

These Treasury Solutions Terms and Conditions (these “**Terms and Conditions**”), effective as of March 10, 2026 (“**Effective Date**”), contain the terms and conditions under which Valley National Bank (“**Bank**”) will provide Treasury Solutions services (the “**Services**”). Part I of these Terms and Conditions contains the general terms and conditions applicable to all Services (the “**General Terms**”), and Part II contains the specific terms, conditions, service descriptions, and disclosures that govern each available Service (each, “**Product Terms**,” and Part II containing all the Product Terms is collectively the “**Product Appendix**”).

Each client (as further defined in Section 1(a) of the General Terms, “**Client**”) who signs the Enrollment Form (or other applicable Treasury Solutions Form) agrees to these Terms and Conditions, including the General Terms and the Product Terms applicable to the Service.

By enrolling in a Service, in addition to being bound by these Terms and Conditions, Client also agrees to be bound by other agreements, rules, procedures, forms, and documents applicable to each Service, as more specifically described in Sections 3(b) and 4(a) of the General Terms, all of which are incorporated by reference and made a part of this “Agreement,” as defined in the definitions section below.

Bank may amend these Terms and Conditions at any time, with or without notice to Client, as permitted by law. Any change shall be effective on the date the change was made and published. Any notice of change provided by Bank will be made available to Client in hardcopy or electronically, as permitted by Section 23(b) of the General Terms. Client’s continued enrollment in, use of, or payment for any Service will constitute Client’s agreement to be bound by this Agreement.

For any questions about this Agreement or any Service, Client may contact Bank via email at [Treasurymgmt@valley.com](mailto:Treasurymgmt@valley.com) or by phone at 866-245-4554.

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## PART I

### GENERAL TERMS

Part I contains the general terms and conditions that govern all Services. There may be other terms and conditions set forth that govern a specific Service. These General Terms are incorporated into any term or condition related to the specific Service when interpreting the applicable terms and conditions for such Service. If there is a conflict between these General Terms and a Product Term, then the Product Term shall govern relating to that Service (to the extent of such conflict), otherwise these General Terms control, subject to Section 4(b) of these General Terms. Client should review these Terms and Conditions carefully and keep a copy for its records.

#### 1. Definitions

(a) As used in this Agreement, the following capitalized terms shall have the meanings ascribed to them below:

**“Account”** means any existing or future deposit account maintained by Client at Bank.

**“Account Agreements”** is defined in Section 4(a) of the General Terms.

**“Account Balance”** refers to one of the following, as applicable, each as calculated by Bank:

(i) **“Accessible Balance”** applies to Accounts that are linked to other Accounts in connection with Bank’s automated funds transfer services, including the Commercial Loan Sweep, Controlled Disbursement, and Zero Balance Account Services. The Accessible Balance is the Available Balance in such Accounts after deducting all pending credits and debits to and from its linked Accounts.

(ii) **“Available Balance”** means the balance in an Account that is immediately available for use or withdrawal. It is calculated based on Ledger Balance (as defined below) minus pending credits and debits, including (1) check deposits that are not yet available for withdrawal under Bank’s funds availability policy, (2) debit card purchases that have been authorized and are pending, or other transactions that Bank is legally obligated to pay but have not been withdrawn from the Account, (3) other pending transactions such as ACH transactions, and (4) any holds on the Account (for example, holds on funds to comply with court orders or other legal requirements). The Available Balance may be reduced by the amount of any previously posted credits that are returned. Bank’s funds availability policy is described in the “Funds Availability” and “Your Ability to Withdraw Funds” sections of the Deposit Account Agreement.

(iii) **“Ledger Balance”** means the balance in an Account once credits and debits have been processed.

**“ACH”** means automated clearing house.

**“Administrator”** means a person selected by Client to be responsible for designating individuals to access and use a Service, and granting, limiting, or revoking their rights to view, initiate, or approve transactions using the applicable Service.

**“Agreement”** means these *Terms and Conditions* and includes (i) the General Terms and the Product Appendix, (ii) the Treasury Solutions Forms (iii) User Guides, (iv) Account Agreements, and (v) other agreements, rules, procedures, forms, and documents applicable to any Service, each of which as may be amended from time to time and are incorporated in and made a part of this Agreement by reference.

**“Applicable Law”** means (i) any foreign, federal, state, and local law, regulation, order, guideline, or other similar requirement enacted, promulgated, or applied by a governmental authority that is applicable to Bank, to Client, or the Services provided hereunder, including the Uniform Commercial Code as adopted by the state whose laws govern the Accounts (**“UCC”**); Regulation CC promulgated by the Board of Governors of the Federal Reserve System (the **“FRB”**); anti-bribery and corruption laws; the laws and regulations administered by the Office of Foreign Assets Control (**“OFAC”**); and the anti-money laundering laws under the Bank Secrecy Act and the USA PATRIOT Act and their implementing regulations, and (ii) any applicable automated clearing house rules, including the National Automated Clearing House Association (**“Nacha”**) Operating Rules and Guidelines (**“Nacha Rules”**).

**“Authorized Service User”** is defined in Section 6(a) of the General Terms.

**“Authorized Signer”** means a representative of Client authorized to execute Treasury Solutions Forms, as designated in Client’s Account Agreements.

**“Bank”** means Valley National Bank.

**“Business Day”** means Monday through Friday, excluding federal holidays and other days that Bank is legally permitted to close in New York.

**“Client”** means the business entity that executes Treasury Solutions Forms for the purpose of enrolling in the Services provided under this Agreement. For any Service for which multiple Related Entities are enrolled, as permitted under Section 17 of the General Terms, “Client” refers collectively to all such Related Entities except as context otherwise requires.

**“Client Systems”** is defined in Section 11(c) of the General Terms.

**“Confidential Information,”** in respect of a party, means such party’s proprietary or confidential information – including any technology, knowhow, processes, software, database, trade secrets, contracts, financial information (historical, current, or projected), business strategies, operating data, organizational and cost structures, products and services, pricing information, customer lists, client lists, business and contractual relationships, business forecasts, sales and merchandising, marketing plans, this Agreement, including Security Procedures and User Guides in graphic, oral, electronic (including any metadata), machine-readable (including any artificial intelligence), or written form, and including any derivative together with all documents or other embodiments thereof (regardless of the form in which it is provided or maintained by such party). Confidential Information includes information of an affiliate of either party, as well as products licensed and used by Bank in performing Services for Client. Any reference in this Agreement to **“Bank’s Confidential Information”** shall also include any proprietary or confidential information provided by a Third-Party Provider to Client in connection with a Third-Party Service.

**“Cut-off and Delivery Schedule”** means the *Treasury Solutions Cut-off and Delivery Time Schedule* (or any successor schedule) containing the Cut-off Times and Delivery Times applicable to the Services, as may be amended by Bank from time to time.

**“Cut-off Time”** means the time at which Bank will stop receiving or accepting Client’s Instruction or Transmittal of data in connection with a Service, as specified in the Cut-off and Delivery Schedule. The Bank will consider any Client Instruction or Transmittal of data received or accepted after the applicable Cut-off Time to be received or accepted on the next Business Day.

**“Delivery Time”** means the time by which Bank will deliver or otherwise make available to Client reports, data, or other information required in connection with a Service, as specified in the Cut-off and Delivery Schedule.

**“Designated Account”** means an Account designated by Client in the applicable Treasury Solutions Forms through which a Service will be processed according to the Product Terms applicable to such Service.

**“Effective Date”** means the date first written above.

**“Electronic Communication”** is defined in Section 24(d) of the General Terms.

**“Electronic Records”** is defined in Section 24(c) of the General Terms.

**“Enrollment Form”** means any document that is executed by the Client related to the Services specifying one or more Services for enrollment.

**“Equipment”** is defined in Section 11(a) of the General Terms.

**“FDIC”** means Federal Deposit Insurance Corporation.

**“Fee Account”** is defined in Section 13(c) of the General Terms.

**“Force Majeure Event”** is defined in Section 24(b) of the General Terms.

**“Fraud Mitigation Services”** is defined in Section 16(a) of the General Terms.

**“General Terms”** means the general terms and conditions that govern all Services provided by Bank, as described in Part I of these Terms and Conditions.

**“Indemnitee”** is defined in Section 20(a) of the General Terms.

**“Instruction”** means any communication, message, or other instruction by or on behalf of Client, whether orally or in writing, including any Payment Order.

**“Investable Balance”** means the portion of the Ledger Balance that the Bank treats as collected based on the Bank’s funds availability policy, minus Bank’s deposit reserve requirement. The Bank’s funds availability policy is described in the “Funds Availability” and “Your Ability to Withdraw Funds” sections of the Deposit Account Agreement.

**“Lead Company,”** in the context of enrollment by multiple Related Entities in Online Banking, means the Related Entity in whose name Client establishes its Online Banking Profile.

**“Linked Accounts”** means one or more accounts included in Client’s Online Banking Profile, including deposit and loan accounts maintained at Bank by Client and, if applicable, other Related Entities.

**“Loss”** means any claims, demands, actions, proceedings, judgments, injuries, losses, damages, fines, expenses, and costs (including attorneys’ fees and expenses of investigation), and liabilities of any nature whatsoever.

**“Notice”** has the meaning set forth in Section 23(a) of the General Terms.

**“Online Banking”** means Bank’s online or mobile banking system that Bank makes available to Client.

**“Online Banking Profile”** means the Online Banking account established in the name of (i) Client or (ii) if the Online Banking account includes Linked Accounts maintained by two or more Related Entities, the Lead Company.

**“Online User”** means a person authorized by an Administrator to access Online Banking and/or other Services accessed online and includes the Administrator.

**“Payment Order”** means an Instruction by or on behalf of Client to transfer funds from a Designated Account, including through a wire transfer, official check, ACH network, or other recognized method of transfer accepted by Bank (this specifically excludes manual transfers).

**“PIN”** means personal identification number.

**“Product Terms”** means the specific terms, conditions, service descriptions, and disclosures that govern each available Service, as described in Part II of these Terms and Conditions. Part II containing the Product Terms for available Services is the **“Product Appendix.”**

**“Related Entity”** is defined in Section 17(a) of the General Terms.

**“Security Incident”** is defined in Section 11(c) of the General Terms.

**“Security Item”** is defined in Section 7(a) of the General Terms.

**“Security Procedures”** is defined in Section 7(a) of the General Terms.

**“Services”** means any Treasury Solutions product or service provided by Bank.

**“Service Fees”** means fees, charges, and expenses as established by Bank for the provision of the Services, as provided in the most current fee schedule or other fee disclosures provided to Client. “Service Fees” include any additional fees and expenses for extraordinary Services.

**“Service Rules”** is defined in Section 4(b) of the General Terms.

**“Setup Form”** means any setup form for a particular Service.

**“SFTP”** means Secure File Transfer Protocol, which is a network protocol that allows files to be transferred between two computers on the internet over a reliable channel. SFTP is available for some of the Services at an additional cost.

**“Third-Party Provider”** is defined in Section 14(a) of the General Terms.

**“Third-Party Service”** is defined in Section 14(a) of the General Terms.

**“Transmit”** (“**Transmitted**” or “**Transmittal**,” as context requires) means to send data to Bank or a Third-Party Provider by uploading or manually entering the data in Online Banking, via SFTP, or such other electronic means or channels as Bank or a Third-Party Provider may make available for an applicable Service.

**“Treasury Solutions Forms”** include the Enrollment Form, any Setup Form, and any other agreement, documentation or forms required by Bank from time to time in order for Client to receive one or more Services, in each case, regardless of whether expressly designated as a “Treasury Solutions” agreement, documentation, form, or otherwise.

**“User Guides”** is defined in Section 4(a) of the General Terms.

- (b) In these Terms and Conditions, (i) words importing the singular shall include the plural, and vice versa; (ii) the words “including,” “includes,” and similar terms shall mean “including without limitation;” (iii) the words “hereunder,” “hereto,” and “herein” shall refer to these Terms and Conditions and not any particular section of these Terms and Conditions, unless the context clearly indicates otherwise; (iv) section headings are for convenience only and are not to be considered a substantive part of these Terms and Conditions; (v) references to Bank’s forms, schedules, and other documents referenced in these Terms and Conditions (including Treasury Solutions Forms) include any replacement or successor forms, schedules, or other documents; (vi) no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of these Terms and Conditions, including any rule of construction by which ambiguities are interpreted against the drafting party, any of which shall have no force or effect; and (vii) references to any law or regulation refer to that law or regulation as amended from time to time and include any successor law or regulation.

## 2. Scope of Services

Subject to these Terms and Conditions, Bank shall provide to Client one or more Services identified in the Product Appendix as Client may request. Some of the Services included in the Product Appendix may not be available in certain market areas or customer segments. In addition, Bank may provide Services that are not specifically included in the Product Appendix. By enrolling in and using any Service, Client agrees that the Service will be governed by the Agreement.

## 3. Service Requirements

- (a) Prior to enrolling in any Service, Client shall open and maintain one or more Accounts at Bank in accordance with the Bank’s requirements. Client shall maintain sufficient Account Balance to conduct transactions in each Account and pay the applicable Service Fees due to Bank.
- (b) To enroll in a Service, Client shall complete and submit to Bank a signed Enrollment Form. For applicable Services, Bank may require Client to complete and submit one or more Treasury Solutions Forms. All Treasury Solutions Forms must be timely delivered in a form satisfactory to Bank, in its sole and absolute discretion. Client hereby authorizes any person authorized under Client’s Account Agreements to sign all Treasury Solutions Forms required by Bank. Client may change previously

submitted information or Instructions on Treasury Solutions Forms by fulfilling Bank's required process to make any such change. Such change shall not be effective until Bank implements the change within a reasonable time.

- (c) The person (or persons) who signed the applicable Treasury Solutions Form(s) is (or are) entitled to appoint an Administrator for Client and any other Related Entity.
- (d) If a Service requires Bank to extend credit to Client or on its behalf, Client shall provide Bank such information about its financial condition, business, and operation as Bank may require in connection with its underwriting and approval process. For all Services, Client shall provide any information required or requested by Bank, all of which shall be true, accurate, and complete. Client shall immediately notify Bank if at any time its information is no longer true, accurate or complete.
- (e) Bank will not provide any Service until Client provides all required Treasury Solutions Forms (and any other information requested by Bank) and Bank has approved Client's enrollment in the applicable Service. No Treasury Solutions Forms are effective until approved by Bank. Bank has no obligation to approve Client's use of any Service, and any approval by Bank is subject to Bank's sole and absolute discretion. Bank's approval of any Service for Client begins on the date Bank provides Client with access to the Service. Upon approval, Bank will provide the applicable Service to Client in accordance with these Terms and Conditions.
- (f) As part of the implementation of certain Services, Bank may (but shall not be required to) provide one or more training modules to Client on the use of the Service at no charge. Client shall be solely responsible for any other training of its employees, and as applicable, Authorized Service Users. Client acknowledges that Bank's training is designed to ensure proper understanding of Client's obligations for the applicable Service.

#### 4. Agreements Governing Services

- (a) These Terms and Conditions shall govern the provision of any Service provided to Client. In addition, Bank or its Third-Party Provider may provide or otherwise make available to Client user guides, requirements, and procedures (collectively, "**User Guides**") for some or all the Services, which contain additional terms and conditions that govern the use of the Services. Client shall fully comply with the User Guides. The Designated Accounts established in connection with a Service are also subject to Bank's Deposit Account Terms and Conditions, Schedule of Fees, Privacy Policy, product descriptions, and any other account and service-related forms, disclosures, agreements or other documents applicable to the Designated Accounts, including any source that designates Authorized Signers or other authorized persons for the Designated Accounts (collectively, the "**Account Agreements**"). Client acknowledges that it has signed and executed all required Account Agreements. If Client has not signed an Account Agreement as required by Bank, by enrolling in any Service, Client acknowledges that it has read the contents of and agrees to the Account Agreements, and adopts and ratifies, as an authorized signatory, the signature of any person who has signed a signature card or any check on Client's Account. Client also agrees to establish all accounts that must be opened in conjunction with any Service provided by Bank. Further, by enrolling in any Service, using any Service, allowing any other person to enroll in or use any Service on its behalf, or making any payment to Bank for any Service, Client agrees to be bound by this Agreement (including these Terms and Conditions, the Treasury Solutions Forms, the User Guides, and the Account Agreements, as each of the same may be amended from time to time). However, Client is not required to comply with any Product Terms for a Service if Client is not enrolled in the applicable Service.
- (b) The Treasury Solutions Forms, User Guides, and Account Agreements are incorporated in and made a part of these Terms and Conditions by reference (as if set forth herein and therein). Bank may provide to Client other guidelines, procedures, and/or technical specifications that are applicable to a Service (collectively, the "**Service Rules**"), which are also incorporated in and made a part of this Agreement by reference (as if set forth herein and therein). Client shall fully comply with the Service Rules. Except as expressly provided otherwise in this Agreement, conflicting provisions will be resolved in the following order of priority, but only to the extent reasonably necessary to resolve any conflict: the Service Rules, the User Guides, the Treasury Solutions Forms, the Product Terms, the General Terms, and finally, the Account Agreements.

#### 5. Prohibited Use of Service

- (a) Client may access and use the Services solely in the manner authorized under this Agreement for the lawful operation of its own business. Accordingly, Client acknowledges, represents, warrants, and agrees that the Services under the Accounts are not accounts established primarily for personal, family or household purposes. Client may not use the Services for any unauthorized purpose without the prior written consent of Bank, which may be withheld in Bank's sole and absolute discretion. Client shall not (i) re-sell, provide, assign, transfer, or distribute a Service to any other person, (ii) allow any third party to use a Service, including any of Client's affiliates or any of Client's own customers, or (iii) use any Service to assist Client with its provision of services to Client's affiliates, Client's customers, or any other third parties.
- (b) Client agrees not to use or attempt to use the Services in any manner to (i) engage in any illegal purpose or activity or violate any Applicable Law, (ii) breach any contract or agreement by which Client is bound, (iii) cause damage or harm to any person or system, or by its application is used to circumvent any law, regulation or rule, or (iv) engage in any internet or online gambling transaction whether or not gambling is legal in any applicable jurisdiction.

- (c) Client acknowledges and agrees that Bank is not obligated to monitor Client's use of the Services for transactions or activities prohibited under the terms of this Agreement (or otherwise prohibited by Bank policies). However, Bank has the right, without notice to or the consent of Client, to terminate any Service, reject or otherwise prevent any transaction or activity, suspend any Service, and/or close any Account if Bank, in its sole and absolute judgment, reasonably suspects that Client is using the Services in a prohibited manner, in violation of applicable laws and regulations, and/or is violating (or may have violated) the terms of this Agreement or any policies of Bank.

## 6. Authorized Service User

- (a) Client shall provide access to the Services only to (i) individuals that it has authorized in some capacity to act on its behalf in connection with this Agreement or the Services, including individuals authorized according to the Account Agreements, (ii) Administrators, (iii) Online Users, and (iv) any other individuals designated in the Treasury Solutions Forms as contact persons for the Services (collectively, "**Authorized Service Users**"). Client's designation of any Authorized Service User, and the removal or change to that designation, must be made in a manner and form acceptable to Bank in its sole and absolute discretion. Client represents and warrants to Bank that each Authorized Service User is duly authorized by Client to give Instructions to Bank and to engage in any transaction for the Services applicable to the Designated Accounts under that Authorized Service User's permission, designation, or authority. An Authorized Service User's authority continues until revoked or modified by Client in writing or by execution of system settings, as required by Bank, and Bank has had a reasonable time to act upon the revocation or modification. Client is solely responsible for determining which of Client's personnel or agents will be designated as Authorized Service Users. Bank has no obligation or duty to investigate or confirm the Authorized Service Users designated by Client.
- (b) Client shall ensure that its Authorized Service Users use the Services and provide Instructions to Bank in compliance with this Agreement and only as authorized by Client. Any act or omission of an Authorized Service User will be deemed to be an act or omission of Client. Any Instruction provided by an Authorized Service User to Bank and any communication provided by Bank to an Authorized Service User will be deemed to be an Instruction from or communication to Client. Client shall be liable for all Instructions, acts, and omission of its Authorized Service Users, regardless of whether a person was actually authorized by Client or acting within the scope of that person's permission, designation, or authority, and regardless of whether Client had knowledge of the applicable Instructions, acts, or omission. Client agrees to regularly monitor its Authorized Service Users' access to and use of the Services. If Client becomes aware of or suspects fraud or misconduct by any Authorized Service User, it shall promptly inform Bank and terminate that Authorized Service User's access to the Services. Bank shall not be liable for any actions whatsoever taken by any Authorized Service User, or any other person or entity representing to Bank that it has authority to act on behalf of Client.
- (c) Client may have direct access to manage Authorized Service Users by utilizing an Administrator, including the deletion of one or more Authorized Service Users.
- (d) Bank has the right, but has no obligation, to manage Authorized Service Users to prevent or mitigate risk or as otherwise deemed necessary by Bank in its sole and absolute discretion (including when the Administrator must be removed or when the Administrator is unable to remove Authorized Service Users). In instances where Bank is managing Authorized Service Users (and related employee user IDs), the deletion of one or more Authorized Service Users may be made by telephone but shall be confirmed by email immediately thereafter from an Authorized Signor of Client. Revised Treasury Solutions Forms concerning any change related to an Authorized Service User's permission must be sent by Client to Bank within two Business Days thereafter (provided that Bank is entitled to rely upon and shall not be liable for following any Instruction made by telephone that is not confirmed by email within two Business Days). In all other instances where Bank is managing one or more Authorized Service Users (and related employee user IDs), Client agrees to promptly deliver to Bank updated Treasury Solutions Forms in advance to make any changes whenever there are deletions from or additions to the lists of Authorized Service Users. If written confirmation is not timely received, Bank will continue to rely on Client's most recently executed Treasury Solutions Forms, and Bank shall not be liable for any loss incurred by Client as a result of Bank's continued reliance thereon.

## 7. Security Procedures

- (a) Bank may establish security procedures to be used in connection with some or all of the Services ("Security Procedures"), which may include an Online Company ID, user ID, passwords, PINs, codes, user identification technologies, token devices, out-of-band authentication, biometric validation, Dual Control Process, encryption including, but not limited to, secure e-mail, SFTP, verification call-backs and/or other tools of identification or authentication (each a "Security Item") which Bank may require in its sole and absolute discretion. Client also agrees that any Fraud Mitigation Service made available by the Bank would each be considered a Security Item, particularly because of the substantial likelihood of any Fraud Mitigation Service to reduce Losses associated with an unauthorized, altered, forged, counterfeit, or other fraudulent checks and ACH items. Any one or a combination of Security Items shall constitute Security Procedures. If a Service requires Client to designate an Administrator, except as otherwise provided in the applicable Product Terms, Client hereby authorizes the Administrator to assign any assignable Security Item. Client further authorizes the Administrator to change, de-activate, and re-assign any Security Item in his or her sole and absolute discretion, subject to any restrictions under the Product Terms applicable to the Service.

- (b) Bank may amend, implement, or supplement the Security Procedures from time to time by providing notice to Client. Any change will become effective (i) immediately if the change is required for security reasons or by Applicable Law, or Bank determines in its reasonable discretion that the change will not have a material adverse effect on Client's use of the Services, and otherwise, (ii) the earlier of: (x) the date indicated on the notice to Client and (y) the date upon which the change was implemented, published or became effective. Client agrees to any change, without any further action or consent required by Client if Client continues to be enrolled in, use, or pay for a Service after any change to the Security Procedures for that Service. The Bank may, but shall not be required to, consider any requests to modify or suspend any Security Procedures at its sole and absolute discretion, which may include the execution of a waiver and/or release or similar document by Client.
- (c) **CLIENT ACKNOWLEDGES THAT THE BANK HAS MADE ONE OR MORE SECURITY PROCEDURES (INCLUDING ANY FRAUD MITIGATION SERVICE) AVAILABLE FOR CLIENT'S USE. CLIENT ALSO ACKNOWLEDGES THAT EACH SECURITY PROCEDURE IS COMMERCIALY REASONABLE AND INDUSTRY STANDARD. CLIENT SHALL BE FULLY RESPONSIBLE FOR IMPLEMENTING AND APPROPRIATELY USING THE SECURITY PROCEDURES. BANK SHALL HAVE NO LIABILITY TO CLIENT IF CLIENT (A) FAILS TO IMPLEMENT ANY SECURITY PROCEDURES INCLUDING, BUT NOT LIMITED TO, ANY FRAUD MITIGATION SERVICE, EACH OF WHICH ARE INTENDED TO DECREASE THE RISK OF UNAUTHORIZED TRANSACTIONS AND ARE DESIGNED TO VERIFY, DETECT, DETER OR PREVENT LOSSES IN CONNECTION WITH UNAUTHORIZED, ALTERED, FORGED, COUNTERFEIT OR OTHER FRAUDULENT TRANSACTIONS, AND/OR (B) FAILS TO IMPLEMENT COMMON SENSE AND/OR REASONABLE MEASURES TO PROTECT THE SECRECY OF SECURITY ITEMS, PROMPTLY REVIEW ONLINE TRANSACTION ACTIVITY OR BANK STATEMENTS FOR UNAUTHORIZED ACTIVITY, OR IMMEDIATELY REPORT SUSPICIOUS ACTIVITY TO BANK. IN ADDITION, BANK SHALL HAVE NO LIABILITY IF CLIENT DECLINES OR OTHERWISE FAILS TO USE, BYPASSES, SUSPENDS, TAMPERS WITH OR OTHERWISE CAUSES SUCH SECURITY PROCEDURES TO BE INEFFECTIVE OR UNAVAILABLE. CLIENT AGREES THAT THE FAILURE BY CLIENT TO USE OR FOLLOW ANY SECURITY PROCEDURES IN THE MANNER INTENDED WOULD BE CLIENT'S FAILURE TO EXERCISE ORDINARY CARE. THEREFORE, CLIENT AGREES TO ASSUME FULL RESPONSIBILITY FOR AND BEARS THE RISK OF LOSS ASSOCIATED WITH SUCH FAILURE UNLESS SUCH LOSS WAS DIRECTLY CAUSED BY THE BANK'S NEGLIGENCE.**
- (d) Client shall implement, use, and follow the Security Procedures for any Service that involves the use of a Security Procedure. Bank shall not be responsible for determining whether a Security Procedure has been breached by Client or any third party. Client agrees that it shall be solely responsible for ensuring compliance with any Security Procedures established by Bank, and that Bank shall have no liability for any Losses sustained by Client as a result of a breach of the Security Procedures, to the maximum extent permitted by Applicable Law.
- (e) Bank shall not be obligated to act on any Instruction that is not Transmitted under the applicable Security Procedures and may refuse to act on any Instruction if Bank has reasonable doubts about its authorization, contents, origination, or compliance with the applicable Security Procedures. Further, Bank shall not be responsible for refusing to act upon any Instruction that does not comply with this Agreement, including where Bank's reasonable efforts to verify the Instructions under the Security Procedures have failed or where the Bank's action is delayed until verification can be obtained.
- (f) Any Security Procedures maintained by Bank are not intended to detect errors in the Transmittal or the content of an Instruction received from Client or to prevent duplicate transactions. The duty to detect any error is Client's sole responsibility. Client understands that Bank may (but is not required to) take action beyond the standard Security Procedures established by Bank in order to detect errors or unauthorized Instructions. Bank shall not be liable to Client for failing to take such additional actions.
- (g) Client acknowledges that if Client uses unsecured or public wireless networks or clicks on links sent to their e-mail or mobile device materially increases the risk of unauthorized access, account or device takeover, and fraud which are beyond the Bank's control. Accordingly, Client agrees to avoid using public or unsecured networks when accessing Client's e-mail or mobile or computer devices, especially when accessing Online Banking or Services. Client also agrees to ensure that all devices used for such access are protected by appropriate security measures, including current operating system updates, antivirus software, firewalls, and multifactor authentication where available. The Client further agrees that Client's failure to abide by this Section (Security Procedures) would constitute Client's failure to exercise ordinary care. To the fullest extent permitted by applicable law, the Bank shall not be liable for any Losses, damages, or unauthorized transactions resulting from or arising out of (i) the Client's use of public or unsecured networks, or (ii) any email compromise, account takeover or computer or mobile device compromise that is not within the Bank's control, even if such transactions are processed in accordance with the Bank's Security Procedures and appear to be authorized by the Client.
- (h) Client agrees to change passwords and other applicable Security Items periodically and whenever anyone who has had access to Security Items (or any Security Procedures) is no longer authorized by Client to use the Services. Regardless, Bank may require that Client change passwords and other Security Items at any time.
- (i) If Client has any reason to believe that any Security Procedure has or may have become known by unauthorized persons, Client shall immediately notify Bank by telephone and confirm any oral notification in writing to Bank within one (1) Business Day of the oral notification. To the maximum extent permitted by Applicable Law, Client is solely liable for all transactions initiated before Bank has received written notification and has had a reasonable opportunity to take action on such notification.
- (j) Client represents to Bank that Client considers the Security Procedures to be commercially reasonable for the size, type, and frequency of transactions Client anticipates submitting through the applicable Service.

- (k) Client acknowledges that, if ACH Origination or Wire Transfer Services are selected, Bank may issue tokens to Online Users, subject to the ACH Origination Schedule and Section 3(h) of the Wire Transfer Schedule. Use of the token number assigned to Online Users will constitute Client's acceptance of Bank's terms and conditions relating to tokens. Any Online User initiating an external transaction via Online Banking on behalf of Client by entering the correct token is deemed as acting with the full authority of Client.

Each Online User is responsible for maintaining the confidentiality of tokens and any breach of confidentiality must be promptly reported to Bank. Bank may prohibit access to Online Banking if Bank reasonably believes that the confidentiality of a token was compromised.

- (l) Client acknowledges and agrees that by providing any personal or proprietary information through Online Banking, Client consents to the transmission of its personal or proprietary information to Bank (and to its agents and processors as necessary for secure processing under Bank's standard business practices).

(m) *For Payment Orders.*

- (i) Client agrees that the authenticity of Payment Orders issued to Bank in the name of Client as sender will be verified according to a Security Procedure. Client acknowledges that it has been informed of Bank's Security Procedures applicable to Payment Orders and has elected to use those Security Procedures for Payment Orders. Client further acknowledges and agrees that those Security Procedures are a commercially reasonable method of providing security against unauthorized Payment Orders given Client's particular circumstances, including the nature of Client's business; the size, type, and frequency of Client's Payment Orders; Client's internal procedures and systems; and the security procedures in general use by other clients and banks similarly situated. Any Payment Order received by Bank in compliance with the applicable Security Procedure is effective as the order of Client, whether or not authorized, if Bank accepts the Payment Order in good faith and in compliance with the Security Procedure and any written agreement or Instruction of Client restricting acceptance of Payment Orders issued in the name of Client. Bank is not required to follow an Instruction that violates a written agreement with Client or notice of which is not received at a time and in a manner affording Bank a reasonable opportunity to act on it before the Payment Order is accepted. Client acknowledges that the Security Procedures are used to verify the authenticity of, and not to detect errors in, any Payment Order. In addition, if any Payment Order was actually communicated or authorized by Client or Client otherwise benefited from the applicable Payment Order (or any resulting transfer), then Client will be obligated to pay Bank the amount of the related transfers without regard to whether Bank complied with the Security Procedures.
- (ii) If Client continues to be enrolled in, use, or pay for a Service after Bank changes a Security Procedure applicable to Payment Orders under Section 7(b), Client agrees that, given such circumstances, the changed Security Procedure is a commercially reasonable method of providing security against unauthorized Payment Orders.
- (iii) If Client selects an alternative Payment Order security procedure to use in connection with a Service, the Client understands and agrees that the security procedure Client selects may not be commercially reasonable or as protective as the Security Procedure offered by Bank. As such, Client understands and accepts all the risk and resulting Loss for its failure to use the Security Procedure imposed by Bank.
- (n) CLIENT SHALL BE SOLELY RESPONSIBLE FOR MAINTAINING THE SECURITY, CONFIDENTIALITY AND INTEGRITY OF EACH SECURITY ITEM, DEVICE, SYSTEM, AND ACCESS TO ONLINE BANKING AND TO ANY SERVICE. BANK'S SECURITY PROCEDURES ARE STRICTLY CONFIDENTIAL AND SHOULD BE DISCLOSED ONLY TO AUTHORIZED SERVICE USERS WHO HAVE A NEED TO KNOW IN CONNECTION WITH THEIR ACCESS TO AND USE OF THE SERVICES. CLIENT SHALL MAINTAIN PHYSICAL, ELECTRONIC, AND PROCEDURAL SAFEGUARDS TO PREVENT UNAUTHORIZED ACCESS TO THE SERVICES AND DISCLOSURES OF THE SECURITY PROCEDURES. CLIENT SHALL TRAIN AUTHORIZED SERVICE USERS REGARDING THE RISKS ASSOCIATED WITH SHARING SECURITY ITEMS WITH OTHER PERSONS, INCLUDING SHARING ONLINE USERS' PASSWORDS WITH OTHER CLIENT EMPLOYEES OR BANK EMPLOYEES. UNDER NO CIRCUMSTANCES WILL BANK SOLICIT OR REQUEST BY EMAIL, TELEPHONE, OR OTHERWISE ANY ONLINE USER OR CLIENT TO DISCLOSE PASSWORDS.

## **8. Instruction Provided by Client**

Client is solely responsible for the accuracy, completeness, and authenticity of all information and Instructions it provides to Bank, including any information and Instructions submitted in the Treasury Solutions Forms. Bank has no obligation to detect any error in or otherwise verify any such information or Instructions. Bank shall be entitled to rely upon any information or Instruction it believes, in good faith, to be genuine and correct, has been provided by an Authorized Service User, and if applicable, in conformity with the Security Procedures. Bank shall be presumed to have acted in good faith if Bank was not actually aware of any fact to the contrary. Client acknowledges and agrees that Bank may charge Client's Account for any Instruction that Bank executed in good faith under this provision, regardless of whether the transaction is in fact authorized. If Client wishes to change or cancel any information or Instruction, Bank is not required to comply with the request unless such cancellation or change can be performed, as determined in Bank's sole and absolute discretion, and Bank has had a reasonable time to act upon the cancellation or change request.

## 9. Client Representations and Warranties

Client represents and warrants to Bank as of the day Client enrolls in the Services, and each day Client uses or pays for a Service that: (a) it is duly organized, validly existing, and in good standing in the jurisdiction in which it is organized; (b) it has the power and capacity to enter into this Agreement and perform each transaction and obligation relating to this Agreement and the Services; (c) each person signing each Treasury Solutions Form is duly authorized to execute the applicable Treasury Solutions Form, to issue any Instructions, to carry out the purposes and intent of this Agreement, and to enable Client to receive the Services; (d) its execution, delivery, and performance of this Agreement and any other documents provided in connection with Client's use of any Service does not and will not violate any Applicable Laws, Client's organizational or governing documents, or any contract with a third party; (e) its primary use of any Service is for business purposes and not for personal, family, or household purposes; (f) any consent or authorization of any third party required to be obtained by it in connection with this Agreement or any Service has been obtained; and (g) there is no lawsuit, tax claim, or other dispute pending or threatened against Client, which, if lost, would impair Client's financial condition or ability to pay Bank under the terms of this Agreement.

## 10. Bank's Obligations; Transaction Limitations

- (a) If Client is in compliance with this Agreement, and except as otherwise set forth in this Agreement, Bank will honor Client's transactions and Instructions (including adjustments, amendments, and cancellations to the Client's transactions and Instructions). Bank has no obligation to honor any transaction or Instruction that:
- (i) exceeds Client's Account Balance on deposit in a Designated Account or would violate any limits set forth on a Treasury Solutions Form;
  - (ii) Bank has reason to believe may not be authorized by Client;
  - (iii) Bank has reason to believe should not be honored in order to protect Client or Bank or for other good faith reasons;
  - (iv) involves funds subject to a hold, dispute, or legal process preventing their withdrawal; or
  - (v) violates any Applicable Law (including any regulation or rule or order of a court of competent jurisdiction).

Bank may refuse (or delay) to honor any of these transactions or Instructions without prior notice to Client at its sole and absolute discretion and without any liability to Client for such refusal (or delay).

- (b) If Bank determines that Client has failed to maintain a financial condition acceptable to Bank (in Bank's sole and absolute discretion), or the continued provision of the Services to Client results in unacceptable credit exposure or other risk to Bank or will cause Bank to violate any Applicable Law, Bank may, in its sole and absolute discretion, suspend or terminate any Service or limit Client's transaction volume or dollar amount and refuse to execute transactions that exceed any limit in its sole and absolute discretion. Client agrees to provide financial information, statements, and other documentation showing Client's assets, liabilities, stockholder's equity, current income and surplus, and other information regarding its financial condition as Bank reasonably determines to be necessary or appropriate to evaluate its exposure or risk. Any limits established by Bank hereunder shall be made in Bank's sole and absolute discretion and shall be communicated promptly to Client.

## 11. Client's Equipment and Software; Client Systems; Bank Audits

- (a) Client shall obtain, install, and maintain, at its cost and expense, the equipment and software required to access and use the Services, including computers, operating systems, communications equipment and services, web browsers, internet access, scanners, and merchant terminals (collectively, the "**Equipment**"). Client shall ensure that its Equipment has the necessary compatibility and format to interface with Bank's or its Third-Party Provider's systems, including the ability to support Bank's Security Procedures. Client shall ensure that its operating systems are up to date and agrees to install upgrades and other system enhancements within a reasonable time after being requested to do so by Bank or its Third-Party Provider.
- (b) Bank is not responsible for any error or failures relating to Client's Equipment, including any computer viruses commonly referred to as "malware," "keystroke loggers," and/or "spyware," problems or malfunctions resulting from any computer viruses, or any problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is obtained at Client's own discretion and risk, and Bank is not responsible for any damage to Client's Equipment or for loss of data that results from the download of any material, whether due to any computer virus or otherwise. Client is solely responsible for installing and maintaining anti-virus software, security patches, firewalls, and other security measures for Client's operating systems, and for protecting, securing, and backing up any data and information stored in or on Client's operating systems.
- (c) For any Client systems (and any related software) that are involved with or interact with the Services or otherwise connect with or to Bank's systems (collectively, "**Client Systems**"), Client shall implement and maintain security requirements and other measures that meet or exceed best reasonable standards of businesses operating in the United States. Client shall maintain and update Client Systems in order to comply with security requirements, including the installation of all updates, upgrades, enhancements, new versions, and patches to applicable Client Systems. Client shall implement policies and procedures reasonably designed to detect, prevent, and mitigate the unauthorized access to, and disclosure, use, or possession of, the information contained in Client Systems, whether credibly threatened, reasonably suspected, or actual (each, a "**Security**

**Incident**”). Client shall promptly report any Security Incident to Bank and shall take appropriate steps to prevent, mitigate, limit, and/or stop any Security Incident. Client shall promptly notify Bank of any known security vulnerability that could result in a Security Incident. Client shall immediately, and in no event later than 24 hours after discovery, notify Bank of any credibly threatened, reasonably suspected, or actual Security Incident. Client shall promptly and fully disclose to Bank all information requested by Bank relating to any Security Incident (whether threatened, reasonably suspected, or actual).

- (d) Bank has the right to audit and inspect the Client Systems and Client’s books, records, policies, procedures, operations, premises, and physical assets that relate to the Services (i) in connection with or arising from any breach (whether actual or reasonably suspected by Bank) of this Agreement by Client, (ii) in connection with or arising from any credibly threatened, reasonably suspected, or actual Security Incident, (iii) in connection with or arising from any other matter related to or arising from a breach of any of the Services, and/or (iv) if Bank, in good faith, determines an audit or inspection is necessary to mitigate or prevent risk to Bank, for legal compliance purposes, or threat protection. If Client refuses an audit, Bank may, in its sole discretion, terminate any Service or this Agreement.

## 12. Software License

- (a) Bank or its Third-Party Provider may provide software, if any, to Client for one or more Services (whether on a license or sublicense basis) at Client’s sole cost and expense. License agreements for required software may be embedded in the software or separately documented. Client agrees to comply with all applicable software license agreements, including “click-wrap” licenses. Client has no rights or ownership in any software provided by Bank or its Third-Party Provider and shall not sell, transfer, copy, alter, modify, reverse engineer, reproduce, or convey in any manner, in whole or in part, any software. Client’s right to use the software shall terminate automatically if Client breaches a material term of the license or the Service for which Client is using the software is terminated. Upon termination of a license, Client shall return the software and related User Guides if requested to do so by Bank. The sublicense granted for any portion of any software sublicensed by Bank under its license with any Third-Party Provider is subject to the primary license between the Third-Party Provider (or any replacement vendor or vendors) and Bank. For purposes of this Agreement, “software” includes computer programs, applications, and websites, inclusive of software embedded in any provided hardware related to a provided system, as applicable.
- (b) Bank makes no representations or warranties (express or implied, or written or oral) for any software and related User Guides provided by Bank or a Third-Party Provider, including the implied warranties of merchantability or fitness for a particular purpose. Client shall indemnify, defend, and hold harmless Bank, its successors, and assigns, from and against any Losses incurred by Bank arising in connection with Client’s access to and use of any software and related User Guides in breach of this Section 12 or any applicable license agreement. The provisions of this Section 12 shall survive termination of this Agreement.

## 13. Service Fees

- (a) Client agrees to pay to Bank all Service Fees associated with any Service that Client enrolls in or uses according to this Agreement, as described in the most current fee schedule or other fee disclosures provided to Client. Bank may amend Service Fees at any time. Any change in fees is effective as of the date the Bank changes the applicable fee. The Service Fees and any changes to the Service Fees shall be deemed accepted by Client upon Bank’s provision of the relevant Service to Client. Client also agrees to pay any sales, value-added, and use taxes, duties, or other governmental charges (other than taxes based upon Bank’s net income) that may apply to the Services provided by Bank hereunder. All Service Fees are exclusive of taxes, duties, and charges.
- (b) Client is liable for all Service Fees that accrue during the month in which an Account is closed. In Bank’s sole and absolute discretion, the collection of accrued Service Fees may be collected immediately or deferred to one or more later dates.
- (c) Unless Client arranges another payment procedure acceptable to Bank, Client hereby authorizes Bank to debit the amount of the Service Fees owed to Bank from one or more Accounts specified by Client (each, a “**Fee Account**”) without prior notice. Bank may require Client to designate multiple Fee Accounts depending on the Service, including an analysis settlement account, and billing account. If the Account Balance in any Fee Account is insufficient to cover the applicable Service Fees, Bank may charge those fees to any other Account maintained by Client with Bank, set-off amounts owed from any Account, or create an overdraft in the Fee Account.
- (d) If Client is eligible for earnings credit or other allowances on the balance in a Fee Account, Bank will conduct a monthly analysis of the eligible account to determine whether the Investable Balance is sufficient to offset the Service Fees charged to that account. If the earnings credit accrued in any given month is insufficient to offset the Service Fees, Bank will automatically debit the Fee Account for any shortfall between the earnings credit and the amount due for that month. Client will lose any unused earnings credits to the extent they exceed the Service Fees due in a given month. The applicable earnings credit rate is established by Bank and may be withdrawn or changed from time to time without advance notice to Client, at Bank’s sole and absolute discretion.
- (e) Bank is authorized to charge interest on any Service Fees and other amounts that are not paid within thirty (30) days of the due date up to the maximum rate permitted by Applicable Law. Client shall pay upon demand any costs incurred by Bank in collecting Service Fees and enforcing this Agreement, including attorneys’ fees. Client understands that Bank may provide and charge for customized Services for which Service Fees may not be identified on any fee schedule or fee disclosure provided to

Client. In addition, Bank may either suspend any Service until Service Fees are paid in full or terminate the Service. Enrollment in a Service for a partial period may result in the full amount of Service Fees being charged for that period.

#### **14. Third-Party Providers**

- (a) Client acknowledges that certain third parties, agents, or independent service providers (the “**Third-Party Providers**”) may provide services to Bank in connection with Bank’s provision of the Services hereunder (the “**Third-Party Services**”), and Bank’s ability to provide the Services to Client may be contingent upon the continuing availability of certain Third-Party Services. If any Third-Party Service is unavailable, Bank may, at any time, discontinue the related Service provided by Bank or may provide the Service through an alternate Third-Party Provider, in Bank’s sole and absolute discretion. Subject to the terms of this Agreement, in the event of the unavailability of any Third-Party Service, Bank shall have no liability for the unavailability of the related Service (nor the Third-Party Service). Client hereby authorizes the disclosure of information relating to Client and its Services and Accounts to any Third-Party Provider solely for use in connection with the provision of the Third-Party Services.
- (b) Client acknowledges and agrees that Client is not a third-party beneficiary of, and has no rights of assumption, assignment or any privity whatsoever related to, any agreement between Bank and a Third-Party Provider. Client shall not have any direct claims or recourse against any Third-Party Provider.

#### **15. Duty to Reconcile**

Client is responsible for monitoring the Services provided by Bank, including each individual transaction processed by Bank. Client agrees to notify Bank of any errors or other irregularities within thirty (30) calendar days (or a shorter period, if a shorter period (a) is required by Applicable Law, or (b) is specified elsewhere in these Terms and Conditions, the Account Agreements, or in any other agreement between Bank and Client) after Bank has made available to Client any report, statement, or other material containing or reflecting the error or other irregularity, including an account analysis statement or online account access. To the fullest extent permitted by Applicable Law, Client’s failure to notify Bank within the applicable time period will relieve Bank of any liability arising from or related to any error or irregularity (and for any resulting Loss, including any subsequent transaction involving the same error or irregularity). Bank considers all transactions contained in reports, statements, or other materials for which no notification of error or irregularity is received within the applicable time period are properly authorized and executed. Client agrees that its sole remedy for any error in Bank’s implementation of a Service shall be to have Bank correct the error within a reasonable period of time after discovering or receiving notification of the error from Client.

#### **16. Fraud Mitigation Services; Acknowledgment; Allocation of Loss; Waiver and Release**

- (a) To empower and to assist our Clients safeguard their assets, the Bank offers the following Fraud Mitigation Services: (i) ACH Positive Pay, ACH Block, ACH Debit Block, ACH Credit Block, and UPIC and (ii) Check Positive Pay, Check Payee Positive Pay, Check Reverse Positive Pay, and Check Block. Each Fraud Mitigation Service is designed to verify the authenticity of check or ACH payments, to help detect, deter and prevent losses in connection with unauthorized, altered, forged, counterfeit, or other fraudulent checks and ACH payments (“**Fraudulent Transactions**”) that are processed through Client’s Account(s). Specifically, Fraud Mitigation Services provide clients with layered fraud mitigation tools that help verify authorized transactions, detect anomalies, deter fraud attempts and prevent certain unauthorized payments. By combining transaction matching, exception reporting and client decisioning, these Fraud Mitigation Services support proactive Loss prevention while reinforcing the Client’s overall control environment. Client agrees that the Bank’s offering of any of the Bank’s Fraud Mitigation Services is a commercially reasonable Security Procedure, consistent with generally accepted industry practice, that allows Clients to implement, as a precautionary measure, to mitigate against the substantial likelihood of Fraudulent Transactions and resulting Losses. Accordingly, Client agrees that the Bank’s offering of any of the Bank’s Fraud Mitigation Services constitutes the Bank’s exercise of good faith and ordinary care to limit the Client’s potential exposure to check and ACH fraud.
- (b) Client acknowledges that the Bank has offered one or more Fraud Mitigation Services and has explained the functionality of, and how each version may substantially reduce the risk of Loss associated with a Fraudulent Transaction; particularly, given the nature and size of Client’s business and the type and frequency of the transactions anticipated or conducted by Client. Client understands and agrees that the failure to elect Fraud Mitigation Service(s) offered by the Bank may result in Losses that may have been prevented. Accordingly, Client agrees that its decision not to enroll in the Bank’s Fraud Mitigation Services is a failure by Client to exercise ordinary care. Client agrees to assume full responsibility for and bears the risk of Loss associated with any Fraudulent Transaction that any of the Bank’s Fraud Mitigation Services was designed to prevent, detect or deter. Client also agrees that the Bank will not be required to re-credit Client’s Account(s) or otherwise have any liability for paying such items.
- (c) To the maximum extent permitted by applicable law, Client also knowingly, voluntarily, and irrevocably: (i) waives any and all claims, demands, actions, or causes of action against Bank arising out of or relating to any unauthorized, altered, forged, counterfeit, or other fraudulent transaction check or ACH item the declined Fraud Mitigation Service(s) were designed to detect or deter; (ii) releases and discharges the Bank from any liability for losses resulting from Client’s failure to implement or use Fraud Mitigation Services; and (iii) agrees that Client shall be precluded from asserting that the Bank failed to offer commercially reasonable Security Procedures.

## 17. Multiple Entities Provision

- (a) Client may enroll in a Service on behalf of itself and one or more entities with which it shares common ownership or management (including such Client, “**Related Entities**”). All Related Entities must have the same person or persons who are authorized to take actions in connection with the transactions contemplated in this Agreement according to the applicable Account Agreements, and demonstrate that the person or persons have the requisite authority to act on behalf of all Related Entities to:
- (i) select, modify, and terminate the Services, and
  - (ii) sign or otherwise agree to these Terms and Conditions, the Treasury Solutions Forms, and any other agreements, rules, procedures, forms, and documents required by Bank to implement or amend the Services or permit access to and use of the Services.

Client shall designate the other Related Entities on applicable Treasury Solutions Forms (or an amendment to the applicable Treasury Solutions Form). Each Related Entity shall be jointly and severally liable to Bank for any acts or omissions in connection with or arising from the Services.

- (b) For purposes of Online Banking, an Online Banking Profile may include Linked Accounts maintained at Bank by two or more Related Entities. The Lead Company shall designate the accounts to be linked and appoint an Administrator who has authority to take all actions in the Online Banking Profile, including (i) adding and deleting Online Users, (ii) granting, limiting, and revoking permissions to Online Users, (iii) designating one or more Linked Accounts to which an Online User will have access, and (iv) setting limits on the types of transactions permitted for each Online User in a Linked Account. As such, any Online User may view or perform transactions, including funds transfers, in any Linked Account, subject to the account or activity level settings established by the Administrator. If Client is authorized and elects to link other Related Entities’ accounts to its Online Banking Profile, Client does so at its own risk and the risk of the other Related Entities. Each Related Entity agrees to assume all risk of loss that may result in whole or in part from linking its Accounts to the Online Banking Profile and further agrees to indemnify, defend, and hold Bank harmless from and against any Loss resulting therefrom.

## 18. Term and Termination

- (a) This Agreement and the Services provided hereunder shall continue in effect until terminated by either party with thirty (30) calendar days’ prior written notice to the other party. In addition to any termination or suspension rights set forth elsewhere in these Terms and Conditions, Bank may, without prior notice, terminate this Agreement or terminate or suspend any Service provided to Client (i) if Client fails to maintain sufficient Account Balance in or closes a Designated Account maintained for a Service, (ii) if Client has failed to maintain a financial condition acceptable to Bank (as determined by Bank in its sole and absolute discretion) to minimize any credit risks to Bank in providing the Services to Client, including the commencement of a voluntary or involuntary proceeding under the U.S. Bankruptcy Code or other statute or regulation relating to bankruptcy or relief of debtors, (iii) if Client defaults in the performance or observance of any term, or breaches any representation or warranty of this Agreement, (iv) if Client does not pay Bank any amounts owed to Bank under this Agreement (or under any other agreement with Bank), (v) if there has been a seizure, attachment, or garnishment of Client’s Accounts, assets or properties, (vi) if Bank reasonably believes immediate action is required for the security of Bank or Client, (vii) if Bank reasonably believes that Client has engaged in fraudulent or illegal activity or the continued provision of any Service under the terms of this Agreement would violate Applicable Laws or create a risk of reputational harm, or (viii) if Bank determines that providing the Services results in unacceptable credit exposure or other risk to Bank. Termination of all Services hereunder for any reason shall result in automatic termination of this Agreement.
- (b) Upon termination of this Agreement or any Services, Client shall immediately stop using the terminated Services and destroy, or return if requested by Bank, Bank’s Confidential Information provided to Client in connection with the terminated Services. This Agreement shall remain in full force and effect for all Payment Orders and other transactions initiated before the termination of this Agreement. For the avoidance of doubt, any recurring or post-dated transaction scheduled to be initiated after the date of termination shall be cancelled. All Service Fees due to Bank under this Agreement shall become immediately due and payable upon termination. Any licenses or sublicenses granted under this Agreement shall expire upon termination of this Agreement.
- (c) The following provisions of these General Terms shall survive termination of this Agreement or any Service (together with any provisions of this Agreement necessary to interpret or enforce these provisions): Section 12 (“Software License”), Section 13 (“Service Fees”), this Section 18(b) and (c), Section 19 (“Limitation of Liability; Disclaimer of Warranties”), Section 20 (“Indemnification”), Section 22 (“Confidentiality”), and subsections (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n) and (o) under Section 24 (“Miscellaneous”). Any similar or related provisions of the General Terms or any of the Product Terms, including provisions limiting Bank’s liability, disclaimers of warranties, and/or requiring Client to provide indemnification, shall also survive termination of this Agreement or any Service. Any other provision of this Agreement that remains to be performed or by its nature is intended to be applicable after termination shall also survive any termination.

## 19. Limitation of Liability; Disclaimer of Warranties

- (a) **THE SERVICES ARE PROVIDED ON AN “AS IS,” “AS AVAILABLE” BASIS. CLIENT EXPRESSLY AGREES THAT THE USE OF THE SERVICES IS AT CLIENT’S SOLE RISK. BANK AND ITS THIRD-PARTY PROVIDERS MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, IN LAW OR IN FACT, IN CONNECTION WITH THE SERVICES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE, OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE OR WITHOUT BREACHES OF SECURITY OR DELAYS. IN THOSE STATES THAT DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY, THE LIABILITY OF BANK AND ITS THIRD-PARTY PROVIDERS IS LIMITED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.**
- (b) To the fullest extent permitted by Applicable Law (including under the UCC), Bank shall have no liability to Client or any third party for any Loss arising out of, in connection with, or resulting from, this Agreement or the Services, except to the extent of an actual Loss sustained by Client as a direct result of Bank’s gross negligence or willful misconduct in its performance of its obligations described in this Agreement or provision of the Services hereunder, as finally determined by a court of competent jurisdiction. Without limitation, Bank shall not be liable for (i) any act or omission of Client pertaining directly or indirectly to a Service, whether or not Client’s act or omission constitutes negligence or a breach of this Agreement; (ii) any information or Instruction provided by Client that is inaccurate, incomplete, or lost in transmission; (iii) the act or omission of any third party, including any Third-Party Provider, ACH operator, any Federal Reserve Bank, any other financial institution, or any transmission or communication facility (none of which is an agent of Bank); (iv) any Force Majeure Event, as described in Section 24(b) below; or (v) any failure of the hardware or software provided by Bank’s Third-Party Provider. Bank is not liable for its failure to perform any of its obligations under this Agreement if its performance would result in any violation of Applicable Law. This Agreement (which includes the Account Agreements) may contain other limitations of liability, each of which supplement (and none of which limit) this Section 19(b). THIS SECTION 19(B) AND THE OTHER LIMITATIONS OF LIABILITY CONTAINED IN OR RELATED TO THIS AGREEMENT REPRESENT A FAIR AND REASONABLE ALLOCATION OF THE RISK BASED ON THE FEES CHARGED HEREUNDER AND APPLY TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, EVEN IF AN EXCLUSIVE OR LIMITED REMEDY STATED IN THIS AGREEMENT FAILS OF ITS ESSENTIAL PURPOSE.
- (c) To the fullest extent permitted by Applicable Law and except as otherwise set forth in this Agreement, Client assumes the entire risk as to the quality and performance of any software and the Services.
- (d) To the fullest extent permitted by Applicable Law and except as otherwise set forth in this Agreement, Client hereby agrees that Bank has no liability to Client for, and Client shall not sue or otherwise make claims against Bank for or on account of any claim for damages arising out of or relating to, any fraudulent or otherwise illegal activity.
- (e) To the fullest extent permitted by Applicable Law, Bank’s total aggregate liability to Client for all Losses in connection with any single claim or multiple claims related to a single incident shall not exceed an amount equal to the monthly Service Fees paid by, charged to, or otherwise assessed against Client for the Services over the six (6) month period immediately preceding the date on which the Loss giving rise to the applicable claim or single incident is alleged to have occurred, or such fewer number of preceding months as this Agreement has been in effect.
- (f) IN NO EVENT SHALL BANK BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY, INCIDENTAL, PUNITIVE, OR INDIRECT LOSS THAT CLIENT MAY SUFFER OR INCUR IN CONNECTION WITH THE SERVICES, INCLUDING ATTORNEYS’ FEES, LOST EARNINGS OR PROFITS, AND LOSS FROM WRONGFUL HONOR OR DISHONOR RESULTING FROM BANK’S ACTS, REGARDLESS OF WHETHER THE LIKELIHOOD OF THE LOSS WAS KNOWN BY BANK AND REGARDLESS OF THE BASIS, THEORY, OR NATURE OF THE ACTION ON WHICH A CLAIM IS ASSERTED.
- (g) Client acknowledges that the Service Fees charged for Bank’s provision of the Services have been established in contemplation of the limitations of liability described in this Section 19.
- (h) Client acknowledges that the reconstruction of events causing Client to sustain Losses becomes difficult and may be inaccurate after more than one (1) year from the occurrence of the event. Therefore, Client agrees that any action, proceeding or claim against Bank for any Loss in connection with this Agreement or the Services must begin within one (1) year after the cause of action accrued (unless a shorter statute of limitations is provided by Applicable Law, in which case, the shorter statute of limitations applies).
- (i) If Bank is required to comply with the terms of any agreement with any third party related to or in connection with this Agreement, including any deposit account control agreement (“**DACA**”) or other control or security instrument related to any affected Account (collectively, “**Third-Party Control Agreements**”), Bank shall have no liability for Client’s acts or omissions in connection with any Third-Party Control Agreement without limitation including if Client circumvents any blocks placed on any of its Accounts in connection with any Third-Party Control Agreement. Client is solely responsible for its acts and omissions, and Client agrees to fully indemnify and hold harmless Bank for any Losses arising from its acts and omissions.

## 20. Indemnification

- (a) Client (including each Related Entity, jointly and severally) shall indemnify, defend, and hold Bank, its affiliates, and their respective agents, employees and representatives (including Third-Party Providers) (each, an “**Indemnitee**”) harmless from

any Loss that directly or indirectly relates to or arises out of Bank's provision (or Client's use) of the Services hereunder, including any acts or omissions of Client and any breach of any of the provisions of this Agreement by Client. Regardless, Bank shall have no right to indemnification according to Section 20 for any Loss directly resulting from Bank's own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

- (b) Each Indemnitee entitled to indemnification under Section 20(a) on account of a Loss shall provide prompt notice to Client. Any failure to so notify shall not release Client from its indemnification obligations, except to the extent that Client is materially prejudiced by that failure. The Indemnitee may elect to control the defense and investigation of any action with counsel of its own choosing, at Client's cost and expense, and in connection therewith, Client shall cooperate and provide assistance as reasonably requested by the Indemnitee. If the Indemnitee elects not to control the defense, Client shall retain counsel of its own choosing to defend, contest, and otherwise protect the Indemnitee against the Third-Party Loss, at Client's cost and expense. Bank shall cooperate and provide any assistance reasonably requested by Client, but Bank shall be entitled to recover from Client the costs of providing any assistance. The party that is controlling the defense (whether the Indemnitee or Client) shall not settle any such action without the prior written consent of Bank.

## **21. Amendments**

Bank may amend the terms of this Agreement or the Services, in its sole and absolute discretion, at any time and from time to time, including the Service Fees. Any change shall be effective on the date indicated in a Notice to Client provided under Section 23 of these General Terms below. Regardless, Bank may make any change without prior notice to Client if the change (a) will not have a material adverse effect on Client or Client's use of the Services, as determined in Bank's sole and absolute discretion, (b) is required by Applicable Law, or (c) requires immediate action for security of Bank or Client. These changes shall become effective immediately. Bank shall provide prompt subsequent notice to Client of any change initiated for security purposes. For any increase in Service Fees, Bank may provide Notice in any manner as authorized under Section 23 of these General Terms including, but not limited to, a general notice in Client's analysis account statement before the effective date of the adjustment. Client acknowledges that this notification may not indicate the new Service Fee amounts. Client will be deemed to have accepted any change in the terms of this Agreement or the Services if Client accesses or uses any of the Services after the date on which the change becomes effective.

## **22. Confidentiality**

- (a) Bank acknowledges that Client may disclose Confidential Information to Bank in connection with any Service provided under the terms of this Agreement. Bank shall maintain the confidentiality of Client's Confidential Information under its normal policies and procedures for safeguarding customer information.
- (b) Client acknowledges that information provided by Bank or its Third-Party Provider in connection with its provision of any Service hereunder constitutes Confidential Information. Client agrees to (i) safeguard Bank's Confidential Information at all times with at least the same degree of care as Client would use to protect its own Confidential Information (but in no event with less than a commercially reasonable degree of care), (ii) use Bank's Confidential Information only for the purposes for which they were provided, (iii) establish and maintain procedures to ensure the confidentiality of Bank's Confidential Information, and (iv) promptly notify Bank if any of Bank's Confidential Information is lost or its confidentiality is compromised. Client shall not disclose Bank's Confidential Information to any person or entity, except to Client's employees, advisors, auditors, and agents with a need-to-know Bank's Confidential Information (and Client shall be fully liable for the acts or omissions of any of the foregoing related to or arising from their use of Bank's Confidential Information).
- (c) Either Client or Bank may disclose the other party's Confidential Information that is (i) approved in writing for disclosure by the other party, or as applicable, the Third-Party Provider, (ii) publicly available or becomes public other than through a breach of this Agreement, (iii) known to it before disclosure by the other party, (iv) obtained from a third party who is not known by it to be under any obligations of confidentiality, (v) independently developed by its employees or agents without using the Confidential Information as evidenced by contemporaneous documentation in its possession, (vi) required or requested by any governmental body to which either party is subject, or (vii) otherwise required to be disclosed by law or by legal or governmental process, including any subpoena or Bank regulatory audit or examination; provided, prior to Client's disclosure of Bank's Confidential Information under (vi) or (vii), Client shall (a) unless prohibited by Applicable Law, provide written notice to Bank with sufficient time to allow Bank to seek a protective order or other appropriate relief or remedy to protect the confidentiality of the information sought, which notice will identify the information to be disclosed and a copy of the request, (b) diligently cooperate with Bank in connection with any relief or remedy and to resist or narrow the disclosure, (c) only disclose information that is legally required or compelled to be disclosed, and (d) use commercially reasonable efforts to seek confidential treatment of any required disclosure. In addition, Client agrees that Bank may disclose to the employees, officers, and agents of Bank's affiliates who have a need to know the information obtained from Client, including for purposes of managing Bank's or affiliates' business, without the need to notify Client or obtain Client's consent, including for purposes of providing the Services, to enforce any of Bank's legal rights (including its rights under this Agreement), or to correct any misstatement of law or fact made by Client.

## 23. Notices

- (a) Except as otherwise expressly provided in this Agreement, all notices, demands, claims, consents, waivers, and other communications (collectively, “**Notices**”) that are required or permitted to be given by Client (including all documents incorporated herein by reference) shall be sent by first class mail or a recognized express mail courier to Bank’s business mailing address, or electronically to Bank’s email address provided to Client for that purpose. If the parties agree that Client may give a Notice verbally for a specific aspect of a Service or for a particular matter arising under this Agreement, Bank may rely on verbal Notice and Bank’s records thereof shall control. Client understands that there is risk in Bank acting on any Notice given verbally. Therefore, all verbal Notices should be thereafter confirmed by Client in writing subject to the provisions in this Section 23.
- (b) Client authorizes Bank to, and Client agrees that Bank may, send any Notice that Bank is required or permitted to give to Client under this Agreement in any manner Bank deems reasonable including, but not limited to, (i) by first class mail or a recognized express mail courier to Client’s business mailing address, or electronically to Client’s business email address, in each case as it appears on Bank’s records, or (ii) by posting the Notice on Bank’s website, in Online Banking, or on an account statement. Regardless, if Bank provides any Notice by posting on Bank’s website, Bank may alert Client of the posting of information by sending a message to Client’s email address on file, via Online Banking, or on an account statement. Client agrees to notify Bank promptly about any change in Client’s business mailing or email address, and Client acknowledges and agrees that no change will be effective until Bank has had a reasonable time to act upon it.
- (c) Any Notice provided according to Sections 23(a) and 23(b) is effective when provided to the other party in accordance with Sections 23(a) and 23(b) above. However, Bank is entitled to a reasonable time to act upon any Notice or Instruction from Client.

## 24. Miscellaneous

- (a) Service Unavailability. Access to Services may be unavailable without Notice at certain times for reasons including the following: (i) scheduled maintenance when Services and/or related systems undergo maintenance or upgrades; (ii) unscheduled maintenance when unforeseen maintenance is necessary; and (iii) Force Majeure Events, as described in Section 24(b) below.
- (b) Force Majeure. Bank shall not be responsible for its non-performance of this Agreement if its non-performance is caused by an event beyond Bank’s control, including fire, casualty, breakdown in equipment, failure of telecommunications or data processing services, lockout, strike, insurrection, pandemic, unavoidable accident, act of God, riot, war, act or threatened terrorist acts, or the enactment, issuance, or operation of any adverse governmental law, ruling, regulation, order or decree, or an emergency that prevents Bank or Client from operating normally.
- (c) Electronic Records and Signatures. The parties acknowledge and agree that all documents evidencing, relating to, or arising from the parties’ relationship may be generated, sent, received, scanned, and stored using electronic means (collectively, “**Electronic Records**”), and the originals (including manually signed originals) destroyed. In addition, Bank may maintain Electronic Records that have been signed by Client, Client’s Authorized Users, and/or Bank using “electronic signatures” (meaning an electronic symbol or process that is attached to or logically associated with a document and used by a person with the intent to sign the document). Client’s or Client’s Authorized User’s use of an electronic signature while using any Service we offer, to conduct any transaction, or to accept any agreement, terms, disclosures, or conditions constitute Client’s or Client’s Authorized User’s signature, acceptance, and agreement as if actually signed in writing. Further, Client agrees that no certification authority or third-party verification is necessary with respect to the validity of Client’s or Client’s Authorized User’s electronic signature(s); and that lack of such certification or third-party verification will not in any way affect the enforceability of Client’s or Client’s Authorized User’s signature(s) or resulting contract between the parties. The parties agree to treat Electronic Records as “originals” for all purposes under Applicable Law. Electronic Records may be maintained in any accessible form, including a computer file in pdf or other industry-standard format.
- (d) Electronic Communications. Client agrees that Bank may provide Client with any communication and reports related to the Services via facsimile, voice mail, secure or unsecured email, SMS “text,” or other electronic or telephonic communication methods, including by posting any communication, report or similar document on the Bank’s website, Online Banking, and/or on any other website disclosed to Client (“**Electronic Communications**”). Client acknowledges that Electronic Communications are an inherently insecure communication method due to the possibility of error, delay, and observation or receipt by unauthorized persons. Bank may rely in good faith on Client’s Instructions regarding how and to what number or email address Electronic Communications should be sent and may rely on any Electronic Communication that it reasonably believes to have been initiated by Client. Client assumes all risks and Bank shall not be liable for any Loss that results from the non-receipt, disclosure, or alteration of any Electronic Communication. Client’s consent to receive Electronic Communications includes, but is not limited to, this Agreement, any Account Agreement, disclosure, Schedule of Fees, statement, notice and any other document or communication that we may provide in connection with any Service or Accounts held by Client at the Bank. Notwithstanding the Client’s agreement to receive Electronic Communications, Client understands and agrees that the Bank may continue to provide certain communications in paper form.

- (e) Entire Agreement. Bank and Client acknowledge and agree that this Agreement and any amendments to this Agreement, all other documents incorporated by reference in this Agreement constitute the complete and exclusive statement of the agreement between them for the Services, and supersede any prior oral or written understandings, representations, and agreements between the parties relating to the Services.
- (f) Severability. If any provision of this Agreement shall be determined by a court of competent jurisdiction to be unenforceable as written, that provision shall be interpreted so as to achieve, to the extent permitted by Applicable Law, the purposes intended by the original provision, and the remaining provisions of this Agreement shall continue intact. If any statute, regulation, or government policy to which Bank is subject and that governs or affects the transactions contemplated by this Agreement, would invalidate or modify any portion of this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with the applicable statute, regulation, or policy, and Bank shall incur no liability to Client as a result of Bank's compliance with the applicable statute, regulation, or policy.
- (g) Assignment and Delegation. Bank may assign any of its rights or delegate any of its responsibilities (in whole or in part) without notice to or consent from Client. Client may not assign, delegate, or otherwise transfer its rights or responsibilities under this Agreement without Bank's prior written consent, which consent Bank may grant, withhold, or condition in its sole and absolute discretion.
- (h) Successors. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.
- (i) Non-Waiver. No deviation from any of the terms and conditions set forth or incorporated in this Agreement shall constitute a waiver of any right or duty of either party, and the failure of either party to exercise any of its rights hereunder on any occasion is not a waiver of such rights on any future occasion.
- (j) Class Action and Jury Waiver. Client and Bank agree that any dispute, claim, or controversy arising out of or relating to this Agreement shall be resolved on an individual basis. Neither party shall initiate or participate in any class, collective, consolidated, or representative action or proceeding. Each party expressly waives the right to assert claims against the other as a representative or member in any such action. **CLIENT AND BANK EACH KNOWINGLY AND VOLUNTARILY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.**
- (k) Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law principles. Any claim, controversy, or dispute arising out of or related to this Agreement or the Services shall be instituted in the federal courts of the United States or the courts of the State of New York in each case located in the County of New York, and each party irrevocably submits to the exclusive jurisdiction of such courts for any such claim, controversy, or dispute. Client further waives any objection which it may now or hereafter have based on venue and/or forum *non conveniens* of any such suit, action or proceeding. Nothing contained herein shall affect the right of Bank to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Client in any other jurisdictions in order to enforce judgments or rulings of the aforementioned New York courts. To the extent that Client has or hereafter may acquire any immunity from jurisdiction of any court from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution or otherwise) for itself or its property, Client hereby irrevocably waives such immunity in respect of its obligations under this Agreement.
- (l) Third Party Beneficiaries. This Agreement is for the benefit of the Bank and Client, and this Agreement does not grant any rights to or otherwise benefit any third person, except as expressly provided in this Agreement, including, as to Third-Party Providers, the indemnification and limitation of liability provisions of this Agreement that are expressly applicable to Third-Party Providers.
- (m) Recording of Communications. Client and Bank agree that any telephone conversations or data Transmittals between them or their agents made in connection with this Agreement may be recorded and retained by either party by use of any reasonable means.
- (n) Remedies Cumulative. Each remedy of Bank under this Agreement is cumulative and is in addition to any other remedy permitted under this Agreement (or any other agreement between Client and Bank), or at law or in equity.
- (o) Set-Off. In addition to all rights provided by Applicable Law and this Agreement, Client agrees that any amounts on deposit in any Account maintained by Client with Bank or an affiliate of Bank may be set off and applied against any liability in any currency of Client owing to Bank under this Agreement, and Client further grants Bank a first priority security interest in all Accounts held by Client now or in the future with Bank or any of Bank's affiliates to secure payment of any obligations under this Agreement. The Bank's security interest shall be subordinate to any other security interest separately agreed to in writing by Bank.

[End of General Terms]

## PRODUCT APPENDIX

Part II contains the specific terms, conditions, service descriptions, and disclosures that govern each Service offered by Bank as of the Effective Date. Some of the Services included in the Product Appendix may not be available in certain market areas or customer segments. In addition, Bank may provide Services that are not specifically included in the Product Appendix. By enrolling in and using any such Service, Client agrees that the Service will be governed by the General Terms (Section I of these Terms and Conditions) and any other agreement separately entered into between Client and Bank for the provision of such Service. Client is responsible only for the Product Terms governing the Services that it uses or in which it is enrolled. All capitalized terms used but not defined in the Product Appendix have the meanings ascribed to them in the General Terms (Section I of these Terms and Conditions).

### ACCOUNT RECONCILIATION SERVICE

This section of the Product Appendix (this “**Account Reconciliation Schedule**”) provides the Product Terms governing the use of Bank’s Account Reconciliation Service.

#### 1. Definitions

For the purposes of this Account Reconciliation Schedule, the following term has the meaning ascribed to it below:

“**Check Issue File**” means an electronic file of check data Transmitted to Bank by Client or a third party on behalf of Client for a Designated Account. For purposes of this Account Reconciliation Schedule, a third party (other than a Third-Party Provider) that Transmits Check Issue Files on Client’s behalf is deemed an Authorized Service User solely in connection with the Transmittal, and any reference to “**Client**” in the context of Transmittal of Check Issue Files shall include any such third party.

#### 2. Service Description

The Account Reconciliation Service allows Client to monitor and reconcile activity in a Designated Account. Client may choose one of the following account reconciliation features offered by Bank.

- (a) **Full Reconciliation.** This feature provides complete reporting of all posted transactions and outstanding unpaid checks during the reconciliation period selected by Client for a Designated Account.
- (b) **Partial Reconciliation.** This feature provides a list of all transactions posted during the reconciliation period selected by Client for a Designated Account.
- (c) **Deposit Reconciliation.** This feature helps clients with multiple business locations to monitor deposits from each location to a single Designated Account during the selected reconciliation period.

#### 3. Service Terms and Conditions

- (a) **Full Reconciliation.** Under the full reconciliation feature, Client must Transmit a Check Issue File for a particular reconciliation period. The Check Issue File must be received by Bank at least one (1) Business Day before the end of the reconciliation period. Following Bank’s receipt of the Check Issue File, Bank will provide a full reconciliation report that includes statement of activity, account balance summary, exception items, outstanding issue items, and previously cycled issues.
- (b) **Partial Reconciliation.** Under the partial reconciliation feature, Client is not required to Transmit a Check Issue File to Bank. Bank will provide a report to Client for the requested reconciliation period. The standard partial reconciliation report package includes statement of activity, account balance summary, and paid check report.
- (c) **Deposit Reconciliation.** Under the deposit reconciliation feature, Client will assign a code to each business location from which deposits will be tracked. Each code is a number that Client designates in the serial field on deposit slips. Bank will make available to Client a statement of deposit activity and other reports corresponding to each location during the reconciliation period selected by Client.

### ACH FRAUD MITIGATION SERVICES

This section of the Product Appendix (this “**ACH Fraud Mitigation Schedule**”) provides the Product Terms governing the use of Bank’s ACH Block, ACH Positive Pay, ACH Credit Block and ACH Debit Block Services (collectively, the “**ACH Fraud Mitigation Services**”).

#### 1. Definitions

Certain capitalized terms used in this ACH Fraud Mitigation Schedule are defined in the ACH Origination Schedule. For the purposes of this ACH Fraud Mitigation Schedule, the following terms have the meanings ascribed to them below:

“**ACH Payment Rules**” means, for ACH Positive Pay, a set of parameters established by Client in Online Banking that are used to determine whether (a) a Received Debit Entry should be automatically paid or returned, or (b) presented to Client for a pay or return decision.

“**Decision**” means an Instruction to pay (“**Pay Decision**”) or return (“**Return Decision**”) an Exception Item, or to apply a pay or return dispensation to an Exception Item.

“**Decisioning Window**” means after 9:30 a.m. and before the Cut-off Time.

“**Exception Item**” means a Received Debit Entry that does not match data included in ACH Payment Rules. Bank provides Exception Items to Client in Online Banking.

“**Government Debit Entries**” mean any Received Debit Entries initiated by the government.

“**Return Default**” is defined in Section 3(b)(i)(4).

“**Received Credit Entry**” means an Entry originated by a third party and received by Bank to credit Client’s Designated Account.

“**Received Debit Entry**” means an Entry originated by a third party and received by Bank to debit funds from Client’s Designated Account.

## 2. Service Description

Bank offers the following features as part of the ACH Fraud Mitigation Services, each of which is a separate Service that may be enrolled by Client subject to applicable Service Fees:

- (a) **ACH Positive Pay.** This Service allows Client to approve or reject ACH transactions that do not match Client’s selected parameters. Client has the ability to establish ACH Payment Rules in Online Banking. If a Received Debit Entry is presented for payment against Client’s Designated Account that appears to Bank as authorized according to the ACH Payment Rules, such Received Debit Entry will be paid automatically. If a Received Debit Entry does not appear as authorized according to the ACH Payment Rules, such Received Debit Entry will be presented to Client as an Exception Item in Online Banking for Client to issue either a Pay Decision or Return Decision within the Decisioning Window. If Client does not establish any ACH Payment Rule, each Received Debit Entry will be presented to Client as an Exception Item in Online Banking.
- (b) **ACH Debit Block.** This Service provides Client with the ability to block any Received Debit Entry presented to its Designated Account, subject to Section 3(e). If a Received Debit Entry is presented against Client’s Designated Account, such Received Debit Entry will be returned.
- (c) **ACH Credit Block.** This Service provides Client with the ability to block any Received Credit Entry presented to its Designated Account, subject to Section 3(e). If a Received Credit Entry is presented against Client’s Designated Account, such Received Credit Entry will be returned.
- (d) **ACH Block.** This Service provides Client with the ability to block all ACH transactions (Debit Entry or Credit Entry) presented to its Designated Account, subject to Section 3(e). If a Received Debit Entry or Credit Entry is presented against Client’s Designated Account, such Received Debit or Credit Entry will be returned.

## 3. Service Terms and Conditions

### (a) ACH Payment Rules.

#### (i) ACH Positive Pay.

- (1) Client will create and maintain a database of ACH Payment Rules in Online Banking for each Designated Account for which Client elects this Service. The ACH Payment Rules will contain information required by Bank to perform the Service, including the entities that are permitted to submit Received Debit Entries for payment of funds out of the Designated Account. Client will maintain information pertaining to each entity that Client has authorized to make debits, including such entity’s company identification, authorization start date, and such other information as Bank may reasonably request at any time. Client also may elect to include available optional criteria in the ACH Payment Rules for a Designated Account, such as authorization expiration dates, maximum dollar caps on Received Debit Entries, or limits on the number of times an entity may submit Received Debit Entries. If Client inputs inaccurate information into the ACH Payment Rules, an authorized Received Debit Entry may be returned or an unauthorized Received Debit Entry may be permitted. Client accepts full responsibility for maintaining and updating the ACH Payment Rules as it deems appropriate and is solely responsible for ensuring that all information it includes in the ACH Payment Rules is accurate, appropriate, and timely updated to meet Client’s needs. If Client does not input any information into the ACH Payment Rules, all Received Debit Entries that Bank receives will be presented to Client as Exception Items to be Decided, subject to Section 3(e).
- (2) Bank may, but shall not be required to, assist (and have no related liability for assisting or failing to assist) Client to establish acceptable “ACH Company IDs” in Online Banking for Client’s payroll providers.
- (3) Client hereby waives any claim of wrongful dishonor or return of any Received Debit Entry that is paid or accepted, in each case as a result of Bank’s reliance on the information in the ACH Payment Rules, even if, in the case of Client’s payroll providers, the information was inputted by Bank.

- (ii) **ACH Debit Block.** ACH Debit Block does not have ACH Payment Rules. All Received Debit Entries will be returned unpaid except for those permitted according to Section 3(e) below.
  - (iii) **ACH Credit Block.** ACH Credit Block does not have ACH Payment Rules. All Received Credit Entries will be returned unpaid except for those permitted according to Section 3(e) below.
  - (iv) **ACH Block.** ACH Block does not have ACH Payment Rules. All Received Debit and Credit Entries will be returned unpaid except for those permitted according to Section 3(e) below.
- (b) **Reporting of Exception Items; Decisioning; Payment.**
- (i) **ACH Positive Pay.**
    - (1) Bank will conduct an automated review of Received Debit Entries against the ACH Payment Rules established for the Designated Account. Bank will pay all such Entries that match the data in the ACH Payment Rules. Any Received Debit Entry that does not match the data in the ACH Payment Rules will be included as an Exception Item and made available to Client to Decision. If Client does not establish any ACH Payment Rule, each Received Debit Entry will be presented to Client as an Exception Item in Online Banking.
    - (2) Client is responsible for reviewing the Exception Items and Decisioning each Exception Item via Online Banking by the Cut-off Time specified in the Cut-off and Delivery Schedule. In addition to issuing a Pay or Return Decision on any Received Debit Entry, Client may update its ACH Payment Rules to address future Received Debit Entries originated by that third party if updating the ACH Payment Rules will not impact the treatment of a Received Debit Entry that Bank received before such update.
    - (3) Bank will pay and charge to the Designated Account any Exception Item that Client instructs Bank to pay. Bank will return any Exception Items that Client instructs Bank to return.
    - (4) **IF CLIENT FAILS TO PROVIDE A DECISION TO BANK BY THE CUT-OFF TIME, BANK WILL RETURN THE EXCEPTION ITEM BY DEFAULT. ("Return Default").**
    - (5) To reap the benefits of ACH Positive Pay, Client must log into Online Banking on a daily basis and affirmatively Decision each Exception Item during the Decisioning Window. Client understands and agrees that the Cut-off Time establishes the standard by which Client will be considered to have exercised reasonable promptness with regard to the daily transmission of each Exception Item which will be considered a statement of account under the UCC. Client understands and agrees that ACH Positive Pay requires Client to meticulously review all Exception Items and to Decision such Exception Items within the Decisioning Window. Based on the Return Default rule, Client agrees that Bank is not responsible for not having paid an Exception Item for which Client failed to render a Pay Decision within the Decisioning Window.
  - (ii) *ACH Debit Block.* Client does not have the option to Decision Received Debit Entries.
  - (iii) *ACH Credit Block.* Client does not have the option to Decision Received Credit Entries.
  - (iv) *ACH Block.* Client does not have the option to Decision Received Debit or Credit Entries.
- (c) **Bank's Obligations.**
- (i) Bank will pay: (1) all Entries that match the data in Client's ACH Payment Rules and (2) Exception Items that Client instructs Bank to pay provided that there is sufficient Account Balance in the Designated Account and subject to other limitations described in Section 10 of the General Terms.
  - (ii) Bank will return each Received Debit Entry presented for payment against the Designated Account unless: (1) for ACH Positive Pay, it is authorized based on the information in the ACH Payment Rules at the time the Entry is received by Bank, (2) Client issues a Pay Decision during the Decisioning Window, or (3) it is deemed authorized as provided in Section 3(e) below.
  - (iii) Bank is not required to comply with any Decision received after the Cut-off Time or in a format or medium not permitted under this ACH Fraud Mitigation Schedule but will instead treat the applicable Exception Items under the Pay Default rule described in Section 3(b)(i)(4).
  - (iv) Bank is not responsible for detecting any Client error contained in the ACH Payment Rules or any Decision Transmitted by Client to Bank.
- (d) **Notifications.**
- (i) *ACH Positive Pay.* Client should log onto Online Banking regularly to obtain accurate information regarding its Accounts. Client may also enroll to receive alerts electronically via email and/or text about Exception Items.
  - (ii) *ACH Debit Block.* ACH Debit Entries will be returned unpaid without any notification or reporting provided to Client.
  - (iii) *ACH Credit Block.* ACH Credit Entries will be returned unpaid without any notification or reporting provided to Client.
  - (iv) *ACH Block.* ACH Debit and ACH Credit Entries will be returned unpaid without any notification or reporting provided to Client.

- (e) **Permitted Entries.** Bank may not present as an Exception Item or block Return Entries, Reversing Entries, Settlement Offsets, certain Government Debit Entries, or Service Fees, including Debit Entries originated by Client to facilitate payments to Bank cards (or any other payment method that Client utilizes for the Services). Client agrees that, in all such cases, Bank may properly debit or set off against the Designated Account each such amount and such Entries will be deemed authorized by Client. The specific types of Return Entries, Reversing Entries, Settlement Offsets, and Service Fees that are permitted according to this Section 3(e) may change at any time without prior notice to Client.

## **ACH ORIGATION SERVICE**

This section of the Product Appendix (this “**ACH Origination Schedule**”) provides the Product Terms governing the use of Bank’s ACH Origination Service.

### **1. Definitions**

For the purposes of this ACH Origination Schedule, the following terms have the meanings ascribed to them below:

“**ACH File**” means an electronic file containing information relating to an Entry or Entry Data.

“**ACH Limit**” is defined in Section 3(d) below.

“**Approver**” is defined in Section 3(k)(ii) below.

“**Credit Entry**” means an Entry originated by Client to credit funds to a Receiver’s account with funds debited from Client’s Designated Account.

“**Debit Entry**” means an Entry originated by Client to debit funds from a Receiver’s account for credit to Client’s Designated Account.

“**Dual Control Process**” is defined in Section 3(k)(ii) below.

“**Entry**” means an electronic transaction processed through the ACH network.

“**Entry Data**” means the information Client provides with an Entry, including the Standard Entry Class Codes created by Nacha to describe Entries (“**ACH SEC Codes**”).

“**Entry Date**” means the date of the Entry, provided that if such date is not a Business Day, then the Entry Date shall be the next Business Day.

“**In-Process Entry**” means Credit Entries or Debit Entries initiated by Client and pending (a) on any date for which Settlement has not occurred for Credit Entries, or (b) where the applicable period for the return of items has not expired for Debit Entries.

“**NOC**” means Notification of Change and “**Corrected NOC**” means Corrected Notification of Change, as further described in Section 3(w) of this ACH Origination Schedule.

“**ODFI**” means the Originating Depository Financial Institution as the term is defined in the Nacha Rules.

“**On-Us Entry**” is defined in Section 3(o) of this ACH Origination Schedule.

“**Overlimit Entry**” means an Entry the amount of which would cause the aggregate amount of In-Process Entries to exceed the ACH Limit.

“**RDFI**” means the Receiving Depository Financial Institution as the term is defined in the Nacha Rules.

“**Receiver**” means a third party that has authorized Client to initiate a Credit Entry or a Debit Entry for the Receiver’s account at the RDFI.

“**Return Entry**” means an Entry initiated by an RDFI or ACH operator that returns to Bank a previously originated Credit Entry or Debit Entry within the time frames and in the manner established by the Nacha Rules.

“**Reversing Entry**” means a Credit Entry or Debit Entry that reverses an Entry that was originated in an error.

“**Same Day ACH**” is defined in Section 3(i)(ii).

“**Settlement Date**” means the date on which the actual transfer of value or funds between financial institutions occurs (“**Settlement**” or “**Settle**” as required by context) in connection with Entries.

“**Settlement Offsets**” mean Entries created by Bank to offset Entries originated by Client using Bank’s ACH Origination Service.

“**Setup**” is defined in Section 3(k)(ii) of this ACH Origination Schedule.

“**Third-Party Sender**” is as defined under the Nacha Rules.

“**Third-Party Service Provider**” means a third party appointed by Client to act as Client’s agent to act as a service provider (including to process Entries) on Client’s behalf for the purposes of the ACH Origination Service.

“**Third-Party Service Provider Agreement**” is defined in Section 3(j)(i) of this ACH Origination Schedule.

### **2. Service Description**

The ACH Origination Service allows Client to transfer funds to or from its Designated Account by originating Entries. Bank will act as an ODFI for such Entries and Transmit the Entries directly or indirectly to an ACH operator selected by Bank.

### 3. Service Terms and Conditions

- (a) Designated Account. Client shall maintain Account Balance in the Designated Account sufficient to offset any Entries submitted and against which any Reversing or Return Entries may be credited or debited.
- (b) Compliance with Rules and Laws.
- (i) Client agrees to comply with and be subject to the Nacha Rules, including the Nacha Rules governing the delivery of Entries. If there is a conflict between the Nacha Rules and this Agreement, the Nacha Rules shall prevail but only to the extent necessary to resolve the conflict. Client acknowledges it has a copy or has access to a copy of the Nacha Rules. The Nacha Rules may be purchased online at [www.nacha.org](http://www.nacha.org), or by contacting Nacha directly at (703) 561-1100. Certain information regarding updates to Nacha Rules is available on Bank's website at <https://www.valley.com/business/treasury-solutions/treasury-services/nacha-rules>. Any information provided on Bank's website is provided subject to Section 19(a) of these Terms and Conditions, and Bank specifically disclaims any responsibility for any failure, delay, or inaccuracy in connection with posting any updates to the Nacha Rules on its website.
  - (ii) For any Entries originated and Transmitted by Client that involve consumer accounts, Client will comply with (1) all authorization, disclosure, and other requirements of the Nacha Rules and (2) all Applicable Laws.
  - (iii) In addition to any other termination or suspension rights provided under the General Terms of this Agreement, Bank is permitted to terminate or suspend this ACH Origination Service if Bank reasonably believes that Client has breached the Nacha Rules, other Applicable Laws, or the provisions of this ACH Origination Schedule.
- (c) Non-Conforming Entries. If Client fails to comply with the provisions of this ACH Origination Schedule, Bank may, but is not required to, process the Entries that Client Transmits to Bank. Client acknowledges that non-conforming Entries and Entry Data are likely to cause delay or misdirection of payment through no fault of Bank. Bank is not required to verify Entry Data. Bank is entitled to rely on all Entry Data furnished by Client as accurate and conforming to the Nacha Rules. For the avoidance of doubt, Bank may refuse to process any Entry Transmitted by Client that does not comply with this ACH Origination Schedule, the Nacha Rules, other Applicable Laws (including sanctions enforced by OFAC), or any authorization limits described in the applicable Treasury Solutions Forms.
- (d) Risk Exposure Limits. Bank's approval for Client's use of this Service is subject to credit risk exposure criteria established by Bank. Bank will establish for Client, in Bank's sole and absolute discretion, limits on the aggregate dollar amount of all In-Process Entries in any one day ("**ACH Limits**"). The ACH Limits are based on Client's financial condition and anticipated or historical level of Entry Instructions with Bank. Bank shall notify Client of Client's ACH Limits before implementation of the ACH Origination Service. Client shall promptly notify Bank of any significant increase or decrease in the anticipated dollar amount of its ACH activity. Bank may, from time to time, in its sole and absolute discretion, change the amount of Client's ACH Limits and make any adjustments to Client's ACH Limits that Bank may deem appropriate.
- (e) Transaction Limitations. Bank is permitted to limit the nature and amount of preauthorized Credit Entries and Debit Entries processed under this Agreement or refuse to process any 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 Bank, 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 Designated Account. If any of the foregoing actions are taken by Bank for a particular preauthorized Credit Entry or Debit Entry, Bank will notify Client as promptly as practicable, but in no event later than two (2) Business Days after its decision. Client may not reinitiate Entries except as prescribed by the Nacha Rules. Without limiting the foregoing, Client agrees that Bank may not process an Overlimit Entry. Bank may suspend any Overlimit Entry submitted by Client, and following its receipt of an Overlimit Entry, may suspend all In-Process Entries. Client acknowledges that any Overlimit Entry or other In-Process Entries suspended by Bank may not Settle on their respective Settlement Dates. If Client wishes to initiate an Entry that would cause the amount of In-Process Entries to exceed the ACH Limit, Client may submit to Bank a request at least two (2) Business Days before the date on which Client proposes 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. Bank may grant or deny Client's request at its sole and absolute discretion.
- (f) Pre-Funding. Bank is permitted to require Client to pre-fund its Designated Account. Bank shall determine whether pre-funding is required based on criteria established by Bank. Bank will indicate on the applicable Treasury Solutions Form if pre-funding is required. If it is determined that pre-funding is required, Client will maintain sufficient Account Balance to pay all Credit Entries initiated by Client before initiating any Credit Entries for which pre-funding is required. In the case of recurring Credit Entries for which pre-funding is required, Client will maintain sufficient Account Balance to pay such Entries two (2) Business Days before the Settlement Date. This pre-funding requirement results in a debit against the Designated Account in the aggregate amount of the Credit Entries (i) on the Entry Date for non-recurring Credit Entries, and (ii) two (2) Business Days before the Settlement Date for recurring Credit Entries. Bank may waive the pre-funding requirement (or a portion thereof) in any specific instance, but the waiver will apply only to that instance.

- (g) File Transmittal Methods. Client may elect to Transmit a Nacha-formatted ACH File to Bank via the following methods, or such other methods as Bank may permit, in its sole and absolute discretion:
- (i) *Online Banking*. Client may use Online Banking to (1) create individual transaction batches; (2) create templates for recurring transactions; (3) upload and Transmit to Bank a comma separated values (.csv) ACH File conforming to Bank’s specifications; or (4) upload and provide Nacha-formatted batch transaction ACH File to Bank. The Nacha format details are specified in the appendices of the Nacha Rules. If using Online Banking, Client shall designate at least one Administrator to be responsible for designating Online Users who may originate Entries on behalf of Client. Client agrees to comply with the terms of the Online Banking Schedule, including the Security Procedures.
  - (ii) *Direct Electronic Transmittal via SFTP*. Client may Transmit a Nacha-formatted ACH File directly to Bank, as described in or as otherwise permitted by Bank under this ACH Origination Schedule. Connectivity between Bank and Client must be established and successfully tested before a live transaction. Client may also utilize its ERP system to transmit ACH transactions to Bank via APIs, as described in this Product Appendix.
- (h) Content of Entries by Client. Each Entry shall have the proper ACH SEC Codes to be selected by Client. The following ACH SEC Codes represent the types of ACH transactions that Bank currently offers. Client shall include in the Entry Data all ACH SEC Codes that apply:

ACH SEC Code	Description of ACH Transaction
<b>CCD</b>	<b>Corporate Credit or Debit</b> – Either a credit or debit of funds between corporate entities.
<b>CTX</b>	<b>Corporate Trade Exchange</b> – Either a credit or debit of funds between corporate entities that includes addenda records.
<b>PPD</b>	<b>Prearranged Payment and Deposit</b> <ul style="list-style-type: none"> <li>• <b>Direct Deposit</b> – The transfer of funds into a consumer's account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, and dividends.</li> <li>• <b>Direct Payment</b> – A debit from a consumer’s account that includes recurring bills that do not vary in amount (for example, insurance premiums, mortgage payments, charitable contributions, or installment loan payments) and standing authorizations where the amount varies (for example, utility payments).</li> </ul>
<b>RCK</b>	<b>Re-presented Check</b> – A debit transaction used by originators to re-present a consumer check that has been processed through the check collection system and returned because of insufficient balance. (Refer to Nacha Rules regarding items eligible for check conversion).
<b>TEL</b>	<b>Telephone-Initiated</b> – A single or recurring debit transaction initiated orally via the telephone.
<b>WEB</b>	<b>Internet Initiated/Mobile</b> – A single or recurring debit transaction initiated during a secure (minimum 128-bit encryption) internet or mobile session.

- (i) Timing of Entries.
  - (i) Entries shall be Transmitted to Bank no later than the Cut-off Time specified in the Cut-off and Delivery Schedule. Bank considers Entries received after the applicable Cut-off Time to be received as of the next Business Day. Regardless, any Entries Transmitted to Bank after 6 p.m. EST shall not be deemed received by the Cut-off Time if such Entries are Overlimit Entries or duplicate Entries, or otherwise contain incomplete data, in which case Bank shall use commercially reasonable efforts to resolve on the next Business Day.
  - (ii) Bank may process ACH Entries for value as of the day of their origination (“Same Day ACH”). Same Day ACH Entries are subject to transaction limitations provided in the Nacha Rules. Refer to the Cut-off and Delivery Schedule for the Cut-off Time by which Entries must be Transmitted to Bank for Same Day ACH. The applicable fees for Same Day ACHs are described in the fee schedule or other fee disclosures provided to Client.
- (j) Third-Party Service Providers; Third-Party Sender Authority.
  - (i) Subject to Bank’s prior approval (which Bank may revoke at any time and for any reason) and in Bank’s sole and absolute discretion, Client may appoint a Third-Party Service Provider to Transmit ACH Files to Bank on its behalf. If Bank approves Client’s use of a Third-Party Service Provider, Bank may require the Third-Party Service Provider to enter into an agreement with Client and/or Bank (the “**Third-Party Service Provider Agreement**”) that is acceptable to Bank and consistent with the requirements of this ACH Origination Schedule. Client shall comply with any other requirements of Bank in connection with Client’s appointment of, and ongoing relationship with, any Third-Party Service Provider. Client shall promptly notify Bank of any act or omission of the Third-Party Service Provider, including any violation of Applicable Law, that would be reasonably expected to affect Bank or the ACH Origination Service. If Bank requires a Third-Party Service Provider Agreement, Client agrees that the Third-Party Service Provider shall not Transmit ACH Files to Bank without first entering into the Third-Party Service Provider Agreement.

- (ii) Client agrees that Client is fully responsible and liable for the acts and omissions of its Third-Party Service Providers, including (1) any failure of any Third-Party Service Provider, as Client's agent, to comply with Applicable Laws, including the Nacha Rules, and (2) any breach of the Agreement (including this ACH Origination Schedule) resulting from any act or omission of a Third-Party Service Provider. Without limiting the foregoing, Bank shall not be liable for any Losses or additional costs incurred by Client as a result of any error by the Third-Party Service Provider or a malfunction of Equipment provided by the Third-Party Service Provider. Client is solely responsible for maintaining compliance with the requirements of the Third-Party Service Provider, including obtaining any software updates. Bank shall not be responsible for any ACH File handled by the Third-Party Service Provider until Bank receives it for processing, and Bank's sole responsibility thereafter shall be to send the ACH File to the ACH operator. Client hereby authorizes Bank to accept any ACH File Transmitted by a Third-Party Service Provider, even if such Third-Party Service Provider has not been designated as an Authorized Service User or executed the Third-Party Service Provider Agreement. Client shall indemnify, defend, and hold Bank harmless from any Losses incurred or suffered by Bank as a result of or arising from Client's use of a Third-Party Service Provider, including fines or assessments incurred according to the Nacha Rules.
  - (iii) Unless Client first obtains the prior written consent of Bank (which may be withheld in Bank's sole and absolute discretion), Client shall not use the ACH Origination Service to act as a Third-Party Sender. Bank may require Client to enter into an agreement with Bank, in form and substance fully satisfactory to Bank, that complies with Nacha requirements in order for Client to act as a Third-Party Sender.
- (k) ACH Security Procedures.
- (i) *Security Items.* Access to ACH Origination Service via Online Banking requires each Online User to have an Online User ID and password. Any Online User with approval authority will also need to implement and use Bank authentication and other security measures Bank requires Client to utilize, including tokens or other authentication devices and authorization services. Client shall designate an Administrator who will be responsible for assigning the Security Items required for Online Users to access and use the Service, provided that any issuance of a token must be approved by a person identified as an "Authorized Signer" (or similar term) in Client's Account Agreements.
  - (ii) *Dual Control Process.* All Entries originated by Client require input and approval by an Authorized Service User. For each Entry initiated, Bank's standard Security Procedure requires Client to designate one Online User to create, edit, cancel, delete, or restore the Entry using the person's unique Online User ID and password ("**Setup**"), and a different Online User to approve, release, or delete the Entry using the person's unique Online User ID, password, ("**Approver**"). Client acknowledges that this process of segregating the Setup and Approver roles ("**Dual Control Process**") is a commercially reasonable security method, consistent with generally accepted industry practice, for verifying the authenticity of Entries originated by Client. Any election by Client to waive the Dual Control Process recommended by Bank is at Client's sole risk. Client agrees to assume all risk of Loss that may result in whole or in part from Client's failure to implement the Dual Control Process, and further agrees to indemnify, defend, and hold Bank harmless from and against any Losses incurred as a result of Bank effecting any Entry in reliance on the input by a single Online User.
  - (iii) *General Security.* In addition to Client's obligations under Section 7 of the General Terms, as part of the Security Procedure for the origination of Entries, Client shall limit access and securely store data used in the routing and Settlement of Entries. This is a critical data security precaution. Client's ability to limit access to data can be done through commercially available software products. Access also can be limited by restricting Online Users to specific programs or read-only or read-and-edit-only access functionality. In addition, ACH Files Transmitted by Client to Bank using SFTP or through Online Banking are encrypted, which is a process of scrambling data content through hardware or software in order to protect the confidentiality and integrity of an ACH File's contents. Client acknowledges and agrees that the above procedures are a commercially reasonable method of providing security against unauthorized Payment Orders.
- (l) Credit and Debit Entries; Retention of Authorization Record.
- (i) Client shall obtain an authorization as required by the Nacha Rules from the Receiver whose account will be debited or credited as the result of a Debit Entry or a Credit Entry initiated by Client, respectively. Such authorization and any related disclosures shall be in a form that complies with all requirements of the Nacha Rules or any other Applicable Law. No Entry will be initiated by Client after any such authorization has been revoked or the arrangement between Client and such Receiver or other party has terminated. Client shall retain a copy of any written authorization in original form while the authorization is in effect and the original or a copy of each authorization for the period required by the Nacha Rules. Upon request, Client shall furnish the original or a copy of the authorization to any affected participating depository financial institution, as prescribed in the Nacha Rules.
  - (ii) The following table shows the proper ACH SEC Codes as determined by the manner in which Client obtained the authorization to debit or credit a Receiver's account:

ACH SEC Code	Authorization Method
<i>PPD</i>	Document signed by a person or similarly authenticated.
<i>CCD, CTX</i>	Document signed or verbal agreement by Client.
<i>RCK</i>	Notice constitutes authorization.
<i>TEL</i>	Authorization by phone.
<i>WEB</i>	Online authorization and no in-person or written confirmation was given.

(m) Processing, Transmittal, and Settlement by Bank.

- (i) Except as otherwise provided in this Agreement, if Bank elects to accept any Entries, Bank shall use commercially reasonable efforts to (1) comply with the Instructions of Client, (2) process Entries received from Client to conform with the ACH File specifications described in the Nacha Rules, (3) Transmit such Entries as an ODFI to the ACH operator selected by Bank, and (4) Settle for such Entries as provided in the Nacha Rules.
- (ii) In addition, Bank shall Transmit such Entries to the ACH operator by the deposit deadline of the ACH operator, provided that (1) such Entries are received by Bank's Cut-off Time at the location specified by Bank to Client, (2) the Settlement Date satisfies the criteria provided by Bank to Client, and (3) the ACH operator is open for business on such Business Day. Client agrees that the ACH operator selected by Bank shall be considered to have been selected and designated by Client. Client will receive immediately available funds for any Debit Entry initiated by it on the applicable Settlement Date.

(n) Client Payment of Credit Entries and Returned Debit Entries; Overdraft.

- (i) Except as provided in Section 3(f) relating to pre-funding requirements, Bank is authorized to debit Client's Designated Account for the amount of each Credit Entry on the Settlement Date of the Credit Entry. In addition, Client agrees to pay the amount of each Debit Entry returned by an RDFI or dishonored by Bank (1) by authorizing Bank to debit the amount of such returned or dishonored Debit Entry from Client's Designated Account or any other Account, or (2) in any other manner as specified by Bank.
- (ii) Bank may create an overdraft in the event the Designated Account does not have sufficient Account Balance on the Settlement Date to cover the total amount of all Credit Entries to be paid on such Settlement Date or cover the amount of a Debit Entry returned by an RDFI, and if so, the amount of the overdraft shall be immediately due and payable to Bank without notice or demand from Bank. The applicable fees and rate of interest for such overdraft are described in the fee schedule or other fee disclosures provided to Client.

(o) On-Us Entries. In the case of a Credit Entry received for credit to an account with Bank ("**On-Us Entry**"), Bank shall credit the Receiver's account in the amount of such Entry on the applicable Settlement Date, provided that there is sufficient Account Balance, and the requirements described in Section 3(m)(ii)(1), (2), and (3) are met. If any of the requirements in Section 3(m)(ii) are not met, Bank shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next Business Day following such Settlement Date.

(p) Reserves. Bank may evaluate Client's ACH activities for the purpose of establishing averages for transaction frequency, amount, returns, and adjustments. These evaluations may occur annually or more frequently at Bank's discretion. In connection with these evaluations, Bank may require Client to establish reserves with Bank to cover Client's obligations arising from its ACH activities under this Agreement. Reserves may be expressed as a fixed dollar amount or as a "rolling reserve" calculated based on rolling averages determined by Bank's periodic evaluations. The amount of reserves required by Bank, if any, and the basis of calculation of the reserve amount, will be communicated directly to Client by Bank. Client agrees to establish reserves as required by Bank within two (2) Business Days after its receipt of communication thereof. Bank may suspend ACH processing activity for Client if Client fails to establish the required amount of reserves within the specified time period.

(q) Rejected Entries. Client agrees that Bank has no obligation to accept Entries and therefore may reject any Entry initiated by Client. Bank shall have no liability to Client for rejection of an Entry, and in the case of Credit Entry, shall not be liable to pay interest to Client even if Bank debited the amount of the Entry from the Designated Account or has otherwise received full payment from Client. Client shall promptly (in immediately available, fully collected funds) reimburse Bank if any Debit Entry is rejected or if any adjustment Entry is received by Bank after Bank has permitted Client to withdraw funds in the amount thereof.

(r) Return Entries.

- (i) If a Return Entry, returned for any reason whatsoever, it shall be the responsibility of Client to remake and re-Transmit the related Entry or otherwise resolve the Return Entry under the Nacha Rules.
- (ii) Bank shall use reasonable efforts to notify Client within one (1) Business Day of receiving a Return Entry from the ACH operator. Such notification may be made by phone, electronic communication, or if available to Client, via Information Reporting in Online Banking. Except for an Entry re-Transmitted by Client under Section 3(r)(i), Bank shall

have no obligation to re-send a returned Entry to the ACH operator if Bank complied with the terms of this ACH Origination Schedule for the original Entry. Client shall notify the Receiver that it received a Return Entry no later than one (1) Business Day after receiving such notification from Bank.

- (s) Cancellation or Amendment by Client. Client acknowledges and agrees that Bank may, but has no obligation to, accept a cancellation or amendment of any Entry after its receipt by Bank. If Bank receives and accepts such a request before the affected Entry has been sent to the ACH operator (or in the case of an On-Us Entry, before the Receiver's account has been credited or debited), Bank shall use reasonable efforts to cancel or amend the Entry as requested, but Bank shall have no liability if the cancellation or amendment is not effected. If Bank accepts a cancellation or amendment of an Entry, Client hereby agrees to indemnify, defend, and hold Bank harmless from any Losses incurred by Bank as the result of its acceptance of the cancellation or amendment.
- (t) Inconsistency of Name and Account Number. Client acknowledges and agrees that if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry submitted by Bank to the RDFI may be made by the RDFI (or by Bank in the case of an On-Us Entry) on the basis of the account number supplied by Client, even if it identifies a person different from the named Receiver, and Client's obligation to pay the amount of the Entry to Bank is not excused in such circumstances. Client is liable for and must Settle with Bank for any Entry initiated by Client that identifies the Receiver by account or identifying number, or by name and account or identifying number.
- (u) Error Detection; Reversal of Entries.
  - (i) Bank has no obligation to discover and shall not be liable to Client for errors made by Client, including errors made in identifying the Receiver, an RDFI, or any intermediary financial institution, or errors in the amount of an Entry or Settlement Dates. Bank shall likewise have no duty to discover and shall not be liable for duplicate Entries issued by Client. If Client makes an error or issues a duplicate Entry, Client shall indemnify, defend, and hold Bank harmless from any Losses incurred by Bank as result of the error or issuance of duplicate Entries.
  - (ii) Regardless, if Client discovers that any Entry it has initiated was in error, it shall notify Bank of such error.
    - (1) For any credit On-Us Entry, Bank will use reasonable efforts to initiate an adjusting Entry or stop payment within the time limits provided by the Nacha Rules, provided that such notice is received by Bank within four (4) hours before the ACH receiving deadline.
    - (2) For other Entries, upon request by Client, Bank shall use commercially reasonable efforts on behalf of Client, consistent with the Nacha Rules, to reverse any erroneous or duplicative Entry or ACH File originated by Client, provided that Client's request must be made within five (5) Business Days of the Settlement Date of the affected Entry or ACH File. Client agrees to comply with the Nacha Rules relating to any such reversal, including its obligation to timely notify the Receiver of the Reversing Entry, and submit such forms or other information as Bank may request. In addition, if Client requests reversal of a Debit Entry or a debit ACH File, it shall concurrently deposit into the Designated Account an amount equal to that Debit Entry or debit ACH File. Under no circumstances shall Bank be liable for interest or related Losses if the requested Reversing Entry is not effected. Client shall reimburse Bank for any Losses it incurs in effecting or attempting to effect Client's request for reversal of an Entry or ACH File.
- (v) Pre-Notification. Bank recommends that, as permitted by the Nacha Rules and any other Applicable Law, Client sends pre-notification that it intends to initiate an Entry within the time limits prescribed for such notice in the Nacha Rules. Such notice shall be provided to Bank in the format and on the medium provided in the media format section of such Nacha Rules. If Client receives notice that such pre-notification has been rejected by an RDFI within the prescribed period, Client shall not initiate any corresponding Entry to such Receiver's account until the cause for rejection has been corrected under the Nacha Rules. If Client chooses not to send pre-notification for an Entry, Client shall be solely responsible for any delay of the Entry or the misdirection of the Entry to incorrect accounts.
- (w) Notifications of Change. NOC and Corrected NOC are non-monetary Entries sent by an RDFI to notify the ODFI that an Entry contains incorrect information and provide correct information to be used on future Entries. Bank will use reasonable efforts to notify Client of each NOC Entry or Corrected NOC Entry received by Bank relating to Entries Transmitted by Client. Bank shall provide such information to Client within two (2) Business Days of the receipt thereof. Client shall ensure that changes requested by the NOC or Corrected NOC are made within three (3) Business Days of Client's receipt of the NOC information from Bank or before initiating another Entry to the Receiver's account, whichever is later.
- (x) Client Acknowledgement.
  - (i) Client acknowledges that, according to the provisional settlement requirement of the Nacha Rules, payment of a Credit Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final Settlement for such Entry, and if that Settlement is not received, the RDFI is entitled to a refund from the Receiver of the amount credited. In this case, Client shall not be deemed to have paid the Receiver the amount of the Credit Entry.
  - (ii) With respect to any Entry originated by Client that involves an unauthorized Debit Entry, Client acknowledges that the Receiver has the right to obtain a refund of the funds debited from the Receiver's account under the requirements of the Nacha Rules.

- (y) Client Representations and Warranties. In addition to Client's representations and warranties in the General Terms, Client makes the following representations and warranties related to this Schedule.
- (i) Client represents and warrants to Bank and agrees that (1) each person or entity shown as the Receiver on an Entry initiated by Client has authorized the initiation of such Entry and the crediting or debiting of the Receiver's account, in full compliance with the Nacha Rules, other Applicable Laws, and this ACH Origination Schedule, and in the amount and on the Settlement Date shown on such Entry, (2) such authorization is operative at the time of Client's Transmittal or crediting or debiting by Bank as provided herein, (3) Entries Transmitted to Bank by Client are limited to those types of Credit and Debit Entries described in this ACH Origination Schedule, and (4) Client shall comply with the Nacha Rules.
- (ii) *For RCK ACH SEC Code Users only*: If Bank has approved Client to originate Entries of the RCK ACH SEC Code type, Client represents and warrants to Bank and agrees that:
- (1) Client must provide the Receiver with notice that clearly and conspicuously states the terms of the RCK Entry policy in advance of receiving the item.
  - (2) Client must retain a copy of the front and back of the item to which the RCK Entry relates for seven (7) years from the Settlement Date of the RCK Entry.
  - (3) Each RCK Entry must be in an amount less than \$2,500 and the original check date must be less than 180 days from the date the Entry is sent to the RDFI.
  - (4) Each RCK Entry must be drawn on a consumer account.
  - (5) Client must notify the check writer that the check may be collected electronically if the check is returned for insufficient balance.
  - (6) Client must obtain the check writer's signature as authorization that fees related to the re-presented item may be collected electronically.
  - (7) Client has good title or is entitled to enforce the item to which the RCK Entry relates or is authorized to obtain payment or acceptance on behalf of one who has good title or is entitled to enforce the item.
  - (8) All signatures on the item to which the RCK Entry relates are authentic and authorized.
  - (9) The item to which the RCK Entry relates has not been altered, is not subject to a defense or claim in recoupment of any party that can be asserted against Bank, is drawn on, payable through, or payable at the RDFI, and the amount of the item, the item number, and the account number contained on the item have been accurately reflected in the RCK Entry.
  - (10) Client has no knowledge of any insolvency proceeding commenced for the maker or acceptor, or in the case of an unaccepted draft, the drawer of the item to which the RCK Entry relates.
  - (11) The item to which the RCK Entry relates, or a copy of such item, has not been and will not be presented to the RDFI unless the RCK Entry has been returned by the RDFI.
  - (12) The information encoded in magnetic ink on the item after issuance of the item is correct.
  - (13) Any restrictive endorsement made by Client or its agent on the item to which the RCK relates is void or ineffective upon initiation of the RCK Entry.
  - (14) Client will provide Bank with a copy of the front and back of the item within seven (7) Business Days of a request by Bank, provided that the request is made within seven (7) years of the Settlement Date of the RCK Entry.
- (z) Audit. Bank has the right to periodically audit Client's compliance with the Nacha Rules, other Applicable Laws, and this ACH Origination Schedule. In connection therewith, Client agrees to cooperate with any reasonable request by Bank to (i) visit and inspect Client's properties, (ii) examine and make excerpts from Client's books and records relating to compliance with the Nacha Rules, and (iii) discuss Client's transactions and accounts with Client's authorized representatives, all in such details, at such times, and as often as Bank may reasonably request. Any such visitation, inspection, or audit shall be performed with reasonable prior notice and conducted at a time and in a manner mutually agreeable to Client and Bank. Bank shall bear the costs of any such visitation, inspection, or audit.
- (aa) Data Retention. Client shall retain Entry Data adequate to permit the remaking of Entries for five (5) Business Days following the date of their submission by Bank and provide that Entry Data to Bank upon request.
- (bb) Entry Records. All Entry Data received by Bank and related records or procedures used by Bank for transactions contemplated by this ACH Origination Schedule shall be and remain Bank's property. Bank may, at its sole and absolute discretion, make available such information upon Client's request. Any expenses incurred by Bank in making such information available to Client shall be paid by Client.

- (cc) **Indemnification.** Client shall indemnify, hold harmless, and promptly reimburse Bank for any Losses (including any assessments, penalties, fines, or other amounts assessed by Nacha or any other regulatory or governmental agency against Bank, its affiliates, or its other representatives) arising from Client's use of the ACH Origination Service. Bank may, without providing any notice to or obtaining the consent of Client, set off any such Losses against any Account of Client. Client shall promptly remediate, mitigate, and cease any activities that result (or may result) in any Losses to Bank in connection with or related to Client's use of the ACH Origination Service.

## CHECK FRAUD MITIGATION SERVICES

This section of the Product Appendix (this "**Check Fraud Mitigation Schedule**") provides the Product Terms governing the use of Bank's Check Positive Pay, Check Payee Positive Pay, Check Reverse Positive Pay, and Check Block Services (collectively, "**Check Fraud Mitigation Services**").

### 1. Definitions

For the purposes of this Check Fraud Mitigation Schedule, the following terms have the meanings ascribed to them below:

"**Check Issue File**" means electronic check data Transmitted to Bank by Client or a third party on behalf of Client for a Designated Account. For purposes of this Check Fraud Mitigation Schedule, a third party (other than a Third-Party Provider) that Transmits Check Issue Files on Client's behalf is deemed an Authorized Service User solely in connection with the Transmittal, and any reference to "**Client**" in the context of Transmittal of Check Issue Files shall include any such third party. "**Decision**" means an Instruction to pay ("**Pay Decision**") or return ("**Return Decision**") an Exception Item, or to apply a pay or return dispensation to an Exception Item.

"**Decisioning Window**" means after 9:30 a.m. and before the Cut-off Time.

"**Exception Item**" means a Presented Check that does not match data included in a Check Issue File, or in the case of Check Reverse Positive Pay, any Presented Check. Bank provides Exception Items to Client in Online Banking.

"**Pay Default**" is defined in Section 3(b)(i)(5).

"**Presented Check**" means a check, substitute check, or electronically presented check drawn on a Designated Account and presented to Bank for payment.

"**Return Default**" is defined in Section 3(b)(i)(5).

"**Void**" means a check that was included in a previous Check Issue File that is cancelled by Client and no longer authorized to be accepted by Bank for payment.

### 2. Service Description

- (a) **Scope.** The Check Fraud Mitigation Services do not apply to any electronic funds transfers, ACH transactions, checks that have been converted to ACH transactions, checks presented for payment at Bank branches or offices, or non-business size checks. This Check Fraud Mitigation Schedule has no effect on Bank's and Client's respective rights and obligations for any such transactions under other executed agreements between the parties or Applicable Law.
- (b) **Features.** The following features are available through Bank's Check Fraud Mitigation Services, each of which is a separate Service that the Client may enroll in, subject to applicable Service Fees:
- (i) **Check Positive Pay and Check Payee Positive Pay.** These Services allow Client to approve or return Presented Checks that do not match data contained in Check Issue Files provided by Client. A Presented Check that appears to Bank as authorized according to a Check Issue File will be paid automatically, otherwise it will be presented to Client as an Exception Item for either a Pay Decision or Return Decision on the related check. If requested by Client and agreed to by Bank, Bank will also provide Check Payee Positive Pay, whereby check payee names will also be verified in the matching process. In order to receive the Check Payee Positive Pay Service, Client must be enrolled in Check Positive Pay for the applicable Designated Account.
  - (ii) **Check Reverse Positive Pay. This Service provides Client with full control over check payments by treating all Presented Checks as Exception Items.** Client is responsible for reviewing each Exception Item and issuing either a Pay Decision or a Return Decision within the Decisioning Window.
  - (iii) **Check Block.** This Service provides Client with the ability to block all Presented Checks. Any such check will be returned unpaid by Bank.

### 3. Service Terms and Conditions

- (a) **Check Issue File.**
- (i) **Check Positive Pay and Check Payee Positive Pay.**
    - (1) Client shall Transmit to Bank a Check Issue File via SFTP or by uploading the Check Issue File or manually entering the data in Online Banking. The Check Issue File shall accurately state for each check issued: (1) the check number, (2) the amount, (3) the issuance date, (4) the account number, and if Payee Positive Pay applies, (5) the payee name (see Section 3(a)(i)(2) below). Each Check Issue File must identify any Voids and be legible and in a format that is acceptable to Bank.

- (2) If Client elects to receive the Check Payee Positive Pay Service, Client shall include the payee name for each check on the Check Issue File. Client shall be responsible for the accuracy and completeness of the payee information provided to Bank. Bank's Check Payee Positive Pay Service requires the payee name to match against Client's Check Issue File. The payee name in the Check Issue File will be electronically compared to the payee name on Presented Checks. The payee name on the Check Issue File must be formatted identically to the payee name printed on checks. Handwritten checks are not supported for Check Payee Positive Pay. Bank may test Client's checks to ensure it meets Bank's payee name readability standard, and if necessary, require Client to adjust the check print specifications, formatting, or layout to improve readability. Client acknowledges receipt of the Payee Name Verification Best Practices document and agrees to adhere to its guidelines. If Client is unable or unwilling to comply with the best practice guidelines provided therein, or any check print specifications specified by Bank, Bank may, in its sole and absolute discretion, terminate or suspend Client's use of the Payee Positive Pay Service.
  - (ii) Check Reverse Positive Pay and Check Block. These Services do not have Check Issue Files. All Presented Checks will be included as Exception Items for Check Reverse Positive Pay and returned unpaid for Check Block.
- (b) Reporting of Exception Items; Decisioning; Payment.
- (i) *Check Positive Pay, Check Payee Positive Pay, and Check Reverse Positive Pay.*
    - (1) For the Check Positive Pay and Check Payee Positive Pay Services, Bank will conduct an automated review of Presented Checks against the data in the Check Issue File received by Bank for the Designated Account. Bank will pay all such checks that match (1) the check number, (2) dollar amount, and for Check Payee Positive Pay, (3) payee name (or names, if there is more than one payee name listed on the Presented Check) included in the Check Issue File. Any Presented Check that does not match the data will be included as an Exception Item and made available to Client for a Decision under Section 3(b)(i)(3) below. Notwithstanding the foregoing, Client acknowledges that in certain circumstances Exception Items may include Presented Checks that match the data included in a Check Issue File. This may be caused by an error in encoding, a smudge, mutilation, poor quality of scanned imaged, or other irregularity that causes the checks to not match.
    - (2) For the Check Reverse Positive Pay Service, all Presented Checks will be included as Exception Items and made available to Client for a Decision under Section 3(b)(i)(3) below.
    - (3) Exception Items are made available in Online Banking. Bank will use commercially reasonable efforts to provide the image of each Exception Item by the Delivery Time specified in the Cut-off and Delivery Schedule. Client is responsible for viewing the Exception Items and providing a Decision via Online Banking by the Cut-off Time within the Decisioning Window.
    - (4) Bank will pay and charge to the Designated Account any Exception Item for which Client renders a Pay Decision. Bank will return any Exception Items for which Client renders a Return Decision.
    - (5) If Client fails to provide a Decision to Bank by the Cut-off Time, Bank will return all Exception Items ("**Return Default**").
    - (6) To reap the benefits of Check Positive Pay, Check Payee Positive Pay, and Check Reverse Positive Pay, Client must log into Online Banking on a daily basis and affirmatively Decision each Exception Item during the Decisioning Window. Client understands and agrees that the Cut-off Time for a Decision establishes the standard by which Client will be considered to have exercised reasonable promptness with regard to the daily transmission of each Exception Item and will be considered a statement of account under the UCC. Client understands and agrees that these Check Fraud Mitigation Services require Client to meticulously review all Exception Items and to Decision such Exception Items within the Decisioning Window. Based on the default option described in Section 3(b)(i)(5), Client agrees that Bank shall not be responsible for any payment that is not made under the Return Default rule because Client failed to render a Pay Decision within the Decisioning Window.
  - (ii) *Check Block.* Client does not have the option to Decision Presented Checks.
- (c) Bank's Obligations.
- (i) Bank will pay all checks that match the data included in Client's Check Issue File and Exception Items that Client Instructs Bank to pay, provided that there is sufficient Account Balance in the Designated Account and subject to other limitations described in Section 10 of the General Terms.
  - (ii) Bank will return each Presented Check unless, for Check Positive Pay and Check Payee Positive Pay, it is authorized based on the information in the Check Issue File at the time the Presented Check is received by Bank, or Decided to be accepted as outlined in Section 3(b) above.
  - (iii) Bank is not required to comply with any Decision received after the Cut-off Time or in a format or medium not permitted under this Check Fraud Mitigation Schedule but will instead treat the applicable Exception Items under the default option described in Section 3(b)(i)(5).

- (iv) Bank is not responsible for detecting any Client error contained in any Check Issue File or Decision Transmitted by Client to Bank.
- (d) Notifications.
  - (i) *Check Positive Pay, Check Payee Positive Pay, and Check Reverse Positive Pay.* Client should log into Online Banking regularly to obtain accurate information regarding its Accounts. Client may also enroll to receive alerts electronically via email about Exception Items.
  - (ii) *Check Block.* Presented Checks will be returned unpaid without any notification or reporting provided to Client.
- (e) Remedies. The liability provisions of the UCC Articles 3 and 4 shall govern this Check Fraud Mitigation Schedule to the extent applicable, except as provided below.
  - (i) *Rightful Payment and Dishonor.* Except as otherwise provided herein:
    - (1) If Bank pays an Exception Item under a Pay Decision issued by Client, or if applicable, the Pay Default option selected by Client, such honor shall be rightful, and Client hereby waives any right it may have to assert that the Exception Item was not properly payable under the UCC.
    - (2) If Bank dishonors an Exception Item under a Return Decision issued by Client or the Return Default, the dishonor shall be rightful, and Client waives any right it may have to assert that the dishonor was wrongful under the UCC.
    - (3) Client agrees that Bank exercises ordinary care whenever it rightfully pays or returns an Exception Item consistent with the provisions of this Check Fraud Mitigation Schedule.
  - (ii) *Assignment.* To the extent that Client incurs any Loss under this Check Fraud Mitigation Schedule, Bank assigns to Client any claim that Bank would have against a depository or collecting bank to recover the Loss, including any claim of breach of warranty under the UCC.

## CONTROLLED DISBURSEMENT SERVICE

This section of the Product Appendix (the “**Controlled Disbursement Schedule**”) provides the terms and conditions governing the use of the Controlled Disbursement Service.

### 1. Definitions

For the purposes of this Controlled Disbursement Schedule, the following terms have the meanings ascribed to them below:

“**Controlled Disbursement Account**” means a Designated Account established by Client for the purpose of obtaining the Controlled Disbursement Service.

“**Controlled Disbursement Reporting**” is defined in Section 2.

“**Funding Account**” means a Designated Account established by Client for the purpose of funding all checks presented for payment against the Controlled Disbursement Account.

“**Presented Checks**” is defined in Section 2.

“**Presentment Day**” is defined in Section 2.

### 2. Service Description

Bank will notify Client via Online Banking the total amount of checks that will be presented for payment against the Controlled Disbursement Account (“**Presented Checks**”) on a Business Day (“**Presentment Day**,” and such reporting, “**Controlled Disbursement Reporting**”). This will allow Client to fund its Controlled Disbursement Account with the amount necessary to cover daily disbursements. The Controlled Disbursement Reporting does not include checks that have been converted to ACH transactions. The Controlled Disbursement Reporting is based on preliminary data provided by the Federal Reserve Bank and is subject to change. Bank does not guarantee the accuracy or completeness of this information.

### 3. Service Terms and Conditions

- (a) Controlled Disbursement Account.
  - (i) Client will limit activities in the Controlled Disbursement Account to check disbursements. Notwithstanding the foregoing, Client understands that Bank will pay and charge against the Controlled Disbursement Account other debits presented for payment, including electronic debits. It is recommended that, in addition to the Check Fraud Mitigation Services, Client enroll in Bank’s ACH Debit Block Service for the Controlled Disbursement Account in order to mitigate against unauthorized or fraudulent transactions.
  - (ii) Client agrees to comply with all requirements established by Bank for the use of Controlled Disbursement Accounts, including all specifications for printing business checks and using the correct routing number for checks to be paid from the Controlled Disbursement Account. Upon termination of the Controlled Disbursement Service for any reason, Client authorizes Bank to close the Controlled Disbursement Account.

(b) Controlled Disbursement Reporting and Controlled Disbursement.

- (i) Controlled Disbursement Reporting will be made available to Client via Online Banking on the Presentment Day by the Delivery Time specified in the Cut-off and Delivery Schedule. The check information contained in the Controlled Disbursement Reporting is provided by the Federal Reserve Bank and its accuracy is not guaranteed by Bank.
  - (ii) At the end of the Presentment Day, Bank will transfer into the Controlled Disbursement Account from the Funding Account the amount required to pay all checks contained in the Controlled Disbursement Reporting. Client authorizes Bank to execute such funds transfers from the Funding Account as may be required in order to pay the Presented Checks, as well as any other debits posted to the Controlled Disbursement Account, including all checks presented for payment against the Controlled Disbursement Account after termination of the Service.
- (c) Sufficient Balances. Client agrees to maintain sufficient Accessible Balance in the Funding Account to pay all amounts required to be transferred by Bank to the Controlled Disbursement Account to pay all Presented Checks and all applicable debits.
- (d) Overdrafts. If the Accessible Balance in the Funding Account is insufficient to pay all checks included in the Controlled Disbursement Reporting, checks may be paid or returned unpaid in any order determined by Bank subject to Applicable Law. In addition, Bank may, in its sole and absolute discretion, make transfers into the Controlled Disbursement Account to pay checks or other debits presented for payment, even if such transfers will result in the creation of an overdraft in the Funding Account. The transfer of funds by Bank on one occasion to pay checks or other debits shall not obligate Bank to transfer funds to pay checks on any other occasion if Client fails to maintain sufficient Accessible Balance in the Funding Account. Client shall be responsible for repaying any overdraft immediately, without notice or demand. The applicable fees and rate of interest for such overdraft are described in the fee schedule or other fee disclosures provided to Client.

## EDI REPORTING SERVICE

This section of the Product Appendix (this “**EDI Reporting Schedule**”) provides the Product Terms governing the use of Bank’s Electronic Data Interchange (“**EDI**”) Reporting Service.

### 1. Definitions

For the purposes of this EDI Reporting Schedule, the following terms have the meanings ascribed to them below:

“**EDI Report**” means detailed file output or a report of information for Received Credit Entries and Received Debit Entries.

“**Received Credit Entry**” means an Entry originated by a third party and received by Client to credit funds to Client’s Designated Account.

“**Received Debit Entry**” means an Entry originated by a third party and received by Client to debit funds from Client’s Designated Account.

### 2. Service Description

This Service allows Client to receive EDI Reports. The EDI Reporting Service provides human-readable transaction data from ACH addenda records received by Bank.

### 3. Service Terms and Conditions

- (a) Report Options. Client must select on the applicable Treasury Solutions Form the delivery options for the EDI Reports offered by Bank, which may include Online Banking or SFTP. Bank may change the available delivery channel at any time.
- (b) Report Delivery. EDI Reports are available daily.

## ELECTRONIC BILL PRESENTMENT AND PAYMENT SERVICE

This section of the Product Appendix (this “**Electronic Bill Presentment and Payment Service Schedule**”) provides the Product Terms governing the use of Bank’s Electronic Bill Presentment and Payment Service (“**EBPP Service**”).

### 1. Definitions

For the purposes of this Electronic Bill Presentment and Payment Service Schedule, the following terms have the meanings ascribed to them below:

“**ACH Originator**” means any entity or person that authorizes and initiates an ACH transaction.

“**Bill Load File**” means a data file used to input Payor information into Client’s Web Portal.

“**Payee**” means any person or legal entity that receives an online payment through the EBPP Service.

“**Payor**” means any customer and/or other payor submitting a payment to Client through the EBPP Service.

“Portal” or “Web Portal” means the online interface through which a Payee receives, or a Payor initiates a payment by ACH, debit card, or credit card.

## 2. Services Description

This EBPP Service enables Client to electronically deliver bills and invoices to its Payors, who may then make payments through the Portal. The EBPP Service also facilitates the electronic collection of such payments by Client.

## 3. Service Terms and Conditions

- (a) Bill Presentment. Client may upload an invoice or Bill Load File for purposes of electronic bill presentment.
- (b) Payment Channels and Options. Client may offer Payors multiple payment options (for example, ACH debit, credit card, or debit card). The EBPP Service also supports other payment channels, such as by telephone through Client’s customer service center, through Interactive Voice Response (“IVR”), and mobile device.
  - (i) Bank Account (ACH). Client may offer Payors the option to make payments directly from their bank accounts via ACH debit by providing their deposit account number.

If Client elects to offer ACH debit as a payment option, Client must be an approved ACH Originator with Bank. Existing ACH Originators electing to use the EBPP Service will be subject to an enhanced due diligence review, as determined to be appropriate in Bank’s sole and absolute discretion.

Bank may, in its sole and absolute discretion, impose a limit on the aggregate dollar amount of ACH Entries originated in connection with the EBPP Service for which final settlement is pending at any given time (the “**EBPP ACH Limit**”). This limit is separate and apart from any other ACH limit that Bank has established (or will establish) for Client. The initial EBPP ACH Limit will be based on a percentage of the highest average daily payment volume expected by Client. Bank will monitor Client’s payments daily and adjust the EBPP ACH Limit accordingly. Bank reserves the right to adjust the EBPP ACH Limit at any time and for any reason. Bank will notify Client of the EBPP ACH Limit at the time of enrollment in the EBPP Service and of any subsequent adjustments. Client shall not exceed the EBPP ACH Limit.

If Client is not already approved as an ACH Originator with Bank, and Client desires to offer Payors an ACH payment option, Client shall be subject to Bank’s full due diligence review in order to become approved as an ACH Originator.

- (ii) Card Payments. Client may offer Payors the option to make payments by credit card or debit card. The EBPP Service supports processing of all major card brands.
  - (iii) Telephone to Customer Service Center or IVR. Client may present invoices for Payors to view. In addition to or instead of online payment, Client may provide Payors with a customer service number or an IVR number to make payments by telephone.
- (c) Cut-off Time For Bank’s Receipt of Payment Entries. The Cut-off Time for the EBPP Service shall be as specified in the Cut-off and Delivery Schedule.
- (d) Bill Load Files. Client, or Client’s third-party vendor, shall create and upload the Bill Load File into the EBPP Service via Secure File Transfer Protocol (“**SFTP**”) or through Client’s User Interface (“**UI**”).

The Bill Load File functions as a snapshot of Client’s Accounts Receivable (“**A/R**”) database and includes summary information such as Payor billing account number, Payor name, address, amount due and due date. The Bill Load File may also be expanded to include more detailed billing information and may contain a PDF copy of the bill or the parameters necessary to retrieve the bill from a third-party.

- (e) Account Reconciliation Files and Reports. The EBPP Service provides various files and reports to assist with account reconciliation. For instance, Client may download remittance files and/or A/R files from the Web Portal or generate reports through the UI.
  - (i) Remittance Files and Reports. Remittance files contain the summary data for each payment, credit memo, or returned ACH payments processed through the EBPP Service based on the selected processing date range.
  - (ii) A/R Files and Reports. A/R files are data files available either via SFTP or through the UI. A/R files delivered via SFTP are batch files containing payment data. Client shall update its accounting system or system of record with the payment information processed through the EBPP Service. A/R files include payments and credit memos processed before Bank’s Cut-off Time, as well as any ACH payments returned by Bank. Credit card chargebacks, credits, or voids are not included in these files.

- (f) **Stop File.** If Client requires to that one or more Payors be prevented from making payments through the Web Portal (a common situation for property management company billers), Client may either (i) import a “Stop File” entry through the administrative interface of the Web Portal, or (ii) submit a Stop File with multiple payors via SFTP. Payors whose records are contained in a Stop File will be restricted from making payments both through the Web Portal, by telephone through customer service or through IVR channels. However, such Payors will retain access to the Web Portal for account maintenance purposes. Any established recurring payments or other scheduled future payments associated with a Payor listed in a Stop File will be cancelled and disabled. The affected Payor will be notified of the cancellation via email.
- (g) **Compliance Obligations.** Client acknowledges that all transactions processed through the EBPP Service are subject to Applicable Laws. Client agrees that it is solely and independently responsible for ensuring compliance with such Applicable Laws. Client acknowledges that the EBPP Service is not designed, intended, or represented to satisfy all of Client obligations under Applicable Laws. For example, before initiating a payment transaction, Company must first obtain its Payors’ express authorization in the form required by the laws and rules governing that type of transaction, and before initiating a recurring electronic funds transfer in a new amount, Client must send its Payor prior notice of that amount.
- (h) **Prohibited Uses.** The following types of payments are prohibited (“**Prohibited Payments**”) through the EBPP Service. Bank, in its sole and absolute discretion, reserves the right, but not the obligation, to monitor for, block, cancel and/or reverse any such payments submitted to Client by a Payor:
- (i) payments from persons located in prohibited territories;
  - (ii) payments that violate any law, statute, ordinance, or regulation;
  - (iii) payments that violate any term or condition of this Agreement;
  - (iv) payments related to (a) tobacco products, (b) prescription drugs and devices, (c) narcotics, steroids, controlled substances or other products that present a risk to consumer safety, (d) drug paraphernalia, (e) ammunition, firearms, or firearm parts or related accessories, (f) weapons or knives regulated under Applicable Law, (g) goods or services that encourage, promote, facilitate or instruct others to engage in illegal activity, (h) goods or services that are sexually oriented, (i) goods or services that promote hate, violence, racial intolerance, or the financial exploitation of a crime, (j) goods or services that defame, abuse, harass or threaten others, (k) goods or services containing bigoted, hateful, racially offensive, vulgar, obscene, indecent or discourteous content, or (l) goods or services that infringe or violate any copyright, trademark, right of publicity or privacy or other proprietary right under the laws of any jurisdiction;
  - (v) payments relating to transactions that (a) support Pyramid or Ponzi schemes, matrix programs, other “get rich quick” or multi-level marketing schemes, (b) are associated with purchases of real property, annuities, lottery contracts, lay-away systems, off-shore banking or transactions to finance or refinance debts funded by a credit card, (c) constitute money-laundering or terrorist financing, (d) are associated with the following “money service business” activities: the sale of traveler’s checks or money orders, currency dealers or exchanges, check cashing, or stored value, or (e) provide credit repair or debt settlement services;
  - (vi) payments related to gambling, gaming and/or any other activity with an entry fee and a prize, including casino games, sports betting, lottery tickets, other ventures that facilitate gambling, games of chance or skill (whether or not it is legally defined as a lottery) and sweepstakes;
  - (vii) payments that involve (a) acting as a money transmitter or selling stored value cards, or (b) selling stocks, bonds, securities, options, futures (forex) or investment interests in any entity or property; and/or
  - (viii) payments relating to transactions that constitute money-laundering or terrorist financing.

In no event shall Bank be liable for any claims or damages resulting from Client’s receipt of any Prohibited Payments. Bank has no obligation to research or resolve any claim resulting from a Prohibited Payment, except as required by Applicable Law. All research and resolution of any misapplied, mis-posted or misdirected Prohibited Payments will solely be the responsibility of Client and Bank will have no responsibility therefor whatsoever.

## IMAGE CASH LETTER SERVICE

This section of the Product Appendix (this “**ICL Schedule**”) provides the Product Terms governing the use of Bank’s Image Cash Letter (“**ICL**”) Service.

### 1. Definitions

For the purposes of this ICL Schedule, the following terms have the meanings ascribed to them below:

“**Check Images**” mean digitized images of checks and associated check information.

“**MICR**” means Magnetic Ink Character Recognition.

“**Regulation CC**” refers to 12 C.F.R. Part 229.

“**Regulation J**” refers to 12 C.F.R. Part 210.

“**Remotely Created Check**” refers to any check that is not created by the person whose account is to be charged and does not bear the signature of the person to be charged, as such term is further defined in § 229.2(fff) of Regulation CC.

“**Substitute Check**” means a paper reproduction of an electronic image of an original check, as further defined in § 229.2(aaa) of Regulation CC.

“**Vendor**” means a third party appointed by Client to act as Client’s agent to Transmit Check Images on Client’s behalf. For purposes of this ICL Schedule, a Vendor that Transmits Check Images on Client’s behalf is deemed an Authorized Service User solely in connection with the Transmittal, and any reference to “**Client**” in the context of Transmittal of Check Images shall include any Vendor.

## 2. Service Description

ICL Service is a deposit service that enables Client to electronically Transmit Check Images to Bank for deposit into Client’s Designated Account. Subject to the terms of this ICL Schedule, upon receipt of a Check Image, Bank will forward the Check Image for payment in the collection stream and process the Check Image as described below.

## 3. Service Terms and Conditions

- (a) Transmittal via SFTP. In order to use the ICL Service, Client must Transmit Check Images using SFTP. Client agrees, and shall ensure that any Vendor agrees, to the following: (i) Client or Vendor, as applicable, shall use SFTP in accordance with such specifications as may be established by Bank; (ii) Client or Vendor, if applicable, is solely responsible for purchasing, obtaining, installing, and operating any software necessary to Transmit files using SFTP and maintaining such software in an operating condition; and (iii) Client shall be responsible for the payment of any and all telecommunications and implementation expenses associated with SFTP used in connection with the ICL Service provided to Client. Client acknowledges and understands its responsibility and liability as they relate to Client’s use of and access to the SFTP and that Bank assumes no liability or control over Client’s or a Vendor’s on-site systems or employees.
- (b) Check Image Requirements. Each Check Image Transmitted to Bank through the ICL Service shall meet the American National Standards Institute standards required by Regulation CC, or other applicable standards established by Bank, the FRB, or any other regulatory agency, clearing house, or association. Specifically, each Check Image of an original check shall be of such quality that the following information can be clearly read and understood by sight review of such Check Image: (i) the amount of the original check as written or printed in words and numbers by the payor; (ii) the payee of the original check as written or printed by the payor; (iii) payor’s signature; (iv) the date of the check as written or printed by the payor; (v) the check number as written or printed on the original check; (vi) any information identifying the payor and the paying bank that is preprinted on the original check, including the MICR line; and (vii) all other information placed on the original check before it was truncated, including any required identification written on the front of the check and any endorsements applied to the back of the check.
- (c) Client’s Responsibilities.
  - (i) Client agrees to process through the ICL Service only (1) items that satisfy the definition of “check” under Regulation CC and Regulation J, namely, drafts that are payable on demand and drawn on or payable through or at an office of a U.S. financial institution, or a U.S. office of a foreign financial institution, all of which must be payable to and endorsed by Client; and (2) U.S. dollar currency checks.
  - (ii) Client shall not use the ICL Service to Transmit for deposit any Check Images containing: (1) checks payable to a third party, including checks payable to Client and a third party; (2) Remotely Created Checks; (3) irregular checks (for example, where the numerical and written amounts are different); (4) previously returned checks; (5) checks payable to or in cash; (6) checks exceeding any transaction or file limits as Bank may establish or modify from time to time; (7) checks that are postdated or more than six (6) months old; (8) Substitute Checks or Check Images that are derived from or purport to be Substitute Checks; (9) any check that Client knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the original check is drawn; or (10) any check that is prohibited from deposit under the Account Agreements or Applicable Law, including laws and regulations administered by OFAC and the anti-money laundering laws under the Bank Secrecy Act and USA PATRIOT Act.
  - (iii) Client understands that each Check Image Transmitted to Bank is subject to verification of image quality and accuracy of check data. Client acknowledges that it must send to Bank any checks that are ineligible for processing through the ICL Service for further review and determination of their eligibility for deposit.
  - (iv) Once Client has created a Check Image, Client will take steps to ensure that the original checks are not processed for payment and that no additional Check Images are created. Client agrees to deposit only Check Images created from original checks using the Service, and except as otherwise provided herein with respect to ineligible or returned Check Images, Client shall not present for payment the original checks or any additional Check Images or Substitute Checks created from the original checks. Client shall retain the processed, original checks in a safe and secure location for no less than fifteen (15) days after such original checks have been processed through the ICL Service, sorted by date of Transmittal in a retrievable fashion, with access to that location restricted to only those employees with a specific need for such access. During such time, upon request from Bank, Client will promptly provide original checks to Bank within three (3)

Business Days after the date of the request. Upon expiration of the retention period, Client agrees to permanently destroy the original checks in a secure manner by shredding or other comparable means to protect the confidentiality of the information contained on the checks and ensure that the original checks are not separately deposited with Bank or any other financial institution.

- (v) Client agrees to restrictively endorse any checks Transmitted through the ICL Service, using the following language in the endorsement area on the back of the check:

if using RDC –	<b>“For Remote Deposit Only at Valley National Bank”</b>
if using Mobile Deposit –	<b>“For Mobile Deposit Only at Valley National Bank”</b>

Bank may reject or return checks that are deposited using the ICL Service without the above or similar restrictive endorsement. If Client causes Check Images to be virtually endorsed, the restrictive endorsement must be applied physically before digitizing the checks.

(d) Client’s Representations and Warranties.

- (i) Client represents and warrants that it will use the ICL Service in compliance with this ICL Schedule. In addition, each time Client uses the ICL Service, it will be deemed to be making the following representations and warranties with respect to each Check Image processed using the ICL Service:
- (1) the Check Image was created from a paper check;
  - (2) the Check Image accurately represents all of the information appearing on the front and back of the original check at the time such check was truncated without any alteration, replicates the MICR line of the original check, and meets the standards and technical requirements described in Section (3)(b) above;
  - (3) the Check Image contains all necessary and duly authorized endorsements for collection and payment, and the check has been restrictively endorsed as described in Section 3(c)(v); and
  - (4) the Check Image contains all transfer, presentment, and other warranties provided under the UCC, as if the Check Image were an “item” defined in the UCC.
- (ii) Without limiting the generality of the foregoing, for any Check Image Transmitted and processed through the ICL Service, Client gives the same representations, warranties, and indemnities to Bank that Bank, as a sending bank, gives pursuant to the image exchange rules, including, without limitation, any applicable clearing house rules and regulations that govern Bank.
- (iv) Client will not buy checks from or exchange checks with others or use the ICL Service to engage in the business of a currency dealer or exchanger, check casher, or money transmitter.

(e) Bank’s Responsibilities.

- (i) Bank will accept for deposit to Client’s Designated Account Check Images that are Transmitted to Bank in compliance with this ICL Schedule. Check Images shall be deemed to have been received by Bank upon confirmation from the system of the successful receipt of the Transmittal. If a received Check Image does not include data that is complete, usable, and adheres to Bank’s specifications, it will not be accepted by Bank. If Bank is unable to process a Check Image that has been received, it will use commercially reasonable efforts to resolve on the next Business Day. The ICL Service may only be available for Accounts designated by Client.
- (ii) Bank will provide same Business Day Ledger Balance credit to the Designated Account all Check Images Transmitted through the ICL Service prior to the Cut-off Time specified in the Cut-off and Delivery Schedule that are accepted by Bank. Any Check Image Transmitted by Client after the Cut-off Time and accepted by Bank will be credited to the Designated Account on the following Business Day. The availability of funds for checks deposited using the ICL Service will be in accordance with the terms of Bank’s funds availability policy, as described in the “Funds Availability” and “Your Ability to Withdraw Funds” sections of the Deposit Account Agreement. If a financial institution on which a check is drawn returns the check for any reason, Bank may charge the Designated Account for such returned check, whether or not the return is timely.
- (iii) Bank may immediately suspend Client’s use of the ICL Service if Bank has reason to believe that there has been a breach in the security of the ICL Service, fraud involving the Designated Account, or any uncertainty as to the accuracy of the Check Images being Transmitted.
- (iv) Bank reserves the right to refuse to process or reject any Check Images for any reason at its sole and absolute discretion, including any Check Images containing the items prohibited in Section 3(c)(ii).
- (v) Bank will process any returned Check Image under Applicable Law and the Account Agreements governing the Designated Account for which the Check Image is presented.

(f) Vendor.

- (i) Client may arrange for imaging and Transmittal services from a Vendor with prior written consent of Bank. Client agrees to notify Bank of each Vendor it intends to use and other information that Bank may require about the Vendor. Bank may, in its sole and absolute discretion, choose not to accept Check Images from a Vendor identified by Client.

- (ii) If Client engages a Vendor, Client will provide a copy of this ICL Schedule to such Vendor and obtain such Vendor's agreement to comply with the terms hereof, including the provisions governing image quality, prohibition of duplicate items, the restrictive endorsement requirement, and proper storage and destruction of original checks. Client shall be solely responsible for such Vendor's compliance with this Agreement. Any action or omission in connection with this Agreement or breach of any representation, warranty, or other provision hereof by a Vendor shall be deemed to be an action, omission, or breach by Client. Client will remain responsible for the Check Images, Transmittals, or other activity performed by the Vendor, and shall ensure that the third-party hardware or software will be in accordance with this ICL Schedule.
- (iii) Notwithstanding any notification to or consent received from Bank, upon the use of any Vendor, Client will be deemed to represent and warrant to Bank that:
  - (1) it has solely, independently, and without reliance upon Bank, made its own appraisal of, and investigation into, the business, operations, intellectual property and other rights, financial and other conditions, and creditworthiness of such Vendor, based upon documentation and other information it has deemed appropriate, and made its own decision to enter into a relationship with such Vendor; and
  - (2) such Vendor is familiar with the terms of this ICL Schedule and shall at all times comply with such terms, including the provisions concerning image quality, prohibition of duplicate items, the restrictive endorsement requirement, and proper storage and destruction of original checks.
- (iv) Client also represents and warrants to Bank that it will independently and without reliance upon Bank, continue to make its own analysis, appraisals, and decisions with regard to any relationship with a Vendor. Client agrees not to make the ICL Service available or allow the use of the ICL Service in a computer bureau service business or on a timesharing basis or otherwise disclose or allow the use of the ICL Service by or for the benefit of any third party.
- (v) Client hereby authorizes Bank to communicate directly with any Vendor used by Client in connection with the ICL Service and treat Vendor instructions as if they were Instructions received directly from Client.
- (g) Security Procedure. Client acknowledges that Bank uses commercially reasonable Security Procedures in connection with the ICL Service. Client agrees to be responsible for any Check Image Transmitted and processed through the ICL Service in accordance with Bank's Security Procedures, even if the Check Image was not in fact authorized by Client. Client shall implement, use, and follow the Security Procedures at Client's place of business to prevent any misuse of the ICL Service or the information contained on Check Images for improper or fraudulent purposes. Client also acknowledges that when using a Vendor to Transmit Check Images, Client, or the Vendor, not Bank, is solely responsible for establishing, maintaining, and following such Security Procedures as deemed necessary by Bank to ensure that Check Images Transmitted to Bank are intact, secure, and confidential until received by Bank.
- (h) Requested Information. Client agrees to provide such information as requested by Bank in order to qualify Client for the ICL Service, including, without limitation, business activities, risk management processes, geographic location, customer base, and employee policies. Client also agrees to provide information and Check Images as requested by Bank to facilitate investigations related to unusual transactions, poor-quality Transmittals or to resolve disputes. Such documents may include copies of Check Images or original checks, if available.
- (i) Audit. Bank may at its reasonable discretion conduct an on-site inspection of Client's place of business or request any internal audits or assessments to ensure compliance with the provisions of this ICL Schedule. To the extent Client uses a Vendor, Client's agreement with the Vendor must include a provision allowing Bank to conduct an on-site inspection of such Vendor's premises in order to ensure compliance with this ICL Schedule. Any such audit shall be with reasonable prior notice and conducted at a time and in a manner mutually agreeable to Bank and Client or Vendor. Bank shall bear the costs of any on-site visit or inspection.
- (j) Indemnification. In addition to Client's indemnification obligations in the General Terms, Client shall indemnify, defend, and hold Bank harmless from any Losses arising out of or related to: (i) any breach by Client or any Vendor of any representation, warranty, or provision hereof in connection with the use of the ICL Service, including, but not limited to, any claim of multiple payments made for the same original check converted to a Check Image; (ii) any warranty or indemnity claim brought against Bank by a third-party recipient in connection with a Check Image Transmitted by Client; (iii) any Loss incurred by a recipient of a Check Image Transmitted by Client or any Vendor where such Loss results from the receipt of such Check Image instead of the original check; (iv) any wrongful act or omission of Client or any Vendor in connection with the use or misuse of the ICL Service; and (v) without limiting Client's other indemnification obligations, which apply equally to actions taken by any Vendor, any actions or omissions of any Vendor relating to the ICL Service, including, but not limited to, intellectual property claims, regardless of whether such actions are covered by other indemnification provisions. These indemnification obligations shall survive the termination of the ICL Service.
- (k) Limitation of Liability. In addition to the general limitations of liability under the General Terms:

**BANK AND ITS THIRD-PARTY PROVIDER DO NOT WARRANT THE ACCURACY, ADEQUACY, OR COMPLETENESS OF THE CHECK IMAGE RECEIVED BY BANK OR ITS THIRD-PARTY PROVIDER AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS, ALTERATIONS, OR OMISSIONS IN THE CHECK IMAGE.**

## INTERGRATED RECEIVABLES SERVICE

This section of the Product Appendix (this “**Integrated Receivables Service Schedule**”) provides the Product Terms governing the use of Bank’s Integrated Receivables Service (the “**Integrated Receivables Service**”).

### 1. Definitions

For the purposes of this Integrated Receivables Service Schedule, the following terms have the meanings ascribed to them below:

“**Open Receivables File**” means an electronic file, in a form acceptable to Bank, containing open accounts receivables data provided by Client to Bank.

“**Payment Methods**” means ACH, wire transfer, card, or check.

“**Posting File**” means an electronic document provided to Client containing matching results.

“**Remittance File**” means an electronic file, in a format acceptable to Bank, and provided by Client to Bank, containing “remittance information,” meaning information from Client’s payors relating to accounts receivable records, including invoice numbers.

“**Remittance File Match**” is defined in Section 3(a).

“**Verification Payment**” is defined in Section 3(a).

### 2. Service Description

The Integrated Receivables Service matches each Open Receivables File or Remittance File, as applicable, to the credits posted to Client’s Designated Accounts for payments made by Client’s payors through the applicable Payment Methods. Bank then creates and Transmits to Client the resulting Posting Files.

### 3. Service Terms and Conditions.

- (a) **Matching.** Bank applies programmatic rules and logic, configured with Client’s input, to match payments to the Remittance File or Open Receivables File that Client sends to Bank to identify sets of matching payments and corresponding accounts receivable.
- **Remittance File Matching.** Bank matches data elements with the applicable Remittance File. Each such match is a “**Remittance File Match.**”
  - **Invoice Matching.** Bank matches payments and remittance details with the applicable Open Receivables File. Each such match is a “**Validated Payment.**” In addition:
    - **Checks.** For check payments credited to the Designated Accounts received by Bank through the Lockbox Service, Bank may extract remittance information and use it to confirm Validated Payments.
    - **Addenda Records.** For electronic payments that include remittance information embedded within the electronic payment instruction for such payments (“**Addenda Records**”), Bank may use Addenda Records to confirm Validated Payments.
    - **Remittance File Matches.** Bank may use the Remittance File Matches to confirm Validated Payments.
- (b) **Exceptions.** If a Remittance File Match or Validated Payment is not made, an “Exception” will be identified to Client in the applicable Posting File.
- (c) **Posting Files.** Bank shall transmit each Posting File under Client’s configuration preferences and the transmission protocol established by Bank.
- (d) **Customer Responsibility for Files.** Client shall transmit the Remittance File and Open Receivables File to Bank under the pre-determined file format and transmission specifications established by Bank. Client is solely responsible for ensuring that, for each account and record in each file, Client includes accurate and complete information necessary for Bank to perform the matching described above.
- (e) **Limitation of Liability.** Bank shall have no liability to Client or to any third party (including Client’s payors) for any damages arising from or relating to (i) any defects in, or failure to test, any information provided by Client for the development of any rules or logic used in automated matching, (ii) the inaccuracy or incompleteness of any information contained in an Open Receivables File or Remittance File, or otherwise provided by Client to Bank in connection with the Integrated Receivables Service, or (iii) any inaccuracies in the Integrated Receivables Service, including any inaccurate matches between payments and remittance information or accounts receivables details.

## LOAN SWEEP SERVICE

This section of the Product Appendix (this “**Loan Sweep Schedule**”) provides the Product Terms governing the use of Bank’s Loan Sweep Service.

## 1. Definitions

For the purposes of this Loan Sweep Schedule, the following terms shall have the meanings ascribed to them below:

**“ABL Sweep Option”** means a payment only option primarily offered to asset-based lending (“ABL”) clients, which will only allow for an automated transfer of any Target Balance Excess from the Sweep Account to pay the outstanding balance on the Note.

**“Available Credit”** means at any time the principal amount available to Client under the terms of a Note, which shall never exceed the stated principal amount of the Note minus the principal amount thereof then outstanding. Available Credit may be reduced by events affecting the availability of a Note, including failure to provide required documents, holds, and borrowing base decreases or increases.

**“Drawdown Only Option”** means that the sweep functionality will only allow for an automated drawdown of Available Credit from the Note to the Sweep Account to cover a Target Balance Shortfall in the Sweep Account.

**“Loan Documents”** means a Note and any loan agreement, mortgage, security agreement, or other document or instrument executed in connection with the Note, as the same may be amended, modified, or restated from time to time.

**“Note”** means a promissory note that Client executed and delivered to Bank, evidencing Client’s line of credit provided by Bank (“**Line of Credit**”), as it may be amended, modified, or restated from time to time.

**“Sweep Account”** means Client’s Designated Account from which Bank will debit eligible funds to pay down the outstanding principal balance on a Note, and to which Bank will credit advances under a Note.

**“Target Balance”** means the Accessible Balance designated on the applicable Treasury Solutions Form that Client wishes to maintain in the Sweep Account and indicates, as applicable, (i) the Target Balance above which Bank will sweep funds out of the Sweep Account (“**Payment Target Balance**”) or (ii) the Target Balance below which Bank will sweep funds into the Sweep Account (“**Drawdown Target Balance**”). For the Two-Way Sweep Option, Client may specify the same or different amount for each of the Payment and Drawdown Target Balances on the applicable Treasury Solutions Form.

**“Target Balance Excess”** means the amount by which the Accessible Balance in the Sweep Account at the end of any Business Day exceeds the Payment Target Balance.

**“Target Balance Shortfall”** means the amount by which the Accessible Balance in the Sweep Account on any Business Day is less than the Drawdown Target Balance.

**“Two-Way Sweep Option”** means that the sweep functionality will allow for both (i) an automated drawdown of Available Credit from the Note to the Sweep Account to cover any Target Balance Shortfall in the Sweep Account, and (ii) an automated transfer of any Target Balance Excess from the Sweep Account to pay the outstanding balance on the Note.

## 2. Service Description

Bank offers Two-Way Sweep, ABL Sweep, and Drawdown Only Options under the Loan Sweep Service, each of which is a separate Service that may be enrolled by Client subject to applicable Service Fees.

- (a) **Sweep out of the Account.** If Client enrolls in the Two-Way Sweep Option or the ABL Sweep Option, and if there is a Target Balance Excess at the end of a Business Day, Bank will (i) debit the Sweep Account for the amount of any unpaid principal balance under the Note, up to the amount of the Target Balance Excess, and (ii) apply the amount of the debit to the unpaid principal balance of the Note.
- (b) **Sweep into the Account/Extension of Credit under Note.** If Client enrolls in the Two-Way Sweep Option or the Drawdown Only Option, and if there is a Target Balance Shortfall on a Business Day, Bank will sweep funds into the Sweep Account and extend credit to Client according to the terms provided below:
  - (i) ***Available Credit Equal to or Exceeding Target Balance Shortfall.*** If the Available Credit at such time equals or exceeds the Target Balance Shortfall, Bank will (1) make an advance under the Note in the amount of the Target Balance Shortfall, and (2) credit the amount of the advance to the Sweep Account to eliminate the Target Balance Shortfall.
  - (ii) ***Available Credit Less than Target Balance Shortfall.*** If the Available Credit at such time is less than the Target Balance Shortfall, Bank will (1) make an advance under the Note up to the amount of the Available Credit, and (2) credit the amount of the advance to the Sweep Account to reduce the Target Balance Shortfall.

## 3. Service Terms and Conditions

- (a) **Authorizations.** Client authorizes Bank to charge and credit the Sweep Account and make advances and payments on behalf of Client under the Note under the terms of this Loan Sweep Schedule, all without further notice to or authorization by Client or any Authorized Signer.

- (b) Effect on Loan Documents and Other Agreements. The terms of the Loan Documents are hereby modified to include the terms and provisions of this Loan Sweep Schedule solely for the purpose of effecting the Loan Sweep Service contemplated herein. Except as expressly set forth herein, this Loan Sweep Schedule does not modify or supersede the Loan Documents or the respective rights and obligations of Client and Bank as provided in the Loan Documents (or any other agreements, terms, conditions, rules, or regulations of Bank applicable to the Note).
- (c) Suspension or Termination of Loan Sweep Service. In addition to any other right of Bank to suspend or terminate any Service contained in this Agreement, Bank shall have the right, without notice to Client, at any time, to suspend or terminate the Loan Sweep Service for any reason, including if Client is in default under the Loan Documents, the Line of Credit is terminated or no longer in effect for any reason, or a hold or block has been placed on the Note for any reason. Bank will make commercially reasonable effort to notify Client of any such suspension or termination.
- (d) FDIC Insurance Disclosure. Pursuant to 12 C.F.R. §360.8 of the FDIC regulations, banks must advise their clients on how funds in a deposit account subject to a sweep arrangement will be treated in the event of a bank failure. Below is Bank's disclosure:

A Target Balance has been established for the Sweep Account referenced herein. Depending on the Loan Sweep Service, (i) funds are swept into the Sweep Account from the Line of Credit made available under the Note when the Accessible Balance in the Sweep Account falls below the Target Balance, and/or (ii) funds are swept out of the Sweep Account and applied to any outstanding balance on the Note when the Accessible Balance in the Sweep Account exceeds the Target Balance. In the unlikely event of a Bank failure, any funds remaining in Client's Sweep Account will retain their status as deposits with Bank and continue to be insured by the FDIC up to the maximum limits allowed by law. Information and tools describing how deposit insurance coverage works are provided by the FDIC at [www.fdic.gov](http://www.fdic.gov) or by calling 877-ASK-FDIC or 800-925-4618 for the hearing impaired.

## LOCKBOX SERVICE

This section of the Product Appendix (this "**Lockbox Schedule**") and the Lockbox Services Agreement provides the Product Terms governing the use of Bank's Lockbox Service.

### 1. Definitions

For the purposes of this Lockbox Schedule, the following terms have the meanings ascribed to them below:

"**Lockbox Services Agreement**" means that certain Lockbox Services Agreement separately entered into between Client and Bank.

"**PO Box**" means a U.S. Postal Service ("**USPS**") post office box rented in Client's name.

"**Remittance**" means a check or other payment instrument or authorization submitted in payment of obligations to Client.

"**Service Site**" means the internet-based site that enables Client to access data and provide Instructions to Bank or its Third-Party Provider in connection with this Service.

### 2. Service Description

Under the Lockbox Service, Bank receives, opens, and processes Remittances and accompanying documents that are addressed to Client and delivered to PO Boxes. Bank deposits such payments to the Designated Account and returns to Client any payments that cannot be deposited. In accordance with Client's Instructions, Bank either forwards to Client or retains the documents that accompany the payments. Certain additional options may be available, as described in this Lockbox Schedule, subject to separate Service Fees. Client's Instructions for the Service options and other information that Bank may request in order to provide the Lockbox Service will be documented in the applicable Treasury Solutions Form.

### 3. Service Terms and Conditions

- (a) Client's Authorization. Client hereby authorizes Bank to establish one or more PO Boxes at one or more predetermined USPS facilities. Client further authorizes Bank to engage an independent contractor as its Third-Party Provider to provide the Lockbox Service and agrees that Bank and such Third-Party Provider shall have unrestricted and exclusive access to such PO Boxes.
- (b) Mail Collection and Processing.
- (i) Bank or its Third-Party Provider will collect all mail addressed to Client from the PO Boxes. Such mail will be opened and contents removed by Bank or its Third-Party Provider and processed under the terms of Bank's Account Agreements, as modified by this Lockbox Schedule. Domestic checks and other payment instruments or authorizations may be accepted and processed by Bank. Bank or its Third-Party Provider may, but has no obligation to, examine the checks and other payment instruments contained therein for missing signatures, dates, payees, or endorsements, or other irregularities, if Instructed by Client in the applicable Treasury Solutions Form. Client agrees that Bank will use commercially reasonable efforts to discover and forward to Client items bearing restrictive legends or endorsements (for example, "paid in full," "final payment," or words of similar meaning). Client may select an exception processing service for additional Service

Fees, which enables Client to review certain exception items and provide processing Instruction via the Service Site. Payment instruments with nonconforming information that are not otherwise resolved via the exception processing service will be sent unprocessed to Client.

- (ii) Bank reserves the right to not process any item received for deposit for any reason. If Bank declines to process any item, Bank will forward the item to Client for further handling. If Bank accepts an item for processing, Client authorizes Bank or its Third-Party Provider to endorse the Remittance with Client's endorsement. Client will be liable to Bank on such endorsement with the same effect as if Client had itself endorsed the Remittance. Items so processed will be credited to Client's Designated Account subject to the same terms and conditions applicable to deposits made in person at a Bank branch by Client for credit to Client's Accounts under Bank's Account Agreements. However, in case of an inconsistency between this Lockbox Schedule and the Account Agreements, this Lockbox Schedule will control but only to the extent necessary to resolve the inconsistency. Client will instruct its remitters to send to the PO Boxes Remittances that are eligible for processing as specified on the applicable Treasury Solutions Form.
  - (iii) Bank or its Third-Party Provider will create a record for Client by imaging each payment instrument, accompanying supporting invoices, or other documentation (if enclosed), and prepare a report or file containing specific data as agreed upon between Bank and Client, which may be accessed by Client via the Service Site.
  - (iv) Bank or its Third-Party Provider will maintain the image of each processed Remittance for six (6) years or such longer period required by Applicable Law.
  - (v) Bank will include in its calculation of Service Fees any exchange or collection charges under the fee schedule or other fee disclosures provided to Client.
  - (vi) Bank will charge Client's Designated Account for Remittances returned unpaid, under the fee schedule or other fee disclosures provided to Client, even if the charge results in an overdraft. The amount of the overdraft shall be immediately due and payable to Bank without notice or demand. The applicable fees and rate of interest for such overdraft are described in the fee schedule or other fee disclosures provided to Client.
- (c) Service Site. Client may use the Service Site to access various reporting options that the Bank may make available in connection with the Lockbox Service. Bank will make available to Client User Guides and a list of any Equipment requirements. Without Bank's prior written approval, Client agrees not to use the Service Site in connection with any activity other than those permitted under this Lockbox Schedule. Client accepts all selected features and functions of the modules on the Service Site.
- (d) Service Fees. In addition to the Service Fees stated in the fee schedule or other fee disclosures provided to Client for this Service, additional fees will be charged for special handling and any applicable postage fees will be charged to Client at cost.
- (e) Termination. This Lockbox Service may be terminated in accordance with the General Terms. Upon termination, Client may request Bank to leave the PO BOX open for a specified period and forward mail to an address designated in writing by Client for an agreed upon Service Fee. If Client does not select the forwarding service, mail will be returned to sender. Client understands that PO Box numbers are not transferable.
- (f) Limitation of Liability. In addition to the limitation of liability provisions contained in the General Terms, Bank's sole liability to Client or any third party for errors in performing (or its Third-Party Provider performing) the Lockbox Service will be to process a correcting entry in the next regularly scheduled processing of Remittances after receiving notification thereof from Client, provided that Client provides such notice of error within the time required under Bank's Deposit Account Agreement governing the Designated Account. Furthermore, Bank will make commercially reasonable effort to deliver images of Remittances and accompanying documents via a mutually agreed upon delivery method, including if so agreed, via the Service Site. However, delivery of such images is on a best-efforts basis and Bank cannot guarantee a specific delivery time. Accordingly, Bank's sole liability to Client or any third party for the time of delivery of the images will be to deliver them as close to the time specified by Bank as is reasonably practicable.

## **MULTIBANK REPORTING SERVICE**

This section of the Product Appendix (this "**Multibank Reporting Schedule**") provides the Product Terms governing the use of Bank's Multibank Reporting Service.

### **1. Service Description**

Bank will report certain Account and transaction related information to another financial institution or entity based upon Client's Instruction, as approved by Bank. Client also may direct other financial institutions to report information to Bank. Each Multibank Reporting Service feature is made available to Client subject to separate Service Fees.

### **2. Service Terms and Conditions**

- (a) Transmittal of Information.

- (i) If Client elects to have Bank report Account Balance and transaction information directly to another financial institution or entity, such other financial institution or entity must be able to receive the information from Bank through the standard file format in use by Bank. Bank is not liable for other institutions' or entities' inability to receive the information from Bank.
  - (ii) If Client elects to have another financial institution report information relating to Client's accounts held at other financial institutions through this Multibank Reporting Service, such other financial institution must send the information to Bank through the standard file format in general use by other banks for inclusion in Bank's information reports under this Multibank Reporting Service. Client is solely responsible for ensuring that the appropriate authorization is provided to the other financial institution and to take all other actions necessary for Bank to provide the Multibank Reporting Service to Client in respect of such other financial institution's data. Bank assumes no responsibility or liability whatsoever for the accuracy or timeliness of the account information and other data supplied by any other financial institution.
- (b) Delivery Channels. Bank will provide information reported from another financial institution to Client through Online Banking. Outgoing information will be delivered to the financial institution through Society of Worldwide Interbank Financial Telecommunication (SWIFT) message.
  - (c) Receipt of Information by Client. Client must be enrolled in the Information Reporting feature of Online Banking to view the data.
  - (d) Authorization. Client hereby authorizes Bank to store, process, send, and make available the information under this Multibank Reporting Service through Online Banking and Third-Party Providers.

## ONLINE BANKING

This section of the Product Terms (this "**Online Banking Schedule**") provides the terms and conditions governing the use of Online Banking. To the extent this Online Banking Schedule is inconsistent with any separate terms and conditions provided to Client for Online Banking, the provisions of this Online Banking Schedule shall govern but only to the extent of any inconsistency. Other than a direct conflict, it is the intent of the parties for all the provisions of all documents that apply to Online Banking to cumulatively apply.

### 1. Definitions

For the purposes of this Online Banking Schedule, the following term has the meaning ascribed to it below:

"**Alerts**" are notifications that will be sent to Client via the delivery method selected by Client, whether by email, SMS text, or both.

### 2. Service Description

- (a) Functionality. Online Banking allows Client to manage and perform various electronic banking functions in Linked Accounts by using a personal computer or a mobile device. Client may use Online Banking to, among other things:
  - transfer funds between Linked Accounts on a one-time or recurring basis, including as a payment to a linked installment loan account;
  - transfer funds from Linked Accounts to accounts at other financial institutions;
  - obtain balance and transaction information;
  - view and download statements and paid checks;
  - perform self-service account maintenance, such as stopping payment on checks, updating contact details, adding, and removing Online Users, and changing Security Items relating to Online Banking;
  - set up and manage Alerts regarding the Linked Accounts; and
  - access optional Services under the terms governing such Services contained in the Product Appendix, subject to applicable Service Fees.
- (b) Mobile. Some of the features described in Section 2(a) may not be available if Client accesses Online Banking through the mobile version of Bank's website, personal financial management (PFM) software, or an indirect service. For optimal use of Online Banking, Client should sign in directly through Bank's website at [www.valley.com](http://www.valley.com) from a personal computer.

### 3. Service Terms and Conditions

- (a) Equipment Requirement. Client shall obtain, install, and maintain, at its cost and expense, such Equipment required to access and use the Service, including compatible operating systems and internet browsers, as Bank may require at any time.
- (b) Administrator. Client shall designate at least one Administrator, who shall be responsible for adding and deleting Online Users, as well as editing and monitoring their use. The Administrator may designate the Linked Account or Accounts to which an Online User will have access and set limits on the types of transaction permitted for each Online User in a Linked Account, under Section 3(d) below. An Administrator may not enroll in new Services.
- (c) Security Procedures. Access to Online Banking requires each Online User to follow and adhere to the security authentication requirements of Bank and any applicable Third-Party Providers. Any Online User with transactional approval authority will also need a token. Bank will provide the initial Security Items, including a temporary password, to the Administrator and any Online

Users assigned to an administrator role within a dual-administrator control setting. The Administrator is then responsible for issuing the Security Items to Online Users. Regardless, Bank will provide the initial Security Items for Online Users with transactional approval authority, and the issuance of tokens must be approved by a person that is authorized to act on behalf of Client, as indicated by the Account Agreements. Online Users must change their password after the initial log-in and periodically thereafter. Client acknowledges and agrees to adhere to the Security Procedures for Online Banking, and the Security Procedures are commercially reasonable. Client agrees to be bound by any Instructions that Bank executes in compliance with these Security Procedures, whether Client's actions are authorized or unauthorized, to the fullest extent allowed by Applicable Law.

- (d) Account and Service Access Levels. The Administrator controls all online access for Online Users. The Administrator may set up multiple Online Users to access Linked Accounts and also establish multiple security settings at the Online Banking Profile, Online User, or Service level. Access and security settings may be customized by limiting Online Users' access by Linked Account or Service, requiring multiple approvals within certain Services (such as ACH Origination and Wire Transfer Services), establishing dollar limits for certain transactions, or electing other available setting options. The Administrator has no online access limitations unless Client has elected a dual administrative process, whereby all administrative actions affecting an existing Online Banking Profile must be approved by two (2) Administrators, subject to any additional or alternate requirements of a Third-Party Provider. Any such election must be made at the time of the Online Banking implementation and documented on the applicable Treasury Solutions Form.
- (e) Limitation of Service. Bank grants Client a non-exclusive, limited, and revocable right to access and use Online Banking for Client's internal business purposes only. Bank may revoke, refuse access to, or terminate Online Banking at any time, without cause or notice. Client understands that no scheduled transactions will be made upon revocation, denial, or termination of the Service. Certain restrictions may apply to Client's access to Online Banking from outside of the U.S.
- (f) Service Features. The features described below are available in Online Banking. However, some of the features included in Online Banking may not be available to all clients. Online Banking also provides access to other Services that Client may enroll in for additional Service Fees, the terms of which are governed by the Product Terms provided in this Product Appendix applicable to such Services.
  - (i) *Information Reporting*. With this feature, Bank makes available certain account and transaction related information to help Client control and manage its Linked Accounts. Bank shall make commercially reasonable effort to timely deliver the information but does not guarantee a specific delivery time.
  - (ii) *Internal Funds Transfers*. Client may transfer funds between Linked Accounts. Internal funds transfers may be set up as either a one-time transfer or a recurring transfer. Transfers to a Linked Account will be reflected real-time. Client authorizes Bank to withdraw, debit, or charge the necessary funds from the Designated Account in order to complete internal funds transfers. The completion of a transfer is subject to the availability of sufficient Account Balance at the time the transaction is posted. A one-time immediate transfer to another Linked Account may not be cancelled after it has been submitted in Online Banking. Future-dated and recurring transfers may be cancelled before midnight on the Business Day before the date the transfer is scheduled to be made. If the transfer's status is in process or processed, Client may no longer cancel it.
  - (iii) *Stop Payment*. Client may stop payment on a check via Online Banking. A stop payment request will be effective if Bank receives such request at a time and in such a manner as to afford Bank a reasonable opportunity to act upon the order. The stop payment request will remain effective for six (6) months, or such other time established by Bank and is subject to Bank's stop payment fees and the terms governing stop payment requests described in Bank's Account Agreements. When utilizing this feature, Client warrants to Bank that the information describing the check or draft, including the check or scheduled transfer date, its exact amount, the check number and payee, is correct. Client acknowledges that the exact amount of the check or draft is required, and if the incorrect amount or any other incorrect information is provided, Bank will not be responsible for failing to stop payment on the item.
  - (iv) *Online Banking Alerts*.
    - (1) The Service generates Alerts that may be established at an Account level or Client's Online Banking Profile level, including (A) mandatory Alerts that are automated by Bank, which provide important information regarding activities in Client's Linked Accounts or a Service and may not be suppressed by Client, and (B) multiple Alert options in respect of a Linked Account or Service, which Client may activate and de-activate at any time.
    - (2) The Alerts are delivered, at Client's option, via email, SMS text, or both, to the primary email address and mobile device number provided by Client for Online Banking. Bank does not charge for delivery of Alerts; however, text or data charges or rates may be imposed by Client's mobile service carrier. Client is responsible for notifying Bank of any change to its email address or mobile device number.
    - (3) Alerts are not encrypted. No Alert will contain any passcode or the full account number, but depending on the type of Alert, certain other sensitive information may appear, such as balance and transaction information. Client acknowledges that anyone with access to the Alerts will be able to view the contents of the messages.

- (4) Bank may add new Alerts or cancel existing Alerts with or without notice to Client. Bank shall use commercially reasonable efforts to provide timely and accurate Alerts. However, Bank does not guarantee delivery, timely delivery, or the accuracy of Alerts. Delays in sending data through various systems or other activities in the applicable Linked Account may cause the content of an Alert to be outdated by the time it is sent or received. Client agrees that Bank is not 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 as the result of an Alert.
- (v) *Online Statements*. If Client has agreed to receive online statements electronically, Online Banking provides Client with access to account statements online.
- (g) *Service Hours*. Online Banking is available 365 days a year and 24 hours a day, except during system maintenance and upgrades. When this occurs, a message will be displayed in Online Banking when an Online User signs on to Online Banking.
- (h) *Termination*.
  - (i) Bank may suspend or discontinue operation of certain Online Banking features based upon security issues and other factors. In addition, after one hundred and twenty (120) consecutive days of inactivity or any other time period of inactivity as deemed appropriate by Bank (in its sole and absolute discretion), Online Banking may be automatically terminated without further notice. If the Service is terminated, Client must contact Bank to set up service.
  - (ii) If Client cancels Online Banking, any unprocessed payments will be canceled. Bank recommends that Client cancel any scheduled payment before notifying Bank that it is discontinuing the Service. If Client's Online Banking billing account, as specified in the applicable Treasury Solutions Form, is no longer linked to its Online Banking Profile, Client or Bank shall select another Account within the Online Banking Profile to be the billing account. If Client closes all Linked Accounts, the Online Banking Service will terminate.

## ONLINE ESCROW ACCOUNT SERVICE

This section of the Product Appendix (this "**Online Escrow Schedule**") provides the Product Terms governing the use of Bank's Online Escrow Account Service ("**Online Escrow**").

### 1. Definitions

For the purposes of this Online Escrow Schedule, the following terms have the meanings ascribed to them below:

"**Master Account**" is defined in Section 2.

"**Service Site**" means Bank's internet-based site that enables Client to access data, provide Instructions to Bank or its Third-Party Provider, and execute transactions in connection with the Service.

"**Subaccount**" is defined in Section 2.

"**Subaccount Onboarding Document**" is defined in Section 3(a).

### 2. Service Description

Online Escrow enables Client to create online one or more money market Accounts as escrow subaccounts ("**Subaccounts**") that are linked to a primary checking Account established by Client ("**Master Account**"). The Service Site allows Client to access balance and transaction information and transfer funds between the Master Account and Subaccounts. Bank currently offers the Service for the following types of escrow accounts: landlord security deposit accounts, attorney trust accounts, and tax-deferred 1031 exchange accounts. However, Bank may provide Online Escrow for other types of escrow accounts.

### 3. Service Terms and Conditions

- (a) *Onboarding Subaccounts*. Client may open one or more Subaccounts by entering the required information in the Service Site. Client shall deliver to Bank a U.S. Internal Revenue Service Form W-9 or W-8 completed and signed by the Subaccount owner, and such other information or documentation as reasonably requested by Bank (collectively, "**Subaccount Onboarding Documents**"). No funds may be transferred from the Master Account to a Subaccount until Bank has received from Client all required Subaccount Onboarding Documents in a form satisfactory to Bank. Client's failure to provide the Subaccount Onboarding Documents within thirty (30) days of creating a Subaccount in the Service Site may result in Bank closing the Subaccount with or without notice.
- (b) *Allocation and Disbursement of Funds*. Once a Subaccount has been established under Section 3(a), the Subaccount may be funded by allocating funds from the Master Account via the Service Site. No funds may be disbursed directly from a Subaccount. Client shall first transfer the funds from the Subaccount to the Master Account, then disburse the funds from the Master Account to or on behalf of the Subaccount owner via the Service Site. Any closure of a Subaccount shall result in the allocation of the remaining balance in the Subaccount to the Master Account.

- (c) Administrator and Online Users. The Service requires Client to designate an Administrator in the applicable Treasury Solutions Form. The Administrator shall be responsible for assigning Security Items and related functionality to individuals as required for the Service, and may change, de-activate, and re-assign any such Security Items in his or her sole and absolute discretion, at any time.
- (d) Security Procedure. The Service Site is accessed by Online Users through single sign-on in Online Banking. Refer to the Security Procedures for Online Banking described in the Online Banking Schedule.
- (e) Client's Obligations. Client agrees that it shall be solely responsible for all transactions in the Master Account and each Subaccount, including interest allocations.

## REMOTE CHECK DEPOSIT SERVICES

This section of the Product Appendix (this "**Remote Check Deposit Schedule**") provides the Product Terms governing the use of Bank's Deposit Capture ("**DC**") and Mobile Check Deposit ("**Mobile Deposit**," and together with DC, the "**Remote Check Deposit Services**").

### 1. Definitions

For the purposes of this Remote Check Deposit Schedule, the following terms have the meanings ascribed to them below:

"**Approved Mobile Device**" means an internet-enabled smartphone, tablet, or other device that is capable of operating the Software required for Mobile Deposit.

"**Approved Scanner**" means one or more scanners that meet Bank's or its Third-Party Provider's specifications to be used in connection with DC.

"**Check Images**" mean digitized images of checks and associated check information.

"**Hardware**" means collectively the Approved Scanner used with DC and the Approved Mobile Device used with Mobile Deposit.

"**MICR**" means magnetic ink character recognition.

"**Mobile App**" means Bank's mobile application.

"**Regulation CC**" refers to 12 C.F.R. Part 229.

"**Remotely Created Check**" refers to any check that is not created by the person whose account is to be charged and does not bear the signature of the person to be charged, as such term is further defined in § 229.2(fff) of Regulation CC.

"**Service Site**" means an internet-based site that enables Client to access data, provide Instructions to Bank or its Third-Party Provider, and execute transactions in connection with the Remote Check Deposit Services. For DC, the Service Site is a single sign-on webpage that Client may access through Online Banking or directly in the Third-Party Vendor's website, and for Mobile Deposit, the Services Site is accessed through the Mobile App.

"**Software**" refers collectively to the installation software, including scanner drivers, provided for use in Transmitting Check Images by Client through DC or Mobile App.

"**Substitute Check**" means a paper reproduction of an electronic image of an original check, as further defined in § 229.2(aaa) of Regulation CC.

### 2. Service Description

The Remote Check Deposit Services are deposit services that enable Client to electronically Transmit Check Images to Bank for deposit into Client's Designated Account. Bank offers DC and Mobile Deposit options, each of which is a separate Service that may be enrolled by Client subject to applicable Service Fees. Client may use the Remote Check Deposit Services to convert checks into Check Images using an Approved Scanner for DC or an Approved Mobile Device for Mobile Deposit. Subject to the terms of this Remote Check Deposit Schedule, upon receipt of such Check Images, Bank will forward the Check Images for payment in the collection stream and process the Check Images as described below.

### 3. Service Terms and Conditions

#### (a) Equipment Requirements.

Client is solely responsible for obtaining, installing, and maintaining, at its cost and expense, the Hardware and Software required to access and use the Services. Client shall install, operate, maintain, upgrade, and repair the required Equipment under manufacturer specifications, and any other specifications prescribed by Bank or its Third-Party Provider. Client understands that Bank is not the vendor of the Equipment and any warranty claims, including claims of implied warranty, shall be made only against the vendor. The following Equipment are required for the Services:

- (i) DC. This Service requires Client to purchase or rent from a vendor one or more Approved Scanners. Client must also have a computer with an internet communication connection that meets minimum requirements, as Bank or its Third-Party Provider may specify and approve. Client shall install any Software required by the vendor to enable the Approved Scanner and access the Service Site in order to submit Check Images to Bank and receive information from Bank.
  - (ii) Mobile Deposit. This Service requires an Approved Mobile Device. Client shall download and install the Mobile App to access the Service Site in order to submit Check Images to Bank and receive information from Bank.
- (b) Check Image Requirements. Client shall image the front and back of each original check and Transmit the Check Image through the Service Site. Each Check Image Transmitted to Bank through the Remote Check Deposit Services shall meet the American National Standards Institute standards required by Regulation CC, or other applicable standards established by Bank, the FRB, or any other regulatory agency, clearing house, or association. Specifically, each Check Image of an original check shall be of such quality that the following information can be clearly read and understood by sight review of such Check Image: (i) the amount of the original check as written or printed in words and numbers by the payor; (ii) the payee of the original check as written or printed by the payor; (iii) payor’s signature; (iv) the date of the check as written or printed by the payor; (v) the check number as written or printed on the original check; (vi) any information identifying the payor and the paying bank that is preprinted on the original check, including the MICR line; and (vii) all other information placed on the original check before the time such check was truncated, such as any required identification written on the front of the check and any endorsements applied to the back of the check.
- (c) Client Responsibilities.

- (i) Client agrees to process through the Remote Deposit Check Services only (1) items that satisfy the definition of “check” under Regulation CC and Regulation J, namely, drafts that are payable on demand and drawn on or payable through or at an office of a U.S. financial institution, or a U.S. office of a foreign financial institution, all of which must be payable to and endorsed by Client; and (2) U.S. dollar currency checks.
- (ii) Client will not use the Remote Deposit Check Services to Transmit for deposit any Check Images containing: (1) checks payable to a third party, including checks payable to Client and a third party; (2) Remotely Created Checks; (3) irregular checks (for example, where the numerical and written amounts are different); (4) previously-returned checks; (5) checks payable to or in cash; (6) checks exceeding any Client transaction or file limits as Bank may establish (or, from time to time, modify); (7) checks that are postdated or more than six (6) months old; (8) Substitute Checks or Check Images that are derived from or purport to be Substitute Checks; (9) any check that Client knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the original check is drawn; or (10) any check that is prohibited from deposit into an Account under the Account Agreements or any Applicable Law, including laws and regulations administered by OFAC and the anti-money laundering laws under Bank Secrecy Act and USA Patriot Act and their implementing regulations.
- (iii) Client understands that each Check Image Transmitted to Bank is subject to verification of image quality and accuracy of check data. Client acknowledges that it must send to Bank any checks that are ineligible for processing through the Remote Deposit Check Services for further review and determination of their eligibility for deposit.
- (iv) Once Client has created a Check Image, Client will take steps to ensure that the original check is not processed for payment, and no further Check Image is created. Client agrees to deposit only Check Images created from original checks using the Remote Deposit Check Services, and except as otherwise provided herein for ineligible or returned Check Images, will not present for payment the original checks nor any additional Check Images or Substitute Checks created from the original checks. Client shall retain the processed, original checks in a safe and secure location for no less than fifteen (15) days after such original checks have been processed through the Remote Deposit Check Services, sorted by date of Transmittal in a retrievable fashion, with access to that location restricted to only those employees with a specific need for access. During such time, upon request from Bank, Client will promptly provide original checks to Bank within three (3) Business Days after the date of the request. Upon expiration of the Retention Period, Client agrees to permanently destroy the original checks in a secure manner by shredding or other comparable means to protect the confidentiality of the information contained on the checks and ensure that the original checks are not separately deposited with Bank or any other financial institution.
- (v) Client agrees to restrictively endorse any checks Transmitted through the Remote Deposit Check Services, using the following language in the endorsement area on the back of the check:

if using RDC –	<b>“For Remote Deposit Only at Valley National Bank”</b>
if using Mobile Deposit –	<b>“For Mobile Deposit Only at Valley National Bank”</b>

Bank may reject or return checks that are deposited using the Remote Deposit Check Services without the above or similar restrictive endorsement. If Client causes Check Images to be endorsed virtually, the restrictive endorsement must be applied physically before digitizing the checks.

- (d) Client’s Representations and Warranties.

- (i) Client represents and warrants that it will use the Remote Deposit Check Services in compliance with this Remote Check Deposit Schedule. In addition, each time Client uses the Services, it will be deemed to be making the following representations and warranties for each Check Image processed using the Services:
    - (1) the Check Image was created from a paper or valid electronic check;
    - (2) the Check Image accurately represents all of the information appearing on the front and back of the original check at the time such check was truncated without any alteration, replicates the MICR line of the original check, and meets the standards and technical requirements described in Section 3(b) above;
    - (3) the Check Image contains all necessary and duly authorized endorsements for collection and payment, and the check has been restrictively endorsed as described in Section 3(c)(v); and
    - (4) the Check Image contains all transfer, presentment, and other warranties provided under the UCC, as if the Check Image were an "item" defined in the UCC.
  - (ii) For any Check Image Transmitted by Client and processed through the Remote Deposit Check Services, Client gives the same representations, warranties, and indemnities to Bank that Bank, as a sending bank, gives according to the image exchange rules, including any applicable clearing house rules and regulations that govern Bank.
  - (ii) Client will not buy checks from or exchange checks with others or use the Remote Deposit Check Services to engage in the business of a currency dealer or exchanger, check casher, or money transmitter.
- (e) Bank's Responsibilities.
- (i) Bank will accept for deposit to Client's Designated Account Check Images that are Transmitted to Bank in compliance with this Remote Check Deposit Schedule. Check Images shall be deemed to have been received by Bank upon confirmation of successful receipt of the Transmittal in the Service Site. If a received Check Image does not include data that is complete, usable, and adheres to Bank's specifications, or exceeds any limits under Section 3(f)(i), it will not be accepted by Bank. If Bank is unable to process a Check Image that has been received, it will use commercially reasonable efforts to resolve on the next Business Day.
  - (ii) Subject to Section 3(e)(i) above, Bank will provide same Business Day Ledger Balance credit to the Designated Account all Check Images Transmitted through the Remote Deposit Check Services before the Cut-off Time specified in the Cut-off and Delivery Schedule that are accepted by Bank. Any Check Image Transmitted by Client after the Cut-off Time and accepted by Bank will be credited to the Ledger Balance in the Designated Account on the following Business Day. The availability of funds for checks deposited using the Remote Deposit Capture Services will be in accordance with Bank's "Funds Availability" and "Your Ability to Withdraw Funds" sections of the Deposit Account Agreement. If a financial institution on which a check is drawn returns the check for any reason, Bank may charge the Designated Account for such returned check, whether or not the return is timely.
  - (iii) Bank may immediately suspend Client's use of the Remote Deposit Check Services if Bank has reason to believe that there has been a breach in the security of the Remote Deposit Check Services, fraud involving the Designated Account, or any uncertainty as to the accuracy of the Check Images being Transmitted.
  - (iv) Bank may refuse to process or reject any Check Images for any reason at its sole and absolute discretion, including any Check Images containing the items prohibited in Section 3(c)(ii).
  - (v) Bank will process any returned Check Images under Applicable Law and the Account Agreements governing the Designated Account for which the Check Image is presented.
  - (vi) Bank will not examine Check Images to verify any data or dates, and Bank will process Check Images according to the amount entered by Client (if applicable) or by the numeric amount shown.
- (f) Transaction and Service Limits.
- (i) Clients' use of the Remote Deposit Check Services is limited, as more particularly described in the applicable Treasury Solutions Form. Such limits may include, but are not limited to, maximum total daily dollar amounts and maximum per item dollar amounts.
  - (ii) Client shall not use the Remote Deposit Check Services and/or any Hardware outside the U.S. without the prior consent of Bank. In addition, for the DC Service, Client shall request permission from Bank before any change in location at which the Remote Deposit Check Service is used or any change in the physical location or address of any Hardware from its original Bank-approved location or address, which permission Bank may grant or refuse in its sole and absolute discretion.
- (g) Administrator and Online Users. The Remote Deposit Check Service requires Client to designate an Administrator in the applicable Treasury Solutions Form. The Administrator shall be responsible for assigning Security Items and related functionality to individuals as required for the Service, and may change, de-activate, and re-assign any such Security Items, in his or her sole and absolute discretion. Any activation or deactivation of an Online User's access to the Remote Deposit Check Service via Online Banking shall be implemented by Bank upon request of the Administrator.
- (h) Security Procedures.

- (i) The Service Site may be accessed by Online Users through single sign-on in Online Banking. Refer to the Security Procedures for Online Banking described in the Online Banking Schedule.
- (ii) Client is responsible for implementing operational controls, including risk-monitoring and periodic self-assessments of the security of the Remote Deposit Check Services, at Client's place of business to prevent any misuse of the Remote Deposit Check Services or the information contained on Check Images for improper or fraudulent purposes. Client also shall maintain appropriate physical security for its Hardware.
  - (1) *For DC.* The Remote Deposit Check Service monitors the computer's IP address for unexpected changes as a security measure. Bank recommends as a commercially reasonable Security Procedure that Client implement dual control of the Services, whereby one Online User will be permitted to create, edit, cancel, delete, and restore a Check Image, and a second Online User will be required to approve and release a Check Image.
  - (2) *For Mobile Deposit.* Online Users should use customary security measures to protect their Approved Mobile Devices, including locking their devices behind secure passwords, implementing two-factor authentications, and avoiding the use of public wi-fi.
- (i) Requested Information. Client agrees to provide such information as requested by Bank in order to qualify Client for the Remote Check Deposit Services, including business activities, risk management processes, geographic location, customer base, and employee policies. Client also agrees to provide information and Check Images as requested by Bank to facilitate investigations related to unusual transactions, poor-quality Transmittals or to resolve disputes. Such documents may include copies of Check Images or original checks, if available.
- (j) Audit. Bank may at its reasonable discretion conduct an on-site inspection of Client's place of business during normal business hours or request any internal audits or assessment to ensure compliance with the provisions of this Remote Check Deposit Schedule. Any such audit shall be conducted with reasonable prior notice at a time and in a manner mutually agreeable to Client and Bank. Bank shall bear the costs of any on-site visit or inspection.
- (k) Indemnification. In addition to Client's indemnification obligations in the General Terms, Client shall indemnify, defend, and hold Bank harmless from any Losses resulting from: (i) a breach by Client of any representation, warranty, or provision hereof in connection with Client's use of the Remote Deposit Check Services or processing of checks through the Remote Deposit Check Services, including any claim of multiple payments made for the same original check converted to a Check Image and processed through the Remote Deposit Check Services; (ii) any warranty or indemnity claim brought against Bank by a third-party recipient in connection with a Check Image Transmitted to Bank by Client; (iii) any Loss by any recipient of a Check Image Transmitted by Client if that Loss occurred due to the receipt of such Check Image instead of the original check; and (iv) any wrongful act or omission of Client in connection with the use or misuse of the Remote Deposit Check Services. These indemnification obligations shall survive the termination of the Remote Deposit Check Services.
- (l) Limitation of Liability. In addition to the general limitations of liability under the General Terms:

**BANK AND ITS THIRD-PARTY PROVIDER DO NOT WARRANT THE ACCURACY, ADEQUACY, OR COMPLETENESS OF THE CHECK IMAGE RECEIVED BY BANK OR ITS THIRD-PARTY PROVIDER AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS, ALTERATIONS, OR OMISSIONS IN THE CHECK IMAGE.**
- (m) Notation/Retention/Destruction Of Original Items. Client will prominently mark the paper original of each check included in a Remote Deposit as "Electronically Presented," retain and preserve such paper original of each check included in a Remote Deposit in a safe and secure location for a period of 45 days after it is accepted for deposit (the "**Retention Period**"), and will destroy it immediately after the expiration of the Retention Period. Client agrees, upon being given reasonable notice during the Retention Period, to permit Bank during normal business hours to inspect the paper original of any check that is the subject of inquiry by any party involved in the processing and clearing of such check.
- (n) Information And Access. Client will promptly provide Bank with any information, including financial information, Bank requests that is pertinent in any way to the Remote Deposit Check Services or this Agreement. In addition, upon Bank's request, Client will grant Bank access to Client's documents and records sufficient to permit the Bank to determine whether Client is complying with the requirements of this Agreement. Bank may request Client to provide Bank with any independent audits performed at the customer location related to Information Technology (IT), remote deposit capture, and associated operational processes. Bank may choose to rely on self-assessments to evaluate management, operational controls, and risk management practices, staffing and the need for training and ongoing support, and the IT infrastructure. Bank is permitted to service, repair, exchange, test, and perform reasonable and occasional quality assurance exams on all Equipment, if deemed necessary by Bank, both on and off the Client's premise(s) throughout the duration of these Terms and Conditions. Such exams shall not exceed the frequency of one per month unless mutually agreed upon by the parties. Bank is permitted to process test system inquiries on Client's behalf and at Client's expense in order to monitor network performance and quality assurance. After the initial installation of the Equipment, any relocation thereafter must be approved and/or performed by an authorized Bank representative. Failure to comply will constitute grounds for termination of these Terms and Conditions and immediate repossession of all Equipment.

## SECURE FULE TRANSFER PROTOCOL (SFTP) FOR WIRE TRANSFER SERVICE

This section of the Product Appendix (this “**SFTP Wire Transfer Schedule**”) provides the Product Terms governing the use of Bank’s Wire Transfer Service through SFTP (“**SFTP Wire Transfer Service**”).

### 1. Definitions

For the purposes of this SFTP Wire Transfer Schedule, certain terms are as defined in the Wire Transfer Services Schedule, and the following terms have the meanings ascribed to them below.

“**Specifications**” means any specifications provided in connection with the SFTP Wire Transfer Service.

“**Wire Transfers File**” means the file provided by Client to Bank containing all information required to call Client to validate that the Wire Batch was issued by Client in order for Bank to process a Wire Transfer via the SFTP Wire Transfer Service.

### 2. Service Description

This Service allows Client to transmit Wire Transfers File via SWIFT messages using SFTP in order to process batch Wire Instructions.

### 3. Service Terms and Conditions

- (a) Transmittal of Wire Transfers File. In order to use the SFTP Wire Service, Client must transmit the Wire Transfers File using SFTP only. Client agrees to the following: (i) Client will use SFTP under the Specifications; (ii) Client, is solely responsible for purchasing, obtaining, installing, and operating any software necessary to Transmit Wire Transfers File using SFTP and maintaining such software in an operating condition; and (iii) Client will be responsible for the payment of any telecommunications and implementation expenses associated with SFTP used in connection with the SFTP Wire Service provided to Client. Client acknowledges and understands its responsibility and liability as they relate to Client’s use of and access to the SFTP and that Bank assumes no liability or control over Client’s on-site systems or employees. The Wire Transfers File name must match the file name stated in the Specifications.
- (b) SFTP Wire Transfer Service Processing.
  - (i) *Bank’s Reliance*. Bank will rely on the information received from Client when executing a Wire Transfers File. Client is solely responsible for providing clear, complete, and accurate information regarding each Wire Transfers File to Bank. Client acknowledges that Bank has no obligation to detect errors in any Wire Transfers File or any inconsistencies or conflicts between Wire Transfers File. Payments made to the account identified by numbers in the Wire Transfers File shall be deemed properly made even if the number or the name in the Wire Transfers File is different from the number or name assigned to the Account, and even if the number refers to a nonexistent, unidentifiable, or fictitious person. Bank shall not be liable for any Losses caused by errors or inaccuracies in Wire Transfers File, including any Loss resulting from the beneficiary’s financial institution paying the wrong person or posting any Wire Transfer to an incorrect account (whether based on Client’s Wire Transfers File or for any other reasons), rejecting the Wire Transfer, or accepting the Wire Transfer then placing the funds in a suspense or holding account due to any discrepancies. If a debit from an account according to the Wire Transfers File is made in error or made from an Account not owned or managed by Client (each a “**Error Wire Transfer**”), Client agrees to immediately cover any Losses from such Error Wire Transfer and to cooperate fully with Bank to recover such funds made in connection with such Error Wire Transfer.
  - (ii) *Priority of Wire Transfers File*. If more than one Wire Transfers File is issued at or about the same time and the available Account Balance in the Designated Account does not cover all such Wire Transfers File, Bank at its option may execute as many of the Wire Transfers File as possible within the dollar limits of the available Account Balance, in any order convenient to Bank.
- (c) Cut-off Times. Bank will establish (and may subsequently modify) one or more Cut-off Times after which Bank will not accept a Wire Transfers File to be processed on the day of receipt. Wire Transfers File received after Bank’s Cut-off Time specified in the Cut-off and Delivery Schedule or on any non-Business Day shall be considered received on the next Business Day. For Repetitive Wires, if the Send-on Date falls on a non-Business Day, Bank will send the Wire Transfers on the following Business Day.
- (d) Limitations. Client will not be permitted to transfer more than Bank’s specified maximum dollar limit in any single day, and Bank may establish more restrictive client-specific exposure limits (such as a cap that is lower than Bank’s maximum daily limit) on the amount of funds Client may transfer using the SFTP Wire Transfer Service. Bank may change any of the foregoing limits in its discretion at any time based on risk factors relevant to the SFTP Wire Transfer Service and Client’s transaction activity. Bank shall use commercially reasonable efforts to notify Client upon any such change.
- (e) Debit Authorization. Client authorizes Bank to execute and charge Client’s Designated Account for Wire Transfers File delivered to Bank under this SFTP Wire Transfer Schedule. Bank may refuse to execute a Wire Transfers File if there is insufficient Account Balance in the Designated Account to cover the Wire Transfer on the Send-on Date, or in its sole and absolute discretion, Bank may authorize an overdraft in the Designated Account. If Bank elects to create an overdraft, the amount of the overdraft shall be immediately due and payable to Bank without notice or demand. The applicable fees and rate of interest of such overdraft are described in the fee schedule or other fee disclosures provided to Client. Client understands that other financial institutions involved in the Wire Transfer may also charge fees, including an intermediary or beneficiary bank, which may reduce the amount received by the beneficiary.

- (f) Cancellation or Amendment of Wire Instructions. Client may cancel or modify a Wire Transfers File if Bank receives the request before its execution and has had a reasonable time to act on such request. Wire Transfers File may not be cancelled or modified once they are released by Bank to a funds transfer system or to the applicable intermediary or beneficiary bank unless the beneficiary bank consents to such a request. Bank and the beneficiary bank may impose a fee in connection with the return of the Wire Transfer and for any required currency conversion. Bank shall not be liable to Client for any Loss resulting from the failure of the beneficiary bank to agree to recall or modify a Wire Instruction.
- (g) Cancellation or Amendment of Specifications. Client may amend the Specifications. Bank shall have a reasonable time to act thereon before accepting it, and Bank is not required to accept any amendment.
- (h) Security Procedure. Additional data or specifications may appear on the Specification form (for example, funding Account numbers or Authorized Service Users), but such additional data or specifications shall not be considered part of the parties' agreed Security Procedure and shall not be a basis for Client to dispute that Bank has acted in good faith in accordance with the applicable Security Procedures.

Client agrees that any Payment Order or other communication (including an instruction to amend or cancel a Payment Order) issued in Client's name that is verified by Bank, and acted upon by Bank in good faith, is Client's valid, authentic and authorized instruction, fully binding upon Client, even if invalid, inauthentic or unauthorized. Client hereby represents and warrants to Bank that Client has determined this Security Procedure is commercially reasonable and sufficient for Client including the size, type and frequency of payment orders normally issued by Client to Bank. Client shall be deemed to renew that representation and warranty each time Client sends a Wire Transfer to Bank.

Client acknowledges that the above Security Procedure may offer fewer controls than Bank's standard Wire Transfer Security Procedures.

If Bank provides, and Client elects to use, PGP Encryption of Wire Transfers for file transfers, the Wire Transfer File received by Bank must be accompanied by the keys and/or "Access Credentials" necessary for decryption by Bank. If an unencrypted Wire Transfer File is received by Bank, Bank may in its sole and absolute discretion (but shall not be required to) call Client to validate the Wire Transfer. If Client does not specify PGP Encryption in the Specifications, then Client knowingly declines this step in this Security Procedure, accepts the related risks (including potential fraud or otherwise), and agrees that the remaining portions of Security Procedures are and remain commercially reasonable.

- (i) Bank's Obligation. Bank is authorized to act on and otherwise accept any Wire Instructions that are (i) issued or otherwise authorized by Client, (ii) authorized by Client under the laws of agency, or (iii) accepted by Bank in good faith in compliance with the Security Procedures then in effect for Client's use of the Service, whether any such Wire Instructions were in fact authorized by Client. Without any liability to Client, Bank may decline to act on any Wire Instructions that Bank believes are unauthorized or fraudulent; ambiguous, unclear, or incomplete; or otherwise fail to conform to the Service as offered by Bank. Client agrees that Bank may decline or delay the execution of any Wire Instruction according to Bank's anti-money laundering or economic sanctions screening procedures, any verification process, or other Applicable Laws. See Section 10 of the General Terms ("Bank's Obligations; Transaction Limitations") for additional information on when Bank may reject, cancel, delay, or suspend a Wire Instruction under this Wire Transfer Schedule.
- (j) Foreign Currency Wire Transfers. Wire Transfers may be denominated in U.S. dollars or another currency. Client must indicate in the Wire Instruction the currency of the Wire Transfer. Client understands that Bank may rely on the currency of the beneficiary account indicated in the Wire Instruction, and Bank shall not be responsible for any errors if the currency is determined to be incorrect. Bank or Bank's authorized third party may, at its sole discretion, convert wires denominated in U.S. dollars into the currency used by the receiving bank at the foreign exchange rate in effect at that time, as established by Bank or Bank's authorized third party. If Client wishes to transfer funds denominated in a foreign currency but does not have the applicable foreign currency account associated with the Designated Account or does not have a sufficient amount of the applicable foreign currency in a foreign currency account, Bank may convert U.S. dollars in the Designated Account to the requested currency at the foreign exchange rate in effect at the time, established by Bank or Bank's authorized third party. The exchange rate shown in Online Banking at the time of the issuance of the foreign currency is based on the closing rate from the preceding Business Day and may be different from the actual rate of conversion used to process the Wire Instruction. Client acknowledges and agrees that the exchange rates used in processing foreign currency denominated Wire Instructions may vary from the rate Bank itself receives, and that the rates used by Bank for Client's Wire Instructions may not be the lowest available to Client or Bank.
- (k) International Wire Transfers. Client acknowledges and agrees that if Client sends any Wire Transfer outside of the U.S., Client does so at its own risk. Bank shall not be liable for any reason if the funds are not received or are misapplied during the funds transfer process of any international Wire Transfers, or for any failure or delay of another financial institution to process the Wire Transfers or act in a timely manner. In addition to this Agreement, an international Wire Transfer may be subject to different or additional fees and subject to additional terms and conditions. To the extent the provisions in this Agreement are inconsistent with any such separate terms and conditions provided to Client for an international wire transfer, the provisions of such terms and conditions shall govern but only to the extent of any inconsistency. Other than a direct conflict, it is the

intent of the parties for all provisions of the documents that constitute this Agreement and such separate terms and conditions to cumulatively apply.

- (l) Compliance with Laws. Client agrees not to initiate or receive a Wire Transfer in violation of Applicable Laws, including sanctions enforced by OFAC, or any authorization limits described in the applicable Treasury Solutions Form.

## **UNIVERSAL PAYMENT IDENTIFICATION CODE (UPIC)**

This section of the Product Appendix (this “**UPIC Schedule**”) provides the Product Terms governing the use of Bank’s UPIC Service (“**UPIC Service**”).

### **1. Definitions**

For the purposes of this UPIC Schedule, certain terms are as defined in the ACH Origination Service Schedule, and the following terms have the meanings ascribed to them below.

“**UPIC**” means Universal Payment Identification Code, a unique number that is assigned to Client’s Account(s).

### **2. Service Description**

This UPIC Service allows Client to utilize a unique number that is assigned to any Designated Account so that Client can distribute such UPIC payment information in order to make payments to Client’s Designated Account via ACH without revealing the actual account number.

### **3. Service Terms and Conditions**

- (a) Use of UPIC. Client may provide the UPIC to its business trading partners that wish to originate ACH Credit Entries to any of Client’s Designated Accounts. Client represents that it is not and will not authorize any person or entity to originate any Debit Entries using the assigned UPIC. UPIC Service can only be used for electronic payment via ACH and not for checks or wire transfers.
- (b) Compliance Obligations. Client acknowledges that transactions processed through the UPIC Service are subject to Applicable Law. Client acknowledges and agrees that Client is independently responsible for compliance with such Applicable Laws and rules. Client acknowledges that the UPIC Service is not designed, intended, or represented to satisfy all of Client obligations under such laws and rules.

## **VALLEY CONNECT**

This section of the Product Appendix (this “**Valley Connect Schedule**”) provides the Product Terms governing the use of Bank’s Valley Connect (“**Valley Connect**”).

### **1. Definitions**

For the purposes of this Valley Connect Schedule, the following terms have the meanings ascribed to them below:

“**API**” means Application Programming Interface.

“**ERP**” means Enterprise Resource Planning, a type of commercial software that a client may use to manage their business processes within their enterprise.

“**Koxa**” means Koxa, Inc., a Third-Party Provider to Bank.

“**Platform**” means Koxa’s proprietary treasury open banking platform, including the ERP middleware system contracted by Bank to provide API-based connectivity between supported ERPs and Bank.

### **2. Service Description**

This Service allows Client to enroll in Valley Connect. Valley Connect is intended to provide Services, including information reporting of transactions and balances, and initiation of certain transactions via API.

### **3. Service Terms and Conditions**

- (a) Limitations on Use. Client may not use the Platform for any purpose, function or feature not described in the documentation. Client will not:
- (i) Use the Platform for any illegal or unauthorized purpose or in any manner that damages or interferes with its operation;
  - (ii) Sublicense, sell, lease (including on a service bureau basis), rent, share, transfer, or otherwise attempt to assign any part of the Platform or any other intellectual property of Bank or Koxa;
  - (iii) Remove any copyright, trademark or other proprietary rights notices contained in or on the Platform;
  - (iv) Modify, reverse engineer, decompile, disassemble, or otherwise attempt to derive the source code of the Platform;
  - (v) Use the Platform except to conduct business on its own behalf in the regular course;

- (vi) Circumvent any security measures or use restrictions in the Platform;
  - (vii) Share any Personal Identifiable Information or Protected Health Information, as such terms are defined in the Applicable Law or regulations, in any transmission sent through the Platform (for example, memo field for a payment);
  - (viii) Refer to the Platform in the development, marketing, or sale of any competitive product; or
  - (ix) Disclose the documentation, or any other information about the Platform to any third party.
- (b) **Ownership.** The Platform contains valuable intellectual property rights and is proprietary to Koxa, and title thereto remains with Koxa. Client does not acquire any rights, express or implied, in the Platform or any third-party software incorporated therein other than those specified in this Agreement. All applicable rights to patents, copyrights, trademarks, and trade secrets in this Platform are and shall remain with Koxa.
- (c) **Limitation of Liability.** Bank and Koxa and shall have no liability to Client and Client will indemnify the parties for claims arising from:
- (i) Client's ERP or Client's use of its ERP;
  - (ii) Acts or omissions of Client's ERP provider;
  - (iii) Any data, information or instructions provided to Koxa or Bank by the Client's ERP, including any errors or issues associated with such data, information, or instructions;
  - (iv) Unauthorized or unlawful access to, use, Loss, or disclosure of any information about Client's Account provided by Koxa to Client's ERP;
  - (v) Use of the Platform that is not consistent with the documentation; or
  - (vi) Acts or omissions of Client.

**IN NO EVENT WILL KOXA BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, EXEMPLARY, SPECIAL, OR INCIDENTAL DAMAGES, INCLUDING ANY LOST DATA AND LOST PROFITS, ARISING FROM OR RELATING TO THE PLATFORM OR THIS AGREEMENT, EVEN IF KOXA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF KOXA ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE PLATFORM, WHETHER IN CONTRACT OR TORT OR OTHERWISE, WILL NOT EXCEED THREE-THOUSAND DOLLARS (\$3,000). KOXA ALSO DISCLAIMS ALL LIABILITY OF ANY KIND OF KOXA'S SUPPLIERS AND LICENSORS.**

- (d) **No Warranties.** THE PLATFORM PROVIDED BY KOXA TO CLIENT IS PROVIDED "AS IS" WITHOUT ANY WARRANTY OF ANY KIND WHATSOEVER. KOXA HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES WITH REGARD TO THE PLATFORM, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND ANY WARRANTIES ARISING OUT OF COURSE OF DEALING OR COURSE OF PERFORMANCE. KOXA DOES NOT WARRANT THAT THE PLATFORM WILL OPERATE WITHOUT INTERRUPTION OR ERROR, THAT THE PLATFORM IS FREE FROM DEFECTS THAT ANY TRANSACTIONS INITIATED THROUGH THE PLATFORM WILL BE ACCURATE OR COMPLETE, THAT KOXA WILL MAINTAIN ANY DATA WITHOUT LOSS. KOXA DOES NOT MAKE ANY WARRANTY AS TO THE OUTPUT THAT MAY BE OBTAINED FROM USE OF THE PLATFORM. CLIENT ACKNOWLEDGES THAT NO WARRANTIES ARE MADE BY ANY OF KOXA'S LICENSORS OR SUPPLIERS. KOXA RESERVES THE RIGHT TO CHANGE, MODIFY, OR ALTER THE PLATFORM WITHOUT NOTICE, AT ANY TIME.
- (e) **Third Party Beneficiary.** Koxa is a third-party beneficiary of terms of this ERP System Schedule.
- (f) **Catch All.** Client agrees to comply with any additional requirements, authorizations, or other information as required.

## WIRE TRANSFER SERVICE

This section of the Product Appendix (this "**Wire Transfer Schedule**") provides the Product Terms governing the use of Bank's Wire Transfer Service through Online Banking.

### 1. Definitions

For the purposes of this Wire Transfer Schedule, the following terms have the meanings ascribed to them below:

"**Approver**" is defined in Section 3(h)(ii).

"**Designated Account**" is defined in the General Terms and in this Wire Transfer Schedule, it also includes any foreign currency accounts linked to Designated Accounts.

"**Dual Control Process**" is defined in Section 3(h)(ii).

"**Manual Wire Instruction**" is defined in Section 3(a).

"**Receiver**" and "**Receiving Bank**" are used in the context of reverse wires and have the meanings described in Section 3(l)(i).

"**Repetitive Wires**" is defined in Section 3(b)(ii).

"**Repetitive Wire Template**" is defined in Section 3(b)(ii).

"**Send-on Date**" is defined in Section 3(b)(i).

“**Setup**” is defined in Section 3(h)(ii).

“**Wire Instruction**” means any Instruction provided to Bank to initiate a Wire Transfer.

“**Wire Transfer**” means a funds transfer by wire from a Designated Account, excluding any transfer made via SWIFT.

## 2. Service Description

This Service allows Client to initiate Wire Transfers from a Designated Account to accounts at other domestic or international financial institutions. Wire Transfers may be set up on a one-time or recurring basis.

## 3. Service Terms and Conditions

- (a) Transmittal of Wire Instructions. Client must submit Wire Instructions through Online Banking. Bank will not accept Wire Instructions delivered by telephone, facsimile, or email (“**Manual Wire Instructions**”) under this Wire Transfer Schedule.
- (b) Content of Wire Instructions.
- (i) *One-time Wires*. Client shall initiate a Wire Instruction by submitting the following information in Online Banking: (1) the account number of the Designated Account from which funds are to be withdrawn; (2) the amount of the Wire Transfer, and for foreign currency Wire Transfers, the currency of the Wire Transfer amount; (3) the date of the Wire Transfer (“**Send-on Date**”); (4) the name and routing number (ABA for domestic Wire Transfers and SWIFT BIC for international Wire Transfers) of the beneficiary’s financial institution; (5) the beneficiary’s name, address, and account number; and (6) any other information as Bank may reasonably request.
  - (ii) *Repetitive Wires*. Client may establish one or more recurring wires (“**Repetitive Wires**”) by creating a template in Online Banking (“**Repetitive Wire Template**”). For each Repetitive Wire Template, Client shall designate (1) a beneficiary, (2) the beneficiary account to be credited and Client’s Designated Account to be debited, (3) the Wire Transfer amount, and (4) the frequency of the Repetitive Wires (for example, by selecting the day of the week or month when the Wire Instruction is to be executed). Client may delete a Repetitive Wire Template at any time, subject to the restrictions described in Section 3(g).
- (c) Wire Transfer Processing.
- (i) *Bank’s Reliance*. Bank will rely on the information received from Client when executing Wire Instructions. Client is solely responsible for providing clear, complete, and accurate information regarding each Wire Transfer to Bank. Client acknowledges that Bank has no obligation to detect errors in any Wire Instruction or any inconsistencies or conflicts between Wire Instructions. Payments made to the account identified by numbers in the Wire Instruction shall be deemed properly made even if the number or the name in the Wire Instruction is different from the name or number assigned to the account, and even if the number refers to a nonexistent, unidentifiable, or fictitious person. Bank shall not be liable for any Losses caused by errors or inaccuracies in Wire Instructions, including any Loss resulting from the beneficiary’s financial institution paying the wrong person or posting any Wire Transfer to an incorrect account (whether based on Client’s Wire Instructions or for any other reasons), rejecting the Wire Transfer, or accepting the Wire Transfer then placing the funds in a suspense or holding account due to any discrepancies.
  - (ii) *Intermediary Bank and Routing*. Bank may use any means of transmission, funds transfer system, clearinghouse, or route that Bank reasonably believes is suitable for each outgoing Wire Transfer. If an intermediary bank is required to fulfill the Wire Instruction and Client fails to specify one, Client agrees and acknowledges that Client’s Wire Instruction also constitutes Client’s Instruction to Bank to choose an intermediary bank. Client agrees that Bank has no control over other banks, and accordingly, Bank shall have no liability if an intermediary or beneficiary bank fails to properly execute any Wire Transfers or imposes fees and charges that result in reduction of the wire amount credited to a beneficiary.
  - (iii) *Priority of Wire Instructions*. If more than one Wire Instruction is issued at or about the same time and the available Account Balance in the Designated Account does not cover all such Wire Instructions, Bank at its option may execute as many of the Wire Instructions as possible within the dollar limits of the available Account Balance, in any order convenient to Bank.
- (d) Cut-off Times. Bank will establish (and may subsequently modify) one or more Cut-off Times after which Bank will not accept a Wire Instruction to be processed on the day of receipt. Wire Instructions received after Bank’s Cut-off Time specified in the Cut-off and Delivery Schedule or on any non-Business Day shall be considered received on the next Business Day. For Repetitive Wires, if the Send-on Date falls on a non-Business Day, Bank will send the Wire Transfers on the following Business Day.
- (e) Limitations. Client will not be permitted to transfer more than Bank’s specified maximum dollar limit in any single day, and Bank may establish more restrictive customer-specific exposure limits (such as a cap that is lower than Bank’s maximum daily limit) on the amount of funds Client may transfer using the Service. Bank may change any of the foregoing limits in its discretion at any time based on risk factors relevant to the Service and Client’s transaction activity. Bank shall use commercially reasonable efforts to notify Client upon any such change.

- (f) Debit Authorization. Client authorizes Bank to execute and charge Client's Designated Account for Wire Instructions delivered to Bank under this Wire Transfer Schedule. Bank may refuse to execute a Wire Instruction if there is insufficient Account Balance in the Designated Account to cover the Wire Transfer on the Send-on Date, or in its sole and absolute discretion, Bank may authorize an overdraft in the Designated Account. If Bank elects to create an overdraft, the amount of the overdraft shall be immediately due and payable to Bank without notice or demand. The applicable fees and rate of interest for such overdraft are described in the fee schedule or other fee disclosures provided to Client. Client understands that other financial institutions involved in the Wire Transfer may also charge fees, including an intermediary or beneficiary bank, which may reduce the amount received by the beneficiary.
- (g) Cancellation or Amendment of Wire Instructions. Client may cancel or modify a Wire Instruction if Bank receives the request before its execution and has had a reasonable time to act on such request. Wire Instructions may not be cancelled or modified once they are released by Bank to a funds transfer system or to the applicable intermediary or beneficiary bank unless the beneficiary bank consents to such a request. Bank and the beneficiary bank may impose a fee in connection with the return of the Wire Transfer and for any required currency conversion. Bank shall not be liable to Client for any Loss resulting from the failure of the beneficiary bank to agree to recall or modify a Wire Instruction.
- (h) Security Procedures.
- (i) *Security Items*. Access to the Wire Transfer Service requires each Online User to have an Online User ID and password. Any Online User with Wire Transfer approval authority will also need a token. Client shall designate an Administrator who shall be responsible for assigning the Security Items required for Online Users to access and use the Service, provided that any issuance of a token must be approved by a person that is authorized to act on behalf of Client, as indicated by the Account Agreements.
- (ii) *Dual Control Process*. All Wire Transfers require input and approval by an Online User. For each Wire Transfer initiated, Bank's standard Security Procedure requires Client to designate one Online User to create, edit, cancel, delete, or restore the Wire Instruction using the person's unique Online User ID and password ("**Setup**"), and a different Online User to approve, release, or reject the Wire Transfer using the person's unique Online User ID, password, PIN, and token ("**Approver**"). Client acknowledges that this process of segregating the Setup and Approver roles ("**Dual Control Process**") is a commercially reasonable security method, consistent with generally accepted industry practice, for verifying the authenticity of Wire Transfers initiated by Client. Any election by Client to waive the Dual Control Process recommended by Bank is at Client's sole risk. Client agrees to assume all Loss that may result in whole or in part from Client's failure to implement the Dual Control Process, and further agrees to indemnify, defend, and hold Bank harmless from and against any Losses incurred as a result of Bank effecting any Wire Transfer in reliance on the input by a single Online User.
- (iii) *Alternative Security Procedure for Repetitive Wires*.
- (1) If Client elects the Dual Control Process recommended by Bank, the Approver may not approve Repetitive Wires in advance. Each Wire Instruction issued according to a Repetitive Wire Template must be separately approved on the applicable Send-on Date before its release by Bank.
- (2) If Client elects to assign the Setup and Approver roles to a single Online User, Client may provide a one-time approval of subsequent Repetitive Wires by approving the Repetitive Wire Template. Bank will release the Repetitive Wires on their respective Send-on Dates with no further action required by Client. Client's approval of any existing Repetitive Wire will remain effective until it is modified or otherwise terminated.
- (i) Bank's Obligation. Bank is authorized to act on and otherwise accept any Wire Instructions that are (i) issued or otherwise authorized by Client, (ii) authorized by Client under the laws of agency, or (iii) accepted by Bank in good faith in compliance with the Security Procedures then in effect for Client's use of the Service, whether any such Wire Instructions were in fact authorized by Client. Without any liability to Client, Bank may decline to act on any Wire Instructions that Bank believes are unauthorized or fraudulent; ambiguous, unclear, or incomplete; or otherwise fail to conform to the Service as offered by Bank. Client agrees that Bank may decline or delay the execution of any Wire Instruction according to Bank's anti-money laundering or economic sanctions screening procedures, any verification process, or other Applicable Laws. See Section 10 of the General Terms ("**Bank's Obligations; Transaction Limitations**") for additional information on when Bank may reject, cancel, delay, or suspend a Wire Instruction under this Wire Transfer Schedule.
- j) Foreign Currency Wire Transfers. Wire Transfers may be denominated in U.S. dollars or another currency. Client must indicate in the Wire Instruction the currency of the Wire Transfer. Client understands that Bank may rely on the currency of the beneficiary account indicated in the Wire Instruction, and Bank shall not be responsible for any errors if the currency is determined to be incorrect. Bank or Bank's authorized third party may, at its sole discretion, convert wires denominated in U.S. dollars into the currency used by the receiving bank at the foreign exchange rate in effect at that time, as established by Bank or Bank's authorized third party. If Client wishes to transfer funds denominated in a foreign currency but does not have the applicable foreign currency account associated with the Designated Account, or does not have a sufficient amount of the applicable foreign currency in a foreign currency account, Bank may convert U.S. dollars in the Designated Account to the requested currency at the foreign exchange rate in effect at the time, established by Bank or Bank's authorized third party.

The exchange rate shown in Online Banking at the time of the issuance of the foreign currency is based on the closing rate from the preceding Business Day and may be different from the actual rate of conversion used to process the Wire Instruction. Client acknowledges and agrees that the exchange rates used in processing foreign currency denominated Wire Instructions may vary from the rate Bank itself receives, and that the rates used by Bank for Client's Wire Instructions may not be the lowest available to Client or Bank.

- (k) International Wire Transfers. Client acknowledges and agrees that if Client sends any Wire Transfer outside of the U.S., Client does so at its own risk. Bank shall not be liable for any reason if the funds are not received or are misapplied during the funds transfer process of any international Wire Transfers, or for any failure or delay of another financial institution to process the Wire Transfers or act in a timely manner. In addition to this Agreement, an international Wire Transfer may be subject to different or additional fees and subject to additional terms and conditions. To the extent the provisions in this Agreement are inconsistent with any such separate terms and conditions provided to Client for an international wire transfer, the provisions of those terms and conditions shall govern but only to the extent of any inconsistency. Other than a direct conflict, it is the intent of the parties for all provisions of the documents that constitute this Agreement and such separate terms and conditions to cumulatively apply.
- (l) Reverse Wires. Bank offers reverse wire options subject to separate Service Fees. The limitations on Bank's obligations and liability for Client's Wire Instructions described in this Wire Transfer Schedule shall govern any reverse wires originated or received by Client, as applicable. Client agrees to indemnify and hold Bank harmless from any Losses it incurs relating to or arising out of any action or omission of a Receiving Bank or any reverse wires Bank honors or refuses to honor under this Section 3(l).
  - (i) *Reverse Wire Received*. A third party ("**Receiver**") may originate a drawdown request to wire funds from Client's Designated Account to Receiver's account at a financial institution ("**Receiving Bank**"). If Client has selected this option, Client authorizes Bank to debit Client's Designated Account for reverse wires received by Bank. Each reverse wire received by the Cut-off Time specified in the Cut-off and Delivery Schedule shall be executed on the same day, subject to the limitations described in this Section 3(l). Client agrees that (1) each Receiver shall be authorized by Client to initiate a reverse wire against Client's Designated Account, (2) Client shall provide the Receiver with all data necessary for Receiving Bank to initiate a reverse wire and make periodic examinations to ensure that payment data is complete, current, and accurate; and (3) Client shall maintain sufficient Account Balance in the Designated Account to cover all reverse wires initiated by Receiving Bank under Client's authorization.
- (m) Compliance with Laws. Client agrees not to initiate or receive a Wire Transfer in violation of Applicable Laws, including sanctions enforced by OFAC, or any authorization limits described in the applicable Treasury Solutions Form.

## ZERO BALANCE ACCOUNT SERVICE

This section of the Product Appendix (this "**ZBA Schedule**") provides the Product Terms governing the use of Bank's Zero Balance Account ("**ZBA**") Service.

### 1. Definitions

For the purposes of this ZBA Schedule, the following terms have the meanings ascribed to them below:

"**Debit**" means a check, transfer, or other item presented against a ZBA Subaccount for payment.

"**One-Way ZBA**" means an option in which funds are transferred only in a single direction:(i) from the ZBA Parent Account to a ZBA Subaccount or (ii) from a ZBA Subaccount to the ZBA Parent Account.

"**Target Balance**" means zero or such other amount as Client may specify for the ZBA Parent Account or a ZBA Subaccount in the applicable Treasury Solutions Form.

"**Two-Way ZBA**" means an option in which funds are transferred both (i) from the ZBA Parent Account to a ZBA Subaccount and (ii) from a ZBA Subaccount to the ZBA Parent Account.

"**ZBA Parent Account**" is defined in Section 3(a).

"**ZBA Subaccount**" is defined in Section 3(a).

### 2. Service Description

The ZBA Service enables Client to combine balances across multiple checking Accounts in order to maintain established Target Balances.

### 3. Service Terms and Conditions

- (a) Designation of Accounts. Client shall designate in the applicable Treasury Solutions Form a primary checking Account ("**ZBA Parent Account**") and one or more checking Accounts that will be linked to the ZBA Parent Account ("**ZBA Subaccounts**"). If more than one ZBA Subaccount is linked to the ZBA Parent Account, Client may designate the priority in which funds from the ZBA Parent Account are applied to the ZBA Subaccounts. Client also may designate multiple levels of ZBA Subaccounts, all of which shall be deemed ZBA Subaccounts.

- (b) One-Way and Two-Way ZBAs. Client authorizes Bank to transfer funds between the ZBA Parent Account and each ZBA Subaccount as provided below.
- (i) *Two-Way ZBA*. At the close of each Business Day, Bank will transfer funds from the ZBA Parent Account to a ZBA Subaccount or from a ZBA Subaccount to the ZBA Parent Account, as appropriate, to maintain Target Balance.
  - (ii) *One-Way ZBA*. If Client has selected this option, at the close of each Business Day, Bank will either transfer funds from the ZBA Parent Account to a ZBA Subaccount or from a ZBA Subaccount to the ZBA Parent Account to maintain Target Balance, as appropriate, but not both.
- (c) Minimum Balance. Client shall maintain sufficient Accessible Balance in the ZBA Parent Account (or Accessible Balance above its Target Balance, if any) to cover the amounts to be transferred by Bank under this Service. If there are insufficient funds in the ZBA Parent Account to cover all Debits presented against all linked ZBA Subaccounts in any given Business Day, Bank may return or pay any Debits in its sole and absolute discretion. Any payment that overdraws a ZBA Subaccount will result in an overdraft that is subject to the terms of the Account Agreements. The amount of the overdraft shall be immediately due and payable to Bank without notice of demand. The applicable fees and rate of interest for such overdraft are described in the fee schedule or other fee disclosures provided to Client. In addition, Bank shall transfer funds to restore the Target Balance of any one or more ZBA Subaccounts only up to the amount of the Accessible Balance in the ZBA Parent Account (or the Accessible Balance above its Target Balance, if any).
- (d) Holds. Any "holds" (meaning restraints on the payment of funds) applicable to a ZBA Subaccount will be applied to the ZBA Parent Account.