistake, negligence, or the communication of erroneous information arising from the actions of Client or any third-party, including Client's employees or agents, or (ii) Client may be unable in any respect to comply with these provisions for ACH

Authorization Services, Bank may terminate the ACH Authorization Services with respect to Client immediately and without notice. In the event Bank terminates the ACH Authorization Services with respect to Client immediately in accordance with the terms within the Agreement, Bank shall use reasonable efforts to communicate notice of the termination to Client promptly and will thereafter provide written confirmation of the termination if the initial notice of termination was not communicated in writing. Bank may require Client to execute additional documents or agreements to continue its use of the ACH Authorization Services. Client also agrees that upon termination of ACH origination activities by either Bank or Client, Bank may require Client to maintain an open Account with sufficient funds to accommodate any ACH Entries returned, or any other costs, associated with any ACH transactions occurring prior to the termination of ACH origination activities. This Account shall remain available for a minimum period of 60 days, or longer if Bank believes, in its sole discretion, that such time extension is necessary to accommodate additional ACH Entry returns or associated costs. The terms and provisions listed in the terms of this agreement hereof shall survive the termination of the ACH Authorization Services. CLIENT UNDERSTANDS AND EXPRESSLY ACKNOWLEDGES AND AGREES THAT, IN ADDITION TO THE LIMITATIONS ON LIABILITY SET FORTH ELSEWHERE IN THIS AGREEMENT, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK SHALL NOT BE LIABLE FOR ANY ACTUAL, CONSEQUENTIAL, INDIRECT, INCIDENTAL, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR ANTICIPATED PROFITS OR FOR ANY INDIRECT LOSS THAT THE CLIENT MAY INCUR OR SUFFER IN CONNECTION WITH BANK TERMINATING CLIENT'S ACH SERVICES IN ACCORDANCE WITH THIS AGREEMENT).

29. In the event American Bank permits the Client to perform the services of a Third-Party Sender (as defined in the NACHA rules) of ACH entries on behalf of other Originators, the Member must submit to the Bank a completed Third-Party Sender Addendum.

B. External Transfers

1. In lieu of ACH origination services, the Bank may offer external transfers to the Client. The Bank will establish the transfer to an account at an external financial institution. These transfers will be sent over the ACH network. As such, the NACHA rules will also apply to these transfers.

C. Digital Deposit and Image Capture Services

1. **The Service.** Bank's Digital Deposit Clearing Services ("DDCS") enables Client to submit to Bank, for deposit to Client's Account(s), electronic check images and associated information ("Check Images") in lieu of the original checks from which such Check Images were obtained. Upon Client's completion of the Bank's required applications, Schedules to this Agreement, or additional agreements as required by Bank from time to time, and approval thereof by Bank, Client agrees as follows:
2. **Confidentiality.** Client agrees to regard and preserve as confidential any and all information, material, documents, software, and data related to DDCS or its workings ("Confidential Information") and shall only use such information for the limited purpose of the activities reasonably contemplated by this agreement and agrees never to use or exploit any such Confidential Information for its own benefit or any third-party.
3. **Client Warranties.** Client agrees and warrants (regardless of whether the warrantee receives the substitute check or another paper or electronic form of the substitute check or original check) that no depository bank, drawee, drawer, or endorser will receive presentment or return of the substitute check, the original check, or a copy or other paper or electronic version of the substitute check or original check such that the bank, drawee, drawer, or endorser will be asked to make a payment based on a check that the bank, drawee, drawer, or endorser has already paid.
4. **Processing, Transmittal and Settlement by Bank.**
 - a. Except as otherwise provided in this Agreement, Bank shall (i) process deposits received from Client, (ii) transmit such deposits to Bank's correspondent bank, and (iii) settle for such deposits as provided by Bank in the Treasury Management Processing Schedule ("Processing Schedule").

- b. Bank shall transmit or complete the necessary batch authorization of such deposits by the Transaction Deadline of the deposits set forth in the Processing Schedule attached hereto provided (i) such deposits are received by Bank's related cut-off time set forth in the Processing Schedule on a Business Day and (ii) the Federal Reserve is open for business on such Business Day. Deposits shall be deemed received by Bank, 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 Processing Schedule.
- c. If any of the requirements of this Agreement and the Schedules attached hereto are not met, Bank shall use reasonable efforts to transmit such deposits to the Federal Reserve by the next deposit deadline of the Federal Reserve which is a Business Day and a day on which the Federal Reserve is open for business.

5. Deadlines and Collection.

- a. Bank, in its sole discretion, will select the methods by which data is received and forwarded, and the correspondent banks and Federal Reserve Banks necessary to electronically process Client's DDCCS transactions.
- b. Processing deadlines are set by the Bank and communicated to Client reserves the right to amend such deadlines as required by its own processes, by correspondent banks, and Federal Reserve Banks. Bank will process and return unpaid items in accordance with published Bank guidelines and schedules and will, as necessary, convert check images into substitute checks for processing.
- c. Client will maintain at least one Account with Bank, to which Bank will credit amounts received in collection of electronic entries through DDCCS. All such credits are provisional, and Bank may charge the account, as well as any other Account of the Client with Bank, for the amount of a returned, rejected or unprocessed DDCCS transaction. Client authorizes Bank to debit the Account(s) on the day the returned or rejected electronic debit entry is received by Bank or thereafter.

6. Client Responsibilities.

- a. Client agrees that it will maintain policies, procedures and audit practices to ensure that the check images captured and transmitted to and through Bank meet all of the requirements as defined by Check 21 Act, Section 5, and will maintain operating procedures to ensure that the original checks and substitute checks transmitted are properly safeguarded and destroyed by shredding methods such as strip cutting or cross cutting, in a timely manner to prevent the presentment of a check that a bank, drawee, drawer or endorser has paid. Bank reserves the right to audit Client's procedures and storage facilities, to ensure checks are safeguarded/destroyed properly.
- b. Client shall conduct reasonable and recurring system and hardware inspections and maintenance to ensure the system is operating within image standards as required by Bank for quality and resolution and maintain a record of such inspections and the results thereof. Client agrees that images that do not meet required standards may reject and be returned unprocessed to Client.
- c. Client agrees that it is solely responsible for the correctness, both as to content and form, of all information submitted to Bank as part of DDCCS and that it is the sole responsibility of Client to correct and resubmit any information that is not readable, out of balance, unprocessable, or otherwise inaccurate, incomplete or inadequate. If such condition exists, Client agrees that Account may be debited, if necessary.
- d. Client agrees that it shall reconcile and balance all posted and un-posted transactions daily and immediately notify Bank of any error discovered.
- e. Client acknowledges and agrees that any instruction or transaction submitted to the Bank using the DDCCS system using Client's Security Code shall be conclusively considered genuine, valid and fully authorized by Client. Client agrees to use any further or additional identification factor as reasonably requested by the Bank.

- f. Client must be the holder of an original check or substitute check (as defined by Check 21) payable to Client prior to initiating a DDCCS transaction for that item.

7. Financial Disclosure. Client agrees to provide Bank such financial information as Bank may reasonably request.

8. Record Retention.

- a. Client agrees to comply with all state and federal record retention statutes and regulations, including but not limited to maintaining original, paper checks for a minimum period of seven days and a maximum period of fourteen days in a fireproof container located in an access-restricted area.
- b. Client agrees to develop and maintain a data backup and disaster recovery contingency plan providing the means to withstand a catastrophic event and provide for the continuation and timely resumption of DDCCS services and operations.

9. Equipment and Software; Release of Liability.

- a. All hardware and software provided to Client by Bank for use with DDCCS remains the property of Bank and must be returned immediately to Bank upon termination of this Agreement. Client agrees not to copy any software or distribute software obtained pursuant to the DDCCS services to any third-party. Client agrees to replace/refund the Bank for all unreturned/lost hardware, previously assigned to Client for use with DDCCS processing.
- b. In order to use DDCCS, Client is required to obtain certain equipment, computer software, and telecommunication services as Bank may specify from time to time. Client is solely responsible for the performance and adequacy of the equipment, software, and services it purchases. Bank makes no representations or warranties concerning, and has no responsibility or liability for, such equipment, software or services even if specified as necessary by Bank. Notwithstanding anything in the Agreement to the contrary, if Bank provides any software in connection with DDCCS, Client may use that software on only one machine, without the specific written permission of Bank. The software may not be provided to an agent of Client without Bank's prior written consent, which may be conditioned upon the agent's agreement to contractual terms that are acceptable to Bank. Client agrees to routinely scan applicable hardware and software using current versions of reliable anti-virus protection applications, to detect and remove any viruses. In no event shall the Bank be responsible for any loss, claim, liability, damage, or other amount arising in any way, directly or indirectly, from any electronic virus or viruses that may be encountered. Bank reserves the right to audit the Client's anti-virus and security programs, to ensure performance and minimum requirements have been met. Client agrees to install and implement any changes and upgrades to the DDCCS System as required by Bank within 30 days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of DDCCS.
- c. Client agrees to pay Bank its then-current hourly fee for all maintenance, configuration, or other assistance with hardware or software relating to DDCCS and does hereby release Bank, its agents and employees and hold them harmless from all costs claims or damages arising from such activities, unless caused by Bank's gross negligence or intentional misconduct.

10. Third Party Image Cash Letter Service Providers.

- a. Upon request by Client, the Bank may approve Client's use of a third party to provide to it Image Cash Letter Services similar to DDCCS, however using software and equipment provided by such third party. Client acknowledges, certifies and agrees that the use of such services shall in all ways comply with the warranties,

certification, terms and conditions of this Agreement, including the provisions of this Digital Deposit and Image Capture Services provision. Bank shall not be obligated to revise or change its processes to enable third party Image Cash Letter Services. Client acknowledges and agrees that it will look solely to such third party Image Cash Letter Provider to resolve any disputes or discrepancies concerning transactions originated by or through such provider's services or equipment.

- b. Bank reserves the option in its sole discretion to approve any third party Image Cash Letter Provider proposed by Client and such approval may require Bank's required applications, Schedules to this Agreement, or additional agreements, audits or information as required by Bank from time to time. Bank may require initial and on-going function and security testing of any proposed third party Image Cash Letter Provider systems and the costs associated with such testing shall not be the responsibility of Bank. Bank further reserves the right to immediately revoke any third party Image Cash Letter Provider's authority hereunder in the event of non-compliance with this Agreement, violation of any statute or regulation related to the services contemplated, failure to provide additional agreements, audits or information as may be requested by Bank from time to time and, or failure to comply with any testing requirements of Bank.
- c. **RELEASE AND INDEMNITY:** TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CLIENT HEREBY AGREES TO REIMBURSE, RELEASE AND INDEMNIFY BANK, AND ITS AGENTS FOR AND HOLD BANK HARMLESS AGAINST ANY CLAIMS, CONTROVERSIES, LOSSES, LIABILITIES, SUITS, JUDGMENTS, COSTS, AND EXPENSES AT ANY TIME INCURRED IN DEFENDING AGAINST ANY SUCH CLAIM OR CONTROVERSY, ARISING OUT OF OR IN CONNECTION WITH TRANSACTIONS ORIGINATING BY OR A THIRD PARTY IMAGE CASH LETTER SERVICE PROVIDER.

D. Image Lockbox Services

1. **The Service.** Upon Client's completion of the Bank's required Schedules or other Applications to this Agreement, or additional agreements, as required by Bank from time to time, Bank agrees to provide various "Lockbox Services" for the purpose of improving collections and increasing availability of funds in selected Accounts as identified to Bank. Fees for such services are listed in the Bank's Lockbox Schedule of Fees and amended from time to time.
2. **Remittance Collection.** Bank (by and through its agent) will collect the contents of Client's Lockbox each Business Day. "Instructions" shall mean the Lockbox Instructions on Schedule or other Application, and any and all written additions thereto and modifications thereof. Bank will open or cause to be opened the envelopes or other contents of the Lockbox, remove and inspect all items, drafts, or other orders for the payment of money (collectively, referred to herein as "Items"), all money (U.S. currency and/or coin(s), hereinafter referred to as "Cash"), and enclosures, and handle the Items, Cash, and enclosures as provided herein. An acceptable Item is one that conforms with the following:
 - a. **Acceptable Payees.** The payee or endorsee of the Item must be the Client or one of the payees identified by the Client (individually, an "Acceptable Payee;" collectively, the "Acceptable Payees") or a reasonable variation thereof. If the payee or endorsee of an Item is not an Acceptable Payee or reasonable variation thereof, the Item will NOT be deposited. Bank reserves the right, in its sole discretion, to determine what is a reasonable variation of an Acceptable Payee. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CLIENT HEREBY AGREES TO REIMBURSE AND INDEMNIFY BANK, AND ITS AGENTS PERFORMING THE LOCKBOX SERVICES, FOR AND HOLD BANK HARMLESS AGAINST ANY CLAIMS, CONTROVERSIES, LOSSES, LIABILITIES, SUITS, JUDGMENTS, COSTS, AND EXPENSES AT ANY TIME INCURRED IN DEFENDING AGAINST ANY SUCH CLAIM OR CONTROVERSY, ARISING OUT OF OR IN CONNECTION WITH BANK'S DEPOSITING AN ITEM PAYABLE TO OR ENDORSED IN FAVOR OF AN ACCEPTABLE PAYEE OR A REASONABLE VARIATION THEREOF, AS AFORESAID.

- b. Amount. Either a written or numerical amount shall be on the Item, however, if the amounts differ, Bank will guarantee the written amount. If the Item amount is in embossed numbers, such amount will be guaranteed by Bank.
 - c. Missing Date. If the date on an Item is absent, the Item will be deposited as of the date of processing.
 - d. Postdated Item. An Item postdated three or more days after the date of receipt may NOT be deposited, in the sole discretion of Bank.
 - e. Stale Dated Item. An Item dated more than six months prior to the date it is collected from the Lockbox will normally be deposited, however, Bank may, in its sole discretion, elect not to deposit the Stale Dated Item and shall provide the item to Client.
 - f. Restrictions and Conditional Notations. Bank will not attempt to identify and segregate any Items bearing restrictive or conditional notations such as, but not by way of limitation, “Payment-in-Full,” “Balance on Account” or “Final Settlement.” Unless separate written agreement is executed by the parties, all Items so identified will be deposited, however, Bank may, in its sole discretion, elect not to deposit Items so identified and will be forward same to the Client and Bank shall have no liability to any person should it process and deposit an Item or Items bearing any such restrictive or conditional notation.
 - g. Signature. The Item should bear the maker’s signature and/or name. If the Item requires a drawer’s signature, but does not bear a signature, Bank will process the Item, as is, leaving the determination to pay or return the check to the payee bank.
 - h. Alterations or Restrictions. Items that contain apparent alterations or restrictions, either handwritten or typed, will normally be deposited, however, Bank may, in its sole discretion, elect not to deposit such Items and shall provide the Items to Client.
- 3. Processing Acceptable Checks.** Acceptable checks shall be accepted as received and processed in the following manner:
- a. Endorsement. Bank is authorized by the undersigned to endorse each check with “Credit Name Payee Absence of Endorsement American Bank - Lockbox.”
 - b. Deposits. The proceeds of each check shall be deposited to the Account listed in the Instructions, at which time Client shall become a depositor with respect to those checks and the collection of such checks shall be governed by the Bank Agreements, Schedules, other Applications and Disclosures.
 - c. Delivery of Enclosures and Other Papers. All statements, invoices, communications and other papers accompanying checks received in the Lockbox shall be delivered electronically to Client in the customary manner of Bank (usually available by 8:00 a.m. on the following Business Day via Online Banking), at Bank’s prevailing fee for such service. All Remittance Information received containing information governed by the Health Insurance Portability and Accountability Act of 1996 shall be sent to the Client’s address identified in the Instructions.
 - d. Cash. Client should advise their clients not to send Cash payments to the Lockbox. Cash received will be returned to Client’s address identified in the Instructions.
 - e. Record Retention. Bank will make reasonable attempts to retain an image record of each check deposited for a period of revolving two-year archive for images, reports, files and data, in order to reconstruct any specific deposit by means of duplicate images should the need arise, and a request be made by Client. Additional retention periods may be obtained by written agreement subject to separate fee.



The request for duplicate images will be complied with upon the collection of the Bank's prevailing fee for such service.

4. **Disposition of Unacceptable Checks.** All items which are not acceptable for deposit shall be sent to the Client's address identified in the Instruction.
5. **Returned Checks.** Checks deposited to Client's Account and returned unpaid because of "insufficient funds" or "uncollected funds" or the like, will be handled pursuant to and shall be governed by the Bank Agreements, Schedules and Disclosures.
6. **Payments Received at the Client's Office.** Payments sent directly to Client's office may, at the option of Client, be forwarded to the Post Office box for normal Lockbox processing.
7. **Foreign Currency.** Checks drawn in foreign currency shall be sent to the Client's address identified in the Instructions.

E. Fraud Management Services

When utilizing the fraud management services listed below, Client hereby releases and agrees to hold harmless, defend, and indemnify Bank, its directors, officers, employees, agents, affiliates, controlling persons, agents and representatives and their successors and assigns from and against any and all Losses incurred by reason of the Bank's refusal to pay any ACH debit entry or check or credit any credit entry in accordance with its use, or non-use of the Fraud Management Services described below.

1. ACH Blocks and Filters

- a. Client may authorize and instruct Bank to place a block on ACH debits or ACH credits or both as specified on the Accounts listed in the ACH Block authorization (the "Blocked Accounts") effective immediately. Client understands and agrees that the ACH block placed by Bank on the Blocked Accounts will stop ALL ACH debits or credits from posting to the Blocked Accounts, except as provided for in the ACH Block Exceptions identified in the ACH Block authorization. Any ACH entry that attempts to post to the Blocked Accounts will be returned by Bank to the originator as unauthorized for a debit entry and refused for a credit entry. Client agrees that Bank's obligations shall not begin until Bank has had a reasonable opportunity to implement the

ACH block contemplated in the related Addendum, which in no event will exceed 5 Business days from Bank's acceptance of the ACH Block authorization. The ACH Block will remain in effect until written notification from Client is received by Bank requesting it to remove or modify the ACH block and Bank has had a reasonable opportunity to act upon such written notification. Upon Bank's receipt of such notification, the services contemplated by this Section will terminate immediately.

- b. Upon authorization by Client by so designating in the ACH Block authorization, Bank may, in its sole discretion, provide for only specific ACH transactions to post to the Blocked Accounts, hereby known as "ACH Block Exceptions." ACH Block Exceptions require Client to provide specific data field values in the ACH Block authorization related to third parties whose ACH entries are allowed to post to the Blocked Accounts; provided, however, that those data field values must exactly match those contained in the ACH file requesting the ACH transaction.
- c. Bank retains the right, in its sole discretion and without liability to Client to return as unauthorized any ACH Block Exception transaction within twenty-four (24) hours after the transaction has posted against Client's Blocked Accounts.

2. ACH Positive Pay

- a. If you request, or Bank requires this service, Bank will suspend any ACH Debit entry initiated by a third-party to your designated accounts if that entry does not meet your pre-established ACH authorization rules, and we will present the suspended ACH entry to you electronically. You must then instruct us whether to permit or return the entry. You authorize us to return items if we do not receive your instruction for any reason by the Bank-established cut off time.
- b. The ACH positive pay service does not apply to transactions between the Client and the Bank. If an account does not have sufficient available funds to pay an ACH debit transactions, the Bank is not required to pay any ACH debit transaction against the account.
- c. The Client shall be responsible for creating and maintaining the ACH authorization rules within the Online banking system. ACH authorization rules may include the originating company, standard entry class, transaction type and maximum authorized dollar amount.

3. Check Positive Pay Services.

The Check Positive Pay service permits the Client to identify and make payment decisions regarding checks items presented for payment against the Client's deposit account. Positive pay services further allow the option of no checks being presented for payment on an account, all checks thereby being automatically returned unpaid.

- a. If Client elects to receive Positive Pay Services from Bank, Client shall manually enter into, or import into Bank's Online Business Banking System, or otherwise transmit to Bank, directly or through a third-party acceptable to Bank, in accordance with procedures specified by Bank from time to time, a file of checks issued each Business Day no later than the Bank-established cut-off time for issued items. The file shall include, but not limited to, the check number, date and amount of each check that the Client has issued from the deposit account. Bank or Bank's third-party vendor will match all presented checks with the data in the file including account number, serial number and dollar amount to determine if the check is valid and provide an electronic list of exceptions (the "Positive Pay Exception Report") to Client the following Business Day. Client shall promptly review the Positive Pay Exception Report and provide a pay/return decision for all exceptions, no later than the established cut off time for positive pay exception review. In the event that Client does not make a funding decision as to any exception item in the manner summarized above, Bank shall return the item unless specifically defined by the Client to pay the item, and Client waives all right to dispute the item.
- b. If offered by Bank and elected by Client, the Bank will also match the payee information on the items.
- c. If Client elects to receive Reverse Positive Pay services from Bank, Client shall not be required to provide Bank with the above-described check file. Instead, Bank will present each presented check to Client as an exception on the Positive Pay Exception Report. Client shall promptly, but by no later than the established cut off time for positive pay exception review, review the Positive Pay Exception Report and provide a pay/no pay decision for all items.

F. Wire Transfer Services

1. **The Service.** Upon Client's completion of the Bank's Schedules to this Agreement or additional agreements, as required by Bank from time to time, and approval thereof by Bank, Client agrees as follows:
2. **Authorization to Transfer Funds.** Subject to these Wire Transfer Services Specific Provisions, Bank is hereby authorized to honor, execute, and charge to Client's Account(s) any and all payment orders for wire transfers, whether received by telephone, telegraphic means, Online Banking Services, or through a computer device from Client's Authorized Representatives. Payment orders may be made in one or more of the following forms:

- a. Originating an electronic payment order via Online Banking.
 - b. If applicable and when initiated by Client, or Client's authorized agent, payment orders as authorized in a Wire Transfer Authorization, which is attached hereto and incorporated herein for all purposes (or another document of similar purport).
- 3. Accounts Subject to this Agreement.** Client's eligible Accounts are made subject to this Agreement by their inclusion in Online Wire Transfer Schedule. Further, each Authorized Representative listed in the Online Wire Transfer Schedule is authorized to issue payment orders for wire transfers of funds from the Accounts listed in Online Wire Transfer Schedule in accordance with the procedure described in the above paragraph 2.b. of these Wire Transfer Services Specific Provisions. Accounts eligible to become subject to this Agreement are:
- Checking Accounts
 - Savings Accounts
 - Money Market Accounts

No transfer may be made from time deposits, i.e. Certificates of Deposit (CDs), Individual Retirement Accounts (IRAs) or other accounts that may be restricted by their own terms.

Client must have sufficient collected funds in Client's Account to cover the wire transfer. Client may initiate a wire transfer only if the offsetting debit to Client's Account will not cause Client to exceed the account balance according to Client's records. If Client's records and Bank's records disagree regarding the account balance, Bank's records will control for purposes of processing Client's instructions. However, Bank may, at Bank's option, create an overdraft in Client's account and complete the wire transfer. If Bank does so, Bank will not be liable to Client for damages to Client for creating the overdraft. Client agrees to repay Bank immediately for any overdraft created by a wire transfer, together with Bank's costs of collection and reasonable attorney's fees.

Payment Orders and Wire Transfers. Bank will accept payment orders from Client during regular business hours on Business Days. Cut-Off time (or times) on Business Days for the receipt and processing of payment orders (and communications canceling or amending payment orders) are contained on the Processing Schedule. Any payment order or communication received after such cut-off time, or on a Saturday, Sunday, or bank holiday shall be deemed received on the next Business Day.

At Bank's sole discretion, Bank may handle Client's payment orders and those that Bank may receive from other Clients in any order Bank selects. Bank may use any means or routes that Bank, in Bank's sole discretion, considers suitable for executing a payment order.

Bank reserves the right to record electronically any telephone conversations between Bank and Client. By signing this Agreement, Client consents to Bank recording such conversations. However, the decision to record is totally within Bank's discretion and Bank will not be liable for the failure to record any conversation, whether intentional or otherwise.

Client agrees to provide Bank with all the information Bank is required to obtain under the Bank Secrecy Act and any other applicable federal or state laws and regulations. If Client fails to provide Bank with all the information required by law regarding any wire transfer, Client agrees that Bank is not obligated to complete such transfers and is not liable for any losses or damages resulting from Bank's refusal to execute such wire transfer.

Bank is under no obligation to comply with any payment order or make any wire transfer which would result in an overdraft of Client's account(s), based on available collected balance(s) on deposit as determined by Bank.

Bank, and any subsequent receiving bank, may execute payment orders initiated by Client for the wire transfer of



funds to a beneficiary in the name of the beneficiary and/or by specifying the account number of the beneficiary, which Client has furnished to us.

Client must ensure that all account numbers are accurate. In the event of a discrepancy between the name of the beneficiary and the account number, the payment order may be executed by use of the account number.

Once Bank has accepted Client's payment order, it cannot be cancelled or amended, except by mutual agreement. In the case of an error or an otherwise irregular wire transfer, Bank may, on Bank's own initiative, request that the funds previously transferred on Client's behalf be returned by the receiving bank, beneficiary's bank or the beneficiary. However, Bank is under no obligation to do so. Client's payment order is considered paid when it is executed, when the transfer is credited to the beneficiary's account on Bank's books, or when Bank has advised the beneficiary by telephone or other means of the credit, whichever occurs first, including wires completed or paid after the Bank's stated wire cut-off time.

Bank may, at Bank's discretion, call Client at the telephone number on file to verify that a payment order (or communication amending or canceling a payment order) is authorized. Client may change this number, if necessary, by written request.

If Client elects to initiate the payment order(s) via facsimile transmission, Client shall have the sole duty to ensure such authorization was properly sent to and received by Bank. Bank shall have no liability for losses sustained by unauthorized access as a result of a faulty transmission of the authorization.

For Client's protection, Bank may elect not to act upon a payment order if the payment order is not initiated in accordance with the Security Procedures, if Bank is unable to obtain proper verification of such payment order, which is satisfactory to Bank, or if there is any inconsistency between a payment order and information previously supplied. Bank will not be liable for any damages in these instances, nor in the instance of circumstances beyond Bank's reasonable control, including but not limited to any act or failure to act by a third person or entity.

- a. Security Procedures. Client agrees to comply with the Security Procedures set forth in the Bank Agreements, Schedules and Disclosures. As part of Bank's Security Procedures, Bank may, but is not required to, request written, signed instructions, which may be delivered in person or by fax. At Bank's sole discretion Bank may seek verification or further authorization of any transfer request or related instruction. Bank may contact Client by any reasonable means in order to obtain assurance of the authenticity or other correctness of a transfer request. Bank shall be under no obligation to do so in any case, however. If the verification is obtained by a callback, the callback may be recorded. If, upon attempting to obtain such verification, Bank is unable to do so, Bank may, in Bank's sole discretion, either make the transfer or decline to follow the instructions. In such event, Bank shall not be liable to Client for any actual loss of any kind or for any consequential, punitive, or exemplary damages in any amount, provided Bank has acted in good faith. Client agrees to be bound by any payment order for wire transfers Bank receives through the Services, even if the order is not authorized by Client, if it includes the Security Codes or is otherwise processed by Bank in accordance with Bank's Security Procedures.
- b. Transaction Limits. The Online Wire Transfer Schedule sets out the Administrator's per-transaction limits for each payment order for wire transfers that are performed using Online Banking. The transaction limits specified in the Online Wire Transfer Schedule apply to all accounts utilizing the Services for wire transfers. Administrator sets the per-transaction limit for payment orders for wire transfers for each Authorized User (up to Administrator's limit). **SHOULD ADMINISTRATOR NOT SET TRANSACTION LIMITS FOR AUTHORIZED USERS, CLIENT UNDERSTANDS AND AGREES THAT BANK OFFERED A MORE STRINGENT SECURITY PROCEDURE AND CLIENT DECLINED THAT SECURITY PROCEDURE. AS SUCH, CLIENT EXPRESSLY AGREES TO BE BOUND BY ANY TRANSACTION, WHETHER OR NOT AUTHORIZED, ISSUED IN CLIENT'S NAME AND ACCEPTED BY BANK IN COMPLIANCE WITH.**

THIS SECURITY PROCEDURE CHOSEN BY CLIENT, AND CLIENT UNDERSTANDS AND AGREES THAT BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO ANY TRANSACTION INFORMATION PROVIDED BY CLIENT TO BANK.

The per-transaction limits listed in the Online Wire Transfer Schedule apply to payment orders for wire transfers initiated through Online Banking only and do not apply to payment instructions initiated through other means, including but not limited to payment orders for wire transfers under paragraph 2.b. of the Wire Transfer Services Specific Provisions of this Agreement.

- c. Cancellation or Amendment of Payment Orders. Client may ask Bank to amend or cancel any transfer or related instruction, and Bank will use Bank's best efforts to comply with such request if the request is made at a time and in a manner, which gives Bank a reasonable opportunity to act on the request before Bank makes the funds transfer or carries out the instruction as Client originally requested. If Client asks Bank to recover funds which Bank has already transferred, Bank shall be under no obligation to do so unless and until Client's deposits with Bank are an amount reasonably determined in good faith by Bank to approximate the costs and expenses (including attorney's fees) which Bank may incur in attempting to recover the funds transferred. In lieu of such a deposit, Bank may request Client to provide a bond or other assurance. Bank will take such action, as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution, which received such funds. In no event, however, shall Bank be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred before Bank receives and has a reasonable time to act upon the request to amend or cancel the transfer request.

G. Target/Zero Balance Account

1. **The Service.** Client may authorize Bank to initiate automatic debits and credits to and from or several accounts to maintain a target balance, target balance range or zero balance in such identified account(s). Upon Client's completion of the Bank's Schedules to this Agreement or additional agreements, as required by Bank from time to time, and approval thereof by Bank, Client agrees as follows:
2. **Client Authorization.** Client must designate one master Account ("Master Account") and one or more subsidiary Accounts ("Subsidiary Accounts") for participation in Bank's Target balance account program Member hereby authorizes Bank to initiate automated transfers between the Master Account and Subsidiary Accounts under the Target Balance Program for the purpose of maintaining the specified target balance (the "Target Balance") in Client's Subsidiary Accounts. Member may designate any number of Subsidiary ZBA Accounts but may only designate one Master Account. All linked accounts must belong to the same legal entity.
3. **Automated Account Transfers under the Target Balance Program.** Under the Target Balance Program, Bank shall adjust the balances in the Subsidiary Accounts as required to bring any Subsidiary Account balance to the Target Balance. Transfers under the Target Balance Program will be initiated at the end of each Business Day. The Target Balance Accounts shall be treated as one system of related deposit accounts having an aggregate net daily balance position. In the event there are insufficient funds in any of the Accounts at the end of a Business Day, in order to fund a negative balance in any one of the other ZBA Accounts, All debit transactions must have sufficient collected balances to process and Bank may, in its sole discretion, return any item presented for payment in accordance with the Account Terms governing such Accounts.

H. Miscellaneous

1. **Additional Services.** We may, from time to time, make additional Services available. We will notify you of the availability and terms of these new Services. By using these additional Services when they become available, you agree to be bound by this Agreement, the related Service Agreement and any additional instructions, procedures and terms provided to you with respect to each of these new Services.



Treasury Services Terms and Conditions *continued*

2. Due to the ever-changing technological environment in which business and commerce operate, we from time to time may supply to you hardware and software upgrade requirements or alternative electronic delivery methods for Services. We will establish a reasonable conversion timeframe for you to convert to the new technology configuration. You are solely responsible for all expenses incurred to maintain the hardware and software compatibility level with us.