



Master Treasury Management Services  
Terms and Disclosures

I. GENERAL TERMS AND CONDITIONS.....	4
II. ACCOUNT RECONCILIATION SERVICE TERMS.....	26
III. ACH PAYMENT AUTHORIZATION SERVICE TERMS.....	28
IV. AUTOMATED ACCOUNT SWEEP SERVICE TERMS.....	29
V. AUTOMATED CLEARING HOUSE (“ACH”) ORIGATION SERVICE TERMS.....	31
VI. BUSINESS BILL PAY SERVICE TERMS.....	56
VII. CASH VAULT SERVICE TERMS.....	58
VIII. CONTROLLED DISBURSEMENT SERVICE TERMS.....	59
IX. CHECK PRINTING AND MAILING.....	61
X. WIRE TRANSFER SERVICE TERMS.....	62
XI. IMAGE CASH LETTER SERVICE TERMS.....	69
XII. IMAGE SERVICE TERMS.....	72
XIII. INFORMATION REPORTING SERVICE TERMS.....	73
XIV. INTEGRATED PAYABLES SERVICE TERMS.....	73
XV. LOAN SWEEP SERVICE TERMS.....	76
XVI. LOCKBOX SERVICE TERMS.....	77
XVII. IMAGE CAPTURE SERVICE TERMS.....	79

This Master Treasury Management Services Agreement — Terms and Disclosures (these “Terms and Disclosures”) governs the treasury management relationship between Texas Capital Bank, a Texas state bank (the “Bank,” “we,” “our,” or “us”) and the customer identified in the Master Treasury Management Implementation Agreement (“Customer,” “you,” “your,” and sometimes referred to collectively with Bank as the “parties”). These Terms and Disclosures are effective as of February 19th, 2024, and supersede and replace the previous Master Treasury Management Services Agreement — Terms and Disclosures. By executing the Master Treasury Management Implementation Agreement (“Implementation Agreement”) or using a Service, Customer agrees to be bound by these Terms and Disclosures and any Separate Agreement, and any supplement or amendment to any of the same as may be made from time to time. Customer also agrees that the deposit accounts to which the Services apply are governed by the Consumer and Commercial Terms and Disclosures (the “Account Terms”) and the Services are governed by the Electronic Banking Services Terms and Disclosures, as applicable, and any supplement or amendment to any of the same, all of which are incorporated herein by reference.

Except as otherwise provided herein, where any term or condition contained in the Implementation Agreement, the Account Terms, or the terms of any other Separate Agreements (defined below) conflicts with a term or condition of these Terms and Disclosures, the term or condition of these Terms and Disclosures shall control, but only to the extent of the inconsistency. Furthermore, to the extent expressly provided for otherwise herein, should any inconsistency exist or arise between a term or condition contained in the General Terms and Conditions provided for in Section I and any term or condition contained in any applicable Service Terms, the term or condition of the applicable Service Terms shall control, but only to the extent of the inconsistency.

**I. GENERAL TERMS AND CONDITIONS**

The following general terms and conditions (“General Terms and Conditions”) apply to all Services provided by Bank to Customer. The terms and conditions applicable to a specific Service are as set forth in the respective Service Terms.

**A. DEFINITIONS AND TERMS.**

1. “Services”: One or more treasury management services available to Customer under the Implementation Agreement and these Terms and Disclosures and/or provided to Customer (individually a “Service”). Customer agrees that Bank has no obligation to permit Customer’s use of any one or more of the Services and the decision of what Services, if any, Bank provides or makes available to Customer is within Bank’s sole discretion.
2. “Service Terms”: The terms and conditions contained in these Terms and Disclosures that are applicable to a specific Service. The Service Terms for a specific Service only apply to Customer if Customer has requested the Service, and Bank has agreed to provide such Service to Customer.
3. “Separate Agreements”: Additional or supplemental agreements or addenda to these Terms and Disclosures that are required by Bank or its third party service providers in connection with the provision of a Service. If Bank permits Customer to use a Service that requires a Separate Agreement, Customer’s use of such Service will be conditioned on and subject to Customer’s execution of the applicable Separate Agreements on terms satisfactory to Bank.
4. “Business Day”: Unless otherwise provided in these Terms and Disclosures, or any Separate Agreement, “Business Day” means any day on which a majority of Bank’s offices are open to the public for conducting substantially all business functions; provided, however, that Saturdays, Sundays and federal holidays are not Business Days even if a majority of Bank’s offices are open.
5. Each Service to be provided by Bank to Customer under the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures shall be deemed in all respects to be a financial accommodation under 11 U.S.C. § 365(c)(2).

6. Customer agrees that any person or entity who signs the Implementation Agreement or any Separate Agreement as agent for Customer shall be deemed to be duly authorized and empowered to act on behalf of Customer under the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures for all purposes, including with respect to any Service provided to Customer thereunder.

**B. REPRESENTATIONS AND WARRANTIES OF CUSTOMER.** Customer hereby represents and warrants to Bank as follows:

1. Customer agrees to maintain a minimum of at least one (1) commercial checking account (“Demand Deposit Account:”) with Bank with funds sufficient to cover the transactions initiated pursuant to the Implementation Agreement and all fees required to be paid for Services provided thereunder;
2. If Customer is a business or commercial entity, Customer is duly organized, validly existing and in good standing under the laws of the state of its organization or incorporation and is duly qualified or licensed to do business in each jurisdiction in which Customer owns, leases or operates property or where the nature of its business makes such qualification necessary;
3. Customer has the power and authority to enter into the Implementation Agreement and any Separate Agreement, and to be bound by these Terms and Disclosures, and to consummate or cause to be consummated the transactions contemplated hereby;
4. The consummation of the transactions contemplated hereby have been duly and validly authorized by Customer and no other corporate or other proceeding on the part of Customer is necessary to authorize the performance of these Terms and Disclosures;
5. Unless Bank has expressly consented in a separate writing to Customer utilizing a Service for consumer, personal, family or household purposes, all Services will be used for business or commercial purposes only. The Customer agrees that only Demand Deposit Accounts, or other deposit accounts, or other asset accounts (individually, a “Deposit Account”; collectively, “Deposit Accounts”) established exclusively for business purposes will be used for transactions pursuant to these Terms and Disclosures, and that in no event will transactions hereunder be conducted using Deposit Accounts of the Customer or its employees, officers, directors, members, or owners that were established primarily for personal, family or household purposes;
6. The Services will not be used for any unlawful purpose;
7. All financial and other information provided to Bank by Customer or on its behalf was prepared in good faith and is true and correct in all material respects and does not omit any facts that would make such information misleading, as of the date it is dated, or if not dated, the date it is given to the Bank;
8. Customer has not been induced to enter into these Terms and Disclosures by any representations or statements, oral or written, that have not been expressly incorporated herein by reference;
9. All data and funds transfer requests, whether by wire, ACH or otherwise, will comply with all applicable federal, state, county, or municipal laws, regulations or ordinances and will not include transmitting funds to, from, or on behalf of any person, business or country subject to U.S. sanction or which would in any manner violate any applicable federal, state, county, or municipal laws, regulations, ordinances, or Presidential Orders of the U.S.;
10. Customer is the owner and/or Authorized Agent on all accounts subject to the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures; and

11. Each of the foregoing representations and warranties shall be true and continue to be true so long as Bank provides any Service to Customer.

Customer agrees that Bank may request, at any time, as a condition of Customer receiving or continuing to receive any Service, for Customer to provide such documentation as Bank deems necessary to evidence Customer’s compliance with the above representations and warranties, and Customer agrees to promptly provide such documentation reasonably requested by Bank.

**C. MONTHLY STATEMENTS.** Unless otherwise provided in these Terms and Disclosures or in any Separate Agreement, Bank shall provide Customer with a monthly statement summarizing the previous month’s activity for Services rendered pursuant to the Implementation Agreement and these Terms and Disclosures.

**D. NO IMPLIED REPRESENTATION.** CUSTOMER ACKNOWLEDGES AND AGREES THAT USE OF THE SERVICES SHALL BE AT CUSTOMER’S SOLE RISK AND THAT THE SERVICES ARE PROVIDED BY BANK ON AN “AS IS” BASIS. CUSTOMER ACKNOWLEDGES AND AGREES THAT NOTWITHSTANDING ANYTHING IN THESE TERMS AND DISCLOSURES TO THE CONTRARY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK AND ITS AFFILIATES, THIRD-PARTY SERVICE PROVIDERS AND SUPPLIERS MAKE NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, EITHER TO CUSTOMER OR TO ANY THIRD PARTY WITH RESPECT TO THE SERVICES OR ANY COMPUTER PROGRAMS, EQUIPMENT OR SOFTWARE USED BY CUSTOMER IN CONNECTION WITH THE SERVICES. CUSTOMER WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ALL WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, EITHER TO CUSTOMER OR TO ANY THIRD PARTY WITH RESPECT TO THE SERVICES OR ANY COMPUTER PROGRAMS, EQUIPMENT OR SOFTWARE USED BY CUSTOMER IN CONNECTION WITH THE SERVICES.

**E. LIMITATION OF LIABILITY; INDEMNIFICATION.** Customer agrees that except as otherwise provided in these Terms and Disclosures, or any applicable Separate Agreement, and except as otherwise required by applicable law, (1) ANY LIABILITY OF BANK AND ITS PARENT COMPANY, AFFILIATES AND SUBSIDIARIES AND ITS AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, CONTROLLING PERSONS, STOCKHOLDERS, AGENTS, REPRESENTATIVES, THIRD-PARTY SERVICE PROVIDERS, AND SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE “BANK INDEMNIFIED PARTIES”) TO CUSTOMER SHALL BE LIMITED TO THE ACTUAL DAMAGES ARISING DIRECTLY FROM THE INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE OF THE PERFORMANCE OR NON-PERFORMANCE OF THE SERVICES; (2) THE AMOUNT OF ANY CLAIM CUSTOMER HAS AGAINST ANY OF THE BANK INDEMNIFIED PARTIES SHALL BE SUBJECT TO REDUCTION ON THE BASIS OF THE FAILURE TO USE REASONABLE CARE ON THE PART OF CUSTOMER OR THE PART OF ANY OF CUSTOMER’S AGENTS OR EMPLOYEES WHO CONTRIBUTED TO THE LOSS WHICH IS THE BASIS OF CUSTOMER’S CLAIM; AND (3) NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY LOSS OF REVENUE OR ANTICIPATED PROFITS, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL, OR PUNITIVE LOSSES OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOSS OF PROFITS, REVENUE, BUSINESS, DATA, FILES, GOODWILL, OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES), HOWEVER CAUSED AND BASED ON ANY THEORY OF LIABILITY (TORT, CONTRACT OR OTHERWISE). CUSTOMER HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE

BANK OR ANY OF THE OTHER BANK INDEMNIFIED PARTIES FOR ANY PUNITIVE, SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL LOSSES OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOSS OF PROFITS, REVENUE, BUSINESS, DATA, FILES, GOODWILL, OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES), HOWEVER CAUSED AND BASED ON ANY THEORY OF LIABILITY (CONTRACT, TORT OR OTHERWISE) EVEN IF IT/THEY HAVE BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.

WITHOUT LIMITING THE ABOVE, CUSTOMER FURTHER AGREES THAT, TO THE FULLEST EXTENT PERMITTED BY LAW AND EXCEPT CAUSED SOLELY BY BANK'S INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE, CUSTOMER RELEASES THE BANK INDEMNIFIED PARTIES FROM AND HOLDS THEM HARMLESS AGAINST, AND SHALL INDEMNIFY AND DEFEND THEM FROM ANY AND ALL LIABILITIES, DEMANDS, CLAIMS, ACTIONS OR CAUSES OF ACTION, ASSESSMENTS, LOSSES, DAMAGES, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES) AND ALL FINES, PENALTIES AND INTEREST THEREON AS A RESULT OF OR ARISING DIRECTLY OR INDIRECTLY OUT OF OR IN CONNECTION WITH ANY OF THE FOLLOWING: (1) BANK'S ACTS OR OMISSIONS IN CONNECTION WITH PROVIDING THE SERVICES, IF SUCH ACTS OR OMISSIONS ARE IN ACCORDANCE WITH, OR IN FURTHERANCE OF, CUSTOMER'S INSTRUCTIONS, THE TERMS OF THE IMPLEMENTATION AGREEMENT, THESE TERMS AND DISCLOSURES, OR ANY SEPARATE AGREEMENT; (2) ANY BREACH OF CUSTOMER'S REPRESENTATIONS OR WARRANTIES, OR OTHER ACTS OR OMISSIONS OF CUSTOMER, INCLUDING, WITHOUT LIMITATION, CUSTOMER'S VIOLATION OF APPLICABLE LAWS OR REGULATIONS; (3) ANY ACTS OR OMISSIONS OF THIRD PARTIES (INCLUDING, WITHOUT LIMITATION, OTHER FINANCIAL INSTITUTIONS, ANY FEDERAL RESERVE BANK, AUTOMATED CLEARINGHOUSES AND ANY OTHER THIRD PARTY WITH WHICH BANK MAY CONTRACT IN CONNECTION WITH THE SERVICES TO BE PROVIDED) IF SUCH ACTS OR OMISSIONS ARE IN ACCORDANCE WITH CUSTOMER'S INSTRUCTIONS, THE TERMS OF THE IMPLEMENTATION AGREEMENT, THESE TERMS AND DISCLOSURES, OR THE TERMS OF ANY SEPARATE AGREEMENT; AND (4) ANY ACT OR OMISSION BY CUSTOMER (OR ANY OF CUSTOMER'S DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, AFFILIATES, CONTROLLING PERSONS, OR THEIR RESPECTIVE SUCCESSORS AND ASSIGNS) IN CONNECTION WITH, OR ANY INTENTIONAL OR UNINTENTIONAL FAILURE BY CUSTOMER (OR ANY OF CUSTOMER'S DIRECTORS, OFFICERS, EMPLOYEES, AFFILIATES, CONTROLLING PERSONS, AGENTS AND REPRESENTATIVES, OR THEIR RESPECTIVE SUCCESSORS AND ASSIGNS) TO COMPLY WITH, UTILIZE OR FOLLOW ANY INFORMATION SECURITY PROCEDURES OR PROTECTIONS, INCLUDING, WITHOUT LIMITATION, ANY ACT, OMISSION OR FAILURE RELATED TO ACCESS NUMBER(S), PASSWORD(S), LOG-IN ID(S), SECURITY TOKENS, SECURITY TOKEN SERIAL NUMBERS, PERSONAL IDENTIFICATION NUMBER(S), PASSCODE(S) AND ACCOUNT NUMBER(S) ASSIGNED TO CUSTOMER.

WITHOUT LIMITING THE ABOVE, CUSTOMER AGREES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW THAT UNDER NO CIRCUMSTANCES WILL THE BANK BE RESPONSIBLE FOR ANY DELAY OR FAILURE TO ACT IN CONNECTION WITH THE IMPLEMENTATION AGREEMENT, THESE TERMS AND DISCLOSURES, OR ANY SEPARATE AGREEMENT (INCLUDING, BUT NOT LIMITED TO, ANY DELAY OR FAILURE TO PROVIDE A SERVICE, IF THE FAILURE OR DELAY IS DUE TO CIRCUMSTANCES BEYOND THE BANK'S REASONABLE CONTROL INCLUDING, WITHOUT LIMITATION, ANY OF THE FOLLOWING: LEGAL RESTRAINT, STRIKES OR LOCKOUTS; FIRE OR OTHER CASUALTY; RISK OR CIVIL COMMOTION; ACTS OF WAR OR TERRORISM; WINDSTORMS, EARTHQUAKES, FLOODS OR OTHER ACTS OF GOD; DELAY IN

TRANSPORTATION; GOVERNMENT REGULATION OR INTERFERENCES; ERROR, MALFUNCTION, INTERRUPTION OR DELAY IN THE INTERNET, COMMUNICATION/ TELECOMMUNICATION/TRANSMISSION EQUIPMENT OR LINES, OR THIRD-PARTY SERVICES; FAILURE OF THIRD-PARTY SOFTWARE OR HARDWARE; OR INABILITY TO OBTAIN RAW MATERIALS, SUPPLIES, OR POWER USED IN EQUIPMENT NEEDED FOR THE PROVISION OF THE SERVICES. IN ADDITION, BANK SHALL BE EXCUSED FROM ANY FAILURE OR DELAY IN EXECUTING A TRANSACTION OR PROVIDING A SERVICE HEREUNDER IF BANK REASONABLY BELIEVES THAT SUCH EXECUTION WOULD RESULT IN THE VIOLATION OF ANY APPLICABLE STATE OR FEDERAL LAW, RULE, REGULATION OR GUIDELINE. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CUSTOMER HEREBY RELEASES THE BANK INDEMNIFIED PARTIES FROM AND HOLDS THEM HARMLESS AGAINST ANY AND ALL LOSSES, DAMAGES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES), FINES, PENALTIES AND INTEREST THEREON INCURRED AS A RESULT OF, OR ARISING DIRECTLY OR INDIRECTLY OUT OF, OR IN CONNECTION WITH, ANY OF THE FOREGOING. CUSTOMER UNDERSTANDS AND AGREES THAT THE FEES CHARGED FOR THE PERFORMANCE OF THE SERVICES HAVE BEEN ESTABLISHED IN CONTEMPLATION OF THESE LIMITATIONS ON LIABILITY.

THE BANK SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR FAILURES RESULTING FROM DEFECTS IN OR MALFUNCTIONS OF CUSTOMER'S ACCESS DEVICE HARDWARE OR SOFTWARE, FOR THE QUALITY OF PERFORMANCE OR LACK OF PERFORMANCE OF ANY ACCESS DEVICE SOFTWARE OR HARDWARE OR INTERNET DELIVERED SERVICES SUPPLIED BY THE BANK TO CUSTOMER IN CONNECTION WITH THESE TERMS AND DISCLOSURES, OR FOR THE TRANSMISSION OR FAILURE OF TRANSMISSION OF ANY INFORMATION FROM CUSTOMER TO THE BANK OR FROM THE BANK TO CUSTOMER. THE BANK SHALL NOT BE RESPONSIBLE FOR NOTIFYING CUSTOMER OF ANY UPGRADES OR ENHANCEMENTS TO ANY OF CUSTOMER'S ACCESS DEVICE HARDWARE OR SOFTWARE.

CUSTOMER SHALL PROMPTLY EXAMINE ALL COMMUNICATIONS, REPORTS AND STATEMENTS OF ACCOUNTS SUBJECT TO THE IMPLEMENTATION AGREEMENT, THESE TERMS AND DISCLOSURES, AND ANY SEPARATE AGREEMENT, AND SHALL NOTIFY BANK IMMEDIATELY IN THE EVENT OF AN ERROR OR DISCREPANCY INCLUDING, BUT NOT LIMITED TO, ANY UNAUTHORIZED TRANSACTION. CUSTOMER AGREES THAT BANK SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH SUCH ERROR OR DISCREPANCY IF CUSTOMER FAILS TO NOTIFY BANK WITHIN SIXTY (60) DAYS FROM THE DATE OF THE COMMUNICATION, REPORT OR STATEMENT OF ACCOUNT IN WHICH THE ERROR OR DISCREPANCY FIRST APPEARED. WITH RESPECT TO ANY OTHER MATTER, CUSTOMER AGREES THAT IT SHALL NOT ASSERT A CLAIM AGAINST BANK ARISING IN CONNECTION WITH THE IMPLEMENTATION AGREEMENT, THESE TERMS AND DISCLOSURES, OR ANY SEPARATE AGREEMENT OR ANY SERVICE PROVIDED THEREUNDER MORE THAN ONE (1) YEAR AFTER THE OCCURRENCE OF THE FIRST EVENT WHICH GIVES RISE TO SUCH CLAIM.

CUSTOMER AGREES THAT WHEN APPLICABLE LAW REQUIRES BANK TO EXERCISE ORDINARY CARE, SUBSTANTIAL COMPLIANCE WITH THE POLICIES AND/OR PROCEDURES ESTABLISHED BY BANK SHALL BE DEEMED TO CONSTITUTE THE EXERCISE OF ORDINARY CARE, AND CUSTOMER AGREES THAT OCCASIONAL, UNINTENTIONAL DEVIATIONS BY BANK FROM ITS POLICIES AND/OR PROCEDURES SHALL NOT BE DEEMED A FAILURE TO EXERCISE ORDINARY CARE AS TO THE SERVICES OR TRANSACTIONS WITH RESPECT TO WHICH ANY SUCH DEVIATIONS OCCUR.



THE LIMITATIONS ON THE LIABILITY OF THE BANK INDEMNIFIED PARTIES AND THE BANK INDEMNIFIED PARTIES' RIGHT TO INDEMNITY CONTAINED IN THIS SECTION I.E SHALL BE IN ADDITION TO ANY OTHER LIMITATION ON THE LIABILITY OF ANY BANK INDEMNIFIED PARTY AND THE RIGHT OF ANY BANK INDEMNIFIED PARTY TO INDEMNITY PROVIDED FOR IN THESE TERMS AND DISCLOSURES, ANY SEPARATE AGREEMENT, ANY OTHER AGREEMENT BETWEEN THE PARTIES, OR PROVIDED BY APPLICABLE LAW.

FURTHERMORE, THE LIMITATIONS ON THE LIABILITY OF ANY BANK INDEMNIFIED PARTY AND THE RIGHT OF ANY BANK INDEMNIFIED PARTY TO BE INDEMNIFIED PROVIDED FOR IN ANY PROVISION OF THESE TERMS AND DISCLOSURES SHALL BE CUMULATIVE AND NOT EXCLUSIVE OF ANY OTHER LIMITATION ON THE LIABILITY AND THE RIGHT OF INDEMNITY OF ANY BANK INDEMNIFIED PARTY PROVIDED ELSEWHERE IN THESE TERMS AND DISCLOSURES.

The rights and obligations of Customer and Bank under this Section I.E shall be in addition to, and not in limitation of, the rights and obligations of Customer and Bank under the Service Terms contained in these Terms and Disclosures.

**F. CORPORATE SOURCE OF STRENGTH.** If Customer is a commercial entity, Customer and Customer's parent company, and any affiliates and wholly owned subsidiaries that benefit from the Services, agree that any liability which Customer may incur relating to its treasury management relationship with Bank under the Implementation Agreement, these Terms and Disclosures, and/or any Separate Agreement, shall also be the legal responsibility of its parent company, and any affiliates and wholly owned subsidiaries that benefit from the Services (if any). Accordingly, Customer's parent company, and any affiliates and wholly owned subsidiaries that benefit from the Services, shall be legally liable for any and all of Customer's indebtedness to Bank arising from its treasury management relationship with Bank and shall be obligated to provide all necessary financial resources to Customer to ensure that Customer meets all of its legal and financial responsibilities to Bank. Bank shall have full legal recourse against Customer's parent company, and any affiliates and wholly owned subsidiaries that benefit from the Services, for Customer's failure to meet all of its legal and financial responsibilities to Bank. For purposes of these Terms and Disclosures, the term "parent company" is defined as any company that controls, either directly or indirectly, the Customer. For purposes of these Terms and Disclosures, the term "affiliate" is defined as any company that is also controlled, either directly or indirectly, by the Customer's parent company. For purposes of these Terms and Disclosures, the term "wholly owned subsidiary" is defined as any company that is controlled, either directly or indirectly, by the Customer.

**G. SECURITY.** Customer understands that certain Services may be provided by way of the internet using Bank's online Treasury Management System, Electronic Information Transmission, Application Programming Interface ("API"), or other software provided by Bank or its third-party service providers. In order to access Bank's online Treasury Management System and/or access certain Services, Customer agrees to designate a person or persons who will be responsible for system administration and all access approval rights within Customer's organization (the "Treasury System Administrator[s]"). Such designation shall be made on the Implementation Agreement or in such other manner as approved in writing by Bank. Bank strongly recommends dual Treasury System Administrators be set up for backup purposes and to perform initiator and approver type duties. Customer acknowledges that the responsibilities of Treasury System Administrator include, but are not limited to: (i) assigning and maintaining all security credentials for all Authorized Users; (ii) designating Authorized Users, (iii) adding or removing eligible Accounts from Authorized User profiles; (iv) establishing limits, if any, on each Authorized User's authority to access specific information and/or conduct transactions; (v) promptly removing access for terminated employees or for employees no longer authorized to access or to perform specific duties, (vi) ensuring the proper implementation of Security Procedures by

Authorized Users, (vii) reviewing Authorized User access periodically to ensure access to the applicable Services is restricted to users who need it in the performance of their job functions and (viii) properly securing Customer's equipment and network systems to prevent inappropriate use.

Access to Bank's online Treasury Management System requires the use of a log-in ID and password, and, in the Bank's sole discretion, may require the use of an additional passcode generated by a secured token provided by Bank. Customer is strictly responsible for the confidentiality, maintenance, use of and access to its password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s) and passcode(s). Customer agrees to: (1) limit use and access of all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s) and passcode(s) to Customer's trusted employees who need such information in order to perform their employment duties; (2) instruct those employees that they are not to disclose their access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s) and passcode(s) to any other person; and (3) establish and maintain procedures to ensure that all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s) and passcode(s) will be maintained in strictest confidence and to safeguard against unauthorized access thereto. **CUSTOMER UNDERSTANDS AND AGREES THAT CUSTOMER WILL BE RESPONSIBLE FOR MAINTAINING SECURITY AND CONTROL OVER ALL PASSWORD(S), LOG-IN IDS, SECURITY TOKENS, SECURITY TOKEN SERIAL NUMBERS, PERSONAL IDENTIFICATION NUMBER(S), AND PASSCODES OF THE CUSTOMER, TREASURY SYSTEM ADMINISTRATORS, AND USERS, AND SHALL USE SECURITY FOR SUCH ITEMS COMPARABLE TO THE SECURITY AND CONTROL CUSTOMER WOULD USE FOR CASH, OR A MECHANICAL CHECK-SIGNING MACHINE, BUT IN NO EVENT LESS THAN REASONABLE SECURITY AND CONTROL IN THE CIRCUMSTANCES.**

Access to Bank's online Treasury Management System, Electronic Information Transmission and certain Services require that Customer receive and/or transmit data, information, orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) via connection or remote computers over telephone lines. Customer acknowledges that data including email, electronic communications, and confidential financial data and information may be accessed by unauthorized third parties when communicating to Bank using the internet or other network or dial-up communications facilities, telephone or any other electronic means. By using the internet in connection with the Services or to otherwise communicate with Bank, Customer is assuming the risk that viruses, Trojan horses, worms or other harmful components may be transmitted to Customer, including those that may allow unauthorized third parties to communicate with Bank and initiate transactions using Customer's identity in such a way as to cause Bank to believe such communications and transactions are made by Customer. Customer agrees to install and utilize on its system commercially reasonable antivirus and/or similar software or use other appropriate protections as Customer deems necessary to protect against such risk. **BANK DOES NOT WARRANT THAT THE SERVICES, ANY REPORT GENERATED IN CONNECTION WITH THE SERVICES, OR THE SERVERS OR OTHER PROPERTY THAT IS USED TO PROVIDE THE SERVICES AND ANY REPORTS GENERATED WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.**

With respect to internet access to Bank's online Treasury Management System and Electronic Information Transmission, Customer understands and agrees that Customer may be required by Bank to download specific "browser" security software; if not required to use specific browser software, Customer agrees to use browser software that, at a minimum, supports a data security protocol compatible with the protocol used by Bank. Until notified otherwise by Bank, Customer agrees to use software that supports the secure socket layer (SSL) protocol or other protocols accepted by Bank and follow Bank's log-on procedures that support such protocols. Customer acknowledges that Bank is not responsible for: (i) notifying Customer of any upgrades, fixes or enhancements to any such software; or (ii) any compromise of data transmitted across computer networks or telecommunications facilities, including, but not limited to, the internet. With the exception of applications commonly known as web browser software, or other applications formally approved by Bank in writing, Customer agrees not to (a) use

any software, program, application or any other device to access or log on to Bank's computer systems, web site or proprietary software; or (b) automate the process of obtaining, downloading, transferring or transmitting any data or information to or from Bank's computer systems, web site or proprietary software. Customer understands and acknowledges that engaging in the practices described in (a) and (b) increase the risk of unauthorized access to Customer's computer and accounts, which could result in fraudulent transactions or other harmful activity, and Customer agrees to bear all liability for any losses sustained as a result of Customer engaging in the practices described in (a) or (b).

Customer assumes full responsibility for its selection of, access to, and use of Services. Customer acknowledges that the purpose of security procedures is to authenticate the identity of the person initiating the action, not to detect errors in any transmission or content. Bank is not agreeing to any security or other procedure for the detection of errors. Furthermore, if Customer requires more than one (1) authorization to conduct certain transactions related to Customer's account(s) or the Services, Customer agrees that such requirement will be deemed solely for Customer's own purposes. Although certain transactions types and/or amounts within Bank's online Treasury Management System may require more than one (1) authorization, Customer agrees that Bank will not be liable to Customer as long as at least one (1) signature of an authorized signer or someone authorized by an authorized signer or who otherwise has authority appears on Customer's checks, drafts, instructions or orders, or if Bank's records indicate that a transaction, payment or other product use was made by or on behalf of at least one (1) authorized signer or someone authorized by an authorized signer or who otherwise has authority. This includes situations in which Customer has provided its access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and/or account number(s) to someone else to use.

Online Access – Your access to Bank's online Treasury Management System may be disabled if you create an online account and never log in, or if you do not log in for 13 consecutive months. Your account status with Texas Capital Bank will not be impacted, only your access to Bank's online Treasury Management System will be removed. You may contact Treasury Support at 800.839.2801 to reinstate your access, if needed.

Bank reserves the right at any time to change any or all of its security procedures, and Customer agrees to follow and comply with any such changes after being notified of such change. Customer agrees that its use of any Service after Bank provides notice of a change constitutes Customer's acceptance of the new security procedures.

Bank also reserves the right to require that such other security requirements be met as Bank deems necessary, in its sole discretion, before accepting any order or instruction or reinstating Customer's access to Bank's online Treasury Management System or Electronic Information Transmission, including, but not limited to, requiring the written authorization of Customer or its Treasury System Administrator(s). Customer understands and agrees that the fact that Bank may not require additional security procedures in one case does not waive Bank's right to require such additional security procedures in other cases. In addition, Customer understands and agrees that the fact that Bank requires additional security procedures in one case does not establish an expectation on Customer's part that Bank will require such additional security procedures in the future.

Customer represents and warrants that in its view the security procedures as described in this Section I.G are commercially reasonable given the size and type of accounts it maintains at Bank, and the size, type and frequency of transactions it anticipates engaging and information it anticipates transmitting. Customer also acknowledges that Bank has recommended that Customer designate at least two (2) Treasury System Administrators and, in the event that Customer designates only one (1) Treasury System Administrator, Customer acknowledges it does so voluntarily and against Bank's recommendation. **TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CUSTOMER HEREBY RELEASES AND AGREES NOT TO HOLD BANK LIABLE FOR ANY LOSS OR DAMAGE OF ANY KIND CAUSED BY OR RESULTING FROM BANK (A) FOLLOWING ANY ORDER OR INSTRUCTION OR THE TRANSMISSION OF DATA**

**AND INFORMATION TO OR FROM BANK, INCLUDING, WITHOUT LIMITATION, ANY ORDER, INSTRUCTION, DATA AND INFORMATION TRANSMITTED TO OR FROM BANK USING THE SECURITY PROCEDURES AND TRANSFER METHODS AND PROTOCOLS DESCRIBED IN THIS SECTION I.G, AND (B) CUSTOMER'S DISCLOSURE OF ITS ACCESS NUMBER(S), PASSWORD(S), LOG-IN ID(S), SECURITY TOKENS, SECURITY TOKEN SERIAL NUMBERS, PERSONAL IDENTIFICATION NUMBER(S), PASSCODE(S), ACCOUNT NUMBER(S) OR OTHER BANKING INFORMATION WHETHER OR NOT SUCH DISCLOSURE WAS INADVERTENT OR UNINTENTIONAL.**

Customer agrees to be responsible for all orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) entered, regardless of the medium or method used, and data and information transmitted through and under Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and/or account number(s), and any orders or instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) so received by Bank will be deemed to have been received from Customer. All data, information, orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) shall be deemed to be made at the time received by Bank and in the form received.

Customer agrees to notify Bank IMMEDIATELY at 800.839.2801 if Customer learns of:

- any loss or theft of Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s), account number(s) and/or other banking information;
- any unauthorized use of any of Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s), account number(s), and/or any other banking information or the Services;
- any receipt by Customer of confirmation of an order that Customer did not place, or any similarly inaccurate or conflicting report or information; or
- any other breach of security.

Customer acknowledges and agrees that its failure to notify Bank of any of the above in a timely manner or as otherwise required by these Terms and Disclosures may limit Bank's liability, if any, associated with any loss or damage suffered by Customer.

**H. AUTHORIZATION.** Customer acknowledges and agrees that the Treasury System Administrator(s) designated by Customer has the authority to grant access approval rights to other users within Customer's organization ("Authorized Users"), including the authority to grant Authorized Users approval rights to perform certain system functions and transactions. Customer further acknowledges and agrees that (a) each Authorized User has the authority to perform transactions related to any Service hereunder and any additional authority granted by the Treasury System Administrator(s), and (b) Bank may conclusively presume without further inquiry that each Treasury System Administrator(s) and Authorized User is acting in conformity with his/her respective duties and obligations to Customer and with the knowledge, consent and authority of Customer. Customer shall maintain its Authorized Users within the Treasury Management System. If Bank requests, Customer agrees to deliver promptly to Bank a list of all Authorized Users and the Service or Services for which each Authorized User is authorized to perform transactions. **CUSTOMER AGREES THAT BANK MAY RELY ON THE MOST RECENT LIST OF AUTHORIZED USERS DESIGNATED WITHIN THE TREASURY MANAGEMENT SYSTEM AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK SHALL HAVE NO LIABILITY FOR UNAUTHORIZED ACTIONS TAKEN OR TRANSACTIONS PERFORMED BY THOSE INDIVIDUALS NAMED AS TREASURY SYSTEM ADMINISTRATOR(S) OR AUTHORIZED USERS BY CUSTOMER.** Customer represents and

warrants that (1) any employee or applicant for employment with Customer who is or may become a Treasury System Administrator(s) or Authorized User, or may otherwise have any responsibility for handling Customer's financial affairs (including processing, writing, or receiving checks or electronic transfers, handling account statements or other financial information, conducting Remote Deposit Capture Services such as scanning or storing original checks, or creating, transmitting or storing substitute check images, or acting otherwise regarding Customer's financial affairs) has been asked specifically whether he/ she has ever been convicted of a felony; (2) that a thorough background check of such employee or applicant has been conducted; (3) that Customer has in place reasonable financial controls to prevent employee fraud, embezzlement and other dishonest activities; and (4) that Customer has instituted a program that encourages Customer's employees to report fraudulent or dishonest activities to Customer's management.

**I. THIRD-PARTIES.** Bank may contract with third-party service providers or other parties with respect to one or more of the Services or the provision of a Service or parts thereof. To the extent applicable to Customer and made known to Customer, Customer agrees to comply with the requirements of the contracts between Bank and such third parties relative to the Services.

Bank may refer Customer to third parties for the provision of products or services not offered by Bank. Customer acknowledges and agrees (i) that such third parties are not affiliated with or endorsed by Bank, (ii) Customer will not rely on any statement of Bank in engaging or deciding to engage such third parties, and (iii) Customer will perform whatever due diligence it deems necessary before engaging or deciding to engage any third party Bank refers to Customer. Customer further agrees that Bank does not guarantee such products or services and is not liable for the actions or inactions of any such third party.

Customer shall notify Bank in writing of the name of any third-party whom it hires, employs, or to whom it delegates its duties or responsibilities under the Implementation Agreement before that third party initiates any transaction or performs an obligation authorized or required under the Implementation Agreement. Customer agrees that it shall be solely responsible for all acts of any such third party. Customer shall provide information, including, but not limited to, financial information which Bank may, in its sole discretion, require from time to time regarding any third party Customer hires, employs, or retains in any manner to initiate transactions or assume any of Customer's duties under the Implementation Agreement. Customer understands and agrees that because of the risks involved in certain Services that Customer may utilize, Bank may refuse, in its sole discretion, to provide such Services to Customer if the third party retained by Customer does not meet Bank's qualification criteria. Bank's acceptance of any third-party retained by Customer based on Bank's qualification criteria is not a representation or warranty by Bank regarding the fitness of the third party's capabilities or financial condition, nor is such acceptance by Bank an endorsement of any third party's ability to perform the third-party services for Customer. Customer acknowledges and agrees that it will perform whatever due diligence on its own third-party vendors as Customer deems necessary and not rely on any due diligence performed by Bank.

Customer further agrees that it shall not allow any third party to use any Service provided hereunder or to process any third party's transactions pursuant to the Services through Customer or its accounts without Bank's prior written consent.

**J. THIRD-PARTY NETWORKS.** Bank's ability to provide certain Services is dependent upon its ability to obtain or provide access to third-party networks. In the event any third-party network is unavailable, or Bank determines, in its sole discretion, that it cannot continue providing any third-party network access, Bank may discontinue the related Service or may provide the Service through an alternate third-party network. In such circumstances, Bank will have no liability for the unavailability of access to such Service during any transition period. In no event will Bank be responsible for any services or equipment that Customer receives from third-party vendors.

**K. USER AND TRAINING GUIDES.** Bank may provide Customer with user guides, training guides, or other written guidelines or instructional materials (the "User Guides") in connection with certain Services. Customer agrees to: (1) comply with the User Guides that Bank provides to Customer; and (2) take reasonable steps to protect the confidentiality and security of the User Guides and any other proprietary property or information that Bank provides to Customer in connection with the Services.

**L. ACCOUNT DISPUTES.** In the event of any disagreement hereunder, or if conflicting demands or notices are made upon Bank relating to the Implementation Agreement, any Separate Agreement or any account subject to these Terms and Disclosures, Bank may, at its option, refuse to comply with any claims or demands on it, place an administrative hold on the funds in Customer's Deposit Account(s), or refuse to take any other action hereunder with regard to the subject matter of the dispute, so long as such dispute continues. In any such event, the hold may be placed for such period of time as Bank believes reasonably necessary to allow a legal proceeding to determine the merits of the claim or until the Bank receives evidence satisfactory to Bank that the dispute has been resolved. The Bank shall not be, nor shall it become, liable to any person for its failure or refusal to act, and Bank shall be entitled to continue to so refrain from acting until: (i) the rights of all parties shall have been fully and finally adjudicated; or (ii) all differences shall have been adjusted and all doubt resolved by agreement among all of the interested persons. The rights of Bank under this paragraph are cumulative of all other rights which it may have at law or otherwise.

**M. GOVERNING LAWS, RULES, REGULATIONS, AND ALTERNATIVE DISPUTE RESOLUTION (ADR) PROVISIONS.** Your Deposit Accounts, these Terms and Disclosures, and all disputes arising from or related to your Deposit Accounts or these Terms and Disclosures is governed by the laws of the State of Texas (without regard to its conflict of law principles) including the Uniform Commercial Code effective in Texas as adopted in the Texas Business and Commerce Code (as amended from time to time) (the "UCC"). Bank is located in Texas and that is where Customer opens Customer Deposit Accounts. In addition, Bank is subject to certain federal and state regulations, as well as national and local clearing house rules regarding some of the matters addressed in the Implementation Agreement, Account Terms, any Separate Agreement, and these Terms and Disclosures, and Bank must comply with these laws, regulations and rules. Customer agrees that if there is any inconsistency between the terms of the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures and any applicable law, regulation or rule, the terms of the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures will prevail to the extent any such law, regulation or rule may be modified by agreement.

**NOTICE OF SETTLEMENT CONFERENCE, MEDIATION, ARBITRATION, WAIVER OF JURY TRIAL, AND WAIVER OF CLASS ACTION: THESE TERMS AND DISCLOSURES CONTAIN PROVISIONS FOR SETTLEMENT CONFERENCE, MEDIATION, ARBITRATION, WAIVER OF JURY TRIAL, AND WAIVER OF CLASS ACTION (SEE SECTION BELOW). BY OPENING YOUR ACCOUNT OR OTHERWISE CONTINUING TO USE YOUR DEPOSIT ACCOUNTS OR SERVICES FOLLOWING RECEIPT OF THESE TERMS AND CONDITIONS, YOU AGREE TO SUCH TERMS. FOR CLAIMS SUBJECT TO BINDING ARBITRATION, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO PURSUE SUCH CLAIMS IN COURT OR HAVE A JURY DECIDE SUCH CLAIMS. ADDITIONALLY, YOU WILL NOT HAVE THE RIGHT TO BRING OR OTHERWISE PARTICIPATE IN ANY CLASS ACTION OR SIMILAR PROCEEDING EITHER IN COURT OR IN ARBITRATION.**

While the Bank would prefer to resolve all possible disputes between us through its regular customer service channels, there may come a time where you have a dispute with the Bank. You agree to try to resolve any possible dispute you have with the Bank prior to initiating arbitration or prior to filing any litigation by agreeing to attend an "in-person" settlement conference at a mutually agreed time and place, and if that does not resolve the dispute, to non-binding mediation. Such a settlement conference generally contemplates an in-person meeting where both sides try to meet to resolve the applicable issues and exchange documents and information in an effort to try to resolve the dispute. The Bank wants to learn the reasons and underlying



facts regarding the dispute prior to incurring fees and costs in mediation, arbitration, or litigation proceeding. If you do not go to an in-person meeting, you agree you will not seek to recover future attorneys' fees and costs from the Bank. Such a meeting contemplates that both parties will act in good faith and negotiations shall remain confidential and all costs and expenses associated with the settlement conference shall be paid by the party incurring such costs or expense.

**Mediation.** If the parties are unable to reach a resolution at a settlement conference, before you file a claim in an arbitration process or before you file a lawsuit, you also agree to make a second effort to try to resolve the dispute by attending a non-binding mediation in the county seat of the Texas county of your permanent residence, or if your permanent residence is outside the state of Texas or the US, then in Dallas County. Either you or the Bank may request a mediation upon written notice to the other party, and the parties agree to work together to schedule a mediation with a neutral mediator within forty-five (45) days of such a request being given. The Bank hereby generally agrees that you may select a mediator of your choice, but the mediator must be qualified to serve as a mediator and not be biased. Both sides will each equally pay one-half (1/2) of the mediation costs to the mediator. Each side will pay for their own attorney's fees, costs, and expenses. If you do not attend this mediation, you agree you will have waived any claim to seek recovery of attorneys' fees and costs from the Bank.

**Binding Arbitration.** If a settlement conference or mediation is unsuccessful, you agree that any dispute, claim, or controversy of any kind between you and the Bank (whether it arises out of or relates to these Terms and Disclosures, or to your Deposit Accounts, or any transactions involving your Deposit Account, or any service or product related to your Deposit Accounts or the business dealings between us and you) either you or the Bank can choose to have that dispute resolved by binding arbitration in Dallas County. This arbitration provision limits your ability to litigate claims in court and waives your right to a jury trial. You should review this section carefully. You will not have the right to participate in a class action lawsuit, either as a class representative or member of any class of claimants for any claim you may believe you have against the Bank. Arbitration is a proceeding in which disputes are decided by one or more neutral arbitrators who issue a binding ruling in the form of an award. That award can then become a judgment entered by a court of competent jurisdiction. You and we understand that discovery and other procedures in arbitration may be more limited than discovery in court proceedings and that the ability to modify, vacate, or appeal an award by an arbitrator(s) is strictly limited.

You and we agree, upon written demand made by you or us, to submit to binding arbitration all disputes, controversies, and claims, whether based on contract, fraud, tort, intentional tort, statute, regulation, constitution, common law, equity, or any other legal basis or theory, and whether pre-existing, present, or future, that arise out of or relate to: (a) these Terms and Disclosures, your Deposit Accounts, any transaction involving your Deposit Accounts, any Services or product related to your Deposit Accounts, or any advertisements, promotions, representations or oral or written statements related to these Terms and Disclosures or your Deposit Accounts; (b) the relationships that result from these Terms and Disclosures (including, to the fullest extent permitted by applicable law, relationships with third parties who are not parties to these Terms and Disclosures or this arbitration provision); (c) your relationship with us that relates to these Terms and Disclosures or any other agreement or relationship or dealings that you have with us that is not also subject to a different agreement to arbitrate; (d) the dealings between the parties; or (e) the validity, interpretation, scope or enforceability of these Terms and Disclosures or the interpretation or scope of the Arbitration Clause (collectively, a "Claim"). All parties retain the right to seek relief in a small claims court for disputes or claims within the jurisdictional limits of the small claims court. At the option of the first to commence arbitration, you or we may choose to have the arbitration conducted by JAMS ADR ("JAMS") or the American Arbitration Association ("AAA"), or you and we may agree upon a different arbitrator. In any event any arbitration under these Terms and Disclosures shall be conducted in writing in accordance with the AAA Rules (the "Rules"). You agree that this arbitration provision is made pursuant to a transaction involving interstate commerce, and the Federal Arbitration Act 9 USC, §§1-16 (the "FAA") shall apply to the construction, interpretation, and enforceability of these Terms and Disclosures notwithstanding any other choice of law provision contained in these Terms and Disclosures.

Either you or we may initiate arbitration by giving written notice of the intention to arbitrate to the other party and by filing notice with JAMS or the AAA in accordance with the Rules in effect at the time the notice is filed. The notice shall set forth the subject of the dispute and the relief requested at a minimum. The demand for arbitration may be made before or after commencement of any litigation. You should contact the AAA at 800-778-7879 or [www.adr.org](http://www.adr.org) or JAMS at 800-352-5267 or [www.jamsadr.com](http://www.jamsadr.com) for more information about arbitration. If for any reason the AAA or JAMS is unable or unwilling to serve as arbitration administrator, or you and we are unable to agree on another arbitrator, we will substitute another national or regional arbitration organization. Demand for arbitration under these Terms and Disclosures must be made before the date when any judicial action upon the same Claim would be barred under any applicable statute of limitations; otherwise, the Claim also is barred in arbitration. Any dispute as to whether any statute of limitations, estoppel, waiver, laches, or similar other doctrine bars the arbitration of any Claim shall be decided by arbitration in accordance with the provisions of these Terms and Disclosures.

You cannot join together in a dispute with anyone other than persons who use your Deposit Accounts, although this limitation does not affect the ability of a purely governmental entity to institute any enforcement action. Even if other people have disputes similar to a dispute that you and we have, those people and their disputes cannot be part of any arbitration between you and us. A Claim by, or on behalf of, other persons will not be considered in, joined with, or consolidated with, the arbitration proceedings between you and us, and a Claim may not be arbitrated on a class action, private attorney general, shareholder derivative suit, or other representative basis. Notwithstanding anything to the contrary in these Terms and Disclosures, any dispute regarding the prohibitions in this paragraph or about the enforceability of the arbitration clause shall be resolved by a court and not by the arbitrator(s). Where the aggregate of all Claims by both you and us does not exceed \$250,000, any expedited procedures provided in the Rules ("Expedited Procedures") shall apply and a single arbitrator shall decide the Claims. Where the aggregate of all Claims by both you and us exceeds \$250,000, a panel of three (3) arbitrators shall decide all Claims. Each arbitrator, whether or not acting under Expedited Procedures, shall be an active member in good standing of the bar for any state in the continental United States, have ten (10) years or more practical experience in the banking industry, and shall be either: (a) actively engaged in the practice of law for at least 10 years; or (b) a retired judge. You and we agree that the arbitrator(s): (a) shall limit discovery to non-privileged matters directly relevant to the arbitrated Claim; (b) shall grant only relief that is based upon and consistent with substantial evidence and applicable substantive law; (c) shall have authority to grant relief only with respect to Claims asserted by or against you individually; and (d) shall provide a brief written explanation of the basis for the award upon the request of either party, and shall make specific findings of fact and conclusions of law to support any arbitration award that exceeds \$25,000.

Upon written request by you, for claims up to \$50,000, we will pay to the AAA or JAMS the portion of the arbitration filing fee that exceeds the cost of filing a lawsuit in the federal court where you live. Upon written request by you, we may elect, at our sole discretion, to pay or advance some or all of any remaining arbitration fees and other costs. The arbitrator will decide whether we or you ultimately will be responsible for paying any filing, administrative or other fees in connection with the arbitration. If you are the prevailing party in the arbitration, the arbitrator(s) may order us to pay your reasonable and necessary attorney, expert or witness fees (provided you did not waive this right and provided you attended the initial settlement conference and mediation). If the Bank prevails, the arbitrator will order you to pay the Bank's reasonable and necessary attorney, expert or witness fees. Judgment upon any award rendered in arbitration may be entered in any court having jurisdiction.

**WAIVER OF JURY TRIAL; VENUE. THIS PROVISION LIMITS YOUR RIGHTS TO A JURY TRIAL. YOU SHOULD REVIEW THIS SECTION CAREFULLY. IF: (A) NEITHER YOU NOR WE SEEK TO COMPEL ARBITRATION OF ANY DISPUTE WE HAVE RELATED THESE TERMS AND DISCLOSURES, YOUR DEPOSIT ACCOUNTS, OR ANY TRANSACTIONS INVOLVING YOUR DEPOSITACCOUNT; OR (B) SOME OR ALL OR THE ARBITRATION CLAUSE IS UNENFORCEABLE AND WE ARE IN A DISPUTE IN A COURT OF LAW, THEN EACH OF US AGREES TO WAIVE ANY RIGHT WE MAY HAVE TO A JURY TRIAL TO THE EXTENT ALLOWABLE UNDER THE LAWS OF THE STATE THAT GOVERN THESE**



**TERMS AND DISCLOSURES. IN OTHER WORDS, YOU HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THESE DEPOSIT ACCOUNTS OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY YOU, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. THE BANK IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY YOU. IF LITIGATION COMMENCES, YOU MUST FILE A LAWSUIT IN DALLAS COUNTY, TEXAS.**

**CLASS ACTION WAIVER. TO THE EXTENT PERMITTED BY APPLICABLE LAW, YOU HEREBY AGREE THAT ANY CLAIM, LITIGATION OR ARBITRATION ARISING OUT OF ISSUES RELATING TO YOUR DEPOSIT ACCOUNTS OR ANY OTHER DISPUTE OR CONTROVERSY BETWEEN YOU AND US REGARDING YOUR DEPOSIT ACCOUNTS WILL NOT PROCEED AS PART OF A CLASS ACTION AND YOU AND THE BANK HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVE ANY RIGHT TO PROCEED IN ANY CLASS ACTION OR SERVE AS A CLASS REPRESENTATIVE.**

**Attorneys' Fees and Other Legal Fees.** In any action between you and us regardless of whether it is proceeding in court or in arbitration, the prevailing party shall recover their attorneys' fees, costs and expenses (provided you did not waive this right and provided you attended the initial settlement conference and mediation).

**Agreed Statute of Limitation.** Except as otherwise prohibited under applicable law, you agree to bring a Claim against the Bank in any respect from the Bank's acts or omissions in its performance of the Services hereunder within the lesser of two (2) years of when a potential cause of action accrues or the minimal amount as allowed in your state if your state limits shortening a statute of limitations in a contract. This provision is intended to contractually limit a possible longer statute of limitation that may apply on a claim you may have against the Bank.

**N. PAYMENT AND CHARGES.** Customer agrees to pay all fees and charges owed to Bank under the Implementation Agreement, these Terms and Disclosures, the Separate Agreements, if any, and the Account Terms as such amounts become due. Bank's Fees for Services are reflected at: <http://www.texascapitalbank.com/banking-services/business-services/commercial-accounts.html>, and/or in proformas provided by Bank to Customer. Bank reserves the right to change any fee schedule at any time and from time to time, and Customer agrees to pay such new or additional charges or terminate Service(s) as provided for herein. Customer acknowledges and agrees that special or additional services performed by Bank at Customer's request may be subject to additional terms and fees as Customer and Bank may agree. Customer shall maintain a balance of collected funds in the various Deposit Accounts subject to the Implementation Agreement, these Terms and Disclosures, and any Separate Agreements sufficient to cover its payment obligations to Bank hereunder, and Bank shall be entitled, without any prior notice, to debit each respective account for payment of such charges. If at any time there are insufficient funds in the subject accounts to pay amounts owed, Bank may, but is not obligated to, notify Customer and provide Customer a reasonable period of time within which to deposit sufficient funds. The Bank may, without any prior notice, debit the subject Deposit Accounts, or any other of Customer's accounts maintained with Bank, whether or not such debit creates an overdraft, and further charge Customer an overdraft fee. Customer shall repay any amounts so debited, including any overdraft fee and other costs of collection, immediately upon demand. Any amounts debited by Bank which result in an overdraft to any account subject to the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures, shall bear interest at eighteen percent (18%) per annum or the maximum rate permitted by applicable law, whichever rate is lower. In addition to exercising any other remedy available to Bank in law or equity, Bank may suspend or terminate Services if Customer fails to pay any fees or charges when due. Customer agrees to hold the Bank Indemnified Parties harmless from and indemnify and defend them against any claim, demand, judgment, damage, loss, liability, cost and/

or expense (including reasonable attorneys' fees and expenses) arising out of or in connection with or resulting directly or indirectly from such suspension or termination of Services and from any action taken by Bank as permitted under this Section I.

In addition to the Services fees, Customer is solely responsible for and agrees to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services, the Implementation Agreement, any Separate Agreement, these Terms and Disclosures, and/or the software or equipment used by Customer (excluding any income tax payable by Bank). Customer is also responsible for the costs of any internet access, communication lines, and any data processing charges payable to third parties.

**O. EQUIPMENT.** Customer shall be responsible for providing, maintaining and bearing all costs of all equipment located on Customer's premises that is necessary for using the Services, including, without limitation, telephones, terminals, modems, computers and computer software. Bank assumes no responsibility for defects or incompatibility of any computers or software that Customer uses in connection with the Services.

**P. COMPLIANCE WITH LAWS.** Bank and Customer each agree to comply with provisions of all applicable federal, state, county or municipal laws, regulations or ordinances, and shall be responsible for obtaining any and all authorizations from any applicable governmental authority that may be required for the party to perform hereunder. Furthermore, both parties agree to comply with applicable federal and state privacy laws and anti-money laundering laws. Customer agrees that it shall not use any Services, including Remote Capture Services, in any manner that is designed or has the effect of violating or evading any laws with regards to currency controls, money laundering, banking secrecy, or unlawful Internet gambling (including, but not limited to, any "restricted transactions" as defined under the Unlawful Internet Gambling Enforcement Act of 2006 ("UIGEA")). Customer agrees it is Customer's responsibility to determine the legality of each transaction in all applicable jurisdictions before entering into the transaction. Customer acknowledges and agrees that the Bank has no obligation to monitor, to review, or to evaluate the legality of transactions involving Customer's Deposit Accounts. Customer agrees not use the Services or its Deposit Accounts in connection with any internet or online gambling transaction, or transactions involving cannabis products, whether or not gambling or cannabis are legal in any applicable jurisdiction. To the fullest extent permitted by law, Customer agrees to pay for any item that Customer authorizes, even if the transaction related to that item is determined to be illegal. The Bank also reserves the right to refuse or return any item that it believes is related to an illegal transaction, an online gambling transaction, or a high-risk or otherwise illegal transaction, including, but not limited to, any transaction presented against Customer's Deposit Accounts that Bank reasonably believe is related to the purchase, sale or exchange of any decentralized, non-fiat virtual currency, cryptocurrency, or any other digital currency or money that relies on distributed ledger or blockchain technology, and Customer agrees that Bank shall have no liability to Customer whether Bank declines to pay or whether Bank pays any such item. Customer further agrees to comply with and be bound by all applicable state or federal laws, rules and regulations affecting the use of checks, drafts, fund transfers, and ACH transactions, including but not limited to, rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, the National Automated Clearing House Association ("NACHA") and any other clearinghouse or other organization in which the Bank is a member or to which rules the Bank has agreed to be bound. These laws, procedures, rules, regulations, and definitions shall be incorporated herein by reference.

**Q. CONFIDENTIAL INFORMATION.** The Services constitute Proprietary and Confidential Information (as such term is defined below) of Bank or Bank's licensors, vendors or third-party service providers. Customer will not acquire any rights in the Services by virtue of using such Services or otherwise. Customer shall not: (1) make use of the Proprietary and Confidential Information, or that of Bank's licensors, vendors or third-party service providers, other than as may be necessary to use a Service and then such use shall be limited to that purpose for only so long as Customer uses the Service;

or (2) disclose, divulge, distribute, publish, reproduce or transfer Bank's Proprietary and Confidential Information, or that of its licensors, vendors or third-party service providers except to persons who require access for Customer's use of the Services, or as required by law. Customer shall protect the confidentiality of Bank's Proprietary and Confidential Information (using in any case, not less than the efforts Customer uses to protect its own confidential information and no less than a reasonable degree of care), and prevent any access to or reproduction, disclosure or use of any of the Proprietary and Confidential Information. Customer shall not modify, disassemble, decompile or create any derivative works from the Proprietary and Confidential Information or create, design, manufacture, offer or sell any products or services incorporating any Proprietary and Confidential Information. Customer shall notify Bank immediately of any breach of this Section I.R of which it becomes aware at:

Treasury Management Client Support  
2350 Lakeside Boulevard, Suite 800  
Richardson, TX 75082  
800.839.2801 (phone)  
972.656.6816 (fax)  
treasurysupport@texascapitalbank.com

For purposes of the Implementation Agreement and these Terms and Disclosures, "Proprietary and Confidential Information" means any and all trademarks, trade names, service marks, copyrights, programs, specifications, agreements, documents, manuals, data, records and other information with respect to the Services, including the terms of the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures; fees charged for the Services; User Guides; software and software licenses relating to the Services; system designs; applications; routines; techniques; user identification; passwords; codes; keys; security devices; policies and procedures; embedded algorithms, and other similar devices and information relating to, utilized, or developed and provided by Bank in connection with the Services. Confidential and Proprietary Information does not include information relating to the Services which is generally available and known to the public and its availability was not the result of wrongful or improper disclosure by Customer.

The Customer shall have no ownership interest in the Proprietary and Confidential Information or other rights related thereto, and the Customer agrees to keep the Proprietary and Confidential Information confidential at all times. The Customer may use the Proprietary and Confidential Information only for the purposes for which it was provided by the Bank and shall notify the Bank immediately of any breach of this Section of which it becomes aware. Customer acknowledges that any unauthorized use or disclosure of any Proprietary and Confidential Information would be likely to cause immediate and irreparable damage to Bank and its affiliates that could not be fully remedied by monetary damages. Therefore, in addition to any other rights Bank may have at law or under the Implementation Agreement, any Separate Agreement, or these Terms and Disclosures, Customer agrees that Bank may specifically enforce the Implementation Agreement, any Separate Agreement, and these Terms and Disclosures, and may seek such injunctive or other equitable relief as may be necessary or appropriate to prevent such unauthorized use or disclosure of Proprietary and Confidential Information, without the necessity of posting a bond or proving actual damage by reason of any such breach or threatened breach of the Implementation Agreement or these Terms and Disclosures.

Bank may require Customer to license specific software in order to receive a particular Service. Unless agreed to the contrary between the parties with regard to certain Services, with such agreement approved by Bank in Bank's sole discretion, upon termination of the Implementation Agreement or any applicable Service, such license in Bank's Proprietary and Confidential Information and any licensed software shall automatically expire, and the Customer agrees to immediately cease using any Bank Proprietary and Confidential Information and any licensed software relating to the Service or Services affected by such termination. Additionally, and unless contrary to prior agreement regarding the software, the Customer agrees to erase any software comprising Bank Proprietary and Confidential Information and relating to the Service or Services terminated to the extent such software is stored in the Customer's computers, and, at the request of Bank, to return all copies of all items relating to Bank

Proprietary and Confidential Information which are in the possession of the Customer. Alternatively, and at Bank's option, the Customer will destroy all copies of all items relating to Bank Proprietary and Confidential Information which are in the possession of the Customer and, upon request from Bank, provide written certification to Bank that such destruction has occurred.

Customer agrees that Bank may share any information concerning Customer, its accounts and account transactions with any of Bank's affiliates, subsidiaries, parent or third-party service providers and, to the extent Bank determines necessary, with the Customer's third-party processor(s), and state or federal regulators, bank examiners or auditors.

**R. DOCUMENTATION; OBLIGATION TO MAINTAIN RECORDS.** Customer agrees to execute, in a form and content satisfactory to Bank, any and all documentation required by Bank for Customer to obtain and continue to receive Services. Customer also agrees to provide Bank with any and all information and documentation reasonably requested by Bank to perform its obligations under the Implementation Agreement, these Terms and Disclosures, and any Separate Agreements, and to comply with applicable provisions of law or regulation, including, without limitation, the USA PATRIOT Act and its implementing regulations. Information and documentation requested by Bank may include, without limitation, information regarding Customer's financial condition, business operations, ownership, and the nature and capability of equipment owned and maintained by Customer for the purposes of accessing the Services.

Bank will honor Customer's transactions and instructions (including adjustments and cancellations) only when Customer has complied with the Implementation Agreement, these Terms and Disclosures, the Account Terms, and any specific Service terms. Bank's performance of each Service hereunder is conditioned on Bank's receiving all data and information it requires, in substance, form and quality and within the time frame required by Bank or its third-party service providers. The Customer shall retain and provide to the Bank upon request all information necessary to remake or reconstruct any deposit, transmission file, or entry for at least ten (10) Business Days following receipt by the Bank of the deposit, transmission file, entry, or other order affecting any of the Customer's Deposit Account(s); provided, however, that the Bank's records, kept in the ordinary course of business, will be presumed to accurately reflect the contents of the Customer's instructions to the Bank and, in the absence of manifest error, will be binding and conclusive. In the event that required data or information is not so provided, then (i) Bank will not be bound by any performance or delivery schedules set forth herein, (ii) Bank may charge additional fees as appropriate, (iii) Bank may return improper or incomplete information or data, and (iv) any services, reports, or information that are delivered by Bank will be considered to be complete. In addition, Bank will be under no obligation to complete any transaction or instruction that: (i) exceeds Customer's collected or available funds on deposit with Bank, even if Bank has done so in the past; (ii) is not in accordance with any condition requested by Customer and agreed to by Bank; (iii) Bank has reason to believe may not be authorized by Customer; (iv) involves funds subject to a hold, dispute or legal process preventing their withdrawal; (v) violates, in the opinion of Bank, any provision of any present or future risk control program of the Federal Reserve or any other applicable federal or state law; (vi) does not comply with any other requirement stated in the Implementation Agreement, these Terms and Disclosures, any specific Service terms, or any Bank policy, procedure or practice; and/or (vii) for the protection of Bank or Customer, Bank has reasonable cause not to honor.

Notwithstanding Bank's provision of Services hereunder, Customer remains obligated to maintain, in accordance with applicable law, clearing house rules and contracts and agreements, including these Terms and Disclosures, records, documents, data and information necessary for review and audit by, and reporting to, Bank and all other applicable parties.

**S. OWNERSHIP OF DATA.** The parties understand, acknowledge and agree that all data provided by Customer to Bank, and all data produced, compiled or otherwise provided by Bank to Customer, in any form or format, is the sole and exclusive property of Customer. Bank will make available to Customer upon written request and to the extent required by applicable law any information in the control or possession of Bank concerning any financial product or Service Customer obtains from

Bank, including information relating to any transaction, series of transactions, or any of Customer's accounts including costs, charges and usage data ("Customer-Owned Data"). Bank reserves the right to charge reasonable fees for providing such Customer-Owned Data, and Customer agrees to reimburse Bank for any expenses Bank incurs in providing such Customer-Owned Data to Customer. Once Customer-Owned Data is delivered by Bank to Customer, retrieved by Customer from Bank, or otherwise created as a by-product of a transaction between Customer and Bank and retained by Customer, such Customer-Owned Data is solely within Customer's possession and control. Customer has the sole responsibility for security and protection of Customer-Owned Data and any other data that is solely within Customer's possession and control. If, despite Customer efforts, Customer suffers any damage or loss as a result of any unauthorized access or data security breach (e.g., computer hacking, virus attack, or theft or loss of equipment or other information containing Customer-Owned Data or other data that is solely within Customer's possession and control), and regardless of whether such unauthorized access or breach results from the activities of Customer's employees, agents, subcontractors, or any unaffiliated third party, any such loss or damage shall be the sole responsibility of the Customer.

Furthermore, Customer understands and acknowledges that if Customer does not follow commercially reasonable hardware, software, physical access and physical storage security procedures regarding any Customer-Owned Data, including such data containing the sensitive personally identifiable information ("PII" as defined herein) of any individual, the security of Customer's transactions and/or Customer-Owned Data (including sensitive PII) may be compromised. "Personally identifiable information" means information that can be used on its own or with other information to identify, contact or locate a single person, or to identify an individual in context, and includes, but is not limited to, (i) "nonpublic personal information" as such term is defined under the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102, 113 Stat. 1138) as amended from time to time (the "GLBA") and the regulations promulgated thereunder, and (ii) "personal information" as defined in applicable state data privacy laws, rules and regulations. Customer understands, acknowledges and agrees that installation, maintenance and operation of Customer's computer hardware and software, and related security procedures, including, but not limited to, data security protection, firewalls and antivirus software, is the Customer's sole responsibility, and that Customer is solely responsible for securing, encrypting, protecting and otherwise safeguarding the Customer-Owned Data.

In the event of any security breach incident involving any potential or actual unauthorized access or acquisition of Customer-Owned Data (e.g., computer hacking, virus attack, or theft or loss of any equipment containing Customer-Owned Data), it is Customer's sole responsibility to determine whether Customer has the obligation, under applicable law, to notify potentially affected individuals whose sensitive PII may have been compromised by the security breach incident. Customer must conduct, at its sole cost and expense, any audit and forensic investigation of such security breach incident. Customer bears the sole responsibility for any and all costs of complying with required data breach notifications to individuals, credit bureaus and/or governmental entities as required by applicable law, and any and all costs for credit report monitoring or fraud monitoring associated with such security breach incident. Customer will also bear the sole responsibility and all costs of conducting any forensic or similar audit that may be deemed necessary by the Bank to determine the scope or extent of any such security breach incident.

**T. DATA FILE RETRIEVAL AND DELIVERY.** Bank may provide a data file exchange facility ("Electronic Information Transmission") for Customer, which is intended to ensure a convenient, reliable and efficient means to obtain various informational data files and reports from Bank, or deliver instructional data files to Bank for processing and handling. This data file exchange facility makes it possible for Customer, Customer's agent or a third-party authorized by Customer to obtain specific Deposit Account activity information as well as a means for Customer, its agent or a third-party authorized by Customer to provide instructions to Bank in conjunction with various Services provided by Bank. To support Electronic Information Transmission, Bank makes use of an accepted data communication convention, File Transfer Protocol ("FTP"), which prescribes the manner in which files containing data are to be exchanged between computers using the Internet's transmission control

protocol/ internet protocol (TCP/IP) functionality. Bank allows Customer to choose among certain options for communicating with Bank's Electronic Information Transmission for retrieval and delivery of data files. Access to Bank's Electronic Information Transmission may require that Customer, its agent or a third party authorized by Customer utilize Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) assigned to Customer, and Bank may further require that public encryption keys be exchanged between Customer (or their agent or third party authorized by Customer), and Bank, depending upon the communication option selected. Also, certain communication options will require Customer, its agent or a third party authorized by Customer to furnish Bank with the TCP/IP address from which an FTP communication session will originate. Bank and Customer shall cooperate in testing data file exchange by such communication method, and if the testing process is completed satisfactory to Bank, then such communication method will be used. Once a particular communication method has been successfully tested satisfactory to Bank's requirements and approved by Bank, then Bank and Customer will commence exchange of data files using such communication method. When incoming data files are delivered to Bank by Customer (or by Customer's agent or third party authorized by Customer), the data files will reside in a secure folder on Bank's FTP external server until such files are relocated internally by Bank for processing.

**U. SEVERABILITY.** If any provision of any Separate Agreement or these Terms and Disclosures is found invalid, illegal, or unenforceable, in whole or in part, then the remainder of the Separate Agreement and/or these Terms and Disclosures shall be enforced as if such invalid, illegal or unenforceable provision had never been contained herein.

**V. TERMINATION.** Unless otherwise provided in any specific Service Terms or Separate Agreement, the parties may terminate the Implementation Agreement and these Terms and Disclosures, or with respect to one or more specified Services, with or without cause, at any time with not less than thirty (30) days' prior written notice. The Bank may, in its sole discretion, terminate the Implementation Agreement, these Terms and Disclosures in its entirety, or any one (1) or more specified Service(s) immediately and without prior notice to Customer if: (i) the Customer is in violation, in the Bank's sole opinion, of any applicable federal, state, or local law, rule or regulation or if required by law, including, without limitation, the USA PATRIOT Act; (ii) if Customer fails to comply with the terms of these Terms and Disclosures, the Account Terms, any Separate Agreements, or any other agreement with Bank; (iii) if Customer fails to pay when due any of the fees provided for in these Terms and Disclosures, or any other agreement with Bank; (iv) if any Customer account subject to the Implementation Agreement or these Terms and Disclosures is closed for any reason or is made the subject of a levy or garnishment, attachment or similar process; (v) if any arrangement between Bank and any other entity required to provide the Services under the Implementation Agreement, any Separate Agreement, or these Terms and Disclosures, including, but not limited to, any Federal Reserve Bank, is terminated; (vi) a payable item or a credit posting item, as the case may be, has been returned due to incorrect or incomplete information given by Customer to Bank regarding the payable item or credit posting item; (vii) an otherwise unauthorized ACH debit item has been paid or an otherwise unauthorized ACH credit item has been accepted due to incorrect or incomplete information given by Customer to Bank regarding the item; (viii) there exists facts or circumstances that support the reasonable conclusion that Bank or Customer is or may be subject to losses for fraud, other illegal activity, mistake, negligence, or the communication of erroneous information arising from the actions of Customer or any third-party, including Customer's employees or agents; (ix) the Customer fails to maintain adequate collected and available balances to cover all transactions, costs and expenses relating to one (1) or more Service(s); (x) there is an occurrence of a material change in the Customer's credit and/or risk analysis criteria as determined by Bank in its sole discretion; (xi) Bank at any time determines that Customer or any of Customer's third-party vendors does not meet Bank's risk or other qualification requirements; or (xii) Customer has selected a particular Service, but Customer has not used such Service for a period of time deemed to constitute an inactive Service by Bank (in Bank's sole discretion). In the event of termination of the Implementation Agreement and these Terms and Disclosures for any of the foregoing reasons, Bank's sole obligation shall be to provide notice of its



termination of the Implementation Agreement to Customer as soon as is commercially reasonable. Termination of the Implementation Agreement subject to these Terms and Disclosures will not affect any obligations or rights of the parties which accrued prior to termination. **THE FOLLOWING PROVISIONS SHALL SURVIVE SAID TERMINATION: SECTIONS I.D, I.E, I.M, I.Q AND I.R** and any other provisions in these Terms and Disclosures providing limitations on Bank's liability or obligating Customer to indemnify Bank or pay any damages, claims, liabilities, costs, losses and expenses (including, without limitation, attorneys' fees) of Bank. In the event of termination of the Implementation Agreement or any Service hereunder, the rights and responsibilities of the parties shall continue through any applicable settlement period including the Customer's responsibility to pay Bank for Services with respect to transactions processed prior to the Effective Date of termination. If the Implementation Agreement, or any Service, is terminated by Bank, Bank may accelerate all amounts due and to become due under the Implementation Agreement, these Terms and Disclosures, any other Separate Agreement, and Customer shall promptly make full payment to Bank of all amounts due and amounts incurred under the Implementation Agreement.

**W. MODIFICATION/AMENDMENT.** Bank may modify or amend these Terms and Disclosures, any Separate Agreement, or modify the Services provided under these Terms and Disclosures from time to time. If no federal or state law specifically governs an amendment, then at least ten (10) calendar days prior to the effective date of the amendment, the Bank will deliver notice to the Customer of the amendment as provided for herein. Notwithstanding the foregoing and to the extent permitted by applicable law, the Bank may modify or amend any terms, conditions or operating procedures under any Separate Agreement or these Terms and Disclosures without prior notice to Customer, including any of the Services Terms incorporated herein, if: (i) a service provider changes any term without providing the Bank sufficient prior notice to enable the Bank to timely notify the Customer; (ii) Bank determines in its sole discretion that an immediate change is necessary to maintain or restore the security of a system (including the funds transfer system) or an account; (iii) to comply with any applicable law or regulation. However, if Bank makes such change permanent, Bank will notify Customer as soon as reasonably possible thereafter either by way of tangible or electronic means unless Bank determines in its sole discretion that (a) disclosure would jeopardize the security of a system or an account, or (b) such change is not adverse to Customer in which case ([a] or [b]) Bank shall not be required to provide any notice to Customer at all. Use by the Customer any of the Services following the effective date of any amendment(s) shall constitute the Customer's acceptance of and agreement to the amendments. If the Customer does not agree to the changes as set forth in an amendment, the Customer may choose to terminate the Services affected by the amendment prior to the effective date of the amendment by discontinuing further use of the Service and following the procedures set forth in the Termination Section of this Agreement. Unless otherwise provided for herein, the Agreement may not be amended or modified unless agreed to in writing by the Bank. Notwithstanding anything herein to the contrary, except as required by law, Bank reserves the right to increase or decrease any fee(s) for Services at any time without notice to Customer. Customer's continued use or receipt of Services shall evidence Customer's acceptance of such modified or amended terms.

**X. NON-WAIVER.** No waiver of the provisions herein shall be effective unless in writing and signed by the party to be charged with such waiver. No waiver shall be deemed a continuing waiver unless expressly so stated in writing. Bank's waiver of any breach or failure to enforce any of the terms or conditions of any Separate Agreement or these Terms and Disclosures at any time shall not in any way affect, limit or waive Bank's right thereafter to enforce strict compliance with every term and condition hereof. Customer may be obligated to Bank under certain loan agreements and related instruments (the "Loan Documents"). Conflicts, if any, between the provisions of the Loan Documents and the provisions of any Separate Agreement or these Terms and Disclosures shall be resolved in favor of the Loan Documents.

**Y. NOTICE; COMMUNICATIONS.** Except as otherwise noted in any Separate Agreement or these Terms and Disclosures, all notices required or permitted under said documents shall be in writing. Notices to Customer may be mailed or delivered to the Customer's statement, email or mailing address

as reflected on Bank's system of record, may be posted within Bank's online Treasury Management System, or provided by any other method permitted by applicable law, or any combination of the foregoing notification methods. Customer acknowledges and agrees that, to the extent permitted by applicable law, Bank may deliver all notices, disclosures, amendments or other communications required hereunder to Customer by email at Customer's email address as provided to Bank. To the extent permitted by applicable law, Customer agrees that each such communication will be binding and enforceable to the same extent as if it were delivered to Customer in writing by regular mail, branch posting or in person. Notices to Bank must be mailed or delivered to Bank at Texas Capital Bank, Treasury Management Client Services, 2350 Lakeside Blvd., Suite 800, Richardson, Texas 75082, or delivered in such other manner as Bank may designate from time to time. Notices to Bank shall be deemed to have been given when delivered by hand, when mailed by United States mail, registered mail or certified mail, return receipt requested, or otherwise when actually received by Bank. Either party may change its address for notification purposes by giving the other party prior written notice of the new address and the date upon which the address will become effective.

Bank shall be entitled to rely on any written notice or other written, electronic or telephone communication believed by it in good faith to be genuine and to have been initiated by an authorized representative of Customer to Bank. Any such communication will be deemed to have been authorized by Customer. The parties agree that Bank's records of telephonic or electronic instructions shall be conclusive evidence of the actual notice or instructions given by Customer and recorded by Bank.

Customer consents to Bank's recording and monitoring of any telephone conversations and online transmissions or communications including, but not limited to, requests or instructions. Bank, however, has no duty to record or monitor such telephone conversations or online transmissions and communications, and the election to record and/or monitor is within Bank's sole discretion. Either Customer or Bank may produce telephonic or electronic recordings or computer records, including email and telefacsimile transmissions, as evidence in any legal proceedings brought in connection with any Service.

**AA. NO THIRD-PARTY BENEFICIARIES.** These Terms and Disclosures, the Implementation Agreement, and any Separate Agreement is for the benefit of Customer and Bank and are not intended to grant, and shall not be construed as granting, any rights to or otherwise benefiting any other person, except for Bank's third-party service providers who are involved in providing Services to Customer, as applicable, or as expressly otherwise provided for in the Implementation Agreement or any Separate Agreement. Customer agrees that Bank's third-party service providers who are involved in providing a Service to Customer are intended third-party beneficiaries and have the power to enforce these Terms and Disclosures, the Implementation Agreement, and any Separate Agreement, as applicable, against Customer and may rely upon any warranties and representations Customer has made to Bank.

**BB. CONSTRUCTION.** Paragraph headings are used for convenience or identification purposes only, are not intended to limit the content thereof and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in the Implementation Agreement, these Terms and Disclosures, and any applicable Separate Agreement should be construed so the singular includes the plural, and the plural includes the singular. Any provision that by its terms or operation is designed to survive termination, expiration or cancellation of a Service shall so survive.

**CC. ENTIRE AGREEMENT.** The Implementation Agreement, these Terms and Disclosures and any applicable Separate Agreement, the Account Terms, and the Electronic Banking Services Terms and Disclosures, all as may be supplemented and/or amended from time to time, together with any other disclosures or other documents incorporated herein by reference, constitute the entire agreement between Bank and Customer as it relates to the rendition of Services and, except as otherwise stated herein and with the exception of any Loan Documents, supersedes any and all other agreements either oral or written between the parties with respect to the subject matter hereof. Customer acknowledges that it has not relied on any oral representations of any Bank officer, director or employee in entering

into the Implementation Agreement or any Separate Agreement. The Implementation Agreement, any Separate Agreement, and these Terms and Disclosures incorporate by reference all corporate resolutions, Separate Agreements and Account Terms with Bank, and any applicable User Guides or operating procedures for the Services regardless of whether such agreements or other documents have been executed by Customer. These General Terms set forth in these Terms and Disclosures apply to any Service obtained by Customer from Bank, whether or not that particular Service is provided for specifically in this Agreement or in other agreements between Customer and Bank and further apply to any new Services introduced by Bank and obtained by Customer after the date on which the Implementation Agreement is executed and/or delivered to Customer.

**DD. ASSIGNMENT.** Customer may not assign any part of its rights or obligations under the Implementation Agreement, any Separate Agreement, or these Terms and Disclosures without the prior express written consent of Bank, which may be withheld in Bank's sole discretion. Bank may assign or delegate all or any part of its rights or obligations under the Implementation Agreement, any Separate Agreement, or these Terms and Disclosures, including, without limitation, the performance of the Services described herein. The Implementation Agreement, any Separate Agreement, or these Terms and Disclosures will be binding on and inure to the benefit of the successors and permitted assigns of either party.

**EE. AUTHORIZATION FOR TRANSFERS TO AND FROM ACCOUNTS.** The Customer expressly authorizes the Bank to debit the appropriate Deposit Account in the amount of any bank transfer initiated by the Customer and pursuant to the Terms and Disclosures or initiated by any other person the Customer authorizes to access Deposit Account(s). The Customer agrees that the Bank: (i) may treat any bank transfer, whether initiated online, through API, or otherwise, from a Deposit Account the same as a duly executed written withdrawal, transfer, or check; (ii) may treat any bank transfer to a Deposit Account the same as a deposit by cash or check; and (iii) may treat any bank transfer to a loan account held by the Customer the same as a loan payment to the Bank, all in accordance with the terms of these Terms and Disclosures and the Customer's agreement with the Account Terms or the Customer's agreement with the Bank governing any such loan account, as applicable. The Customer agrees that the Bank may, without notice or other obligation to the Customer, for security reasons or as otherwise expressly provided in these Terms and Disclosures, the Account Terms, or Separate Agreement(s), (a) refuse to make any bank transfer, or (b) refuse to accept a Remote Deposit Capture item.

**FF. RELATIONSHIP OF PARTIES.** Customer and Bank acknowledge and agree that the relationship between Bank and Customer is that of an independent contractor and that these Terms and Disclosures does not establish or create a general agency, joint venture, partnership, or employment relationship between them. Customer acknowledges that the Bank has not acted as its fiduciary or otherwise as its advisors in connection with the Services provided hereunder. No fiduciary, quasi-fiduciary or other special relationship exists between Customer and the Bank. To the extent not expressly modified by these Terms and Disclosures, Bank owes only a duty of ordinary care in connection with its provision of the Services. Customer acknowledges that the Bank's policies and procedures are general internal guidelines for its own protection and do not establish a higher standard of care for the Bank than may be established by the laws governing Customer's Deposit Accounts.

**GG. ORAL INSTRUCTIONS.** At the Bank's option, the Bank may honor the Customer's oral instructions regarding Services. The Customer agrees that the Bank may in good faith rely on any such oral instructions, which purport to come from the Customer (including any Treasury System Administrator(s), Authorized Users) or the Customer's agent without independent verification by the Bank unless specified security procedures require otherwise.

## **II. ACCOUNT RECONCILIATION SERVICE TERMS**

**A. GENERALLY.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide account reconciliation services to certain Deposit Accounts identified by Customer ("Reconciliation Services") to assist Customer with timely reconciliation of their accounts. Customer may select Full Check Reconciliation Services and/or Positive Pay Services. Customer agrees to comply with the following:

**B. FULL CHECK RECONCILIATION SERVICES.** If Customer elects to receive Full Check Reconciliation Services from Bank, no later than ten (10) Business Days following the close of each monthly reconciliation period, Bank shall provide to Customer (in addition to Customer's regular account statements) a report indicating checks paid since the last reconciliation date. Customer assumes all responsibility for the accuracy and completeness of information provided by Customer to Bank. Customer acknowledges that Bank's ability to provide Reconciliation Services is contingent upon Bank's determination that Customer's checks meet magnetic character ink recognition specifications.

**WITHOUT LIMITING OR DIMINISHING THE GENERALITY OF OTHER LIMITATION OF LIABILITY PROVISIONS IN THESE TERMS AND DISCLOSURES, INCLUDING, BUT NOT LIMITED TO, BANK'S DISCLAIMER OF ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR AN INTENDED PURPOSE, CUSTOMER FURTHER AGREES THAT BANK SHALL NOT BE LIABLE FOR ANY LOSSES, OR DAMAGES, PROXIMATELY CAUSED BY OR ARISING FROM: (I) CUSTOMER'S USE OF THE RECONCILIATION SERVICES; OR (II) ANY ERRORS IN THE REPORTS OR STATEMENTS PROVIDED BY BANK.**

**C. POSITIVE PAY SERVICES GENERALLY.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Positive Pay Services to certain Deposit Accounts identified by Customer ("Positive Pay Accounts"). Positive Pay is designed to help protect Customer against counterfeit checks and altered checks. Customer may select the type of Positive Pay Services to be provided, including "Positive Pay," "Positive Pay Payee Match," and "Reverse Positive Pay" for Deposit Accounts selected by Customer. In the event of any inconsistency between a provision these Service Terms and the UCC, the provisions of these Service Terms shall prevail. Unless otherwise defined herein, words or phrases shall have the meaning set forth in Articles 3 and 4 of the UCC.

**D. CHECK ISSUE FILE.** If Customer elects to receive Positive Pay Services from Bank, Customer shall create and transmit to Bank an electronic file of checks issued each Business Day ("Check Issue File") in the format, medium, and within the times prescribed by Bank from time to time, but by no later than Bank's established cutoff time. The Check Issue File shall accurately state: (i) Positive Pay Accounts' number. (ii) the check number, and (iii) the exact dollar amount of each check. For Positive Pay Payee Match, in addition to the information listed above, Customer shall also accurately state the name of the payee. For Reverse Positive Pay, no information needs to be submitted to Bank, unless specifically requested by Bank. Customer shall ensure that each Check Issue File is received by Bank no later than the cut-off time established by Bank. The Check Issue File transmitted to Bank constitutes the authorized signature of Customer for purposes of determining whether a check is properly payable. Customer expressly warrants that all checks that match the specific information in the Check Issue File are properly payable. Bank is not responsible for and is under no obligation to detect or identify errors in the Check Issue File or any related instructions and shall have no liability for paying or returning checks based on information provided in the Check Issue File. Bank may disregard any Check Issue File that does not comply with the standards, formats and procedures Bank establishes from time to time.

**E. REPORTING OF EXCEPTIONS.** Bank will compare each check drawn on the Positive Pay Accounts and presented to Bank for payment through Bank's customary check collection system ("Presented Check") against the applicable Check Issue File. Each Presented Check that does not match the (i) Positive Pay Accounts' number, (ii) the check number, (iii) the exact dollar amount, (iv)

and the name of the payee (if applicable under for Positive Pay Payee Match) for each check in the Check Issue File shall be an “Exception Check(s).” The Bank will make available an electronic list of Exception Check(s) (“the Positive Pay Exception Report”) to Customer the following Business Day after the Exception Check(s) are deemed received by Bank. Should Bank be unable for any reason to provide Customer with Positive Pay Exception Report electronically, Bank is authorized to send to Customer the Positive Pay Exception Report by facsimile, telephone, or e-mail transmission, however, its failure to do so or to do so timely, shall not result in any liability of Bank to Customer. Customer shall be responsible for accessing and viewing the Positive Pay Exception Report daily

**F. AUTHORIZATION, PAYMENT, OR DISHONOR.** Unless Bank has received through a contrary instruction on or before the cut-off time established by Bank from time to time on the Business Day on which the Positive Pay Exception Report is made available to Customer, Bank is authorized to pay and charge to the Positive Pay Accounts each Presented Check that matches the information shown in any Check Issue File. Upon receipt of the Positive Pay Exception Report, Customer shall promptly review and provide a decision ordering Bank to pay the Exception Check(s) (a “Pay Instruction”) or a not to pay the Exception Check(s) (a “Return Instruction”) for all Exception Check(s) before Bank’s established cutoff time. Company shall prepare and submit Pay or Return Instructions only in response to Exception Checks shown in the Exception Check Reports. Bank shall not be obligated to comply with any Pay or Return Instructions received in a format or medium, after a deadline, or at a place not permitted under these Terms and Disclosures or Bank’s established or designated procedures or parameters. In the event that Customer does not make a Pay Instruction or Return Instruction as to any Exception Check(s) in the manner summarized above, Bank shall return such Exception Check(s) provided that Bank may in its sole discretion elect to pay such item. Customer hereby agrees to hold the Bank Indemnified Parties harmless and indemnify and defend them from and against any loss liability or expense (including attorneys’ fees and expenses) resulting from or arising out of Bank returning any item as provided for in this Section.

**G. CHECK STOCK VERIFICATION.** Customer assumes all responsibility for the accuracy and completeness of information provided by Customer to Bank. Customer acknowledges that Bank’s ability to provide Positive Pay Services is contingent upon Bank’s determination that Customer’s checks meet magnetic character ink recognition specifications. If Customer has requested Positive Pay Payee Match, Customer acknowledges that Bank’s ability to provide the payee verification service is contingent upon Bank’s determination that Customer’s checks meet the specifications provided in Bank’s Check Stock and Font Guidelines (a copy of which is included as part of the onboarding materials for Positive Pay Services). If Customer’s checks do not meet such specifications, the checks will appear on the Positive Pay Exception Report for Customer to review and provide a Pay or Return Instruction. Bank may require that Customer submit to Bank a sample of completed checks for verification on Bank’s systems. Customer is responsible for ensuring that this verification is received any time Customer updates its check printing system or chooses a new check vendor. Bank may in its sole discretion terminate these Services without notice if, at any time, Customer’s checks fail Bank’s verification systems and after notification by Bank, Customer does not correct this problem within a reasonable time.

**H. NOT A SUBSTITUTION FOR STOP PAYMENT.** Positive Pay Services will not be used as a substitute for Bank’s stop payment services discussed in the Account Terms. Customer agrees to follow Bank’s standard stop payment procedures if Customer desires to return a check that was validly issued, and to delete such check from the Check Issue File if the Positive Pay Service was selected. The use of this Positive Pay Services as a substitute for a stop payment order is strictly prohibited and Bank reserves the right to charge Bank’s standard fee for issuing a stop payment order then in effect.

**I. BANK’S RIGHT TO RETURN CHECKS.** Nothing in these Terms and Disclosures regarding the Positive Pay Services will limit Bank’s right to return any matching or other Presented Check that Customer authorized Bank to pay under the Positive Pay Services, if Bank determines in its sole discretion that the Presented Check is not properly payable for any reason (without Bank’s agreeing to, or being required to make such determination in any circumstance) or that there are insufficient

collected and available funds in the Deposit Accounts to pay it. Each Presented Check Bank returns in accordance with the Terms and Disclosures will be deemed not to be properly payable.

**J. WRONGFUL HONOR AND DISHONOR.** It shall not constitute wrongful honor by Bank if Bank pays an Exception Check(s) listed in an Positive Pay Exception Report if (i) Customer issued a Pay Instruction for its payment, or (ii) Customer selected a pay default option for Exception Check(s) and did not timely issue a Return Instruction, or (iii) Bank has a defense of a kind that is recognized as a defense to payment over a stop order under Section 4-403 of the UCC. Bank’s liability for wrongful dishonor of an Exception Check(s) shall be limited to those damages for wrongful dishonor recoverable under Articles 3 and 4 of the UCC, except in no event shall Bank be liable for consequential damages or attorney’s fees. Notwithstanding the foregoing, Bank shall have no liability to Customer for wrongful dishonor when Bank, acting in good faith, returns an Exception Check(s): (i) that it reasonably believed was not properly payable; (ii) if there are insufficient available funds in the specific Positive Pay Accounts; (iii) if required to do so by the service of legal process on Bank or the instructions of regulatory or government authorities or courts; or (iv) for other valid legal reasons, including reasons specified in the U.S. Patriots Act or by the Office of Foreign Assets Control. Customer has a duty to mitigate its damages and to cooperate with Bank in recovery or avoidance of any losses. Company assigns to Bank all claims and rights of recovery on account of the wrongful payment of Exception Checks to the extent Bank reimburses Company for such payment.

**K. REASONABLE CARE.** Bank retains the right to and may assert as a defense to its liability, Customer’s failure to exercise reasonable care under Sections 3-406(a) and 4-406(c) of the UCC.

**L. LIMITATION OF LIABILITY. WITHOUT LIMITING OR DIMINISHING THE GENERALITY OF OTHER LIMITATION OF LIABILITY PROVISIONS IN THESE TERMS AND DISCLOSURES, INCLUDING, BUT NOT LIMITED TO, BANK’S DISCLAIMER OF ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR AN INTENDED PURPOSE, CUSTOMER FURTHER AGREES THAT BANK SHALL NOT BE LIABLE FOR ANY LOSSES, OR DAMAGES, PROXIMATELY CAUSED BY OR ARISING FROM: (I) BANK’S HONOR OF A PRESENTED CHECK THAT WAS NOT PROPERLY PAYABLE, OR BANK’S DISHONOR OF A PRESENTED CHECK THAT WAS PROPERLY PAYABLE, IF THE HONOR OR DISHONOR OCCURRED BECAUSE BANK ACTS IN ACCORDANCE WITH THE PROVISIONS HEREOF; OR (II) ACTS OR OMISSIONS BY BANK IN CARRYING OUT ITS OBLIGATIONS HEREUNDER, INCLUDING BUT NOT LIMITED TO ACTIONS TAKEN BY BANK IN ACCORDANCE WITH AN AUTHORIZED PERSON’S INSTRUCTIONS TO HONOR OR DISHONOR ANY ITEM.**

### **III. ACH PAYMENT AUTHORIZATION SERVICE TERMS**

Bank offers three (3) types of ACH payment authorization services: (i) ACH Block (debit and/or credit); (ii) ACH Filter (debit and/or credit); and (iii) ACH Positive Pay.

**A. ACH BLOCK SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide ACH Block Services (debit and/or credit), Customer understands that Bank will stop all ACH debits and/or credits from posting to Customer’s specified Deposit Accounts. Any ACH debit and/ or credit entry that attempts to post to Customer’s specified Deposit Accounts will be returned by Bank to the Originator Account as unauthorized. This request will remain in effect until notification from Customer is received by Bank requesting to remove ACH Block Services. Bank will not provide any written notice to Customer regarding blocked ACH debits and/or credits. The ACH Block Services does not apply to transactions between Bank and Customer, and Bank may pay Entries which Customer has authorized Bank to originate against Customer’s Account (e.g., loan or credit card payments). Bank may also pay any Entries, reversals or adjustments which Bank is required to accept under the NACHA Rules, operating circulars or any other applicable rule, guideline or regulation.



**B. ACH FILTER SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide ACH Filter Services, only specific Customer-designated preauthorized ACH transactions (debits, credits or both) utilizing Bank's ACH Block and Transaction Filtering Authorization ("ACH Authorization") will be paid. The ACH Authorization requires Customer to provide specific data field values (i.e., Company ID) that are allowed to post if those same data field values exactly match those contained in the ACH file requesting the ACH transaction. In any event, Customer retains the right to return as unauthorized any ACH transaction the next Business Day after the transaction has posted against Customer's Deposit Accounts.

**C. ACH POSITIVE PAY SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide ACH Positive Pay Services, Customer shall provide Bank a list of account(s) to be enrolled in the ACH Positive Pay Services and Customer shall establish ACH transaction rules utilizing Bank's ACH Authorization. ACH transaction rules may be based on Deposit Accounts' number, transaction entry description, Company ID, standard entry class code, debit or credit, and/ or minimum or maximum amounts. Bank will match all ACH transactions posting against the specified Deposit Accounts to Customer's ACH Authorization and any exceptions will be presented electronically to Customer (the "ACH Positive Pay Exception Report") for a pay or return decision. In addition, and at the same time a "pay" decision is made, Customer can establish an ACH Authorization for future ACH transactions matching specific data field values. The pay/return/ACH Authorization decisions must be made on all exceptions before Bank's established cutoff time. In the event Customer does not make a decision as to any exception item in the manner summarized above, Bank shall return such item as unauthorized, provided that Bank may in its sole discretion elect to pay such item.

**D. LIMITATION OF LIABILITY. WITHOUT LIMITING OR DIMINISHING THE GENERALITY OF OTHER LIMITATION OF LIABILITY PROVISIONS IN THESE TERMS AND DISCLOSURES, INCLUDING, BUT NOT LIMITED TO, BANK'S DISCLAIMER OF ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR AN INTENDED PURPOSE, CUSTOMER FURTHER AGREES THAT BANK SHALL NOT BE LIABLE FOR, AND CUSTOMER SHALL INDEMNIFY BANK FROM, ANY LOSSES, OR DAMAGES, PROXIMATELY CAUSED BY OR ARISING FROM: (I) INCOMPLETE, INACCURATE OR UNTIMELY INFORMATION PROVIDED BY CUSTOMER; (II) ANY TRANSFER THAT IS SENT ACCORDING TO AN AUTHORIZED PERSON'S INSTRUCTIONS OR IN ACCORDANCE WITH THE SECURITY PROCEDURES THAT ARE ESTABLISHED FROM TIME TO TIME; (III) ANY DECISION BY BANK TO REJECT ENTRIES OR TO NOT PROCESS ENTRIES FOR THE REASONS PROVIDED HEREIN; (IV) CUSTOMER'S FAILURE TO COMPLY WITH NACHA RULES OR ANY OTHER LAWS OR REGULATIONS GOVERNING DISCLOSURES TO CONSUMERS; (V) ACTS OR OMISSIONS BY BANK IN CARRYING OUT ITS OBLIGATIONS HEREUNDER, INCLUDING BUT NOT LIMITED TO ACTIONS TAKEN BY BANK IN ACCORDANCE WITH AN AUTHORIZED PERSON'S INSTRUCTIONS TO PAY OR NOT PAY ANY TRANSFER OR TO POST OR NOT POST ANY ACH ENTRY, REQUEST OR INSTRUCTION. MOREOVER, BANK WILL NOT BE LIABLE TO THE EXTENT CUSTOMER RECEIVED THE BENEFIT OF ANY ENTRY, EVEN IF SUCH ENTRY IS OTHERWISE ERRONEOUS OR UNAUTHORIZED.**

#### **IV. AUTOMATED ACCOUNT SWEEP SERVICE TERMS**

If Customer has requested, and Bank, in its sole discretion, has agreed to provide automated sweep services to Customer ("Sweep Services"), Customer agrees to comply with the following:

**A. GENERAL.** Pursuant to the Sweep Services, Customer authorizes Bank and Bank agrees to automatically transfer money from one or more of Customer's Demand Deposit Accounts ("DDAs") or checking account(s) as designated by Customer (any such designated DDA or checking account is collectively "Designated Operating Account(s)") for investment in Overnight Investment Sweeps in accordance with the terms of this section. In order to receive Sweep Services, Customer must designate

the balance it wants to maintain in Customer's Designated Operating Account(s) (the "Target Balance"). Bank reserves the absolute right in its sole discretion to change the Target Balance. Any amount in the Designated Operating Account(s) that exceeds the Target Balance shall automatically be earmarked for transfer and shall be referred to herein as the "Investment Balance."

**B. OVERNIGHT INVESTMENT SWEEP.** If Customer has elected the Overnight Investment Sweep, Customer authorizes Bank and Bank agrees to automatically transfer money from or to Customer's Designated Operating Account(s) into or from a separate interest-bearing account held by the Bank in the name of the Customer ("Overnight Investment Sweep Account") in accordance with this subsection. Each Business Day, after all credits, debits, and other charges have been posted to Customer's Designated Operating Account(s), Bank shall transfer the Investment Balance to the Overnight Investment Sweep Account. The Investment Balance transferred shall be equal to the collected funds in the Designated Operating Account(s) that exceed the Target Balance. In the event that the Designated Operating Account(s) balance, after all credits, debits, and other charges have posted, falls below the Target Balance, Bank shall transfer available amount funds from the Overnight Investment Sweep Account to the Designated Operating Account(s) to achieve the Target Balance. Customer understands and acknowledges that the Overnight Investment Sweep Account is maintained by Bank on behalf of its customers individually and that Customer's funds in the Overnight Investment Sweep Account will not be comingled with the funds of other customers of Bank.

Funds in the Overnight Investment Sweep Account will earn interest at a rate per annum equal to the rate set by Bank calculated on a (365) day year basis for the actual number of days elapsed. Customer acknowledges and agrees that the interest rate on funds in the Overnight Investment Sweep Account is variable and that Bank has the absolute right to change the interest rate in its sole discretion without notice to Customer. Funds in the Overnight Investment Sweep Account shall remain in the Overnight Investment Sweep Account and will earn interest at the determined rate until such time as the Designated Operating Account(s) requires funds to meet the Target Balance.

**LIMITATION OF LIABILITY. WITHOUT LIMITING OR DIMINISHING THE GENERALITY OF OTHER LIMITATION OF LIABILITY PROVISIONS IN THESE TERMS AND DISCLOSURES, INCLUDING, BUT NOT LIMITED TO, BANK'S DISCLAIMER OF ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR AN INTENDED PURPOSE, CUSTOMER FURTHER AGREES THAT BANK SHALL NOT BE LIABLE FOR ANY LOSSES, OR DAMAGES, PROXIMATELY CAUSED BY OR ARISING FROM: (I) CUSTOMER'S USE OF THE SWEEP SERVICES; (II) THE HONOR OR DISHONOR OF ITEMS IN ACCORDANCE WITH THE TERMS HEREOF; OR (III) THE TRANSFER OF FUNDS TO AND FROM THE DESIGNATED OPERATING ACCOUNT(S) AND THE OVERNIGHT INVESTMENT SWEEP ACCOUNT IN ACCORDANCE WITH THE TERMS HEREOF. CUSTOMER SPECIFICALLY AGREES THAT THE LIMITATIONS OF LIABILITY IN THE GENERAL TERMS AND CONDITIONS APPLY.**

#### **C. REQUIRED DISCLOSURE.**

IN THE EVENT OF BANK'S INSOLVENCY, THE FDIC WILL, FOR INSURANCE PURPOSES, USE DEPOSIT AND ACCOUNT BALANCES AS THEY ARE REFLECTED AS OF BANK'S NORMAL END-OF-DAY. UPON BANK'S FAILURE, FUNDS REMAINING IN THE CUSTOMER'S DESIGNATED OPERATING ACCOUNT(S) AND THOSE FUNDS IN THE OVERNIGHT INVESTMENT SWEEP ACCOUNT, AS REFLECTED ON BANK'S END-OF-DAY RECORDS, WILL BE TREATED AS A DEPOSIT FOR INSURANCE PURPOSES.

The monthly statement for Customer's Sweep Account will detail Customer's transactions to and from the Overnight Investment Sweep.

**D. CUSTOMER REPRESENTATIONS.** Customer acknowledges that Bank is not an investment advisor. Customer represents and warrants that Customer has the authority and power to engage in the applicable Sweep Services contemplated by these Service Terms, including, as applicable, the authority to invest in the Designated Operating Account(s) and the Overnight Investment Sweep Account. Customer further represents and warrants that it is a sophisticated party and is knowledgeable about the Sweep Services contemplated by these Service Terms and is not relying on any representations of Bank about the suitability of such Sweep Services. Bank makes no representation as to, and does not guarantee, the suitability of Customer's investment in or through these Sweep Service.

## V. AUTOMATED CLEARING HOUSE ("ACH") ORIGINATOR SERVICE TERMS

**A. ACH ODFI/ORIGINATOR SERVICE.** If Customer has requested, and Bank, in its sole discretion, has agreed to permit Customer to initiate electronic credit and/or debit entries by means of ACH Network (the "ACH Services"), Customer agrees to comply with the following:

**1. National Automated Clearing House Association ("NACHA") Terms and Provisions.** Customer and Bank agree to the following terms and provisions and agree that capitalized terms not defined herein shall have the meaning ascribed to them in the NACHA Operating Rules and Operating Guidelines ("Rules").

- (a) **Originator's Account.** An Originator's Account is any account maintained at Bank owned by the Originator, which may or may not be used as the Offset Account. Originator designates the respective account(s) and/or entities.
- (b) **ACH Network.** The ACH Network is a highly reliable and efficient nationwide batch-oriented electronic funds transfer system governed by the Rules which provides for the interbank clearing of electronic payments for participating depository financial institutions.
- (c) **ACH Operator.** An ACH Operator is an ACH participant that provides clearing, delivery and settlement services for ACH Entries. The primary function of the ACH Operator is to accept ACH files containing ACH Entries from the ODFI and to sort and distribute such ACH files to the RDFI. The Federal Reserve Bank acts as the ACH Operator although a private sector entity can act as an ACH Operator if it executes an agreement with NACHA binding it to the Rules and to other applicable laws.
- (d) **Batch.** One or more ACH Entries make up a single unit, which is a Batch. Each Entry within the Batch will have the same Effective Date and the same payment type (SEC Code). A Batch is not only characterized by each ACH Entry within the Batch, but also by the entity initiating the Batch.
- (e) **DDA.** A DDA is a Demand Deposit Account, which is one and the same as a checking account and represents a transaction account that is not limited by the number of transactions.
- (f) **Effective Date.** The Effective Date is the date the Originator and Receiver wishes the ACH Entry or Entries to post to the Receiver's account(s). When an Entry or Entries contain an invalid Effective Date (the date falls on a non-Business Day or is released after the current Business Day's Cut-off time), it will process on the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date.
- (g) **Entry or Entries.** A debit and/or credit ACH Entry or Entries represent individual transactions that make up an ACH Batch. ACH Entry or Entries, for purposes of this Section V, shall also represent any ACH data received from the Originator, including, but not limited to, Prenotifications.
- (h) **File or Files.** A File or Files represent one or more ACH Batches as a single unit. When the Originator utilizes Bank's Treasury Management System, Bank receives the Batch or Batches from the Originator and creates a subsequent File. When the Originator uploads its Batch or Batches

from its core system or via its Third-Party Service Provider, the Originator and/or Third-Party Service Provider uploads a complete File made up of one (1) or more Batches to Bank for processing.

- (i) **File Reversals.** A File Reversal (and/or Batch Reversal) can only be initiated to correct the initiation of a File (or Batch) where the majority of the ACH Entries were erroneous or it was a duplicate File (or Batch), in which a correcting File must be initiated on the same day as the File Reversal. A reversing ACH Entry is similar to a File Reversal except the Originator is only reversing an ACH Entry and not an entire File. Chapter IV, "Reversals, Reclamations, and ODFI Request for Return," of the Rules provides details on the requirements of the File Reversal process. Otherwise, once an ACH Entry or Entries have been introduced into the ACH Network, it cannot be reversed.
- (j) **NOC.** A NOC is a Notification of Change, which is a non-dollar ACH Entry initiated by RDFI to the ACH Operator for distribution back to the Originator through the ODFI. Chapter II, "Notifications of Change," of the Rules provides details of the NOC process, including, but not limited to, time requirements. The Originator is required to investigate the incorrect data and make the correction to the ACH Entry, when applicable, within six (6) Business Days from receipt of the NOC from the ODFI or prior to initiating the next ACH Entry to the Receiver, whichever is later.
- (k) **ODFI.** The ODFI is the Originating Depository Financial Institution that has executed a written agreement with the Originator to transmit ACH Entries, Batches, and/or Files into the ACH Network on behalf of the Originator. For the purpose of this Section V, Texas Capital Bank, Dallas, Texas, is the ODFI.
- (l) **OFAC.** The U.S. Treasury Department's Office of Foreign Assets Control, known as OFAC, administers economic sanctions and embargo programs that require assets and transactions be frozen which involve interests of target countries, target nationals, and other specifically identified companies and individuals. For purposes of OFAC compliance, these entities are referred to as "Specially Designated National and Blocked Persons." OFAC maintains and regularly updates a master list ("SDN List") identifying known "blocked parties." Chapter IV, "OFAC Compliance," of the Rules provides details of OFAC requirements. To review the current SDN List or other OFAC details, visit <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.
- (m) **Offset Account.** An Offset Account is an account owned by the Originator at Bank for the purpose of maintaining funds in an amount sufficient to cover the offset of any credit ACH Entries.
- (n) **Originator.** The Originator is the ACH participant that initiates ACH Entries, Batches, and/or course of action required by the Originator to handle the return is dependent upon the reason of the return, as indicated by the return code. Chapter III, "Returns, Dishonored Returns, and Contested Dishonored Returns," of the Rules provides a current list and definitions of Return Reason Codes, Dishonored Return Reason Codes and Contested Dishonored Return Reason Codes.
- (o) **Prenotification.** A Prenotification is a non-dollar ACH Entry initiated by the Originator to the RDFI to convey the same information (with the exception of the dollar amount and transaction code) of the live ACH Entry that will follow. Prenotifications are optional, but Bank recommends use for payroll and other important ACH Entries. When the Originator chooses to Prenote, the Prenotification must be initiated at least three (3) Business Days ahead of the live ACH Entry. Chapter I, "Prenotifications" of the Rules provides details of the Prenotification process.
- (p) **Provisional Credit.** Provisional Credit is a provision of UCC 4A. A credit may be considered provisional, provided: (1) the Rules make such payment provisional and requires both the Originator and the Receiver to be given prior notice of the provisional nature of the payment; and (2) the ODFI, RDFI and Receiver have agreed to be bound by the Rules.

- (q) **RDFI.** The RDFI is the Receiving Depository Financial Institution that receives the ACH File from the ODFI through the RDFI's ACH Operator on behalf of the Receiver who holds an account with the RDFI.
- (r) **Receiver.** The Receiver is the ACH participant that is the final recipient of the ACH Entry or Entries. A Receiver can be an individual, corporation or other entity that has authorized an Originator to initiate a credit and/or debit ACH Entry to an account of Receiver held at the RDFI.
- (s) **Return.** A Return is any ACH Entry that has been returned to Bank on behalf of the Originator by the RDFI or ACH Operator as unpaid or rejected, respectively, because it cannot be processed. The course of action required by the Originator to handle the return is dependent upon the reason of the return, as indicated by the return code. Chapter III, "Returns, Dishonored Returns, and Contested Dishonored Returns," of the Rules provides a current list and definitions of Return Reason Codes, Dishonored Return Reason Codes and Contested Dishonored Return Reason Codes.
- (t) **SEC Code or ACH Payment Type or ACH Type.** An SEC Code is a three-character code that identifies the specific payment related information relevant to the application. Each ACH Batch will have one SEC Code, which appears within the Company/Batch Header Record. SEC Code stands for "Standard Entry Class" code.
- (u) **Settlement Date.** The Settlement Date represents the date on which the actual transfer of value, or funds, between the ODFI (on behalf of the Originator) and the RDFI (on behalf of the Receiver) have exchanged ACH transactions. The Originator is required to provide funding on the Settlement Date.
- (v) **Third-Party Service Provider.** A contractor or other service provider directly or indirectly retained by the Originator to initiate any ACH Entry, Batch and/or File to Bank or Bank's agent.

## 2. General Terms.

- (a) The Originator will initiate electronic credit and/or debit ACH Entries by means of, and as a participant of, the ACH Network. Bank agrees to act as the ODFI with respect to such ACH Entries as a participant in the ACH Network. The governing body regulating the ACH Network is NACHA. All participants of the ACH Network, including the Originator, are required to follow the Rules.
- (b) Bank is a member of the ACH Network. The Federal Reserve Bank acts as the ACH Operator for Bank, which facilitates the exchange and settlement of electronic fund transfers in the ACH Network within the United States.
- (c) The Originator shall obtain, at the Originator's own expense, a copy of the Rules, as amended, and may procure any updates and revisions to the Rules from NACHA. The Rules are reviewed for update on an annual basis. The Rules may be obtained online at [www.nacha.org](http://www.nacha.org).

**3. Transmittal of ACH Entries by Originator.** The Originator agrees to only initiate credit and/or debit ACH Entries, for those SEC Codes pre-approved by Bank. The Originator agrees to comply with the Rules, as defined herein and as amended by NACHA from time to time, and that the ACH Entries and format of such ACH Entries will comply with the Rules. The total amount of each ACH Entry or Entries and subsequent Batch and/or File initiated by the Originator shall not exceed established limits set by Bank. The established limits set by Bank may change in Bank's sole discretion at any time, without prior notice. The Originator shall initiate an ACH Entry or Entries and the corresponding Batch and/or File to Bank in accordance with the procedures and specifications set forth herein. Bank, in its sole discretion and in addition to any File transmittal, may require the Originator to fax or email an ACH Transmittal Letter or provide the transmittal data by other electronic means as specified by Bank. If Bank requests a change be made to an ACH Entry or Entries within a Batch and/or File including, but not limited to, adding the Originator's phone number to the "Company Discretionary Data" field

within the Company/Batch Header Record, the Originator agrees to make the change prior to the next initiation of the respective ACH Batch and/or File. Any ACH Entry, Batch, and/or File that is released after the current Business Day's cutoff time shall be processed on the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date. Prior to the cutoff time, the Originator must confirm that each ACH Entry, Batch, and/or File submitted to Bank has been processed. The Originator shall deliver each ACH Entry, Batch, and/or File in accordance with the processing schedule, if the ODFI requests a processing schedule.

**4. Inconsistency of Name and Account Number.** The Originator acknowledges and agrees that, if an ACH Entry or Entries describes the Receiver inconsistently by name and account number, payment of the ACH Entry or Entries initiated by the Originator may be accepted by the RDFI (or by Bank in the case of an On-Us Entry) solely based on the account number when the account number is a valid account with the RDFI. This provision is applicable even if the ACH Entry or Entries identifies a person different from the named Receiver, and that the Originator's obligation to pay the amount of the ACH Entry or Entries to Bank is not excused in such circumstances.

**5. Payment by Originator for ACH Entries.** The Originator shall pay Bank the amount of each ACH Entry initiated by Bank pursuant to this Section V.A at such time and on the Settlement Date.

## 6. Originator Representations and Agreements; Indemnity; ACH Data Breaches; Audit Rights.

- (a) With respect to each and every ACH Entry initiated by the Originator, the Originator represents and warrants to Bank and agrees that: (i) each person shown as the Receiver of an ACH Entry, which may or may not be received by Bank from the Originator, has authorized the initiation of such ACH Entry in accordance with the Rules and the crediting and/or debiting of his, her or its account in the amount and on the Effective Date shown on each ACH Entry; (ii) such authorization is operative at both the time of transmittal and posting by Bank as provided herein; and (iii) the information the Originator includes in each ACH Entry is accurate and complete. The Originator shall also ensure all information included in each ACH Company/ Batch Header Record is accurate and complete; in particular, that the information within the "Company Name," "Company Identification" and "Company Entry Description" fields pertain to the ACH Entry or Entries being initiated by the Originator.
- (b) The Originator shall perform its obligations under this Section V.A in accordance with all applicable United States federal and state laws and regulations and other applicable laws, regulations, rules and procedures applicable to ACH transactions, including, but not limited to, the Rules, the UCC, Article 4A ("UCC, Article 4A"); and the sanctions of OFAC, and all ACH Entries initiated by the Originator must comply with the foregoing laws, regulations, rules and procedures. No ACH Entry initiated by the Originator may violate the laws of the United States. The Originator acknowledges and agrees to consumer protections provided by the Electronic Funds Transfer Act and its implementing Regulation E, including, but not limited to, error resolution. Originator shall be bound by and comply with the provision of the Rules, making a payment of an ACH Entry or Entries by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such ACH Entry or Entries. Originator specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver for the amount credited and Originator shall not be deemed to have paid the Receiver the amount of the ACH Entry or Entries. The Originator expressly authorizes Bank to disclose the Originator's contact information, including telephone number, to any RDFI for the purpose of giving the Originator's contact information to the relevant Receiver.
- (c) The Originator shall hold the Bank Indemnified Parties harmless and indemnify and defend them from and against any claim, loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.



- (d) If requested by Bank, the Originator shall provide Bank with copies of any requested documentation within five (5) Business Days from such request. The Originator shall provide immediately available funds to offset any credit ACH Entries (“Offset Funds”) originated. The Originator shall maintain an Offset Account at Bank for the purpose of maintaining Offset Funds in an amount sufficient to cover the offset of any credit ACH Entries, as required by this Section V.A.6. The Originator shall not originate any ACH Entries for, or on behalf of, any other party. Any attempt to originate ACH Entries for, or on behalf of, any other party shall render such ACH Entries null and void. Notwithstanding any other provision in this Section V, Bank shall have the absolute right to place a hold on funds in the Originator’s Account, as well as any other deposit account held by the Originator at Bank, at any time, in any amount and for the length of time Bank deems necessary, in Bank’s sole discretion.
- (e) **ACH Data Breaches.** Originator shall adopt and implement, and shall ensure that each of its Third-Party Service Providers adopts and implements, commercially reasonable policies, procedures and systems to receive, store, transmit and destroy Consumer-Level ACH Data in a secure manner, to protect against data breaches and to detect the occurrence of data breaches. In the event of any data breach, Originator and each of its Third-Party Service Providers shall provide prompt notice of the same to ODFI’s Information Security Officer. If a data breach is known or suspected, Originator and/or its Third-Party Service Provider immediately shall commence and diligently pursue an investigation of the circumstances to determine: (i) if a data breach has actually occurred; (ii) the scope of the data breach, including the type and amount of data affected; (iii) the risk that the affected data will be misused; and (iv) what steps are necessary to prevent further unauthorized access to Consumer-Level ACH Data. Originator and/or its Third-Party Service Provider shall take all other actions required by applicable law that such persons are required to take in the event of a breach of Consumer-Level ACH Data.
- (f) **Audit Rights.** Bank reserves the right to audit, inspect and review ACH Entries originated by the Originator and Originator’s files, records, systems and books with respect to its origination of ACH Entries under this Section V.A, and Originator’s compliance with this Section V.A, the Rules, and all other laws, rules and regulations applicable to Originator’s origination of ACH Entries. Originator will provide, within the time frame specified by Bank, any and all documentation as Bank may request, regarding Originator’s compliance with this Section V.A, the Rules, and all other laws, rules and regulations applicable to Originator’s origination of ACH Entries. Bank also reserves the right to require that Originator implement changes to its internal controls and processes related to its origination of ACH Entries. Originator’s failure to provide any requested documentation, to comply with Bank’s audit request, or to implement reasonably requested changes to its internal controls and processes related to its origination of ACH Entries within Bank’s specified time frame may result in the closure of the Originator’s Account, as well as any other deposit account held by the Originator at Bank.

**7. OFAC.** The Originator agrees that it shall be responsible for compliance with OFAC requirements as stated in Chapter IV, “OFAC Compliance” of the Rules. The Originator agrees that it will not violate OFAC-enforced sanctions, and that it will not act on behalf of, or transmit funds to or from, any party subject to such sanctions. The Originator agrees to originate only lawful ACH Entries and shall hold the Bank Indemnified Parties harmless and indemnify and defend them from and against any claim, loss, liability, fine or expense (including reasonable attorneys’ fees and expenses) resulting from or arising out of any actual or alleged violation of OFAC-enforced sanctions. Section V.A.1 provides the Specially Designated National (SDN) web site, which makes available a current listing of persons and/or entities on the SDN List.

#### **8. International ACH Transactions (“IATs”).**

- (a) IATs are ACH entries that are part of a payment transaction involving the office of a financial agency (an institution authorized by law to accept deposits, issue money orders or transfer funds) that is not located in the territorial jurisdiction of the United States. The Rules require the IAT

SEC Code and format of all ACH payments entering or exiting the United States. This rule applies to all ACH participants and will simplify the process of identifying international transactions by requiring that IAT entries include specific data elements defined by the Bank

- (b) The IAT SEC Code must be used for both consumer and corporate international ACH credits and debits. In addition to requiring data elements defined by the BSA “Travel Rule,” OFAC screening indicators will be included with each payment to help RDFIs identify suspicious payments. Furthermore, all international inbound transactions will allow the use of a secondary SEC Code to further identify the file type for all WEB, TEL, ARC, POP, BOC and RCK transactions where applicable.
- (c) The Originator must comply with all IAT requirements that apply to the Originator and to ACH Entries initiated by the Originator. The Originator acknowledges and agrees that Bank may need to temporarily suspend the processing of an IAT for greater scrutiny or verification against the SDN List (as defined in Section V.A.1) that are the subject of the IAT. Bank shall not be liable to the Originator or any other person if there is a delay in settlement or in the availability of funds that are the subject of the IAT caused by Bank’s temporary suspension of the processing of an IAT for greater scrutiny or verification against the SDN List.

**9. Authorizations.** The Originator shall obtain all authorizations and consents per the Rules and shall retain these authorizations and consents for two (2) years after the Settlement Date of the last ACH Entry or Entries or as set forth by applicable state law, whichever is longer. It is the responsibility of the Originator to verify that the individual signing the ACH debit or credit authorization is, in fact, entitled to use of the specified account. The Originator’s obligation to pay the amount of the ACH Entry or Entries to Bank is not excused if the party is not entitled to use the specified account. Upon request from Bank or RDFI, the Originator shall provide a copy of such authorization within five (5) Business Days to Bank.

**10. Prenotification Entries.** A Prenotification Entry must be originated at least three (3) Business Days prior to initiating the first live (dollar) ACH Entry to the Receiver’s account. In the event that a Prenotification Entry is returned to the Originator, the Originator shall review the Return Reason Code and contact the Receiver for clarification prior to initiating the first live ACH Entry. In the event that an NOC is received by the Originator, the Originator shall correct the account details of the ACH Entry within three (3) Business Days of receipt of the NOC or prior to initiating the first live ACH Entry, whichever is longer. Originator shall use the format and medium provided in the Rules when initiating Prenotification Entries.

**11. Return and NOC.** Bank shall notify the Originator of any ACH Return or NOC Entry or Entries received from the RDFI after receipt of such ACH Entry or Entries. This notification will be delivered to the Originator electronically via Bank’s Treasury Management System and at Bank’s sole discretion, and as an exception only, may be given by phone to an authorized representative of the Originator, or by fax or email. It is the responsibility of the Originator to review its Return and NOC information daily and act upon it in a timely manner and in accordance with the Rules. Section V.A.1 provides details of the NOC and Return process of the Rules. Chapter II, “Notification of Change,” of the Rules, and Chapter III, “Returns, Dishonored Returns, Contested Dishonored Returns,” of the Rules, respectively, provide complete details of the NOC and Return process. Except for an ACH Entry or Entries retransmitted by the Originator in accordance with the requirements of this Section V.A, Bank shall have no obligation to retransmit a Returned ACH Entry or Entries to the ACH Operator if Bank complied with the terms of this Section V.A with respect to the original ACH Entry.

- (a) Upon receipt of any ACH Return Entry, the Originator shall act on such ACH Return Entry as applicable, including, but not limited to, handling items returned as unauthorized and/or revoked in accordance with the Rules. The Originator shall bear full responsibility for initiating items that are unauthorized and/or revoked.

- (b) Upon receipt of an ACH Return Entry for Insufficient Funds or Uncollected Funds purposes, the Originator shall not reinitiate such ACH Entry or Entries more than two times from the initial ACH Entry. The Originator shall bear full responsibility of reinitiating Insufficient Funds or Uncollected Funds ACH Entries in accordance with the Rules.
- (c) Upon receipt of an NOC Entry, the Originator shall correct the account details of such ACH Entry, if applicable, within three (3) Business Days from the Settlement Date of the NOC Entry or prior to initiating the next ACH Entry to the Receiver's account, whichever is longer.
- (d) The Originator acknowledges that it shall refer to the current Rules for a complete and current list of Return Reason Codes, Dishonored Return Reason Codes, Contested Dishonored Return Reason Codes, Notification of Change Codes and Refused Notification of Change Codes.
- (e) The Originator shall provide immediately available funds in the Originator's Account(s) to offset any debit ACH Return Entries originated by the Originator.

#### 12. Rejected ACH Batches and/or Files.

- (a) The Originator shall provide ACH Batches and/or Files in the medium set forth in Section V.A.23. ACH Batches and/or Files not received in the specified format and medium may be rejected by Bank in its sole discretion. If an ACH Batch and/or File is rejected for any reason, it is the responsibility of the Originator to remake and resubmit a valid ACH Batch and/or File. Please refer to Section V.A.23.
- (b) If at any time prior to transmitting an ACH Batch and/or File to the ACH Operator, Bank determines, in its sole discretion, that the transmission of such ACH Batch and/or File may expose Bank to liability or risk of loss, Bank shall have the absolute right in its sole discretion to reject such ACH Batch and/or File without penalty. Bank would be exposed to liability or risk of loss, for purposes of this Section V.A, in circumstances including, but not limited to, the insolvency or bankruptcy of the Originator, or the garnishment or placement of a judgment lien on any account held by the Originator at Bank.
- (c) Bank may reject any ACH Batch and/or File: that exceeds established limits set by Bank; that contains an ACH Entry Type that is not approved; where the Originator's name and identification number contained in the Company/Batch Header Record does not match the name and identification number of the Originator in Bank's Treasury Management System; or that contains an invalid Effective Date.

#### 13. Reversals and Deletions.

- (a) The Originator shall have no right to cancel or amend any ACH Entry after its receipt by Bank. The Originator shall reimburse Bank for any expenses, losses or damages Bank may incur in effecting or attempting to effect the Originator's request to reverse an ACH Batch and/or File. An ACH Batch and/or File may be reversed for two (2) reasons only: (i) a majority of the ACH Batch and/or File contains erroneous data, and/or (ii) it is a duplicate ACH Batch and/or File. If the Originator discovers that any ACH Batch and/or File it has initiated contains erroneous data (majority thereof) or is a duplicate ACH Batch and/or File, it must notify Bank within 24 hours of discovery. Should Bank be unable to stop the ACH Batch and/or File from processing, the Originator may initiate a reversing ACH Batch and/or File, as provided for and abiding by the Rules and Section V.A.23. An ACH Batch and/or File Reversal may be initiated by the Originator within five (5) Business Days from the Settlement Date of the erroneous or duplicate ACH Batch and/or File. The Originator shall supply the word "REVERSAL" in the "Company Entry Description" field of the Company/Batch Header Record. Section V.A.1 provides details of the ACH Batch and/or File Reversal process according to the Rules.

- (b) If the Originator discovers that an ACH Entry or Entries it has initiated contains erroneous data or is a duplicate ACH Entry or Entries, the Originator may reverse the ACH Entry or Entries. The reversing ACH Entry or Entries may be initiated within five (5) Business Days from the Settlement Date of the erroneous or duplicate ACH Entry or Entries. The Originator shall notify the Receiver(s) of the reversing ACH Entry or Entries no later than the Settlement Date of the reversing ACH Entry or Entries.

- (c) When reversing a credit ACH Entry, Batch, and/or File it is possible that the funds may no longer be available when the reversing ACH Entry, Batch, and/or File attempts to post to the Receivers' account; therefore, the reversing ACH Entry, Batch, and/or File may be returned to Bank, on behalf of the Originator. In this case, the Originator's Account will be charged for the amount of the ACH Entry, Batch, and/or File. Under such circumstances, the Originator may need to pursue resolution of the reversing ACH Entry, Batch, and/or File outside of the ACH Network.

**14. Rejected Entries.** Bank reserves the right in its sole discretion to reject any ACH Entry or Entries with or without cause. In the event that Bank rejects any ACH Entry or Entries for any reason, it shall be the responsibility of the Originator to reinitiate the ACH Entry or Entries and the ACH Batch and/or File that corresponds to such ACH Entry or Entries. Should the ACH Batch and/or File be rejected due to an error caused by Bank, Bank shall be responsible to reinitiate the ACH Batch and/or File. In either case, the Originator must supply sufficient information to Bank, upon request, to recreate the ACH Entry or Entries and the corresponding ACH Batch and/or File. Bank will use its best effort to process any reinitiated ACH Entry or Entries and its corresponding ACH Batch and/or File in a timely manner. Bank shall have no liability to the Originator by reason of the rejection of any such ACH Entry or Entries and/or its corresponding ACH Batch and/or File. The Originator is required to retain copies of its ACH Entries, Batches, and/or Files submitted for processing for a minimum of ninety (90) days following the Settlement Date as provided herein, and shall provide such data to Bank upon its request within five (5) Business Days.

**15. Originator's Account.** Bank may, at its sole discretion and without prior notice or demand, obtain payment of any amount due and payable to it under this Section V.A by debiting the Originator's Account, and shall credit the Originator's Account for any amount received by Bank by reason of the Return of an ACH Entry transmitted by Bank for which Bank has previously received payment from the Originator. Such credit shall be made as of the day of such receipt by Bank. The Originator's Account shall be maintained in good standing by the Originator at Bank. The Originator shall at all times maintain a balance of available funds in the Originator's Account sufficient to cover its payment obligations under this Section V.A. In the event there are not sufficient available funds in the Originator's Account to cover the Originator's obligations under this Section V.A, the Originator agrees that Bank may, without any prior notice or demand, debit any other account maintained by the Originator with Bank or any affiliate of Bank and/or exercise Bank's right of setoff against any amount it owes to the Originator, in order to obtain payment of the Originator's obligations under this Section V.A. The Originator shall provide immediately available funds in the Offset Account maintained at Bank to offset any credit ACH Entries originated. Similarly, THE ORIGINATOR SHALL PROMPTLY PROVIDE IMMEDIATELY AVAILABLE FUNDS IN THE ORIGINATOR'S ACCOUNT TO INDEMNIFY BANK IN THE EVENT ANY ACH ENTRY OR ENTRIES IS REJECTED AFTER BANK HAS PERMITTED THE ORIGINATOR TO WITHDRAW IMMEDIATELY AVAILABLE FUNDS, SHOULD FUNDS NOT BE AVAILABLE IN THE ORIGINATOR'S ACCOUNT(S) TO COVER THE AMOUNT OF THE REJECTED ACH ENTRY OR ENTRIES.

**16. Account Reconciliation.** ACH Entries transmitted by Bank or credited to a Receiver's account maintained with Bank will be reflected on the Originator's Periodic Statement issued by Bank with respect to the Originator's Account pursuant to this Section V.A. The Originator agrees to notify Bank promptly of any discrepancy between the Originator's records and the information shown on any Periodic Statement. IF THE ORIGINATOR FAILS TO NOTIFY BANK OF ANY DISCREPANCY WITHIN SIXTY (60) DAYS OF RECEIPT OF A PERIODIC STATEMENT CONTAINING SUCH INFORMATION, THE ORIGINATOR AGREES THAT BANK SHALL NOT BE LIABLE FOR ANY LOSSES RESULTING

FROM THE ORIGINATOR'S FAILURE TO GIVE SUCH NOTICE OR ANY LOSS OF INTEREST OR ANY INTEREST EQUIVALENT WITH RESPECT TO AN ACH ENTRY SHOWN ON SUCH PERIODIC STATEMENT. IF THE ORIGINATOR FAILS TO NOTIFY BANK OF ANY SUCH DISCREPANCY WITHIN SIXTY (60) DAYS OF RECEIPT OF SUCH PERIODIC STATEMENT, THE ORIGINATOR SHALL BE PRECLUDED FROM ASSERTING SUCH DISCREPANCY AGAINST BANK. This Section V.A.16 shall not be construed to limit in any way the Originator's duties and obligations contained in Section V and under applicable law.

#### 17. Processing, Transmittal and Settlement by Bank.

- (a) Bank shall: (i) process any ACH Entry, Batch, and/or File initiated by the Originator or the Originator's Third-Party Service Provider that conforms to the procedures and specifications set forth in the Rules and Section V.A.21 and Section V.A.23; (ii) transmit such ACH Entry, Batch, and/or File as an ODFI to the ACH Operator or to a Third-Party Service Provider; and (iii) handle such ACH Entry, Batch, and/or File as provided in the Rules.
- (b) Bank shall transmit any ACH Entry, Batch, and/or File to the ACH Operator on the date released and/or uploaded by the Originator prior to the Effective Date of each ACH Entry, Batch, and/or File provided: (i) such ACH Entries, Batches, and/or Files are received by Bank's related cutoff time as set forth in Section V.A.23 on a Business Day; (ii) the release and/or upload date of such ACH Entries, Batches, and/or Files is a Business Day; (iii) the ACH Operator is open for business on such Business Day; and (iv) Bank receives such ACH Entries, Batches, and/or Files in the appropriate time frame, as set forth in Section V.A.23.
- (c) If any of the requirements of this Section V.A.17 are not met, Bank shall use reasonable efforts to transmit such ACH Entries, Batches, and/or Files to the ACH Operator by the next processing day that is also a day on which the ACH Operator is open for business.
- (d) **THE ORIGINATOR SHALL INDEMNIFY THE BANK INDEMNIFIED PARTIES FOR ANY LOSS, LIABILITY OR EXPENSE (INCLUDING ATTORNEYS' FEES AND EXPENSES) DUE TO THE BREACH, WITH RESPECT TO ANY ACH ENTRIES, BATCHES, AND/OR FILES INITIATED BY THE ORIGINATOR, OF ANY OF THE WARRANTIES OF AN ODFI CONTAINED IN THE RULES, EXCEPT THOSE DUE SOLELY TO THE NEGLIGENCE OF BANK. THIS INCLUDES REIMBURSEMENT BY THE ORIGINATOR TO BANK OF ANY FINES IMPOSED ON BANK DUE TO BREACHES OF THE RULES BY THE ORIGINATOR OR ANY THIRD PARTY ACTING ON BEHALF OF THE ORIGINATOR.**
- (e) The Originator will receive immediately available funds for any debit ACH Entries initiated by it not later than the Settlement Date of such ACH Entries. Notwithstanding the foregoing, Bank may place a hold on any account held by the Originator at Bank in Bank's sole discretion and may impose other conditions on the Originator's withdrawal of funds in Bank's sole discretion.

**18. Payment for Services.** The Originator shall pay Bank the charges for the Services provided in connection with the ACH ODFI services. All fees and Services are subject to change upon ten (10) days prior written notice from Bank to the Originator. Such charges do not include, and the Originator shall be responsible for payment of, any sales, use, excise, value-added, utility or other similar taxes relating to such Services, and any other fees or charges provided for in this Section V.A.

**19. Security.** The Originator and Bank shall comply with the security procedure described in Section V.A.21. The Originator acknowledges that the purpose of the security procedure is for verification of data authenticity and not to detect errors within the transmitted ACH Entries, Batches, and/or Files. No security procedure for detection of any such error has been agreed upon between the Originator and Bank. The Originator is strictly responsible to establish and maintain the procedures to safeguard against unauthorized or inaccurate transmissions. The Originator warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps

to maintain the confidentiality of the security procedures and any passwords, codes, security devices and related instructions provided by Bank in connection with the security procedures described in Section V.A.21. If the Originator believes or suspects that any such information or instructions have been known or accessed by unauthorized persons, the Originator agrees to notify Bank immediately by telephone, followed by written confirmation to be mailed to Bank within five (5) Business Days from date of verbal notification. The occurrence of unauthorized access will not affect any transfers made in good faith by Bank prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers. The Originator shall, upon request by Bank, provide Bank the Originator's processing schedule, if the Originator has a processing schedule.

**20. Compliance With Security Procedure.** If an ACH Entry, Batch, and/or File (or a request for cancellation or amendment of an ACH Entry, Batch, and/or File) received by Bank purports to have been transmitted or authorized by the Originator, it will be deemed effective as the Originator's ACH Entry, Batch, and/or File (or request) and the Originator shall be obligated to pay Bank the amount of such ACH Entry, Batch, and/or File even though the ACH Entry, Batch, and/or File (or request) was not authorized by the Originator, provided Bank accepted the ACH Entry, Batch, and/or File in good faith and acted in compliance with the security procedure established by Bank and the Originator in Section V.A.21 with respect to such ACH Entry, Batch, and/or File. If an ACH Entry, Batch, and/or File (or request for cancellation or amendment of an ACH Entry, Batch, and/or File) received by Bank was transmitted or authorized by the Originator, the Originator shall pay Bank the amount of the ACH Entry, Batch, and/or File whether or not Bank complied with the security procedure referred to in Section V.A.21 with respect to that ACH Entry, Batch, and/or File and whether or not that ACH Entry, Batch, and/or File was erroneous in any respect or that error would have been detected if Bank had complied with such procedure. Transmittals with authorized signature(s) may be required as an additional method used to verify authenticity of the communicated data.

**21. Communication Security.** In addition to the security procedures set forth in this Section V.A., the Originator must comply with the security procedures set forth in Section I.G of these Terms and Disclosures, as amended by Bank. The Originator's failure to comply with the security procedures shall result in Originator being responsible for any liability, loss or damage resulting from the failure to comply with such security procedures.

For ACH Entries, Batches, and/or Files the File Transmit Method is through Bank's Treasury Management System and designated Processors.

Bank will not create and/or submit any payment information for the Originator. In the event the Originator is unable to transmit any ACH Batch and/or File due to a complication and/or malfunction of the Originator's equipment and/or software, including, but not limited to, any complication and/or malfunction of a Third-Party Service Provider, the Originator must have a contingency plan for transmitting its ACH Entries, Batches, and/or Files. It is the Originator's sole responsibility to decide which option (if any) it chooses to use and Bank shall be held harmless from any loss the Originator suffers as a result of such decision. If the Originator does choose an alternate method to transmit its ACH Entries, Batches, and/or Files, it shall notify Bank's Treasury Management Client Support Department prior to transmission. The items that follow may be of use to the Originator when developing a contingency plan:

- (a) If the issue is with the PC, try using a different PC.
- (b) If the issue is with the Originator's Internet service, try going to different location to access the Internet through a different Internet service.
- (c) If the issue is that the electrical power is out, try going to a different location that has power.
- (d) If a payroll Batch and/or File is involved, consider issuing checks or sending wires.



- (e) Ensure that appropriate personnel of Originator are available to initiate, approve and release Originator's ACH Entries, Batches, and/or Files by Bank's cutoff time.

**22. Third-Party Service Provider.** When a Third-Party Service Provider acts on behalf of the Originator with respect to initiating any ACH Entry, Batch, and/or File to Bank or Bank's agent, the Originator acknowledges and agrees that it has executed a written agreement with its Third-Party Service Provider binding both the Originator and Third-Party Service Provider to comply with the Rules. THE ORIGINATOR AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM BREACHES OF THE RULES BY THE ORIGINATOR OR ANY THIRD-PARTY SERVICE PROVIDER ACTING ON BEHALF OF THE ORIGINATOR, INCLUDING ANY FINES IMPOSED ON BANK.

### 23. Logistical Information.

- (a) Cutoff and Release Times. Bank's cutoff time for receiving ACH Batches and/or Files from the Originator is Bank's established time each Business Day. Any ACH Entry, Batch, and/or File received after the current Business Day's cutoff time shall be processed the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date.
- (i) ACH Entries shall be released to the ACH Operator pursuant to the following time frames:  
Credit = two (2) Business Days prior to Effective Date of the ACH Entry.  
Debit = one (1) Business Day prior to Effective Date of the ACH Entry.
- (ii) In order for Bank to initiate any ACH Entry, Batch, and/or File on behalf of the Originator to the ACH Operator in accordance with the time frames set forth above, Bank must receive: (1) any debit ACH Entry at least one (1) and no more than thirty (30) Business Day(s) prior to the Effective Date of the ACH Entry; and (2) any credit ACH Entry at least two (2) and no more than thirty (30) Business Days prior to the Effective Date of the ACH Entry.
- (iii) Any ACH Entry, Batch, and/or File received by Bank with an Effective Date that is not a valid Business Day shall be processed on the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date.
- (b) Same-Day Entries. Originator may request to enroll in Same-Day Entries by contacting Bank. If Originator requests to enroll in Same-Day Entries and Bank approves Originator's request, in Bank's sole discretion, Originator may designate certain Entries to be originated as Same-Day Entries. The cutoff time for Same-Day Entries shall be the cutoff time published by Bank from time to time. If a Same-Day Entry is delivered to Bank after the cutoff time on a Business Day or on a day that is not a Business Day, Bank may treat such Entry as having been received on the next following Business Day. Same-Day Entries delivered to Bank shall be prepared and submitted in compliance with the instructions and other requirements set forth in the Rules and these Terms. Originator understands that any Entries above \$1,000,000 and IAT Entries are not eligible for Same-Day ACH processing and Originator further agrees it will not structure Entries to avoid these eligibility restrictions.
- (c) Warehouse of Batches. The maximum number of days an ACH Batch may be submitted to Bank and warehoused prior to the Effective Date is thirty (30) days. ACH Batches received prior to release time frames set forth above will be warehoused.
- (d) Returns and NOC. Bank will deliver to the Originator ACH Return and NOC details that it receives from the ACH Operator on the day of receipt via Bank's Treasury Management System. Upon receipt of an NOC the Originator is required to investigate the incorrect data and make the

correction to the ACH Entry, when applicable, within three (3) Business Days, or prior to initiating the next ACH entry to the Receiver, whichever is later.

- (e) Closures. Information on Bank closures (federal holidays, early closures and the like) may be found through Bank's Treasury Management System (banner and/or message area) or Bank's web site ([www.texascapitalbank.com](http://www.texascapitalbank.com)).
- (f) Medium and Format. ACH Batches and/or Files received by Bank must be in a NACHA formatted file, or other formatted file as may be pre-approved by Bank, that is in compliance with the Rules.

**24. Bank Approval and Monitoring of Customer's ACH Operations Risk.** Customer agrees and acknowledges Bank shall provide ACH Services to Customer subject to Bank's prior approval. To obtain approval from Bank, the Customer is required to undergo Bank's screening and risk analysis process regarding the Customer's proposed ACH operations. In addition, after any initial approval for ACH Services by Bank, Bank shall also, from time to time and in its sole discretion (including the occurrence of certain events described below), undertake additional ACH operations credit and risk analysis monitoring activities that are deemed necessary, in Bank's sole and absolute discretion, while Bank is providing ACH Services to an approved Customer. Customer agrees to cooperate with Bank regarding any ongoing risk analysis activities by Bank, including providing financial or other documents in a timely manner upon Bank's request, and taking any risk mitigation or other ACH Entry origination procedures as required by Bank.

- (a) ACH Operations Credit and Risk Criteria. Bank's ACH operations credit and risk analysis shall be based on certain factors deemed relevant by Bank in its sole discretion, including, but not limited to, the following factors: (i) the credit worthiness, financial condition and financial performance of the Customer, particularly the Customer's capital adequacy relative to the Customer's ACH activity volume; (ii) the nature, conduct and geographic location of the Customer's business, including whether the Customer engages in certain high-risk ACH activities or transaction environments, or whether certain SEC Codes that Bank either deems to be high-risk or does not allow are present in Customer's ACH transactions; and (iii) the historic level and dollar amounts of Customer's ACH returns, including any return levels or dollar amounts in excess of generally acceptable ACH return parameters (as determined by Bank in its sole discretion), or a sudden increase in Customer's ACH return levels.
- (b) Material Change in Credit and Risk Analysis Criteria. In the event a Customer approved for ACH Services either fails to maintain the minimum risk analysis criteria as required by Bank, or if, in the opinion of Bank, the Customer undergoes a material change in its operations that Bank believes increases the risk of the Customer's ACH operations, then Bank may, in its sole discretion, take any and all of the following actions: require the Customer to prefund its ACH activities (as defined below); require the Customer to establish a reserve account; or terminate ACH Services to the Customer, generally upon prior written notice from Bank, or immediately if Bank deems immediate termination necessary, in Bank's sole discretion, to comply with the Rules. Events that constitute a material change in a Customer's business operations include, but are not limited to: (i) levels of ACH returns that exceed generally acceptable return levels (as determined by Bank); (ii) a significant or sudden increase in the Customer's ACH return levels as compared to the Customer's historic ACH return levels; (iii) significant changes in the nature of the Customer's business, including its product and services lines or transaction environments; or (iv) the occurrence of any other event that Bank believes represents a material change in the Customer's financial performance or financial condition. Upon learning of any such material change, Bank will inform Customer of the issue, and Bank may exercise its right to temporarily suspend the Customer's ACH Services in order to investigate the issue. After investigation, Bank may invoke its rights to require the Customer to prefund ACH Services or to establish a reserve account, or Bank may, in its sole discretion, exercise its right to terminate ACH Services to the Customer generally upon prior written notice from Bank, or immediately if Bank deems immediate termination necessary, in Bank's sole discretion, to comply with the Rules.

## 25. Bank Responsibilities; Liability; Limitations on Liability; Indemnity.

- (a) In the performance of the Services required by Section V.A, Bank shall be entitled to rely solely on the information, representations and warranties provided by the Originator pursuant to Section V.A and shall not be responsible for the accuracy or completeness thereof. Bank shall be responsible only for performing the services expressly provided for in this Section V.A and shall be liable only for its gross negligence or willful misconduct in performing those services. Bank shall not be responsible for the Originator's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any ACH Entry received from the Originator) or those of any other person, including without limitation any Federal Reserve Bank, Third-Party Service Provider, ACH or transmission or communications facility, any Receiver or RDFI (including without limitation the Return of an ACH Entry by such Receiver or RDFI), and no such person shall be deemed Bank's agent.
- (b) **ORIGINATOR INDEMNIFICATION OBLIGATIONS.** ORIGINATOR WILL INDEMNIFY, DEFEND AND HOLD HARMLESS BANK INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, DEMANDS, JUDGMENTS, LIABILITIES, LOSSES AND EXPENSES (INCLUDING ATTORNEYS' FEES) RESULTING DIRECTLY OR IN DIRECTLY FROM: (1) ANY WILLFUL MISCONDUCT, NEGLIGENCE, ACTION OR OMISSION ON THE PART OF ANY INDIVIDUAL WHO HAS BEEN LISTED, IN ANY DOCUMENT OR AGREEMENT PROVIDED BY ORIGINATOR TO BANK, AS PERSONS AUTHORIZED TO ACT ON ORIGINATOR'S BEHALF WITH RESPECT TO ACH ENTRIES; (2) ACTS OR OMISSIONS BY BANK IN CARRYING OUT ITS OBLIGATIONS HEREUNDER, EXCEPT FOR BANK'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; (3) ORIGINATOR'S ACTS OR OMISSIONS (INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ACH ENTRY RECEIVED FROM THE ORIGINATOR); (4) ORIGINATOR'S FAILURE TO OBSERVE ANY PROVISION OF THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ITS BREACH OF ANY REPRESENTATION, WARRANTY OR COVENANT HEREUNDER; (5) ANY CLAIM OF ANY PERSON THAT BANK IS RESPONSIBLE FOR ANY ACT OR OMISSION OF THE ORIGINATOR, ANY THIRD-PARTY SERVICE PROVIDER ACTING ON BEHALF OF THE ORIGINATOR OR ANY OTHER PERSON DESCRIBED IN THIS SECTION V.A; AND (6) CLAIMS OF ANY PERSON, INCLUDING WITHOUT LIMITATION ANY FEDERAL RESERVE BANK, THIRD-PARTY SERVICE PROVIDER, ACH OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING WITHOUT LIMITATION THE RETURN OF AN ACH ENTRY BY SUCH RECEIVER OR RDFI), RELATED TO OR ARISING OUT OF ACH ENTRIES OR OTHER TRANSACTIONS MADE UNDER THIS SECTION V.A. ORIGINATOR'S INDEMNIFICATION OBLIGATIONS HEREUNDER SHALL INCLUDE THE PAYMENT OF ALL COSTS OF DEFENSE, IF ANY, INCLUDING WITHOUT LIMITATION, ALL REASONABLE AND NECESSARY ATTORNEYS' FEES, COURT COSTS, ACCOUNTING FEES, CLASS ACTION COSTS AND EXPERT FEES. NOTWITHSTANDING THE FOREGOING, ORIGINATOR'S OBLIGATIONS TO DEFEND BANK HEREUNDER SHALL EXTEND WITHOUT LIMITATION TO ALLEGATIONS OF OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE, AND INTENTIONAL ACTS OF BANK OR THE OTHER BANK INDEMNIFIED PARTIES, INCLUDING THE SOLE OR CONCURRENT NEGLIGENCE OF ANY BANK INDEMNIFIED PARTY. IT IS CONTEMPLATED THAT ORIGINATOR'S DEFENSE OBLIGATIONS UNDER THIS PROVISION MAY BE, BUT SHALL NOT NECESSARILY BE, BROADER THAN ITS INDEMNIFICATION OBLIGATIONS HEREUNDER.
- (c) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ANY OF THE BANK INDEMNIFIED PARTIES BE LIABLE AT ANY TIME FOR ANY LOSS OF REVENUE OR ANTICIPATED PROFITS, INCIDENTAL, SPECIAL, INDIRECT,

EXEMPLARY, CONSEQUENTIAL, OR PUNITIVE LOSSES OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOSS OF PROFITS, REVENUE, BUSINESS, DATA, FILES, GOODWILL OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES), WHICH THE ORIGINATOR MAY INCUR OR SUFFER IN CONNECTION WITH THIS SECTION V.A, WHETHER OR NOT THE LIKELIHOOD OF SUCH DAMAGES WAS KNOWN OR CONTEMPLATED BY ANY OF THE BANK INDEMNIFIED PARTIES AND REGARDLESS OF ANY THEORY OF LIABILITY (TORT, CONTRACT OR OTHERWISE) WHICH THE ORIGINATOR MAY ASSERT, INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM THE ACTS OR OMISSIONS OF ANY BANK INDEMNIFIED PARTY PURSUANT TO SECTION V.A.

- (d) Without limiting the generality of the foregoing provisions, Bank shall be excused from failing to act or delay in acting if such failure or delay is caused by circumstances beyond Bank's control, including, without limitation, any of the following: strikes or lockouts; fire or other casualty; risk or civil commotion; acts of war or terrorism; windstorms, earthquakes, floods or other acts of God; delay in transportation; government regulation or interferences; error, malfunction, interruption or delay in the Internet, communication/telecommunication/transmission equipment or lines, or third-party services; failure of third-party software or hardware; or inability to obtain raw materials, supplies, or power used in equipment needed for the provision of the services. In addition Bank shall be excused from failing to transmit or delay in transmitting an ACH entry if such transmittal would result in Bank's having exceeded any limitation upon its intraday net funds position established pursuant to present or future Federal Reserve Board guidelines or in Bank's reasonable judgment otherwise violating any provision of any present or future risk control program of the Federal Reserve Board or any rule or regulation of any other U.S. governmental regulatory authority.
- (e) Subject to the foregoing limitations, Bank's liability for loss of interest resulting from its error or delay shall be calculated by using a rate equal to the average Federal Funds rate at the Federal Reserve Bank of New York for the period involved. At Bank's option, payment of such interest may be made by crediting the Account.

**26. Liability to Originator.** In the event the Originator incurs any actual loss due to Bank's gross negligence or willful misconduct in the handling of a particular ACH Entry or Entries, Bank's liability to the Originator shall be limited to: (a) the amount recoverable by Bank from the ACH Operator, or any third party pursuant to the Rules; or (b) the amount recoverable under any indemnity agreement BUT, IN NO EVENT SHALL BANK BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR INDIRECT LOSS OR DAMAGE INCURRED OR SUFFERED BY THE ORIGINATOR. Compensation shall be calculated using the compensation rules provided in the Rules.

**27. Cooperation in Loss Recovery Efforts.** In the event of any damages for which Bank or the Originator may be liable to each other or to a third party pursuant to the services provided under this Section V.A, Bank and the Originator will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

**28. Termination.** These ACH ODFI Services are terminable upon thirty (30) days written notice by either party, provided that applicable portions of this Section V.A shall remain in effect with respect to any ACH Entries initiated by the Originator, and received by Bank, prior to such termination. In addition, any requirement for the Originator to obtain and/or retain any document, including, but not limited to, any authorization as described in Section V.A.9, shall survive the termination of this Section V.A. In addition, Bank shall have the absolute right to immediately suspend indefinitely and/ or terminate these Terms and Disclosures, without notice to the Originator, if Bank determines, in its sole discretion, that any one or more of the following events has occurred:

- (a) Any material adverse change in the business, properties, assets, operations or condition, financial or otherwise, of the Originator, including, but not limited to, insolvency, bankruptcy, federal or state tax deficiency or inability to maintain Originator's existing credit rating;
- (b) Any violation by the Originator of any state or federal law;
- (c) Any violation by the Originator of the Rules;
- (d) The Originator originates an ACH Entry whereby a reserve account or an account with a hold placed upon it is set up as a condition to process such ACH Entry, and the Originator subsequently withdraws funds from the reserve account or the account with the hold;
- (e) The Originator fails to maintain funds in the Originator's Account; or
- (f) The Originator breaches the terms of this Section V.

Bank shall have the absolute right to delete any ACH Entry, Batch, and/or File that Bank receives, or has already received and has yet to transmit to an ACH Operator, after the termination of this Section V.A pursuant to this Section V.A.28. In the event Bank does delete an ACH Entry, Batch, and/or File pursuant to the right granted to Bank in this Section V.A.28, it will inform the affected party by either telephone or email of such deletion. Additionally, Bank shall have the absolute right to immediately and unilaterally place Customer in Bank's Prefunded ACH Origination Services program in accordance with Section V.A.30 of these Terms and Disclosures.

**29. ACH Origination System.** The Originator acknowledges that the ACH Origination System it uses to initiate ACH Entries, Batches, and/or Files was developed by persons other than Bank and that Bank is not responsible for the performance, design, operation, completeness, security, correctness or accuracy of the ACH Origination System. THE ACH ORIGINATION SYSTEM IS PROVIDED TO THE ORIGINATOR ON A NONEXCLUSIVE AND ON AN "AS IS" BASIS AND WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY BANK. The Originator represents and warrants to Bank that the Originator will, before using the ACH Origination System, perform a test of the system (including, without limitation, all updates) to determine and confirm its functionality, capability, usefulness and suitability for the Originator's applications. The Originator agrees to bear all risk, expense and burden arising from the Originator's use of the ACH Origination System.

**30. Prefunded ACH Services Disclosure.** If Originator has requested and Bank has agreed to permit Originator to utilize prefunded ACH Services as part of its ACH ODFI Origination Services, or if Bank requires Originator to prefund its ACH Services, Originator agrees to the following terms and conditions:

- (a) Prefunded ACH Credit Files. Prefunded ACH Credit File services involve processing an ACH credit file for payments contingent upon the availability of collected funds in a designated DDA. The service has the following conditions and restrictions:
  - (i) Bank can debit Originator's Account up to five (5) Business Days prior to the Effective Date of Originator's ACH Batch Files, depending upon when Originator's File is submitted for processing (intraday hold occurs prior to debit). Bank will verify availability of (collected) funds in the designated DDA account up to five (5) Business Days prior to the Settlement Date of Customer's ACH File (regardless of the date of receipt).
  - (ii) Holds on deposited checks will limit funds availability and checks written on the DDA will impact account balances.
  - (iii) ACH credit files must be received by the stated cutoff time at a minimum of two (2) Business Days prior to the Settlement Date.

- (iv) If Originator's File is not processed due to insufficient funds in the designated account, Originator may be required to reinitiate the File.
- (v) IATs cannot be included in the transaction file.

Originator's ACH credit Files will not be processed until the above conditions are met. In the event that the stated conditions are not met and the ACH credit File is not processed or is delayed, Bank will not bear any liability for the fact that the File could not be processed. Additionally, Bank will not bear any liability for the fact that funds were held and unavailable for Originator's use during the predetermined hold period. Failure to comply with the conditions noted above may result in termination of ACH ODFI.

### 31. ACH Debit File Reserves.

- (a) When processing an ACH debit File for receipt of funds from other parties' bank accounts for which Originator is authorized to deduct payments, Bank may hold all or a portion of the funds received to cover potential returns over a specified number of days. ACH Debit File Reserves has the following conditions and restrictions:
  - (i) At its discretion, Bank will determine the percentage of the funds received in the debit file that will be held as well as the number of days over which the funds will be held to cover potential returns. Bank reserves the right, without notice, to change the amount of the funds held or the number of days over which funds are held.
  - (ii) During the period of time the funds are held, they will not be available for Originator's use and will be released at the end of the predetermined time frame.
  - (iii) ACH debit Files must be received by the stated cutoff time one (1) Business Day prior to the Settlement Date.

**B. ACH ODFI/THIRD-PARTY SENDER SERVICE.** If Customer has requested, and Bank, in its sole discretion, has agreed to permit Customer to initiate electronic credit and/or debit ACH Entries on behalf of and pursuant to the request or instruction of one or more Originators by means of, and as a participant of, the ACH Network ("Third-Party Sender ACH Services"), Customer agrees to comply with the following:

**1. NACHA Terms and Provisions.** Customer (referred to as "Third-Party Sender" for the purposes of this Section V.B) and Bank expressly agree to all applicable NACHA terms and provisions found in Section V.A.1, and the following terms and provisions and agree that capitalized terms not defined herein shall have the meaning ascribed to them in the Rules.

- (a) Third-Party Sender's Account. Any account maintained at Bank owned by the Third-Party Sender which may or may not be used as the Offset Account. The Third-Party Sender shall designate the respective account(s) and/or entities on the Customer Setup Request Form, or another form, provided by Bank.
- (b) Third-Party Sender. A Third-Party Sender serves as an intermediary between the person or entity originating an ACH transaction and the ODFI of that transaction. The Third-Party Sender is the customer of the ODFI and the ODFI does not have a direct business relationship with the Originator of the transaction.
- (c) Nested Third-Party Sender. A Third-Party Sender that (i) has an Origination Agreement with another Third-Party Sender to act on behalf of an Originator, and (ii) does not have a direct agreement with the ODFI itself.



## 2. General Terms.

- (a) The Third-Party Sender will initiate electronic credit and/or debit ACH Entries on behalf of and pursuant to the request or instruction of one or more Originators by means of, and as a participant of, the ACH Network. The Third-Party Sender is acting as a “Third-Party Sender” as such term is defined in the Rules. Bank, as a participant in and member of the ACH Network, agrees to act as the ODFI with respect to such Third-Party Sender-initiated ACH Entries. The governing body regulating the ACH Network is NACHA. All participants of the ACH Network, including the Third-Party Sender, are required to follow the Rules.
- (b) Bank is a member of the ACH Network. The Federal Reserve Bank acts as the ACH Operator for Bank, which facilitates the exchange and settlement of electronic fund transfers in the ACH Network within the United States.
- (c) Third-Party Sender must agree that, before permitting a Nested Third-Party Sender to originate any entry directly or indirectly through itself or the ODFI, it will enter into an agreement with the Nested Third-Party Sender that satisfies each of the requirements in this Section B as if the Third-Party Sender was the ODFI; and the Third-Party Sender must agree to be responsible for the Nested Third-Party Sender’s compliance with these rules.
- (c) The Third-Party Sender shall obtain, at the Third-Party Sender’s own expense, a copy of the Rules, as amended, and may procure any updates and revisions to the Rules from NACHA. The Rules are reviewed for update on an annual basis. The Rules may be obtained online at [www.nacha.org](http://www.nacha.org).

**3. Transmittal of ACH Entries by Third-Party Sender.** The Third-Party Sender shall only initiate credit and/or debit ACH Entries, for those SEC Codes pre-approved by Bank. The Third-Party Sender shall comply with the Rules, as defined herein and as amended by NACHA from time to time, and shall ensure that the ACH Entries and format of such ACH Entries comply with the Rules. The total amount of each ACH Entry or Entries and subsequent Batch and/or File initiated by the Third- Party Sender shall not exceed established limits set by Bank. The Third-Party Sender shall initiate an ACH Entry or Entries and the corresponding Batch and/or File to Bank in accordance with the procedures and specifications set forth herein. In connection with any File transmittal, Bank may, in its sole discretion and in addition to such File transmittal, require the Third-Party Sender to complete and deliver by fax or email an ACH Transmittal Letter or provide the transmittal data by other electronic means as specified by Bank. If Bank requests any change be made to an ACH Entry or Entries within a Batch and/or File including, but not limited to, adding the Third-Party Sender’s phone number to the “Company Discretionary Data” field within the Company/Batch Header Record, the Third- Party Sender shall make the change prior to the next initiation of the respective ACH Batch and/or File. Any ACH Entry, Batch, and/or File that is released after the current Business Day’s cutoff time shall be processed on the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date. Prior to the cutoff time, the Third-Party Sender shall confirm that each ACH Entry, Batch, and/or File submitted to Bank has been processed. If the ODFI requests a processing schedule, the Third-Party Sender shall deliver each ACH Entry, Batch, and/or File as specified in this Section V.B. The Third-Party Sender shall not transmit entries that violate federal or state laws or for prohibited businesses.

**4. Inconsistency of Name and Account Number.** The Third-Party Sender acknowledges and agrees that if an ACH Entry or Entries describes the Receiver inconsistently or incorrectly by name and account number, payment of the ACH Entry or Entries initiated by the Third-Party Sender may be accepted by the RDFI (or by Bank in the case of an On-Us Entry) solely based on the account number when the account number is a valid account with the RDFI. This provision is applicable even if the ACH Entry or Entries identifies a person different from the named Receiver, and that the Third-Party Sender’s obligation to pay the amount of the ACH Entry or Entries to Bank is not excused in such circumstances.

**5. Payment by Third-Party Sender for ACH Entries.** The Third-Party Sender shall pay Bank the amount of each ACH Entry initiated by Bank pursuant to this Section V.B at such time and on the Settlement Date.

## 6. Third-Party Sender Representations and Warranties; Additional Agreements; ACH Data Breaches; Audit Rights.

- (a) **Third-Party Sender Representations and Warranties.** With respect to each and every ACH Entry initiated by the Third-Party Sender, the Third-Party Sender represents and warrants on the date of initiation of such ACH Entry and on the Effective Date shown on each ACH Entry to Bank that:
  - (i) each person shown as the Receiver of an ACH Entry, which may or may not be received by Bank from the Third-Party Sender, has authorized the initiation of such ACH Entry in accordance with the Rules and the crediting and/or debiting of his, her or its account in the amount and on the Effective Date shown on each ACH Entry;
  - (ii) each Originator for which any ACH Entry is effected has authorized, approved and instructed the Third-Party Sender to initiate and consummate such ACH Entry in accordance with the Rules and any agreements between such Third-Party Sender and Originator, including the crediting and/or debiting (as applicable) of such Third-Party Sender’s Accounts and/or records as maintained by the Third-Party Sender in the amount and on the Effective Date shown on each ACH Entry, and each such authorization is operative and effective at both the time of transmittal and posting by Bank as provided herein;
  - (iii) Third-Party Sender has the full right, power and authority to initiate and consummate each ACH Entry and to otherwise engage in transactions involving the electronic payment or transfer of funds of or for each Originator, including, without limitation, the initiation of ACH Entries as contemplated by this Section V.B;
  - (iv) all of the information contained in any ACH Entry is accurate and complete;
  - (v) all of the information contained in any ACH Company/Batch Header Record is accurate and complete, including, without limitation, the information within the “Company Name,” “Company Identification” and “Company Entry Description” fields;
  - (vi) Third-Party Sender will maintain documentation and records demonstrating Third- Party Sender’s appointment and authority as the service provider to or fiduciary of each Originator; and
  - (vii) Third-Party Sender will promptly notify each Originator that ACH Entries instructed by such Originator will be consummated by Third-Party Sender on behalf of such Originator through Bank as participant and member of the ACH Network.
- (b) **Additional Agreements.**
  - (i) The Third-Party Sender shall perform all of its obligations under this Section V.B in accordance with all applicable federal and state laws and regulations and other applicable laws, regulations, rules and procedures applicable to ACH transactions, including, but not limited to, the Rules, the UCC (including Article 4A of the UCC), and the sanctions of OFAC, and all ACH Entries initiated by the Third-Party Sender must comply with the foregoing laws, regulations, rules and procedures.
  - (ii) Each ACH Entry initiated by the Third-Party Sender shall comply in all respects with federal and state laws. The Third-Party Sender acknowledges and agrees to consumer protections provided by the Electronic Funds Transfer Act and its implementing Regulation E, including, but not limited to, error resolution. Third-Party Sender shall be bound by and comply with the provisions of the Rules, making a payment of an ACH Entry or Entries by the RDFI to the Receiver provisional

until receipt by the RDFI of final settlement for such ACH Entry or Entries. Third-Party Sender specifically acknowledges that it has received notice of and understands the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to receive a refund from the Receiver for the amount credited and Third-Party Sender shall not be deemed to have paid the Receiver the amount of the ACH Entry or Entries. The definition of “Provisional Credit” in Section V.A.1 hereto provides further details on the requirements of Provisional Credits. The Third-Party Sender expressly authorizes Bank to disclose the Third-Party Sender’s contact information, including telephone number, to any RDFI for the purpose of giving the Third-Party Sender’s contact information to the relevant Receiver.

- (iii) The Third-Party Sender or the appropriate Originator assumes sole legal and financial responsibility or liability for any and all transactions or Entries originated or processed by the Third-Party Sender or such Originator during the term of this Section V.B. Bank assumes no legal or financial responsibility or liability for any such transactions or Entries. This subsection is intended to make clear that Bank does not assume any long-term credit risk or any risk for breach of warranty regardless of any state’s statute of limitations for such claims. The terms of this subsection shall survive the termination of this Section V.B.
- (c) **ACH Data Breaches.** Third-Party Sender shall adopt and implement commercially reasonable policies, procedures and systems to receive, store, transmit and destroy Consumer-Level ACH Data in a secure manner, to protect against data breaches and to detect the occurrence of data breaches. In the event of any data breach, Third-Party Sender shall provide prompt notice of the same to ODFI’s Information Security Officer. If a data breach is known or suspected, Third-Party Sender shall immediately commence and diligently pursue an investigation of the circumstances to determine:
  - (i) if a data breach has actually occurred; (ii) the scope of the data breach, including the type and amount of data affected; (iii) the risk that the affected data will be misused; and (iv) what steps are necessary to prevent further unauthorized access to Consumer-Level ACH Data.

Third-Party Sender shall take all other actions required by applicable law that such persons are required to take in the event of a breach of Consumer-Level ACH Data.

- (d) **Audit Rights.** Bank reserves the right to audit, inspect and review ACH Entries originated by the Third-Party Sender and Third-Party Sender’s files, records, systems and books with respect to its origination of ACH Entries under this Section V.B, and Third-Party Sender’s compliance with this Section V.B, the Rules, and all other laws, rules and regulations applicable to Third-Party Sender’s origination of ACH Entries. Third-Party Sender will provide, within the time frame specified by Bank, any and all documentation as Bank may request, regarding Third-Party Sender’s compliance with this Section V.B, the Rules, and all other laws, rules and regulations applicable to Third-Party Sender’s origination of ACH Entries. Bank also reserves the right to require that Third-Party Sender implement changes to its internal controls and processes related to its origination of ACH Entries. If Third-Party Sender fails to provide any requested documentation to comply with Bank’s audit request or to implement reasonably requested changes to its internal controls and processes related to its origination of ACH Entries within Bank’s specified time frame, Bank may close the Third-Party Sender’s Account, as defined herein, as well as any other deposit account held by the Third-Party Sender at Bank.

## 7. Third-Party Sender Requirements.

- (a) **Due Diligence; Bank Approval of Originators.** In any case in which the Third-Party Sender proposes to act as a Third-Party Sender with respect to the initiation of Entries on behalf of other Originators, the Third-Party Sender shall perform due diligence on each proposed Originator and provide a summary of the results of the due diligence to Bank upon such form, and in such format, as Bank may require. The Third-Party Sender’s due diligence shall include, but not be limited to, the following:

- (i) The Third-Party Sender must obtain the following information for each of its Originators and compile the information to be sent to Bank as required by Bank:
  - (1) name (including all “doing business as” names);
  - (2) address;
  - (3) phone number;
  - (4) type of business or principal business activity (include North American Industry Classification Code System (NAICS));
  - (5) incorporation certification, and any other business papers as Bank may require;
  - (6) financials;
  - (7) taxpayer ID number;
  - (8) principals’ names, principals’ addresses, principals’ phone numbers and principals’ taxpayer ID numbers;
  - (9) geographic location;
  - (10) web site address;
  - (11) sample copies of ACH authorizations, customer contracts and related materials to be used by the Originator; and
  - (12) any other information reasonably requested by Bank.
    - (ii) Perform a background check on each of its Originators in accordance with accepted industry standards.
    - (iii) Perform an initial check on the name of the proposed Originator to the list of prohibited persons and organizations published by OFAC and monthly, or as often as the OFAC listing is updated, to ensure no match is found.
    - (iv) Implement the requirements of Bank’s Customer Identification Program (“CIP”) for ACH Originators as may be adopted and provided to the Third-Party Sender.
    - (v) Identify all secondary third-party merchants or payment processors that the Third-Party Sender does business with either directly or indirectly.
    - (vi) Perform due diligence procedures listed above for all of the Originators that are customers of the Third-Party Sender.
    - (vii) List all SEC Codes to be used by each Originator.
    - (viii) Outline termination procedures for the Third-Party Sender’s Originators.
    - (ix) Require that all Originators and customers utilizing the ACH processing system be bound by the Rules and that all transactions will be in compliance with all state and federal laws.

(x) Terminate Originators and secondary Originators that fail to:

- (1) Provide accurate Originator or customer information; or
- (2) Notify Bank or the Third-Party Sender of any new Originators, independent sales organizations, or other secondary third-party merchants or payment processors.

(xi) Terminate Originators that engage in activity that violates state or federal laws.

(xii) Terminate Originators that switch ACH activity to remotely created checks once notified of the problem.

(xiii) Terminate merchants that offer remotely created checks to avoid ACH return scrutiny.

**(b) Contract Requirements.** The Third-Party Sender shall enter into an agreement with each Originator pursuant to which the Originator is bound by the Rules and assumes the responsibilities of an Originator under the Rules. Additionally, in the event that there are multiple Originators or Third-Party Senders in a relationship, the Third-Party Sender shall require that an agreement be entered into by each party in such chain. Such agreement or agreements must contain an acknowledgment that Entries that violate federal and state laws may not be initiated and must require all parties in a chain to be bound by the Rules. Such agreement or agreements must also require the Third-Party Sender having a contract with the ultimate Originator to perform the due diligences required under this Section V.B and provide the results of the same to Bank for Bank's review and approval or denial of each proposed Originator. The Third-Party Sender shall provide Bank with the form of agreement to be used by the Third-Party Sender with respect to this requirement, and the Third-Party Sender shall provide Bank with any amendments to such form agreement prior to their use. The Third-Party Sender shall obtain the prior consent of Bank with respect to any Originator on behalf of whom the Third-Party Sender intends to initiate Telephone-Initiated ("TEL") Entries, Internet-Initiated ("WEB") Entries and IAT Entries.

**(c) If requested by Bank, the Third-Party Sender shall provide Bank with copies of any requested documentation within five (5) Business Days from such request.** The Third-Party Sender shall promptly provide and deliver immediately Offset Funds. The Third-Party Sender shall establish and maintain an Offset Account at Bank for the purpose of maintaining Offset Funds in an amount sufficient to cover the offset of any credit ACH Entries, as required by this Section V.B.7. The Third-Party Sender shall not originate any ACH Entries for, or on behalf of, any party other than an approved Originator. Any attempt to originate ACH Entries for, or on behalf of, any other such party shall be ineffective and shall render such ACH Entries null and void. Notwithstanding any other provision in this Section V.B, Third-Party Sender hereby acknowledges and agrees that Bank shall without liability or repercussion have the absolute right to place a hold on funds in the Third-Party Sender's Account, as well as any other deposit account held by the Third-Party Sender at Bank, at any time, in any amount and for any length of time as the Bank deems necessary, in Bank's sole discretion.

**(d) The Third-Party Sender represents and warrants to Bank that as of the date of the Implementation Agreement, the Third-Party Sender has identified all other ODFIs being used to originate entries, supplied the specific exposure limits assigned by each ODFI and supplied a complete list of Originators whose entries are submitted through that ODFI.** Before the Third-Party Sender may begin using another ODFI to originate any entries for an Originator while Bank continues to provide ACH origination service to that Originator, the Third-Party Sender must provide Bank with thirty (30) days' prior written notice, such notice to include the name of the ODFI, a complete list of Originators that will originate through the ODFI, and the exposure limits that will be set by that ODFI. If the Third-Party Sender uses multiple ODFIs to originate any entries where the Originator is a Third-Party Sender or the Originator is another third-party payment processor, the

Third-Party Sender must use the same ODFI for a specific Originator and under no circumstances split the entries of a single Originator over multiple ODFIs. Notwithstanding any other provision of this Section V.B, failure to comply with this provision is grounds for immediate termination.

**8. Obligations of Third-Party Sender as a Third-Party Sender Under the Rules.** In addition to any other duties, responsibilities, warranties, representations and liabilities under this Section V.B, for each Entry transmitted by the Third-Party Sender to Bank, except for any Entry initiated by the Third-Party Sender as an Originator, the Third-Party Sender represents and warrants to Bank and agrees the Third-Party Sender shall (a) perform all of the duties, including, but not limited to, the duty to identify Originators; (b) assume all of the responsibilities, including, but not limited to, the responsibilities of ODFIs and Originators; (c) make all of the warranties, including, but not limited to, the warranties of ODFIs and the warranty that Originators have agreed to assume the responsibilities of Originators under the Rules; (d) make all of the representations; and (e) assume all of the liabilities, including, but not limited to, liability for indemnification for failure of an Originator to perform its obligations as an Originator and liability of a Third-Party Sender in accordance with the Rules.

**9. OFAC.** The OFAC provisions found under Section V.A.7 shall be applicable to ACH ODFI/Third-Party Sender transactions. All references to "Originators" shall mean "Third-Party Sender" for purposes of this Section V.B.

**10. Rejected ACH Batches and/or Files.** The Rejected ACH Batches and/or Files provisions found under Section V.A.12 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.

**11. Reversals and Deletions.**

(a) The Third-Party Sender shall have no right to cancel or amend any ACH Entry after its receipt by Bank. The Third-Party Sender shall pay to and reimburse Bank for any expenses, losses or damages Bank may incur in effecting or attempting to effect the Third-Party Sender's request to reverse an ACH Batch and/or File. An ACH Batch and/or File may be reversed for two (2) reasons only: (a) a majority of the ACH Batch and/or File contains erroneous data, and/or (b) it is a duplicate ACH Batch and/or File.

(b) If the Third-Party Sender discovers that any ACH Batch and/or File it has initiated contains erroneous data (majority thereof) or is a duplicate ACH Batch and/or File, it must notify Bank in writing within 24 hours of discovery. Should Bank be unable to stop the ACH Batch and/or File from processing, the Third-Party Sender may initiate a reversing ACH Batch and/or File, as provided for and abiding by the Rules and Section V.B.20. An ACH Batch and/or File Reversal under this Section V.B.11 may be initiated by the Third-Party Sender not later than five (5) Business Days following the Settlement Date of the erroneous or duplicate ACH Batch and/or File. The Third-Party Sender shall write or type the word "REVERSAL" in the "Company Entry Description" field of the Company/Batch Header Record. Section V.A.1 provides details of the ACH Batch and/or File Reversal process according to the Rules. The Third-Party Sender shall notify the Receiver(s) of the reversing ACH Entry or Entries no later than the Settlement Date of the reversing ACH Entry or Entries.

(c) When reversing an ACH Batch and/or File it is possible that the funds may no longer be available when the reversing ACH Entry, Batch, and/or File attempts to post to the Receivers' account; therefore, the reversing ACH Entry, Batch, and/or File may be returned to Bank, on behalf of the Third-Party Sender. In this case, the Third-Party Sender's Account will be charged for the amount of the ACH Batch and/or File. Under such circumstances, the Third-Party Sender may need to pursue resolution of the reversing ACH Batch and/or File outside of the ACH Network.

**12. Rejected Entries.** The Rejected Entries provisions found under Section V.A.14 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.



13. **The Account.** The Account requirements found under Section V.A.15 shall be applicable to ACH ODFI/Third-Party Sender transaction governed by this Section V.B.
14. **Account Reconciliation.** The Account Reconciliation requirements found under Section V.A.16 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
15. **Processing, Transmittal and Settlement by Bank.** The Processing, Transmittal and Settlement by Bank provisions found under Section V.A.17 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
16. **Payment for Services.** The Payment for Services provisions found under Section V.A.18 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
17. **Security.** The Security requirements found under Section V.A.19 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
18. **Compliance With Security Procedure.** The Compliance With Security Procedure requirements found under Section V.A.20 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
19. **Communication Security.** The Communication Security requirements found under Section V.A.21 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
20. **Logistical Information.** The Logistical Information requirements found under Section V.A.23 shall be applicable to ACH ODFI/Third-Party Sender transactions governed by this Section V.B.
21. **Prohibited Businesses.** Any activity that is illegal must be avoided. Certain businesses, using the Internet or telephone, are prohibited by Bank because the nature of their business creates excessive risk. Also, Bank prohibits any business seeking to use demand drafts to avoid ACH monitoring scrutiny. Bank will provide a list of prohibited businesses upon request. Bank reserves the right to amend such list of prohibited businesses at any time, in Bank's sole discretion.

**22. Bank Responsibilities, Liability, Limitations on Liability, Indemnity.**

- (a) In the performance of the Services required by this Section V.B, Bank shall be entitled to rely solely on the information, representations and warranties provided by the Third-Party Sender pursuant to this Section V.B, and shall not be responsible for the accuracy or completeness thereof. Bank shall be responsible only for performing the services expressly provided for in this Section V.B, and shall be liable only for its gross negligence or willful misconduct in performing those services. Bank shall not be responsible for the Third-Party Sender's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any ACH Entry received from the Third-Party Sender) or those of any Third-Party Sender or any other person, including without limitation any Federal Reserve Bank, ACH or transmission or communications facility, any Receiver or RDFI (including without limitation the Return of an ACH Entry by such Receiver or RDFI), and no such person shall be deemed Bank's agent.
- (b) **THIRD-PARTY SENDER INDEMNIFICATION OBLIGATIONS.** THIRD- PARTY SENDER AGREES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE BANK INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, DEMANDS, JUDGMENTS, LIABILITIES, LOSSES, COSTS, FEES AND EXPENSES (INCLUDING ATTORNEYS' FEES), ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM: (1) ANY WILLFUL MISCONDUCT, NEGLIGENCE, ACTION OR OMISSION ON THE PART OF ANY INDIVIDUAL WHO HAS BEEN LISTED, IN ANY DOCUMENT OR AGREEMENT PROVIDED BY THIRD-PARTY SENDER TO BANK,

AS PERSONS AUTHORIZED TO ACT ON THIRD-PARTY SENDER'S BEHALF WITH RESPECT TO ACH ENTRIES; (2) ACTS OR OMISSIONS BY BANK IN CARRYING OUT ITS OBLIGATIONS HEREUNDER, EXCEPT FOR BANK'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; (3) THIRD-PARTY SENDER'S ACTS OR OMISSIONS (INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ACH ENTRY RECEIVED FROM THE THIRD-PARTY SENDER); (4) THIRD-PARTY SENDER'S FAILURE TO OBSERVE ANY PROVISION OF THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ITS BREACH OF ANY REPRESENTATION, WARRANTY OR COVENANT HEREUNDER; (5) ANY CLAIM OF ANY PERSON OR ENTITY (INCLUDING, WITHOUT LIMITATION, ANY ORIGINATOR) THAT BANK IS RESPONSIBLE FOR ANY ACT OR OMISSION OF THE THIRD-PARTY SENDER, THE ORIGINATOR OR ANY OTHER PERSON DESCRIBED IN THIS SECTION V.B; AND (6) ANY CLAIM OF ANY PERSON, INCLUDING WITHOUT LIMITATION ANY FEDERAL RESERVE BANK, ORIGINATOR, AUTOMATIC CLEARING HOUSE OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING WITHOUT LIMITATION THE RETURN OF AN ACH ENTRY BY SUCH RECEIVER OR RDFI), RELATED TO OR ARISING OUT OF OR RESULTING DIRECTLY OR INDIRECTLY FROM THIS SECTION V.B OR ANY ACH ENTRY MADE UNDER THIS SECTION V.B. THIRD- PARTY SENDER'S INDEMNIFICATION OBLIGATIONS HEREUNDER SHALL INCLUDE THE PAYMENT OF ALL COSTS OF DEFENSE, IF ANY, INCLUDING WITHOUT LIMITATION, ALL REASONABLE AND NECESSARY ATTORNEYS' FEES, COURT COSTS, ACCOUNTING FEES, CLASS ACTION COSTS AND EXPERT FEES. NOTWITHSTANDING THE FOREGOING, THIRD-PARTY SENDER'S OBLIGATIONS TO DEFEND BANK HEREUNDER SHALL EXTEND WITHOUT LIMITATION TO ALLEGATIONS OF OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE AND INTENTIONAL ACTS OF BANK OR THE OTHER BANK INDEMNIFIED PARTIES, INCLUDING THE SOLE OR CONCURRENT NEGLIGENCE, OF ANY BANK INDEMNIFIED PARTY. IT IS CONTEMPLATED THAT THIRD-PARTY SENDER'S DEFENSE OBLIGATIONS UNDER THIS PROVISION MAY BE, BUT SHALL NOT NECESSARILY BE, BROADER THAN ITS INDEMNIFICATION OBLIGATIONS HEREUNDER.

- (c) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ANY OF THE BANK INDEMNIFIED PARTIES BE LIABLE AT ANY TIME FOR ANY LOSS OF REVENUE OR ANTICIPATED PROFITS, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL, OR PUNITIVE LOSSES OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOSS OF PROFITS, REVENUE, BUSINESS, DATA, FILES, GOODWILL OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES) WHICH THE THIRD-PARTY SENDER MAY INCUR OR SUFFER IN CONNECTION WITH THIS SECTION V.B, WHETHER OR NOT THE LIKELIHOOD OF SUCH DAMAGES WAS KNOWN OR CONTEMPLATED BY ANY OF THE BANK INDEMNIFIED PARTIES AND REGARDLESS OF ANY THEORY OF LIABILITY (TORT, CONTRACT OR OTHERWISE) WHICH THE THIRD-PARTY SENDER MAY ASSERT, INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM THE ACTS OR OMISSIONS OF ANY BANK INDEMNIFIED PARTY PURSUANT TO THIS SECTION V.B.
- (d) Without limiting the generality of the foregoing provisions, Bank shall be excused from failing to act or delay in acting if such failure or delay is caused by circumstances beyond Bank's control, including, without limitation, any of the following: strikes or lockouts; fire or other casualty; risk or civil commotion; acts of war or terrorism; windstorms, earthquakes, floods or other acts of God; delay in transportation; government regulation or interferences; error, malfunction, interruption or delay in the Internet, communication/telecommunication/transmission equipment or lines, or third-party services; failure of third party software or hardware, or inability to obtain raw materials, supplies or power used in equipment needed for the provision of the services. In addition, Bank shall be excused from failing to transmit or delay in transmitting an ACH Entry if such transmittal would result in Bank's having exceeded any limitation upon its intraday net funds position established pursuant

to present or future Federal Reserve Board guidelines or in Bank's reasonable judgment otherwise violating any provision of any present or future risk control program of the Federal Reserve Board or any rule or regulation of any other U.S. governmental regulatory authority.

- (e) Subject to the foregoing limitations, Bank's liability for loss of interest resulting from its error or delay shall be calculated by using a rate equal to the average Federal Funds rate at the Federal Reserve Bank of New York for the period involved. At Bank's option, payment of such interest may be made by crediting the Account.

**23. Liability to Third-Party Sender.** In the event the Third-Party Sender incurs any actual loss due Bank's gross negligence or willful misconduct in the handling of a particular ACH Entry or Entries, Bank's liability to the Third-Party Sender shall be limited to: (a) the amount recoverable by Bank from the ACH Operator, or any third party pursuant to the Rules; or (b) the amount recoverable under any indemnity agreement. BUT, IN NO EVENT SHALL ANY OF THE BANK INDEMNIFIED PARTIES BE LIABLE AT ANY TIME FOR ANY LOSS OF REVENUE OR ANTICIPATED PROFITS, INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL, OR PUNITIVE LOSSES OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOSS OF PROFITS, REVENUE, BUSINESS, DATA, FILES, GOODWILL, OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES) INCURRED OR SUFFERED BY THE THIRD-PARTY SENDER. Compensation shall be calculated using the compensation rules provided in the Rules.

**24. Cooperation in Loss Recovery Efforts.** In the event of any damages for which Bank or the Third-Party Sender may be liable to each other or to a third party pursuant to the services provided under this Section V.B, Bank and the Third-Party Sender will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

**25. Termination.** These ACH ODFI services may be terminated upon thirty (30) days' written notice by either party, provided that applicable portions of this Section V.B shall remain in effect with respect to any ACH Entries initiated by the Third-Party Sender, and received by Bank, prior to such termination. In addition, any requirement for the Third-Party Sender to obtain and/or retain any document, including, but not limited to, any authorization as described in this Section V.B, shall survive the termination of these services. In addition, Bank shall have the absolute right to immediately suspend indefinitely and/or terminate these services, without notice to the Third-Party Sender, if Bank determines, in its sole discretion, that any one or more of the following events has occurred:

- (a) Any material adverse change in the business, properties, assets, operations or condition, financial or otherwise, of the Third-Party Sender, including, but not limited to, insolvency, bankruptcy, Federal or State tax deficiency, or inability to maintain Third-Party Sender's existing credit rating;
- (b) Any violation by the Third-Party Sender of any Federal or State law;
- (c) Any violation by the Third-Party Sender of the Rules;
- (d) The Third-Party Sender originates an ACH Entry whereby a reserve account or an account with a hold placed upon it is set up as a condition to process such ACH Entry, and the Third-Party Sender subsequently withdraws funds from the reserve account or the account with the hold; or
- (e) The Third-Party Sender breaches the terms of this Section V.B.

Bank shall have the absolute right to delete any ACH Entry, Batch, and/or File that Bank receives, or has already received and has yet to transmit to an ACH Operator, after the termination of this Section V.B pursuant to this Section V.B.25. In the event Bank does delete an ACH Entry, Batch, and/or File pursuant to the right granted to Bank in this Section V.B.25, it will inform the affected party by either telephone or email of such deletion.

**26. ACH Origination System.** The Third-Party Sender acknowledges that the ACH Origination System it uses to initiate ACH Entries, Batches, and/or Files was developed by persons other than Bank and that Bank is not responsible for the performance, design, operation, completeness, security, correctness or accuracy of the ACH Origination System. THE ACH ORIGINATION SYSTEM IS PROVIDED TO THE THIRD-PARTY SENDER ON A NONEXCLUSIVE AND ON AN "AS IS" BASIS AND WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY BANK. The Third-Party Sender represents and warrants to Bank that the Third-Party Sender will, before using the ACH Origination System, perform a test of the system (including, without limitation, all updates) to determine and confirm its functionality, capability, usefulness and suitability for the Third-Party Sender's applications. The Third-Party Sender agrees to bear all risk, expense and burden arising from the Third-Party Sender's use of the ACH Origination System.

## **VI. BUSINESS BILL PAY SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Business Bill Pay Services to Customer with respect to the eligible accounts that Customer has designated, Customer agrees to comply with the following:

**B. ELIGIBLE ACCOUNTS.** The Business Bill Pay Service is only applicable to Customer's checking account(s). Non-transaction accounts, such as savings or money market accounts, are ineligible for enrollment in the Business Bill Pay Service.

**C. RIGHT TO LIMIT PAYEES.** Bank reserves the right at any time to restrict the persons or entities to whom Customer may direct a bill payment ("Payees") and the categories of Payees that are eligible for the Business Bill Pay Service. Customer agrees that Bank shall not be liable for any loss or damage sustained by Customer as a result of bill payments directed to restricted Payees or categories of Payees, including, but not limited to, additional penalties or fines. Customer further agrees that it shall be solely responsible for penalties or fines assessed to Customer as a result of a bill payment being directed to a restricted Payee or category of Payees.

**D. TRANSACTION LIMITATIONS.** Customer's total transaction limit on which bill payments may be scheduled from Customer's account(s) is equal to the available balance in Customer's account(s) but may not exceed the following amounts for each Business Day or for each transaction type: \$250,000 for checks and/or ACH payments, and \$10,000 for outbound transfers. Without limiting the foregoing, Customer may request a bill pay transaction amount greater than the amounts noted above. At Bank's sole discretion, such request may be granted; provided, however, that the fact that Bank may make an exception in one case shall not create an expectation on Customer's part that Bank will grant other exceptions even to the same Payee or under similar circumstances.

**E. PAYMENT DUE DATES.** Funds will arrive to Customer's Payee as close to the designated payment date ("Payment Date") in Customer's payment instruction as reasonably possible. Consistent with and subject to these Terms and Disclosures, Customer authorizes Bank, and any third party acting on Bank's behalf, to choose the most effective method to process Customer's bill payment, including, without limitation, electronic, paper or other draft means. The requested Payment Date must always be a Business Day. In the event Customer's preferred Payment Date falls on a non-Business Day, Customer may select the first Business Day after Customer's preferred Payment Date or the Business Day prior to Customer's preferred Payment Date.

In order for Customer's bill payment to be considered timely, the Payment Date must be on or before the Payee's due date. The time it takes for Bank to process Customer's bill payment instruction is dependent upon the Payee and payment method. Thus, Customer's knowledge as to the payment processing time for each of Customer's Payees is crucial to Customer's success of making timely bill payments. Notwithstanding, upon the completion of Customer's bill payment request, Customer will

receive a confirmation number for each bill payment instruction Customer initiates as long as the Payee is a valid Payee. Unless Customer receives such confirmation number, Bank is not liable to Customer for any failure to process Customer's bill payment, including any finance charges or late fees Customer incurs as a result.

**F. CANCELING OR MODIFYING A BILL PAYMENT.** Customer may cancel or modify a pending bill payment up to 2:00 p.m. Central Time, on the same Business Day it was scheduled, except for those bill payments which are processed immediately. As soon as a bill payment has been processed, it cannot be canceled or modified. In the event Customer wishes to place a stop payment order after 1:00 p.m. Central Time on the transaction date, Customer should call the Business Bill Pay Support Center IMMEDIATELY at 877.296.4125 (Monday through Friday, 7:30 a.m. to 11:00 p.m. Central Time).

**G. LATE FEES.** When Customer adheres to the procedures described in these Terms and Disclosures to schedule a bill payment and is assessed a late fee, Bank will reimburse Customer for such fee, up to a maximum amount of \$100. Bank may condition any reimbursement on Customer first providing Bank such documentation as it may require, including evidence of Customer's payment of such fee and compliance with these Terms and Disclosures. In the event Customer does not adhere to the procedures described in these Terms and Disclosures, or Customer schedules a bill payment for a Payee that requires more processing days than the selected Payment Date allows, Customer bears full responsibility for all penalties and late fees. Under such circumstances, Customer acknowledges and agrees that Bank shall be held harmless.

**H. ERROR RESOLUTION.** Customer agrees to notify Bank IMMEDIATELY if Customer discovers any unauthorized transaction(s) or error(s), or if Customer believes such transactions or errors have been made, by calling 800.839.2801 (Client Support). Customer shall also submit to Bank a written statement, in form and substance acceptable to Bank, within fourteen (14) days from the date of Customer's verbal notification or from the date Customer received the first Periodic Statement, report or notice reflecting the unauthorized bill pay transaction(s) or error(s), whichever occurs first.

Customer also agrees to: (1) limit use and access of all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) to Customer's trusted employees who will have access to Bank's Business Bill Pay Services in order to perform their employment duties; (2) instruct those employees that they are not to disclose their access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) to any other person; and (3) establish and maintain all procedures necessary to assure that all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) will be maintained in strictest confidence.

Customer must notify Bank IMMEDIATELY in the event Customer has reason to believe that any of Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) or account number(s) have become known by any unauthorized person by calling 800.839.2801 (Client Support). The security procedures used by Customer and Bank in connection with the Business Bill Pay Services are used to verify the authenticity and legitimacy of communications, including, but not limited to, transfer instructions received by Bank in Customer's name, and are not intended to detect errors of such communications.

Furthermore, it is Customer's sole responsibility to notify Bank IMMEDIATELY in the event an authorized person's access to the Business Bill Pay Services should be revoked by calling 800.839.2801 (Client Support). Bank is not liable or responsible to Customer for any transactions conducted by any user whose authority to use the Business Bill Pay Services is no longer in effect until Bank has received written notice from Customer to the contrary and Bank has had a reasonable amount of time to act upon such notice.

**I. LIMITATION OF LIABILITY IN CONNECTION WITH BUSINESS BILL PAY SERVICES.**

The rights and obligations of Customer and Bank under this Section VI shall be in addition to and not in limitation of the rights and obligations of Customer and Bank under Section I.E of these Terms and Disclosures.

**J. CUSTOMER AGREES THAT THE AMOUNT OF ANY CLAIM CUSTOMER BRINGS AGAINST BANK IN CONNECTION WITH ANY ACCOUNT(S) OR TRANSACTION WITH BANK IN CONNECTION WITH THE BUSINESS BILL PAY SERVICES IS SUBJECT TO REDUCTION AND BANK'S RIGHT TO SETOFF ON THE BASIS OF NEGLIGENCE OR FAILURE TO USE REASONABLE CARE ON THE PART OF (I) CUSTOMER, (II) ANY OWNER OR SIGNER ON THE RELEVANT CUSTOMER ACCOUNT(S), (III) ANY USER OF THE BUSINESS BILL PAY SERVICES AUTHORIZED BY CUSTOMER, OR (IV) ANY OF CUSTOMER'S AGENTS OR EMPLOYEES, WHICH NEGLIGENCE OR FAILURE TO USE REASONABLE CARE CONTRIBUTED TO THE LOSS THAT IS THE BASIS OF CUSTOMER'S CLAIM. CUSTOMER FURTHER AGREES THAT EXCEPT AS OTHERWISE REQUIRED BY APPLICABLE LAW (A) BANK'S LIABILITY WITH RESPECT TO ANY SUCH CLAIM WILL BE LIMITED TO THE FACE VALUE OF ANY ITEM OR TRANSACTION IMPROPERLY DISHONORED OR PAID OR THE ACTUAL VALUE OF ANY DEPOSITS NOT PROPERLY CREDITED OR WITHDRAWALS NOT PROPERLY DEBITED, AND (B) BANK SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS OR INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES.**

**K.** Customer agrees to reimburse Bank for any liabilities, demands, claims, actions or causes of action, assessments, losses, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and expenses) and all fines, penalties and interest thereon Bank may incur in connection with Customer's account(s) and the Business Bill Pay Services, except to the extent that such liability, loss, cost or expense was caused solely by Bank's intentional misconduct.

**VII. CASH VAULT SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide certain commercial cash services to Customer (the "Cash Vault Services"), Customer agrees to comply with the written requirements that may be provided to Customer by Bank and amended or updated from time to time, and as they are delivered or communicated to Customer (the "Guides") as well as the following:

**B. DELIVERY OF COIN AND CURRENCY.** Unless Customer otherwise designates on such forms as Bank may require, Customer authorizes Loomis Armored US, Inc. ("Loomis" or "Carrier") to deliver coin and currency in amounts communicated through the use of Bank's vault management system ("Vault Management System") or other communication between Bank and Customer. Specific descriptions, procedures and instructions on the use of Vault Management System and coin and currency ordering options may be more fully described in the Guides. Bank shall, and is hereby authorized to, treat any and all orders for the delivery of coin or currency received through Vault Management System or alternative means as genuine and duly authorized. Customer understands that Bank has no duty or obligation to obtain verification as to the genuineness of the communication transmitted to Bank by the Vault Management System, or the authority of the transmitter to send such communication. Bank and Customer agree that delivery of coin and currency to the Carrier shall, for all purposes, be considered delivery to Customer. Bank shall in no way be liable for any loss that may occur after delivery has been made to the Carrier. Customer agrees to notify Bank of any change of Loomis, as Customer's Carrier, on such forms as Bank may require in its sole discretion and as amended from time to time.

**C. DEPOSITS.** Customer authorizes Bank to accept and verify Customer's deposits in accordance with the processing and verification procedures outlined in the Guides.



**D. ADMINISTRATIVE MATTERS.** Customer agrees that Bank shall debit the account(s) designated by Customer for all cash and currency delivered pursuant to any Guides and these Terms and Disclosures. Customer agrees that Bank shall have no obligation to make any delivery of coin or currency if Customer shall have insufficient funds in Customer's Account to cover any such order of coin or currency. Bank shall not be responsible for any loss to Customer which shall result from the failure of Customer to follow the procedures set forth in these Terms and Disclosures and in any Guides.

**E. SAFEPOINT® SERVICE.** If Customer has requested, and Bank has agreed to permit Customer to utilize the SafePoint® transportation and cash management services (the "SafePoint® Services") offered by Loomis, Customer agrees to execute the Loomis SafePoint® Agreement (the "SafePoint® Agreement") directly with Loomis and comply with the stated terms and conditions of the SafePoint® Agreement.

Customer agrees that Loomis will bear all liability for the SafePoint® Services. Customer further agrees that Loomis is responsible and liable for the deposit amount that is reported by Loomis on any given day and transmitted to Bank for processing. Loomis' liability extends to all events including theft, robbery, fraud, equipment failure or malfunction, damage, or destruction for any reason including without limitation acts of God, and liability shall include the period of time that cash is in the Loomis Equipment (as defined in the SafePoint® Agreement) as well as in transit.

Bank will credit Customer's account for deposit as reported electronically by Loomis and will adjust the account balance via credit or debit should there be a deposit discrepancy. At Bank's discretion, credit to the Customer's account may be provided in the form of immediate or delayed posting as of the close of business of any processing day. Customer acknowledges that Loomis is responsible for determining any overages during physical funds verification and for reporting and depositing any overages to Customer's account in a timely manner. In the event of a discrepancy between the amount of money reported by Loomis to Bank and the actual amount after verification by Loomis, the verified amount will prevail.

Loomis will bill the associated service fees for services to Customer as per the SafePoint® Agreement on a monthly basis. Customer agrees to pay fees for the SafePoint® Services directly to Loomis.

If, for any reason, Customer terminates the SafePoint® Agreement with Loomis or Customer terminates its relationship with Bank, Customer agrees that it will immediately inform the mutual parties in writing of such termination in addition to any specific termination requirements as stated in the SafePoint® Agreement or Section I.W of these Terms and Disclosures.

## **VIII. CONTROLLED DISBURSEMENT SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide early notification of the dollar amount and transaction details of the checks that are expected to clear Customer's designated account each Business Day ("Controlled Disbursement Services"), Customer agrees to comply with the following:

**B. OPENING AND MAINTAINING ACCOUNTS.** If Bank agrees to provide Controlled Disbursement Services, Customer shall open and maintain at least two (2) DDAs (and each a "DDA") at Bank, one of which shall be designated as the "Disbursement Account" and one of which shall be designated as the "Funding Account." Customer may have more than one Disbursement Account. Customer shall complete and execute all deposit account documents requested by Bank to open the Disbursement Account and the Funding Account.

**C. ACCOUNT LIMITATIONS.** Customer understands and agrees that the Disbursement Account(s) is intended to be used to clear checks only. Customer agrees that ACH and other electronic debits and credits to or from the Disbursement Account(s) are not permitted and shall be blocked, unless approved by Bank.

**D. REPORT OF CHECKS.** Bank shall calculate the total aggregate amount of checks presented for payment ("Daily Total") on each Disbursement Account each Business Day, and shall provide Customer with a report of the Daily Total by 9:30 a.m. Central Time each Business Day ("Daily Total Report"). Customer acknowledges that Bank's ability to calculate the Daily Total and provide Customer with such information is dependent upon the availability and/or connectivity to Federal Reserve Bank or other third-party systems, and understands and agrees that the aforementioned time for reporting may be delayed if the information is unavailable to Bank, or system connectivity is unavailable to either Bank or Customer. Customer also agrees that, at its sole option and in accordance with applicable law, Bank may cash checks drawn on the Disbursement Account as presented for immediate payment at a Bank branch. Customer acknowledges that checks cashed at Bank branches may not be included in the Daily Total on the Business Day that the check is presented and authorizes Bank to transfer funds from the Funding Account to the Disbursement Account in an amount equal to the sum of any such checks.

**E. CUSTOMER DECISIONS.** Customer shall promptly review all Daily Total Reports and provide Bank with a pay or return decision for each check (except as noted below) included in the Daily Total or as otherwise authorized by Bank by no later than 12:00 p.m.(noon) Central Time each Business Day. In the event that Customer does not make a pay or return decision by the designated time, Bank may, in its sole discretion, pay any check presented against the Disbursement Account. Customer understands and agrees that Customer may not return checks reflected in the Daily Total Reports that were cashed at Bank branches in accordance with Section VIII.D. Customer hereby agrees to indemnify and hold Bank harmless against any liabilities, demands, claims, actions or causes of action, assessments, losses, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and expenses) and all fines, penalties and interest thereon resulting from or arising out of Customer's instruction to return any check. Customer understands and agrees that Customer's decision to return an item will not constitute a stop payment order. Stop payment orders must comply with Bank's requirements and procedures for such orders as set forth in the Account Terms applicable to Customer's account.

**F. FUNDING.** Customer agrees to maintain collected and available funds in the Funding Account in an amount which is at least equal to or greater than the Daily Total. In addition, Customer shall maintain sufficient funds necessary to pay any checks, drafts, electronic payment items, or other negotiable instruments presented against the Funding Account. Customer authorizes Bank to debit the Funding Account and transfer an amount equal to the Daily Total less credits, if any, for each Business Day to the Disbursement Account.

**G. INSUFFICIENT FUNDS.** If, on any Business Day, the balance in the Funding Account is insufficient to cover the Daily Total, Bank may, at its sole option and discretion, elect to do any one or more of the following:

1. Dishonor any one or all of the checks presented for payment against the Disbursement Account and return the same to the presenter of the check(s);
2. Pay any one or more of the checks presented for payment against the Disbursement Account and charge the amount of any such payment to the Funding Account thereby causing an overdraft to the Funding Account. Any overdraft in the Funding Account shall be subject to Bank's standard overdraft fees; or
3. Transfer funds from any other Customer account at Bank to the Disbursement Account in an amount necessary to reimburse Bank for the Daily Total. Customer hereby authorizes such transfers from other Customer accounts at Bank.

Bank may, at its option and sole discretion, terminate the Controlled Disbursement Services for any reason.

**H. FORM OF CHECKS.** All checks drawn by Customer on the Disbursement Account shall be in a format approved by Bank and shall contain the routing transit numbers and other information required by Bank.

**I. TRUNCATION.** Customer understands and agrees that monthly statements for the Disbursement and Funding Accounts will not include Original Checks. Customer shall have the ability to view and print images of checks drawn on the Disbursement Account(s). At Customer's request, images of checks and other items drawn on the Funding Account may be made available to Customer from Bank. Customer agrees to pay any applicable fees for such images.

## **IX. CHECK PRINTING AND MAILING**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Check Printing and Mailing Services to Customer, Customer agrees to comply with the following:

**B. PROCESSING OF FILES.** Prior to commencement of the Check Printing and Mailing Service, Customer will furnish to Bank such data, authorizations, and other information, forms and documents as Bank may request and Customer shall do so in sufficient time to enable Bank to perform its preparation and testing functions. All data and information furnished to Bank by Customer, its agents and employees shall be in a form acceptable to Bank. The Bank's third party service provider will process check payment request files submitted by the Customer to the Bank's secure file transfer protocol, Xchange. Each check payment record contained in the payment file submitted by Customer will be printed, packaged, and delivered based on payee, amount and the distribution and mailing information provided by the Customer. The Bank or the Bank's third party service provider may not have the ability to edit or cancel the payment instruction after a check print and mail payment instruction has been submitted by Customer and the Bank and its third party service provider will not be liable to the Customer for any such check amount(s) that have been submitted by Customer. Checks will generally be printed and mailed via USPS by Bank's third party service provider by the next Business Day for all check files submitted by Customer to the Bank's Xchange by 11:45 am CST on a Business Day (the "Cutoff Time"). If a file is submitted by the Customer after the applicable Cutoff Time or on a day that is not a Business Day, then the checks will be printed and mailed two (2) Business Days after Customer submits the file to the Bank's Xchange. If Customer requests and Bank agrees to provide same day check printing and mailing, then Customer must submit the check file, with a maximum of 500 checks permitted, to the Bank's Xchange by 7:45 am CST, however, additional fees and requirements will apply. After the Customer submits the file, a check issue file will automatically be generated after the checks have been printed and uploaded to Positive Pay. Bank will work with Customer to provide Bank's third party service provider with Customer's check signature image files and a sample check payment data file with corresponding record layout to initiate check printing and mailing. Customer may request Bank to provide it images of the printed checks for an additional fee. Bank's third party service provider will store the Customer's physical check payment data information in a database for seven (7) years for archival and reporting purposes.

**C. LIMITATION OF LIABILITY.** Bank and/or its third party service provider will use its best efforts to print and remit checks based on Client's Payment Instructions. However, Bank nor its third party service provider shall incur no liability if it is unable to complete any payments initiated through the Check Print Service because of the existence of any one or more of the following occurrences: (i) Bank's or its third party service provider's processing center is not working properly and Customer has been advised by Bank about the disruption in Services before Customer's transmittal of a data file; (ii) the payee mishandles or delays a payment sent by Bank on Customer's behalf; (iii) Customer has not provided Bank with the correct Payment Instructions (i.e., correct payee name, address, and account information for the payee); (iv) Customer's Payment Instructions and the payment may violate laws or regulations of the United States, including those giving rise to OFAC sanctions.

**D. AUTHORIZED TRANSACTIONS.** Bank shall be conclusively entitled to deem the Payment Instructions to be authorized by, and binding upon, Customer: (i) if the Payment Instructions and the electronic transmission of a file are made by Customer or its actual or apparent agent, or (ii) if Bank

reasonably believes the Payment Instructions and the electronic transmission of a file were sent in accordance with the Security Procedures in place for the Check Printing and Mailing Service..

## **X. CORPORATE ACH EDI/ADDENDA REPORTING SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Corporate ACH EDI/Addenda Reporting Services, Bank will collect certain incoming EDI/ Addenda information from corporate ACH payments ("Addenda Information") and make such Addenda Information available to Customer. Customer agrees to comply with the following:

**B. PARTICIPATING ACCOUNTS.** Customer must designate the accounts for Corporate ACH EDI/Addenda Reporting Services ("Participating Accounts") on forms provided by Bank.

**C. ACCOUNT INFORMATION.** Bank shall give Customer electronic access to incoming Addenda Information regarding the Participating Accounts. Contingent upon services selected, Bank agrees to make the incoming Addenda Information electronically available to Customer by 10:00 a.m. Central Time each Business Day, if such data is received from the originating company.

**D. ADMINISTRATIVE MATTERS.** Corporate Trade Exchange ("CTX") ACH entries may contain an ACH formatted addenda or it may contain an EDI formatted addenda. Bank is not responsible for missing or incorrect information provided by the originating company.

Customer agrees that Bank will provide the Corporate ACH EDI/Addenda Reporting Services for corporate ACH entries only and that Bank will not be responsible for delivering ACH addenda information received for non-corporate ACH types. Notwithstanding anything contained in these Terms and Disclosures to the contrary, Bank retains the right to revise its reporting of the Addenda Information, including its reporting procedures and the means and deadlines by which Bank provides the Addenda Information, without notice to Customer.

## **X. WIRE TRANSFER SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Wire Transfer Services, Customer agrees to comply with the following with regard to wire transfer requests Customer initiates or receives:

**B. PAYMENT ORDER.** Wire transfer requests must be completed by Customer or other Authorized Agent. Any request by an Authorized Agent for a wire transfer of funds, or any amendment or modification to, or cancellation of, that request, or any related instruction, is referred to in these Terms and Disclosures as a "Payment Order." As used herein, the term "Payment Order" shall be deemed to include a request to transfer funds by wire by means of the Federal Reserve FEDWIRE, through a Correspondent Bank, the Society for Worldwide Interbank Financial Telecommunications ("SWIFT"), TELEX, computer terminal, or other means. The term shall be deemed not to include transfers made through ACH system within the United States, as defined by NACHA operating rules as those rules may be amended from time to time.

**C. AUTHORIZED ACCOUNTS.** Customer agrees that unless otherwise agreed to by Customer and Bank in writing, each account Customer maintains with Bank is authorized to transfer and receive funds via wire (each an "Authorized Account").

**D. AUTHORIZED AGENTS.** Customer, each Authorized Signer on Customer's Authorized Accounts, and those persons who Customer or Customer's Authorized Signers designate or otherwise authorize to give Payment Order instructions to Bank or otherwise authorize to give instructions to Bank for the transfer of funds and matters related thereto are referred to collectively herein as "Authorized Agents." Customer represents and warrants to Bank that each Authorized Agent is authorized by Customer and on Customer's behalf to initiate and verify Payment Orders, without limitation and including through

Customer's Online Banking Administrator and/or Treasury System Administrator(s), as applicable.

Customer agrees to complete such documentation as Bank may require in Bank's sole discretion to identify Customer's Authorized Agents. Customer may change the Authorized Agents from time to time upon prior written notice to Bank and by completing such documentation as Bank may require. Any such notices must be expressly acknowledged by Bank in writing to be effective.

**E. FUNDS TRANSFER PROCEDURES.** Subject to Bank's normal banking hours and other deadlines, whether legal, regulatory or contractual, Customer hereby authorizes and directs Bank to make transfers and to act upon any Payment Order upon receipt, whether transmitted in writing, via facsimile transmission, via electronic mail, via telephone, or by any other means. Unless Customer is otherwise notified in writing, Bank will receive Payment Orders and incoming wire transfers on Business Days between the hours of 8:00 a.m. and 5:00 p.m. Central Standard Time, and will send outgoing wire transfers on Business Days between the hours of 8:00 a.m. and 5:00 p.m. Central Standard Time. Any Payment Order received after 4:00 p.m. Central Standard Time may be treated as having been received on the next Business Day.

Bank will use reasonable efforts to execute all Payment Orders received in accordance with these Terms and Disclosures and by the date designated by Customer, provided that such Payment Orders are received on the days and during the hours of Bank operations as set forth above. Notwithstanding the foregoing, Customer understands and agrees that Bank may not execute a Payment Order immediately on receipt and that there may be some lapse in time between Customer initiating a Payment Order and Bank executing it. Customer agrees that Bank shall have a reasonable amount of time to execute on any Payment Order, including such time as necessary for Bank to confirm to Bank's satisfaction Customer's compliance with these Terms and Disclosures and the security procedures described herein.

Bank will not be deemed to have accepted a Payment Order until such Payment Order is actually executed. For purposes of these Terms and Disclosures, a Payment Order is deemed executed once Bank issues an order intended to initiate Customer's Payment Order through a wire transfer system. Customer acknowledges and agrees that Bank may select any intermediary financial institution, system, or means of transmittal to transmit funds, including, but not limited to, the FEDWIRE wire transfer system for the transfer of domestic funds. Furthermore, Customer acknowledges and agrees that Bank's selection may differ from that indicated in Customer's Payment Order. If Customer requests, Bank will use reasonable efforts to notify Customer of incoming wire transfers, but Customer agrees that Bank shall have no liability to Customer of any kind for failing to provide such notice.

Customer acknowledges and agrees that Bank is not obligated to accept any Payment Order. Bank may, in its sole discretion, reject a Payment Order for any reason including, but not limited to, any of the following reasons: (i) Customer fails to submit the Payment Order in sufficient time to meet Customer's requested execution date; (ii) there are insufficient funds in the Authorized Account(s) to cover the amount of the Payment Order; (iii) the Payment Order contains incomplete instructions; (iv) Bank is unable to verify to Bank's satisfaction that the Payment Order has been submitted in accordance with all applicable security procedures, including those contained in these Terms and Disclosures; or (v) Customer has failed to meet Customer's obligation for payment of fees and charges owed to Bank under these Terms and Disclosures or any other agreement between the parties. In the event a Payment Order is rejected, Bank will make reasonable efforts to notify Customer by telephone and, if unable to do so, will notify Customer in writing. If Bank does not receive Customer's corrected Payment Order within five (5) Business Days from the date the original Payment Order was initiated, Bank will deem the Payment Order canceled by Customer. Funds from incoming transfers will not be deemed collected or credited to the Authorized Accounts or other Accounts Customer maintains with Bank until such time as Bank receives final settlement through the Federal Reserve Bank wire transfer system, or otherwise receives payment as provided in UCC, Article 4A or other applicable law. Customer agrees that the terms and conditions set forth herein constitute a commercially reasonable method of facilitating wire transfers by Customer.

**F. SECURITY PROCEDURES.** CUSTOMER AGREES THAT CUSTOMER HAS SOLE RESPONSIBILITY FOR EVALUATING AND APPROVING THE LEVEL OF SECURITY PROCEDURES FOR ISSUING PAYMENT ORDERS GIVEN THE SIZE AND TYPE OF ACCOUNTS CUSTOMER MAINTAINS WITH BANK AND THE SIZE, TYPE AND FREQUENCY OF TRANSACTIONS CUSTOMER INTENDS TO MAKE. CUSTOMER ALSO AGREES THAT CUSTOMER HAS SOLE RESPONSIBILITY FOR MAINTAINING THE CONFIDENTIALITY, MAINTENANCE, USE OF, CONTROL OVER AND ACCESS TO CUSTOMER'S PASSWORD(S), LOG-IN ID(S), SECURITY TOKENS, PERSONAL IDENTIFICATION NUMBER(S), PASSCODE(S), AND OTHER PERSONAL IDENTIFICATION NUMBER(S) AND/OR SECURITY DEVICES OR OTHER INFORMATION (SUCH AS "CHALLENGE QUESTIONS") INTENDED TO AUTHENTICATE PAYMENT ORDERS. Customer agrees to: (1) limit use and access of all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and other information intended to authenticate Payment Orders to trusted persons who need such information; (2) instruct such persons that they are not to disclose any access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) or other information intended to authenticate Payment Orders to any other person; and (3) establish and maintain procedures to ensure that all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and other information intended to authenticate Payment Orders will be maintained in strictest confidence and to safeguard against unauthorized access thereto. Customer agrees that each time Customer initiates a Payment Order, Customer represents and warrants that, in view of the size and type of Customer's accounts and Customer's requirements, (a) the security procedure Customer has chosen for issuing Payment Orders is a satisfactory method of verifying the authenticity of any Payment Order, and (b) Customer has in place proper supervision and safeguards to maintain the confidentiality and security of Customer's password(s), log-in ID(s), security tokens, and other personal identification number(s) and/or security devices or other information intended to authenticate Payment Orders. CUSTOMER AGREES THAT TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BANK WILL NOT BE LIABLE FOR ANY INSTRUCTION, PAYMENT ORDER, AMENDMENT OR CANCELLATION, OR ANY LOSS ARISING THEREFROM, ERRONEOUSLY TRANSMITTED BY CUSTOMER OR ANYONE AUTHORIZED BY CUSTOMER HEREUNDER OR CONTAINING AN ERROR IN CONTENT AS PROVIDED BY CUSTOMER OR ANYONE AUTHORIZED BY CUSTOMER HEREUNDER, REGARDLESS OF WHETHER BANK FOLLOWED THE SECURITY PROCEDURES AGREED UPON HEREIN OR ANY APPLICATION HERETO.

Without limiting the foregoing, Bank may, but is not obligated to, verify the authenticity of a Payment Order. For Payment Orders transmitted via facsimile, via electronic mail and/or via telephone, prior to accepting any Payment Order in the amount of \$500,000 or more, Bank will require that a call be made to Customer or other Authorized Agent; provided, however, in the case of a "reoccurring" Payment Order we may not require a callback. A Payment Order is "reoccurring" if it contains at least the same beneficiary name, beneficiary account number and receiving/ beneficiary bank (or final receiving/beneficial bank if an international wire) as was included in a prior outgoing wire request. For Payment Orders transmitted via the Treasury Management System, Bank will require the use of the following before accessing Bank's system: (1) a passcode originated from a security token Bank provides, (2) a log-in ID and password, and (3) installation of the Detect Safe Browsing anti-fraud technology integrated in the Treasury Management System unless otherwise agreed by Bank in writing in an opt-out/waiver agreement signed by Bank and Customer. CUSTOMER REPRESENTS AND WARRANTS THAT, IN CUSTOMER'S VIEW, THE SECURITY PROCEDURES DESCRIBED IN THIS PARAGRAPH ARE A SATISFACTORY AND COMMERCIALY REASONABLE METHOD FOR BANK TO VERIFY THE AUTHENTICITY OF A PAYMENT ORDER GIVEN THE SIZE AND TYPE OF ACCOUNTS CUSTOMER MAINTAINS WITH BANK AND THE SIZE, TYPE AND FREQUENCY OF TRANSACTIONS CUSTOMER INTENDS TO MAKE. CUSTOMER AGREES THAT BANK SHALL BE CONCLUSIVELY DEEMED TO HAVE DISCHARGED BANK'S DUTY TO ACT IN GOOD FAITH IF BANK HAS FOLLOWED THE PROCEDURES DESCRIBED IN THIS PARAGRAPH (REGARDLESS OF WHETHER OR NOT BANK'S INTERNAL POLICIES OR PROCEDURES REQUIRE SOMETHING DIFFERENT) AND CUSTOMER ASSUMES FULL



RESPONSIBILITY FOR ALL PAYMENT ORDERS AUTHENTICATED BY BANK USING THE PROCEDURES DESCRIBED IN THIS PARAGRAPH.

Customer acknowledges and agrees that Bank has made the Treasury Management Systems with the above-described security procedures available to Customer to transmit Payment Orders. Customer further acknowledges and agrees that Payment Orders transmitted to Bank via facsimile, via electronic mail and via telephone may pose a higher degree of risk than those transmitted to Bank via Bank's Treasury Management System. IF AT ANY TIME CUSTOMER OR ANY OF CUSTOMER'S AUTHORIZED AGENTS ELECT TO TRANSMIT A PAYMENT ORDER VIA FACSIMILE, VIA ELECTRONIC MAIL AND/OR VIA TELEPHONE: (A) CUSTOMER REPRESENTS AND WARRANTS THAT CUSTOMER UNDERSTANDS THE RISK OF TRANSMITTING PAYMENT ORDERS IN SUCH MANNER AND WITHOUT THE SECURITY PROCEDURES BANK MAKES AVAILABLE FOR TRANSMITTING PAYMENT ORDERS ELECTRONICALLY, AND CUSTOMER HAS IN PLACE ITS OWN SECURITY PROCEDURES THAT CUSTOMER DEEMS ADEQUATE TO PROTECT CUSTOMER AGAINST THE RISK OF LOSS THAT MAY BE ATTRIBUTABLE TO FRAUDULENT OR UNAUTHORIZED PAYMENT ORDERS TRANSMITTED VIA FACSIMILE, VIA ELECTRONIC MAIL AND/OR VIA TELEPHONE (INCLUDING, BUT NOT LIMITED TO, SECURITY PROCEDURES THAT PREVENT OR REDUCE THE LIKELIHOOD OF ELECTRONIC MAIL COMPROMISE); AND (B) CUSTOMER ASSUMES ALL RISK AND LIABILITY FOR, AND RELEASE AND HOLD US HARMLESS FROM, ANY AND ALL LOSSES, DAMAGES, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) INCURRED AS A RESULT OF BANK HAVING ACCEPTED IN GOOD FAITH ANY PAYMENT ORDER FROM (OR PURPORTING TO BE FROM) CUSTOMER TRANSMITTED VIA FACSIMILE, VIA ELECTRONIC MAIL OR VIA TELEPHONE FROM (OR PURPORTING TO BE FROM) CUSTOMER OR ANY OF CUSTOMER'S AUTHORIZED AGENTS.

Without limiting any of the foregoing, Bank reserves the right, in Bank's sole discretion, to require any of the following additional methods of authentication before Bank accepts or acts on any Payment Order: (a) require that a Payment Order be submitted to Bank in writing, bearing the signature of Customer or other Authorized Agent, on a form to be provided by Bank; and/ or (b) require that a return call may be made to an Authorized Agent to verify the authenticity of such Payment Order; and/ or (c) require authenticating information including such authenticating information as PINs, passwords or other information (such as "challenge questions") intended to authenticate instructions; and/ or (d) require that such other security requirements be met as Bank deems necessary to authenticate a transaction. Customer understands and agrees that its failure to submit a request to Bank on Bank's form, to accept a return call, or comply with any other security requirements that Bank requires may result in Bank rejecting a Payment Order. Customer further understands and agrees that Bank is not required to do any of the foregoing described in (a)–(d) and the fact that Bank does not take such action in one case shall not waive Bank's right to take such action in another case, nor the fact that Bank took such action in one case establish an expectation on Customer's part that Bank will take such action in the future. You further understand and agree that Bank may change its security procedures or add new requirements at any time, and, upon notice to Customer, Customer will comply with such changes.

If Customer has set up its Treasury Management System account to receive electronic wire notification alerts, after receiving a Payment Order, Bank will send Customer an electronic message via the Treasury Management System setting forth the date, amount and other information regarding the Payment Order. The confirmation will be sent to Customer on the Business Day Customer's Payment Order is received based on the instructions Bank has on file for Customer. Regardless of the manner in which a Payment Order is received, on occasion Bank may mail, email or fax to Customer at such address and number(s) as Customer must designate from time to time, other confirmation setting forth the foregoing information regarding a Payment Order. In addition, Customer's Periodic Statement will also include such information. Customer may also access its Account details by way of the Treasury Management System, Online Banking System and/ or Telephone Banking Service. Customer agrees to examine each electronic message, confirmation and Periodic Statement upon receipt and to notify Bank immediately of any perceived error or other problem regarding any such transfer.

Payment Orders may be subject to other agreements between Bank and Customer (for example, our Electronic Banking Services Terms and Disclosures), and Customer agrees to comply with such other agreements. Customer agrees that it has been advised of, and will comply with, all security procedures set forth in these Terms and Disclosures and any other applicable agreement between Bank and Customer. Customer agrees that its failure to comply with Bank's security procedures in these Terms and Disclosures and any other applicable agreement shall result in Customer being responsible for any liability, loss or damage resulting from such failure.

**G. CUSTOMER VERIFICATION.** Customer agrees that Bank is authorized, but not obligated, to rely upon and act in accordance with any Payment Order or other instruction or communication by fax, phone, email or other electronic transmission (including without limitation any transmission by use of Bank's software or the Internet, if applicable) received by Bank without inquiry on Bank's part as to its accuracy or correctness. Customer further agrees that Bank may, but is not obligated to, verify the accuracy or correctness of any Payment Order or other instruction or communication Customer provides Bank. If Bank attempts to verify the accuracy or correctness of a Payment Order, or other instruction or communication, and is unable to do so, Bank may, in its sole discretion, either make the transfer or decline to make the transfer or follow the instructions or decline to follow the instructions. In such event, Bank shall not be liable to Customer for any actual loss of any kind or in any amount, provided Bank has acted in good faith, even if such Payment Order or other instruction or communication contains inaccurate or erroneous information. Customer acknowledges and agrees that Customer should verify all Payment Orders and other instructions and communications sent to Bank.

**H. WIRETRANSFER OPTIONS.** Customer may initiate Payment Orders on an as-needed basis ("Standard Transfer") and/ or may establish a predetermined, preauthorized schedule of Payment Orders ("Repetitive Transfer"). In the event Customer elects to utilize Repetitive Transfers, Customer may have two options. If Customer selects "manual" Repetitive Transfers, then Customer may not vary any of the details of the Payment Orders and the date, amount and beneficiary must remain the same. Or, if Customer selects Repetitive Transfers within the Online Banking System using a "repetitive" template, then Customer may vary the date and amount of the Payment Order; however, Authorized Accounts designated to be debited and credited may not vary. Additionally, upon receipt of documentation deemed satisfactory to Bank in its sole discretion, Customer may permit third parties to initiate a reverse wire transfer with the effect of debiting Customer's account with Bank and crediting the third party's account in accordance with the authorized Payment Order.

**I. ACCOUNT-TO-ACCOUNT TRANSFERS.** Customer's account-to-account transfers (i.e., book transfers) also constitute Payment Orders. All Payment Orders initiated by Customer must be initiated in compliance with Bank's security procedures set forth in this and any other applicable agreement between Bank and Customer.

**J. REPORTING ERRORS OR UNAUTHORIZED TRANSFERS.** Customer agrees that Customer is in the best position to protect against fraudulent and unauthorized transfers and to detect any such or any other error or discrepancy involving Customer's Account or any Payment Order. Customer must notify Bank of any error or discrepancy with respect to any Payment Order IMMEDIATELY and, in any event, (a) for Commercial Accounts within one (1) Business Day from the earliest date any electronic message or confirmation is sent to Customer pertaining to the Payment Order, or within thirty (30) days from the date Customer receives its Periodic Statement containing the Payment Order, or (b) if Bank has expressly consented to the utilization of the Services for consumer purposes, for Consumer Accounts within 2 (two) Business Days from the earliest date any electronic message or confirmation is sent to you pertaining to the Payment Order, or within sixty (60) days from the date you receive your Periodic Statement containing the Payment Order. Such notice shall be made by calling 877.839.2265 (Client Support). In the event Customer fails to notify Bank within the time frame set forth herein, Customer acknowledges and agrees that Bank shall be relieved of any liability in connection with the Payment Order. If, upon Customer's questioning a transaction within the time frame set forth herein, it is determined Bank complied with these Terms and Disclosures or that Customer did not comply with these Terms and Disclosures, Bank shall be relieved of all liability in connection with the Payment Order.

**K. CERTAIN CUSTOMER RESPONSIBILITIES.** Customer agrees that it has sole responsibility for ensuring the accuracy of any Payment Order. Customer understands that the numbers assigned to other financial institutions and to the financial accounts of recipients of transfers (known as beneficiaries) with Bank and other financial institutions are critical to Payment Orders. IF ANY PAYMENT ORDER BY CUSTOMER DESCRIBES THE INTENDED BENEFICIARY OF FUNDS INCONSISTENTLY BY NAME AND ACCOUNT NUMBER THAT PAYMENT BY THE RECEIVING FINANCIAL INSTITUTION (WHICH MAY BE BANK) MAY BE MADE ON THE BASIS OF ACCOUNT NUMBER ALONE EVEN IF THAT ACCOUNT IS NOT OWNED BY THE PERSON OR ENTITY NAMED IN THE PAYMENT ORDER. BANK WILL NOT BE LIABLE FOR ANY ERRORS OR LOSSES RESULTING FROM ANY ERRORS IN OR CHANGES TO THE BENEFICIARY INFORMATION PROVIDED BY CUSTOMER. CUSTOMER HEREBY AGREES AND ACKNOWLEDGES THAT BANK, THE BENEFICIARY'S FINANCIAL INSTITUTION AND EVERY INTERMEDIARY FINANCIAL INSTITUTION ARE NOT RESPONSIBLE FOR DETECTING ANY CUSTOMER ERROR CONTAINED IN ANY INDIVIDUAL PAYMENT ORDER.

If required, Customer agrees to provide an address of the beneficiary of each requested transaction. Customer represents and warrants to Bank that each transfer initiated by Customer is in compliance with the laws of the United States of America, including, without limitation, economic sanctions administered by OFAC and any other applicable laws.

**L. CERTAIN BANK RESPONSIBILITIES.** Bank's duties and responsibilities with respect to a Payment Order and any funds transfer service are limited to those described in this Section X. Bank's liability for failure to execute a Payment Order, if any, shall be limited as set forth in this Section X and otherwise in these Terms and Disclosures.

Bank will use ordinary care in performing under these Terms and Disclosures, but will be responsible for any loss sustained by Customer only to the extent such loss is incurred as a direct result of Bank's gross negligence or willful misconduct. However, in such case, Bank's liability will extend only to the resulting direct loss not to exceed the amount of the disputed transfer and any related fees. Notwithstanding the foregoing, Customer agrees that Bank will not be responsible for any liability, loss or damage resulting from: Customer's failure to follow these Terms and Disclosures or any procedures Bank requires for transmitting Payment Orders, of which Bank has notified Customer; or any delay in the performance by Bank of, or failure to perform, the provisions of these Terms and Disclosures; or the acts or omissions of any other person. Customer further agrees that to the fullest extent permitted by law Bank shall not be liable for any special, indirect, exemplary or consequential damages, including, but not limited to, lost profits, even if Bank has been informed of the possibility of such damages.

IN THE EVENT THAT A PAYMENT ORDER IS UNAUTHORIZED BUT EFFECTIVE PURSUANT TO THE SECURITY PROCEDURES AND OTHER PROCEDURES AGREED TO HEREIN, BANK IS ENTITLED TO ENFORCE OR RETAIN PAYMENT FOR THE PAYMENT ORDER FROM CUSTOMER UNLESS CUSTOMER CAN PROVE THAT THE PAYMENT ORDER WAS NOT CAUSED, DIRECTLY OR INDIRECTLY, BY A PERSON EITHER (I) ENTRUSTED AT ANY TIME WITH DUTIES TO ACT ON CUSTOMER'S BEHALF WITH RESPECT TO SUCH PAYMENT ORDER OR THE SECURITY PROCEDURES OR OTHER PROCEDURES HEREIN, OR (II) WHO OBTAINED ACCESS TO CUSTOMER'S TRANSMITTING FACILITIES OR WHO OBTAINED, FROM A SOURCE CONTROLLED BY CUSTOMER AND WITHOUT AUTHORITY OF BANK, INFORMATION FACILITATING A BREACH OF THE PROCEDURES, REGARDLESS OF HOW THE INFORMATION WAS OBTAINED OR WHETHER CUSTOMER WAS AT FAULT.

**M. CUSTOMER AMENDMENT/CANCELLATION REQUESTS.** Customer acknowledges and agrees that it has no right to reverse, amend, adjust, cancel or revoke a wire transfer request after Bank has executed the wire transfer. If Customer requests the reversal, adjustment, amendment, cancellation or revocation of a wire transfer request, Bank may (but shall not be obligated to) attempt to recover the funds from the transferee using whatever steps Bank may deem appropriate in Bank's sole discretion.

CUSTOMER AGREES TO INDEMNIFY BANK AND HOLD BANK HARMLESS AGAINST ANY CLAIM, LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES), WHICH BANK MAY INCUR IN ATTEMPTING TO EFFECT SUCH RECOVERY OF FUNDS. BANK MAKES NO REPRESENTATION OR WARRANTY AS TO BANK'S ABILITY TO REVOKE OR CANCEL A WIRE TRANSFER ONCE MADE.

**N. FOREIGN CURRENCIES.** Customer agrees that if it requests a transfer of funds in a currency other than United States dollars, Bank will convert the currency at Bank's current exchange rate for the specified foreign currency. If any funds are returned to Customer in a currency other than United States dollars, Bank will convert the returned foreign currency into United States dollars at its current exchange rate for such currency at the time of the return. If Bank does not have current exchange rates for the particular foreign currency involved, Bank will use its best efforts to convert the currency promptly through reasonable commercial and/or banking channels, and Customer shall pay Bank a reasonable fee for such services. In no event shall Bank be liable to Customer for any losses arising from currency conversions effected by Bank in good faith within a reasonable time after receiving funds for conversion. Each foreign currency transfer may be executed through a selected correspondent bank. The transfer will be assigned a value date, or date of final credit to beneficiary in accordance with the spot date generally used by the foreign exchange market or such other value date specified by the correspondent bank.

**O. BANK'S DISCRETION REGARDING CURRENCY CONVERSION FOR WIRE TRANSFERS.** In addition to Customer's ability to request that a wire transfer be sent in a currency other than U.S. Dollars, wire transfers that are denominated in U.S. Dollars but contain instructions from Customer for Bank to send to an account denominated in a foreign currency, may be converted by Bank or converted by an intermediary or correspondent bank or the receiving bank, in such entity's sole discretion, into the applicable currency of the country the wire transfer is being sent to. If the beneficiary requires Customer to send payment in U.S. Dollars, Customer must advise Bank at the time of the transaction. Customer understands that Bank may receive compensation in connection with such conversion. When the conversion occurs, Bank, intermediary or correspondent bank, or the receiving bank, determines, in such entity's sole discretion, the currency exchange rate. Bank is not responsible for the exchange rate set by an intermediary or correspondent bank or the receiving bank. If the Customer's transfer is returned for any reason, the Customer agrees to accept the refund in U.S. Dollars calculated at its current exchange rate for such currency at the time of the return, including applicable Bank fees. The Customer agrees to accept this amount as a full refund, even if the amount is less than the original amount transferred.

**P. CHARGES AND FEES.** Customer agrees to pay all charges which Bank may impose from time to time for following Payment Orders. Customer shall reimburse Bank for any out-of-pocket costs incurred by Bank in carrying out Payment Orders given by an Authorized Agent.

**Q. GOVERNING LAW.** Fund transfers shall be governed by all applicable operating circulars of any Federal Reserve Bank which may handle any transaction that is the subject of this Agreement and by all applicable provisions of federal law and regulation. If any part of a Payment Order is carried out by FEDWIRE, Customer's rights and responsibilities are governed by Regulation J of the U.S. Federal Reserve Board, 12 C.F.R. part 210. To the extent allowed by federal law, these Terms and Disclosures shall also be governed by the operating rules and other governing documents of SWIFT, or any other wire transfer or advice service or facilitator, and by the laws of any foreign nation having jurisdiction over the transfer (or any segment thereof, to the extent of that segment only). To the extent it is not governed by such laws, regulations, rules and other governing documents, these Terms and Disclosures shall be governed by the laws of the State of Texas. Without limiting the foregoing, certain provisions of UCC, Article 4A, may apply as well.

## XI. IMAGE CASH LETTER SERVICE TERMS

**A. SERVICE.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Image Cash Letter (“ICL”) Service, Customer will have the ability to scan images of checks and other Approved Items (as defined in Section XI.C below) for deposit. Customer agrees to comply with the following:

**B. ICL ACCOUNTS; FEES.** Approved Items may be deposited to one or more of Customer’s DDAs maintained at Bank and designated in writing by Customer (each an “ICL Account”). Customer must designate and maintain at least one commercial DDA as the ICL Account to utilize the ICL Service. Customer may designate more than one commercial DDA as an ICL Account for the ICL Service, provided, however, that Customer must contact Bank to add or delete ICL Accounts. Customer understands and agrees that deposits made via the ICL Service may only be made to a designated ICL Account. Customer will pay Bank all fees related to the ICL Service in accordance with Section I.N of these Terms and Disclosures.

**C. APPROVED ITEMS; IMPERMISSIBLE ITEMS.** Payment items (“Items”) that are permitted to be deposited using the ICL Service (“Approved Items”) include checks, money orders, travelers checks and similar Items, all of which must be made payable to Customer and must be received by Customer in the ordinary course of Customer’s business. Bank will not accept the following Items for deposit using the ICL Service: (1) Items payable to a third party (other than Items payable to a third party named in an authorizing agreement adopted by Customer and acceptable to Bank); (2) demand drafts or remotely created checks (i.e., checks lacking the original signature of the drawer); (3) Substitute Checks (i.e., paper checks created from an Electronic Image), other than Substitute Checks that Bank has returned to Customer; (4) Items that are irregular in any way (e.g., where the numerical and written amounts are different); (5) Items that have previously been returned unpaid for any reason; (6) Items that are postdated or more than six (6) months old; (7) Items drawn on a foreign bank or payable in a foreign currency; (8) Items payable to “cash”; (9) Items issued or drawn by Customer or any company affiliated with it through common ownership or control (unless specifically authorized by Bank); (10) any Item that Customer suspects is fraudulent or not properly authorized; (11) registered government warrants; (12) any Item(s) that exceed the transaction limitation(s) that Bank establishes from time to time in Bank’s sole discretion; or (13) any other Item that Bank determines, in its sole discretion, not to accept.

Bank’s processing of any of the Items described above shall not obligate it to continue that practice, and Bank may stop doing so without cause or prior notice. If Customer processes through the ICL Service any previously truncated and reconverted Substitute Check, it will ensure that the identification of previous truncating and Reconverting Banks are preserved and that the returned Substitute Check meets the requirements for legal equivalency under Federal Reserve Regulation CC (12 C.F.R. Part 229, “Reg. CC”). Bank may refuse any Item for deposit, with or without cause, or may elect to take an Item on a collection basis only. In addition, Bank may immediately suspend the ICL Service or the processing of any Item if it has reason to believe that there has been a breach in the security of the ICL Service, fraud involving Customer’s accounts with Bank or such Item, or any uncertainty as to the authorization or accuracy of any Item.

**D. EQUIPMENT.** Customer is solely responsible for purchasing, obtaining, installing and operating any and all equipment (including, without limitation, scanners and software) needed to use the ICL Service. In addition, Customer agrees to abide by any and all minimum file specifications provided by Bank. Customer acknowledges and agrees that Bank shall not be liable for the maintenance, repair, performance or malfunction of any software or equipment used by Customer in connection with the ICL Service.

**E. IMAGE QUALITY; REJECTED ITEMS; RETURNED ITEMS.** Customer shall ensure that the images of Approved Items shall satisfy image quality assurance (IQA) settings established by the Federal Reserve Banks and any other image quality standards specified by Bank. If any submitted Item is not complete, does not qualify as an Approved Item or cannot be processed by Bank for any reason, Bank may reject the Item for deposit, notwithstanding any transmission confirmation that Customer may receive. Bank may charge the amount of any rejected Item and any Item returned for insufficient

funds or as unpaid (for any reason) back against any Provisional Credit to Customer’s ICL Account. Bank may notify Customer if Bank is unable to process or declines to process an Item, and if any Item is returned for insufficient funds or as unpaid (for any reason). Bank will monitor Items returned for insufficient funds or as unpaid (for any reason) and may terminate the ICL Service if Bank determines, in its sole discretion, that the level or amount of Items returned for insufficient funds or as unpaid (for any reason) is inappropriately high. Bank may return any rejected or returned Item to Customer in the form of a Substitute Check, and if it does so, Customer may redeposit the returned Item only by redepositing the Substitute Check issued by Bank.

**F. ICL PROCEDURES, DEADLINES AND DISRUPTIONS.** Customer agrees to comply with all processing and operating procedures provided by Bank. Without limiting the foregoing, Customer agrees to adhere to the following minimum procedures:

1. Customer shall properly endorse all Approved Items prior to imaging. Endorsements shall be placed in black or dark ink on the back of each check, within the area designated by the Reg. CC. Endorsements shall state “Electronically Deposited to Texas Capital Bank.”
2. Customer must properly scan and transmit all information from the front and back of each original Approved Item. The ICL Service may reject any items received from Customer that cannot be processed due to image or MICR quality concerns. Customer agrees to be available to rescan or otherwise present originals of those Approved Items that cannot be processed due to image, MICR or other quality concerns.
3. Customer may create, approve and submit deposits using the ICL Service up to the cutoff time established by Bank. Customer understands and agrees that any deposit not submitted by Customer prior to the established cutoff time will be considered received by Bank on the next Business Day (Mondays through Fridays, except Bank holidays).
4. Only United States dollar-denominated checks drawn on United States banks may be deposited via the ICL Services. Bank assumes no responsibility for any check drawn on a non-United States bank or checks payable in any currency other than United States dollars (“nonconforming Items”) that are deposited via the ICL Service, and Customer shall indemnify Bank for any losses suffered by Bank as a result of processing any nonconforming Item.
5. Customer may use the ICL Service to transmit Approved Items at any time of day, including during non-Business Days, subject to unavailability during maintenance or system outages. Bank does not guarantee the availability of the ICL Service and is not responsible for the unavailability of the ICL Service or any liabilities, losses or damages that Customer may suffer as a result of the unavailability of the ICL Service for any reason, including unavailability due to Bank’s own acts or omissions. If the ICL Service is not available, Customer may make deposits at Bank’s branches on Business Days during normal business hours. Bank makes no warranties, whether express or implied, regarding or relating to any of the technology related to the ICL Service or the ICL Service itself, and Bank specifically disclaims any and all implied warranties of merchantability, fitness for a particular purpose and noninfringement.
6. Bank will process deposits submitted through the ICL Service that are received by Bank prior to the cutoff time established by Bank for accepting Approved Items and will provide ledger credit to Customer’s ICL Account for the amount of such deposits. Deposits received on a day that is not a Business Day or after the cutoff time for ICL deposits will be considered received on the next Business Day. Availability of funds deposited through the ICL Service will be determined by Bank’s current funds availability schedule. Bank reserves the absolute right to change the cutoff time for ICL deposits with prior notice to Customer.
7. Internet services are not guaranteed uptime services and can be subject to service disruption of unspecified duration and severity. Such disruptions are beyond the control of Bank. Bank assumes



no responsibility for any losses suffered by Customer for the disruption of Internet services, equipment or electronic failures, or any other condition beyond the control of Bank.

8. Images of Approved Items scanned by Customer will be transmitted through the secure transfer protocol specified by Bank. Customer understands and agrees that the ICL Service may be provided directly to Customer by Bank or by Bank's designated third-party vendor. The features, functions, specifications and performance of the ICL Service are within Bank's sole and absolute discretion.
9. All ICL files submitted by Customer to Bank must be balanced. Customer shall not submit duplicate ICL files to Bank and shall employ commercially reasonable measures to ensure that duplicate ICL files are not submitted to Bank.

**G. SECURITY.** Customer acknowledges that the ICL Service is subject to the terms and conditions set forth in these Terms and Disclosures, including, without limitation, the Security Procedures set forth in Section I.G of these Terms and Disclosures, and Customer agrees to comply with such Security Procedures and with other security procedures recommended by Bank to be implemented. Customer covenants and agrees that it will employ commercially reasonable measures sufficient to protect its ICL transmissions and data storage and to ensure that no Items are represented except as expressly permitted hereby. It is Customer's responsibility to promptly and completely implement any such security procedures. Customer will be solely responsible for any liability, loss or damage resulting from its failure to implement and comply with security procedures or to protect the confidentiality of passwords, log-in IDs, etc. Customer shall immediately contact Bank if Customer learns of unauthorized use of any password, log-in ID or other security feature assigned to Customer or any breach in security, including, without limitation, the loss or theft of any password or log-in ID or other security feature assigned to Customer.

**H. RECORDRETENTION.** Customer agrees to retain copies of original Items in a secure location for an appropriate length of time (i) to permit research if Items that are questioned by parties involved in the processing and clearing of a transaction or become the subject of any other legal inquiry, (ii) to comply with applicable law, (iii) to conform to the needs of Customer's business, (iv) to mitigate the risk of fraudulent duplicate presentations of original Items or any paper or electronic copy thereof, and (v) to address potential claims by recipients of Items where such recipients incurred a loss due to the receipt of the Item (in electronic form) or a substitute Item instead of the original paper Item. Notwithstanding anything in any User Guide or any other document provided to Customer in connection with the ICL Service, Bank makes no representation or warranty as to the appropriate length of time that original Approved Items should be retained or the appropriate method(s) of destruction after such period of time has elapsed. Customer should consult legal counsel regarding the appropriate length of time original Items should be retained based on Customer's business needs and regarding the appropriate method for destroying original Items.

**I. AUDITING AND INTERNAL CONTROLS; FURTHER ASSURANCES.** Bank reserves the right to audit inspect, and review Customer's files, records, systems and books with respect to its use of the ICL Service and its compliance with this Section XI and all laws, rules and regulations applicable to Customer's use of the ICL Service. Customer will provide, within the time frame specified by Bank, any and all documentation as Bank may request, regarding Customer's compliance with this Section XI and all laws, rules and regulations applicable to Customer's use of the ICL Service. Bank also reserves the right to require that Customer implement changes to its internal controls and processes related to its use of the ICL Service. Customer's failure to provide any requested documentation, to comply with Bank's audit request or to implement reasonably requested changes to its internal controls and processes related to its use of the ICL Service within Bank's specified time frame may result in closure of the ICL Account and Customer's other accounts with Bank.

**J. CUSTOMER WARRANTIES.** Customer is responsible for all the warranties and indemnifications of a Reverting Bank as defined in the Check Clearing for the 21st Century Act ("Check 21 Law") and its implementing regulations found in Reg. CC, as the same may be amended. Customer warrants

that the images it (or its agents, representatives and vendors) transmits to Bank or its third-party vendor (i) are faithful recreations of the original paper Item, (ii) contain accurate and legible images of all of the information on the front and back of each such Item, (iii) contains the accurate amount of the Item, and a record of all applicable MICR-Line information required for a substitute Item and (iv) conform to the requirements of Federal Reserve Regulation J (12 C.F.R. part 210), Reg. CC and the IQA settings and other technical standards for electronic Items established by the Federal Reserve Banks. Customer represents, warrants, covenants and agrees that duplicate images of the same Item will not be presented for payment to Bank or any other financial institution or entity, and that the original Item, an image of which has been transmitted to Bank or its third-party vendor through the ICL Service, will not be presented for payment to Bank or any other financial institution or entity. Customer further represents, warrants, covenants and agrees that (a) Items processed using the ICL Service are properly payable to Customer and are not third-party Items (except as specifically permitted); (b) deposit totals accurately match the total of all Items deposited; (c) if information about or in an Item is altered, including Item amounts and deposit totals, all such alterations are accurate and are properly made; and (d) following any retention period required by applicable law and/or any Separate Agreement or these Terms and Disclosures, original Items will be destroyed in a manner that will render the Items unreadable and incapable of subsequent recreation or processing. Customer hereby covenants and agrees that it is fully responsible for all Items transmitted through the ICL Service, whether such Items are transmitted by Customer or Customer's agents, representatives and vendors.

**K. INDEMNIFICATION.** CUSTOMER AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/ OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM BREACHES ASSERTED AGAINST BANK OR SUCH SERVICE PROVIDER IN CONNECTION WITH BANK'S AND/OR SUCH SERVICE PROVIDER'S PROVISION OF THE ICL SERVICE, INCLUDING, WITHOUT LIMITATION, DAMAGES ARISING OR RESULTING DIRECTLY OR INDIRECTLY FROM (A) THE PRESENTMENT OR NEGOTIATION OF THE ORIGINAL ITEM BY ANY PERSON OR RESULTING FROM THE SUBMISSION OF DUPLICATE IMAGES BY ANY PERSON, (B) CLAIMS THAT THE IMAGE OR SUBSTITUTE ITEM CREATED FROM AN IMAGE IS NOT AN ACCURATE AND UNALTERED RECREATION OF THE ITEM ORIGINALLY DRAWN BY THE DRAWEE, (C) CUSTOMER'S BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, COVENANTS OR AGREEMENTS RELATED TO THE ICL SERVICE, OR THESE TERMS AND DISCLOSURES (INCLUDING CUSTOMER'S LACK OF AUTHORITY TO MAKE THE WARRANTIES SET FORTH HEREIN), OR (D) CUSTOMER'S USE OR MISUSE OF THE ICL SERVICE. CUSTOMER'S INDEMNIFICATION OBLIGATIONS UNDER THIS SECTION XI SHALL BE IN ADDITION TO, AND NOT IN LIMITATION OF, CUSTOMER'S OTHER INDEMNIFICATION OBLIGATIONS SET FORTH IN THESE TERMS AND DISCLOSURES.

## **XII. IMAGE SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide images of checks to Customer with respect to the accounts that Customer has designated from time to time ("Image Services"), Customer agrees to comply with the following:

Customer understands and agrees that Bank will not return checks with the monthly account statement. Customer agrees that the information contained in the monthly account statement provided by Bank, and Customer's ability to request and receive microfilm copies and/or image copies of checks by contacting Bank after receiving the affected statements (subject to applicable fees) is sufficient for Customer to timely determine and report any alterations or forgeries of checks.

If Customer elects to receive a Compact Disc ("CD-ROM"), Bank will generally mail the CD-ROM to Customer within ten (10) Business Days of the end of the monthly statement cycle. Customer agrees

that within thirty (30) Business Days from the day Bank mails the CD-ROM, Customer will review the CD-ROM and notify Bank of any errors or unreadable images.

**B. LIABILITY.** Bank's liability to Customer for Image Services is limited, at Bank's option, to refund the fee paid by Customer for unreadable images, to reproduce the applicable CD-ROM, or to reproduce only the images of the unreadable checks. Customer agrees that Bank will have no liability to Customer if Customer fails to report any errors or unreadable images within thirty (30) Business Days of Bank providing images of checks or mailing the CD-ROM to Customer.

### **XIII. INFORMATION REPORTING SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide the Information Reporting Service, Bank will collect certain information with respect to Customer's accounts and Bank will make such information available to Customer to be viewed electronically each Business Day. Customer agrees to comply with the following:

**B. PARTICIPATING ENTITIES.** Customer must designate the accounts to be included in Bank's Information Reporting Service ("Participating Entities") on forms provided by Bank.

**C. ACCOUNT INFORMATION.** Bank agrees to allow Customer electronic access to information regarding the Participating Entities ("Account Information") at the start of each Business Day.

**D. MODIFICATIONS.** Notwithstanding anything contained in these Terms and Disclosures or these Service Terms to the contrary, Bank retains the right to revise its reporting of the Account Information, including the means and deadlines by which Bank provides the Account Information, without notice to Customer.

**E. UPDATING INFORMATION.** Customer understands that certain information available to it in connection with the Information Reporting Service is updated periodically and therefore, at any point in time may not reflect the information on Bank's records at such time. Customer acknowledges and agrees that the Information Reporting Service does not include any recommendation, guaranty, representation or warranty whatsoever by Bank. Bank shall not be responsible for errors in, or delays regarding, information provided to Bank by other financial institutions or other non-Bank sources.

### **XIV. INTEGRATED PAYABLES SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to permit Customer to utilize the integrated web-based business accounts payable and payment automation service ("Integrated Payables") offered by Bank through MineralTree, Inc. ("MineralTree"), the following provisions shall apply to the Integrated Payables and the Customer's use thereof, including the use of Integrated Payables by Customer's employees, representatives and personnel who access Integrated Payables on behalf of Customer:

Bank agrees to provide Integrated Payables to Customer with respect to the accounts that Customer has designated. For all intents and purposes, MineralTree will be considered a "third-party service provider" under these Terms and Disclosures, which means that the provisions from Section I.I will apply, such as the following, which are listed for the avoidance of doubt and do not limit or affect the applicability of all other Terms and Disclosures to the Integrated Payables:

1. Customer agrees to comply with the requirements of the contracts between Bank and MineralTree relative to the Integrated Payables Service. Customer acknowledges and agrees that MineralTree is not affiliated with or endorsed by Bank. Customer further agrees that Bank does not guarantee Integrated Payables and is not liable for the actions or inactions of MineralTree. Customer agrees

that it shall be solely responsible for all acts of MineralTree.

2. Customer agrees to pay Bank the fees for Integrated Payables as disclosed pursuant to and provided for in Section I.N of these Terms and Disclosures.
3. Customer agrees and acknowledges that its ability to obtain Integrated Payables is dependent upon MineralTree, which is a third-party network as provided in Section I.J of these Terms and Disclosures. In the event that MineralTree's network, software or services become unavailable, or Bank determines, in its discretion, that it cannot continue providing Integrated Payables, Bank may discontinue Integrated Payables and Bank will have no liability for the unavailability of access. In no event will Bank be responsible for any services or equipment that Customer receives from third-party vendors.

**B. ELIGIBLE ACCOUNTS.** Integrated Payables is only applicable to Customer's checking account(s). Non-transaction accounts, such as savings or money market accounts, are ineligible for enrollment in Integrated Payables.

**C. RIGHT TO LIMIT PAYEES.** Bank reserves the right to restrict the persons or entities to which Customer may direct a payment through Integrated Payables (each a "Payee"). Bank also reserves the right to restrict the categories of Payees that are eligible for Integrated Payable payments. Any loss Customer incurs as a result of payments directed to restricted Payees or categories of Payees, including, but not limited to, additional penalties or fines, is Customer's sole responsibility.

**D. INTEGRATED PAYABLES PAYMENTS.** Customer's use of Integrated Payables is also subject to the Terms and Disclosures that apply to the payment method selected by Customer for the particular payments at issue. Without limiting the foregoing, and for the avoidance of doubt, Integrated Payables payments using electronic credit and/or debit entries by means of ACH Network are subject to Section V of these Terms and Disclosures, Integrated Payables payments using wire transfers are subject to Section X of these Terms and Disclosures, and Integrated Payables payments using SilverPay Virtual Card are subject to Section XIV.J of these Terms and Disclosures.

Customer may recall a payment in a "Scheduled" status within Integrated Payables. As soon as a payment has been marked with a "Paid" status, it cannot be recalled, canceled or reversed from within Integrated Payables. However, depending upon payment type, some payments may qualify for cancellation or reversal in limited circumstances. In order for "Paid" Integrated Payables transactions to be canceled or reversed, additional transaction processing rules may apply and steps may be required outside of Integrated Payables as provided in the Account Terms for the applicable accounts. In the event Customer wishes to cancel or reverse a "Paid" Integrated Payables transaction, Customer should call 800.839.2801 (Client Support) IMMEDIATELY.

**E. SECURITY.** Customer agrees that all security-related terms and conditions provided in Section I.G of the Terms and Disclosures apply to Customer's use of Integrated Payables. Customer also agrees to: (1) limit use and access of all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) to Customer's trusted employees who will have access to Bank's Integrated Payables in order to perform their employment duties and who have registered with Integrated Payables as end users of such services; (2) instruct those employees that they are not to disclose or share their access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) to any other person; and (3) establish and maintain all procedures necessary to assure that all access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) will be maintained in strictest confidence.

Customer must notify Bank IMMEDIATELY in the event Customer has reason to believe that any of Customer's access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) or account number(s) have become known

by any unauthorized person by calling 800.839.2801 (Client Support). The security procedures used by Customer and Bank in connection with Integrated Payables are used to verify the authenticity and legitimacy of communication, including, but not limited to, transfer instructions received by Bank in Customer's name, and are not intended to detect errors of such communication.

Furthermore, it is Customer's sole responsibility to notify Bank IMMEDIATELY in the event an authorized person's access to the Integrated Payables should be revoked by calling 800.839.2801 (Client Support). Bank is not liable or responsible to Customer for any transactions conducted by any user whose authority to use Integrated Payables is no longer in effect until Bank has received notice from Customer to the contrary and has had a reasonable amount of time to act upon such notice.

**F. LIMITATION OF LIABILITY IN CONNECTION WITH MINERALTREE SERVICES AND INTEGRATED PAYABLES.** The rights and obligations of Customer and Bank under this Section XIV.F shall be in addition to and not in limitation of the rights and obligations of Customer and Bank under Section I.E of these Terms and Disclosures.

The amount of any claim Customer brings against Bank in connection with any account(s) or transaction with Bank in connection with the Integrated Payables is subject to reduction and Bank's right to set off on the basis of negligence or failure to use reasonable care on the part of (i) Customer, (ii) any owner or signer on the relevant Customer account(s), (iii) any user of Integrated Payables authorized by Customer, or (iv) any of Customer's agents or employees, which negligence or failure to use reasonable care contributed to the loss that is the basis of Customer's claim. Customer further agrees that (a) Bank's liability with respect to any such claim will be limited to the face value of any item or transaction improperly dishonored or paid or the actual value of any deposits not properly credited or withdrawals not properly debited, and (b) except as otherwise required by applicable law, Bank shall not be liable for any loss of profits or incidental, special, indirect, exemplary, consequential or punitive damages.

Customer agrees to reimburse Bank for any liability, loss, cost and expense Bank may incur in connection with Customer's account(s) except to the extent that such liability, loss, cost or expense was caused solely by Bank's intentional misconduct.

IN ADDITION, THE LIABILITY OF MINERALTREE'S AND BANK'S OTHER LICENSORS AND SUPPLIERS FOR THE INTEGRATED PAYABLES OR THE MINERALTREE SERVICES TO CUSTOMER, CUSTOMER'S OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES AND PAYEES, AND CUSTOMER'S OWN CUSTOMERS, FOR ANY CLAIM ARISING UNDER THESE TERMS AND DISCLOSURES OR OTHERWISE ARISING FROM INTEGRATED PAYABLES OR MINERALTREE SERVICES CONTEMPLATED HEREIN, REGARDLESS OF THE FORM OF ACTION (INCLUDING, BUT NOT LIMITED TO, ACTIONS FOR BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, RESCISSION AND BREACH OF WARRANTY ) WILL NOT EXCEED THE AGGREGATE FEES ACTUALLY PAID TO BANK BY CUSTOMER FOR INTEGRATED PAYABLES DURING THE TWELVE (12) MONTH PERIOD PRECEDING SUCH CLAIM. CUSTOMER AGREES THAT MINERALTREE ITSELF AND MINERALTREE'S AND BANK'S OTHER LICENSORS AND SUPPLIERS FOR INTEGRATED PAYABLES OR THE MINERALTREE SERVICES ARE INTENDED THIRD-PARTY BENEFICIARIES OF THIS PROVISION. IN NO EVENT SHALL BANK, MINERALTREE, OR BANK'S OTHER LICENSORS AND SUPPLIERS FOR INTEGRATED PAYABLES OR THE MINERALTREE SERVICES BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF REVENUES AND LOSS OF PROFITS, EVEN IF BANK, MINERALTREE, OR SUCH OTHER LICENSORS AND SUPPLIERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**G. PROPRIETARY AND CONFIDENTIAL INFORMATION; LICENSE.** Integrated Payables constitutes Proprietary and Confidential Information of Bank, MineralTree or Bank or MineralTree's other licensors and suppliers. Customer has a nonexclusive and nontransferable license to use such Proprietary and Confidential Information solely to the extent needed to utilize and receive Integrated

Payables. In addition to complying with all requirements of Section I.R of these Terms and Disclosures with regard to such Proprietary and Confidential Information, Customer agrees that MineralTree or Bank, as applicable, and such entity's licensors and suppliers retain all right, title and interest in and to the original, and any copies, of Integrated Payables Services and associated documentation. Customer agrees ownership of all patent, copyright, trade secret, trademarks and other intellectual property rights pertaining thereto are protected by the intellectual property laws of the United States and other countries, as applicable, and shall be and remain the sole property of MineralTree or Bank, as applicable, and such entity's licensors and/ or suppliers. Customer shall not be an owner of any copies of, or have any interest in, Integrated Payables or associated documentation. Without limiting the generality of the foregoing, Customer shall be prohibited from, and shall agree not to: (i) modify, port, translate, localize or create derivative works of Integrated Payables; (ii) decompile, disassemble, reverse engineer or attempt to reconstruct, identify or discover any source code, underlying ideas, underlying user interface techniques or algorithms of Integrated Payables by any means whatever, or disclose any of the foregoing; or (iii) sell, lease, license, sublicense, copy, market or distribute Integrated Payables or use it as a service bureau. Customer agrees that MineralTree itself and MineralTree's and Bank's other licensors and suppliers for Integrated Payables are intended third-party beneficiaries of this provision.

**H. INDEMNIFICATION BY MINERALTREE.** Customer may have certain rights to be indemnified by MineralTree against and held harmless by MineralTree from certain claims that the Integrated Payables, or Customer's use thereof, infringes any United States patent, copyright, trademark, trade secret or other intellectual property right of any third party. Bank makes no representations or warranties regarding such indemnification rights. Bank has no obligations regarding such indemnification rights. Customer acknowledges and agrees that it will promptly notify MineralTree and Bank of such claims and provide MineralTree with reasonable cooperation and assistance in the defense or settlement of such claims.

**I. SILVERPAY VIRTUAL CARD.** Customer agrees that the term, conditions and requirements of the "Priority General Terms and Conditions" available at <https://www.texascapitalbank.com/docs/default-source/pdf/s/integrated-payables---mineral-tree---priority-general-terms-and-conditions.pdf>, as may be amended from time to time in accordance with its terms, will apply to all Integrated Payables payments made by Customer through the SilverPay Virtual Card and apply to all other uses of the SilverPay Virtual Card services by Customer, and Customer agrees to abide by, be held responsible for, and comply with all such terms, conditions and requirements.

## **XV. LOAN SWEEP SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Customer with services for transferring funds between a specified credit facility ("Loan") and a specified DDA maintained by Customer with Bank (the "Loan Sweep Services"), Customer agrees to comply with the following:

**B. APPOINTMENT.** Customer hereby appoints Bank as Customer's agent, to act on behalf of Customer for the purpose of borrowing from and making repayments to the Loan. Bank is authorized to debit or credit the Loan or the specified DDA each Business Day as necessary and as specified in this Section XV. Bank may cease to provide the Loan Sweep Services to Customer at any time with prior notice to the Customer.

**C. TARGET BALANCE AMOUNT.** For the specified DDA, Bank and Customer may set a "Target Balance Amount" that is the level of available balances that will remain in the specified DDA.

**D. CREDIT FACILITY.** Customer acknowledges that as a condition precedent to use by Customer of the Loan Sweep Services, it shall have in place a current credit facility with Bank (the "Credit Facility").



Any credit extended to Customer through use of the Loan Sweep Services will be subject to all of the terms and conditions of the Credit Facility.

**E. OPERATION OF LOAN SWEEP.** After the close of business on each Business Day, Bank will determine the balance in the specified DDA after all transactions for that Business Day have been posted to such specified DDA and will either:

1. If the specified DDA contains less than the Target Balance Amount, Bank will draw on the Loan up to the amount of credit available under the Credit Facility and any associated borrowing base (the “Borrowing Base”) on its applicable Loan system and transfer the proceeds of such draw to fund the specified DDA up to the Target Balance Amount. To permit such draws, Bank hereby waives any notice requirements for such draws under the Credit Facility. If the amount of the available credit under the Credit Facility and associated Borrowing Base is insufficient to bring the balance in the specified DDA to the Target Balance Amount, the Target Balance Amount in the specified DDA will not be reached to the extent of such insufficiency;
2. If the specified DDA contains more than the Target Balance Amount, Bank will pay down the Loan so that the Target Balance Amount remains in the specified DDA. To permit such pay downs, Bank hereby waives any notice requirements for such pay downs under the Credit Facility. Payments to pay down the Credit Facility will only be applied to those Loans which are revolving Loans under the Credit Facility and which will not result in any break-funding costs or prepayment premiums to the Customer. To the extent there remains a balance in excess of the Target Balance Amount in the specified DDA after pay down of the Credit Facility, the excess funds will remain in the specified DDA.
3. If the Credit Facility has expired or for whatever reason is not available for use by the Customer, any balance in the specified DDA in excess of the Target Balance Amount will be used to pay down the principal amount of the Credit Facility. Under no circumstances will advances be made against a mature Credit Facility, regardless of availability.

## **XVI. LOCKBOX SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to permit Customer to have Customer’s payments mailed directly to a United States Postal Service location that is accessible and maintained by Bank (“Lockbox Services”), Customer agrees to comply with the following:

1. The terms in this Section XVI, to be entered into by Bank and Customer as a condition of Bank’s provision of Lockbox Services, govern the agreement between Bank and Customer regarding Bank’s receipt, processing and reporting of Remittances, as defined hereafter, to Customer. Bank and/or Contractor shall have full access to the Lockbox for purposes of carrying out its obligations under these Lockbox Services terms.
2. Customer understands and acknowledges that Bank may utilize the services of a third-party lockbox service provider (“Contractor”). In such case, Customer agrees to execute any additional documentation requested by Bank or Contractor to give effect to such relationship. Bank and/or Contractor agree to process all Remittances directed to or by Customer at the lockbox and address designated on Bank’s or Contractor’s Lockbox setup form.
3. Wherever used herein, the terms: (a) “Remittance” shall mean and include cash, checks, bank drafts and any other form of payment acceptable to Customer and Bank as designated on the Lockbox setup form; and (b) “Remittance Account” shall mean and include Customer’s deposit account designated on the Lockbox setup form.

**B. REQUIRED FORM OF REMITTANCE.** Any Remittance submitted in accordance with these requirements shall be referred to as a “Conforming Remittance.” A Conforming Remittance is required to:

- be signed by payer;
- be dated no more than six (6) months prior to the date processed and no more than two (2) days after the date processed (any Remittance not dated at the time of receipt will be dated by Bank as of the date processed);
- bear a written or numerical amount (where such amounts conflict, Bank shall pay the amount reflected by protectograph, if available, and if not available, Bank shall pay the numerical amount designated);
- bear no restrictive notations or endorsements, including, but not limited to, notations or endorsements such as “payment in full” or “final settlement” (provided, however, that in no event shall Bank be liable to Customer or any third party for processing any Remittance bearing a notation or endorsement such as that described herein); and
- comply with any other requirements established by Bank.

Any Remittance not submitted in accordance with the requirements of this Section XVI.B shall be referred to as a “Nonconforming Remittance.”

**C. PROCESSING.** Bank and/or its Contractor shall endorse, deposit and credit all Conforming Remittances to the Remittance Account in accordance with the Account Terms applicable to the Remittance Account and these Lockbox Services terms. Bank and/or Contractor shall not be required to process, and shall reject, any Nonconforming Remittance, and shall transmit or return such Remittance to Customer, including all original documentation submitted with such Remittance, within one (1) Business Day following Bank’s or Contractor’s receipt of such Remittance. Bank or Contractor shall designate the basis for its return of any Nonconforming Remittance.

Bank and Contractor shall have no liability to Customer or any third party for any Cash Remittance received by mail. The term “Cash” as used these Lockbox Services terms shall mean and include cash or currency of the United States only. CUSTOMER AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/OR EXPENSE (INCLUDING REASONABLE ATTORNEYS’ FEES AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM CLAIMS OF THIRD PARTIES IN CONNECTION

WITH CASH REMITTANCES BY MAIL. At Bank’s sole discretion, any Remittance drawn on foreign banks or payable in foreign currency will be processed for collection through Bank’s normal channels for the collection of foreign items. Such foreign Remittances shall be credited to the Remittance Account after collection, and will be credited to the Remittance Account in the amount of the Remittance, less any charges incurred and paid by Bank in connection with such Remittance.

Any Conforming Remittance deposited to the Remittance Account and returned unpaid for any reason will be redeposited by Bank only once, unless Bank, in its sole discretion, determines that redeposit is unwarranted for reasons including, but not limited to, Remittances bearing return designations such as “account closed” or “payment stopped” or Customer otherwise instructs Bank on the AR Advantage Form. Bank shall charge Customer for any returned Remittances in accordance with the Account Terms of the Remittance Account.

**D. ACCEPTABLE PAYEES.** The payee or endorsee of a Remittance must be Customer or one of the payees identified by Customer (individually, an “Acceptable Payee”; collectively, the “Acceptable Payees”) or a reasonable variation thereof. If the payee or endorsee of a Remittance is not an Acceptable Payee or reasonable variation thereof, the Remittance may NOT be deposited. Bank reserves the right, in its sole discretion, to determine what is a reasonable variation of an Acceptable Payee. CUSTOMER AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/OR EXPENSE (INCLUDING REASONABLE ATTORNEYS’ FEES AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM BANK DEPOSITING A REMITTANCE PAYABLE TO OR ENDORSED IN FAVOR OF AN ACCEPTABLE PAYEE OR A REASONABLE VARIATION THEREOF, AS AFORESAID.

**E. IMAGES OF REMITTANCES.** Customer will only receive an imaged copy of the Conforming Remittances provided through the Lockbox Imaging Product (as defined below).

**F. DIGITAL LOCKBOX SERVICES.** Bank or Contractor shall provide a secure, web-based environment for accessing and maintaining digital images of certain lockbox data, which may include checks, invoices, payment coupons, envelopes or other Remittance-related documents (the “Lockbox Imaging Product”). Bank or Contractor shall provide the Lockbox Imaging Product based on Customer’s selection on the Lockbox setup form. Bank or Contractor shall provide lockbox images via the format selected by Customer on the Lockbox setup form.

**G. SECURITY.** Customer assumes responsibility for providing internal safeguards to restrict use of log-in ID and password information necessary for accessing Customer’s images or other information provided through the Lockbox Imaging Product to those who have a business need within Customer’s organization. Customer shall comply also with Bank’s Security Procedures set forth in Section I.G of these Terms and Disclosures.

## **XVII. IMAGE CAPTURE SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to permit Customer to initiate deposits by means of the Image Capture Service, Customer agrees to comply with the following:

**B. REMOTE DEPOSIT CAPTURE SERVICE.** If Customer has requested and been approved to use the Remote Deposit Capture (“RDC”) Service, Customer will have the ability to scan or otherwise create images of checks, create deposits and electronically transfer those deposits for credit to one or more of Customer’s accounts maintained at Bank and designated in writing by Customer (the “RDC Account”). Images of checks scanned or created by Customer will be transmitted through a secure, browser-based user interface. Customer understands and agrees that the RDC Service may be provided directly to Customer by Bank or by Bank’s designated third-party vendor. The features, functions, specifications and performance of the RDC Service are within Bank’s sole and absolute discretion.

If any capitalized term defined below is used in Federal Reserve Board’s Regulation CC (Vol. 12 of the U.S. Code of Federal Regulations, part 229) promulgated to comply with Check 21, as it may be amended, substituted for or recodified from time to time (“Reg. CC”), then such term generally shall have the meaning assigned to it in Reg. CC. To the extent that any of the defined terms in these Remote Deposit Capture Services Terms use a term not defined herein but otherwise defined in Reg. CC, then such definition also incorporates the meaning assigned to the applicable term as set forth in Reg. CC. To the extent that any term used by Bank in providing Customer the RDC Services is a term that is not used or defined in these Terms and Disclosures, Customer and Bank agree to such term commonly used with regard to RDC Services shall have the meaning as defined in Reg. CC if such term is so defined.

All other capitalized terms used that are not otherwise defined in these Terms and Disclosures shall have the meaning given to such term in Article 3 or Article 4 of the UCC. In addition, Customer

acknowledges that the Electronic Image of the Original Check submitted to Bank shall be deemed an “item” within the meaning of Article 4 of the UCC.

1. “Check 21” means the Check Clearing for the 21st Century Act, which became effective October 28, 2004, and the Federal Reserve Board Reg. CC, Subpart D, promulgated to implement the provisions of the Check Clearing for the 21st Century Act.
2. “Electronic Deposit” means a file that contains information regarding each Electronic Image(s) to be submitted by Customer to Bank that meets all of the requirements imposed from time to time by Bank as set forth in these Terms and Disclosures.
3. “Electronic Image” means a digital or electronic representation of an Original Check that is a Sufficient Copy and meets all of the Standards and is submitted by Customer to Bank for processing and collection as a Substitute Check.
4. “Magnetic Ink Character Recognition Line” or “MICR Line” means the numbers, which may include the routing number, Account number, check number, check amount and other information, that are printed near the bottom of a check in magnetic ink in accordance with the Standards.
5. “Original Check” means the first paper check issued to or endorsed in Customer’s favor with respect to a particular payment transaction.
6. “Processing Software” means the software for personal computer or mobile device hosted by Bank that administers the Digital Deposits process and captures Electronic Images for deposit.
7. “Reconverting Bank” means: (1) the bank that creates a Substitute Check; or (2) with respect to a Substitute Check that was created by a person that is not a bank, the first bank that transfers, presents, or returns that Substitute Check or, in lieu thereof, the first paper or electronic representation of that Substitute Check.
8. “Standards” means the applicable standards set forth in Check 21 or as promulgated by the American National Standards Institute (“ANSI”) for image quality and transmission protocols, including, but not limited to, ANS X9.13, ANS 9.37 and ANS X9.100-140 (or any amendment or substitute for such standards as may be promulgated from time to time), whether such standard pertains to the MICR Line, the image quality of the Original Check, the placement of an image of the Original Check on the Substitute Check, or the manual or electronic transfer of a Sufficient Image Copy or other electronic representation of an Original Check or a Substitute Check, unless the Federal Reserve Board by rule or order determines that a different standard is to apply.
9. “Substitute Check” means a paper reproduction of an Original Check that: (1) contains an image of the front and back of the Original Check; (2) bears a MICR Line that, except as provided under the applicable Standard, contains all the information appearing on the MICR Line of the Original Check at the time that the Original Check was issued and any additional information that was encoded on the Original Check’s MICR Line before an image of the Original Check was captured; (3) conforms in paper stock, dimension and otherwise with ANS X9.100-140 (unless the Federal Reserve Board by rule or order determines that a different standard applies); and (4) is suitable for automated processing in the same manner as the Original Check.
10. “Sufficient Copy” and “Copy” means: (1) a sufficient copy is a copy of an Original Check that accurately represents all of the information on the front and back of the Original Check as of the time the Original Check was truncated or is otherwise sufficient to determine whether or not a claim is valid. (2) A copy of an Original Check means any paper reproduction of an Original Check, including a paper printout of an Electronic Image of the Original Check, a photocopy of the Original Check, or a Substitute Check.

11. “Sufficient Image Copy” means an Electronic Image of an Original Check or Substitute Check that is capable of printing a Sufficient Copy of such Original Check or Substitute Check.
12. “Third Parties” means any party whom Customer hires, employs, or to whom Customer delegates its duties or responsibilities to use RDC Services.
13. “Truncate” means to remove an Original Check from the forward collection or return process and send to a recipient, in lieu of such Original Check, a Substitute Check or, by agreement, information relating to the Original Check (including data taken from the MICR Line of the Original Check or an Electronic Image of the Original Check), whether with or without the subsequent delivery of the Original Check

**C. THE RDC ACCOUNT.** Customer must designate and maintain at least one DDA as the RDC Account to utilize the RDC Service. Customer may designate more than one DDA as an RDC Account for the RDC Service; provided, however, that Customer must contact Bank to add or delete RDC Accounts. Customer understands and agrees that deposits made via the RDC Service may only be made to a designated RDC Account.

**D. SCANNERS AND OTHER EQUIPMENT AND SOFTWARE.** Scanners used by Customer to provide the RDC Service are not required to be purchased through Bank from the third-party vendor(s) specified by Bank. However, scanners purchased by Customer must be compatible with Bank’s remote deposit capture system. If Bank assists Customer in connection with Customer’s purchase of scanners, Customer understands and acknowledges that Bank is not the manufacturer or vendor of the scanner(s). Customer understands, acknowledges and agrees that Bank assumes no responsibility for the maintenance, repair, performance or malfunction of the scanner(s). Customer is solely responsible for purchasing, obtaining, installing and operating any and all equipment, and all software needed to use the RDC Service. Bank will provide Customer with minimum specifications for software and other equipment. Customer agrees to abide by any and all minimum specifications for scanners, equipment and software. Customer acknowledges and agrees that Bank shall not be liable for the maintenance, repair, performance or malfunction of third-party software, scanners or other equipment used by Customer in connection with the RDC Service.

**E. SECURITY.** To utilize the RDC Service, Customer must designate a person who will be responsible for system administration and all access approval rights within Customer’s organization (“RDC System Administrator[s]”). Bank may rely on the instructions of the RDC System Administrator(s) designated by Customer. Customer acknowledges and agrees that Customer is solely responsible for determining the authority and limits for Customer employees with access to the RDC Service. Software provided by Bank’s third-party vendor includes certain features for enhancing the security of Customer’s transactions via the RDC Service. These include the use of passwords or log-in IDs and approval levels for the type of task performed. It is Customer’s responsibility to use these features and to protect the confidentiality of passwords and log-in IDs. Customer agrees to immediately contact Bank if Customer learns of any breach in security, including, without limitation, the loss or theft of any password or log-in ID, or any unauthorized use of any of Customer’s passwords or log-in IDs. If Customer fails to immediately notify Bank of any breach in security, Customer agrees that Bank shall not be liable for any losses resulting from Customer’s failure to give such notice.

In addition to the foregoing, Customer acknowledges that the RDC Service is subject to the terms and conditions set forth in these Terms and Disclosures, including, without limitation, the Security Procedures set forth in Section I.G of these Terms and Disclosures, and Customer agrees to comply with such Security Procedures. Bank may recommend certain types of other security procedures. It is for any liability, loss or damage resulting from the failure to comply with such security procedures.

**F. PROCESSING PROCEDURES.** Customer agrees to comply with all processing and operating procedures set forth in any User Guide. Without limiting the foregoing, Customer agrees to adhere to the following minimum procedures:

1. Checks deposited into an RDC Account must be payable to Customer (or to a “Specified Third Party” named in an authorizing agreement adopted by the Customer and acceptable to Bank). Customer shall properly endorse all checks with “Electronically Deposited to Texas Capital Bank” prior to or in connection with imaging. Customer must ensure that Customer is using a scanner that automatically endorses Customer’s checks. If not, Customer must stamp or write “Electronically Deposited to Texas Capital Bank” on the back of Customer’s checks in the endorsement section before submitting the checks. Endorsements shall be placed in black or dark ink on the back of each check, within the area designated by Reg. CC. If Customer is unsure if its scanner endorses checks, or Customer would like to order an attachment for Customer’s scanner to begin endorsing checks, Customer may contact Treasury Support at 800.839.2801 or [treasurysupport@texascapitalbank.com](mailto:treasurysupport@texascapitalbank.com).
2. Customer must properly scan and transmit all information from the front and back of the Original Check. Such images must be complete, usable and adhere to the Standards. The RDC Service will reject any items received from Customer that cannot be processed by Bank or its designated processor due to image or MICR quality concerns. Customer agrees to be available to rescan or otherwise present Original Checks for those items that cannot be processed due to image, MICR or other quality concerns.
3. Customer may create, approve and submit deposits up to the established cutoff time. Customer understands and agrees that any deposit not submitted by Customer prior to the established cutoff time will be considered received by Bank on the next Business Day following Customer approval. Bank’s policy is generally to make funds from a RDC Service deposit available to Customer on the first Business Day after the day Bank receives such deposit. Funds that are deposited using the RDC Service will not be deemed “received” by Bank until Bank has received an Electronic Image that meets all of the requirements for deposits via the RDC Service as stated herein.
4. If we accept for deposit to the RDC Account via the RDC Service a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay availability to withdraw a corresponding amount of funds that Customer have on deposit in another Account with Bank. The funds in the other Account would then not be available for withdrawal until the time periods that are described elsewhere in these Terms and Disclosures for the type of check that Customer deposited.
5. Availability of funds deposited via the RDC Service may be delayed for a longer period if Bank believes a deposited item will not be paid, if Customer redeposits an item that has been returned unpaid, if Customer has repeated overdrafts on an Account, or if there is an emergency, or failure of computer or communications equipment. The availability of funds deposited via the RDC Service may also be delayed for a variety of additional reasons as determined in Bank’s sole discretion, including, but not limited to, Bank believing a check deposited is a duplicate image or Bank detecting or investigating any unusual or suspicious activity as determined in Bank’s sole discretion.
6. Bank will generally notify Customer if fund availability is delayed for any of these or other reasons, and Bank will attempt to tell Customer when such funds will be available. If Customer will need the funds from a deposit via the RDC Service, Customer should contact Bank to inquire when the funds will be available.
7. Only United States dollar-denominated checks drawn on United States banks may be deposited via the RDC Services. Bank assumes no responsibility for any check drawn on a non-United States bank or checks payable in any currency other than United States dollars (“nonconforming items”) that are deposited via the RDC Service. CUSTOMER AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/OR EXPENSE (INCLUDING REASONABLE ATTORNEYS’ FEES AND EXPENSES)



ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM ANY LOSSES SUFFERED BY BANK AS A RESULT OF PROCESSING ANY NONCONFORMING ITEM.

**G. MOBILE DEPOSITS.** Customer may use the RDC Service to deposit checks by creating an image of the check using Bank's mobile application and a mobile device, and transmitting that image to Bank for deposit (a "Mobile Deposit"). The use of RDC Services for Mobile Deposits is separate and apart from any other charges that may be assessed by Customer's wireless carrier for text messages sent to or received from Bank. Customer is responsible for any fees or other charges that its wireless carrier may charge for any related data or message services including, without limitation, short message services.

In order to make Mobile Deposits, Customer must have a supported mobile device, such as a smartphone or tablet, with a camera, access to the Internet and a supported operating system, which is compatible with Bank's mobile application. Bank does not guarantee that all mobile device and operating systems are suitable for Mobile Deposits. Customer is responsible for the security of the mobile device, and for allowing its use only by individuals authorized by Customer. Customer agrees to implement and maintain specific internal security controls to protect the mobile device and Customer information. Customer is strongly encouraged to mitigate the risks that mobile devices present by ensuring that its mobile device is password protected. Bank may require that Customer implement and maintain additional specific controls, which may be amended from time to time.

ALL CHECKS DEPOSITED VIA MOBILE DEVICE NEED TO HAVE THE FOLLOWING PHRASE BELOW THE ENDORSEMENT:

"Electronically Deposited to Texas Capital Bank," followed by your signature and account number.

All endorsements must appear on the back of the check or other item within the first 1½ inches from the left side of the item when looking at it from the front. Items transmitted without being properly endorsed are subject to rejection by us. While we may accept nonconforming endorsements, you agree to be responsible for any loss, damage, cost or expense (including attorneys' fees) we incur due to the delay in processing or returning the item for payment.

Bank reserves the right to impose limits on the amount and/or number of deposits (over a period of time set by Bank) that Customer transmits for the Mobile Deposit and to modify such limits from time to time. Bank reserves the right to adjust these limits based on account activity, abuse of the product, or general risk parameters. If Customer attempts to initiate a deposit in excess of these limits, Bank may reject Customer's deposit. If Bank permits Customer to make a deposit in excess of these limits, such deposit will still be subject to the terms of these Terms and Disclosures, and Bank will not be obligated to allow such a deposit at other times. Checks not properly endorsed may be rejected or accepted in Bank's sole and unfettered discretion.

**H. DEADLINES AND DISRUPTIONS.** Bank will process deposits that are received by Bank prior to the cutoff time established by Bank for accepting items deposited through the RDC Services and provide ledger credit to Customer's RDC Account for the amount of such deposits. Deposits received on a day that is not a Business Day or after the cutoff time for RDC deposits or Mobile Deposits will be considered received on the next Business Day. Availability of funds deposited through the Services will be determined by Bank's current funds availability schedule. Bank reserves the absolute right to change the cutoff time for RDC deposits or Mobile Deposits with prior notice to Customer.

Internet services are not guaranteed uptime services and can be subject to service disruption of unspecified duration and severity. Such disruptions are beyond the control of Bank. Bank assumes no responsibility for any losses suffered by Customer for the disruption of Internet services, equipment or electronic failures, or any other condition beyond the control of Bank.

**I. RECORD RETENTION.** Customer agrees to retain Original Checks in a secure location for an appropriate length of time to permit research if items are questioned by parties involved in the processing and clearing of a transaction or become the subject of any other legal inquiry. Notwithstanding anything in the User Guide or any other document provided to Customer in connection with the RDC Services, Bank makes no representation or warranty as to the appropriate length of time that Original Checks should be retained or the appropriate method(s) of destruction after such period of time has elapsed. Customer should consult legal counsel regarding the appropriate length of time Original Checks should be retained based on Customer's business needs.

**J. AUDITING AND INTERNAL CONTROLS; FURTHER ASSURANCES.** Bank reserves the right to audit, inspect and review Customer's files, records, systems and books with respect to its use of the RDC Services and its compliance with these Terms and Disclosures and all laws, rules and regulations applicable to Customer's use of the RDC Services. Customer will provide, within the time frame specified by Bank, any and all documentation as Bank may request, including without limitation Original Checks, regarding Customer's compliance with these Terms and Disclosures and all laws, rules and regulations applicable to Customer's use of the RDC Services. Bank also reserves the right to require that Customer implement changes to its internal controls and processes related to its use of the RDC Services. Customer's failure to provide any requested documentation to comply with Bank's audit request or to implement reasonably requested changes to its internal controls and processes related to its use of the RDC Services within Bank's specified time frame may result in closure of the RDC Account and Customer's other accounts with Bank.

**K. CUSTOMER WARRANTIES AND INDEMNIFICATIONS.** Customer is responsible for all the warranties and indemnifications of a Reconverting Bank as defined in Check 21. Customer understands and acknowledges that all of the warranties deemed given by a depositor of a check to a bank under the UCC shall also apply to any Electronic Image of an Original Check, any Substitute Check deposited by Customer, and any Image Replacement Document or other item purporting to be a Substitute Check deposited by Customer the same as if such items were a paper check within the meaning of the UCC, except to the extent that any warranties deemed given under the UCC may be expressly superseded by the Check 21. Customer warrants that the Electronic Image that Bank converts to a Substitute Check meets the requirements of the Check 21 for legal equivalence. Such warranty given is deemed given to Bank and any other person, company or financial institution to which we transfer, present or return the Substitute Check or a paper or electronic representation of the Substitute Check.

Customer warrants that the images it transmits to Bank or its third-party vendor are faithful recreations of the original paper item. Customer also represents and warrants that duplicate images of the same item will not be presented for payment to Bank or any other financial institution or entity, and that the original item, an image of which has been transmitted to Bank or its third-party vendor through the RDC Services, will not be presented for payment to Bank or any other financial institution or entity. Customer also represents and warrants that: (a) checks processed using the RDC Services are in Customer's possession and properly payable to Customer and are not third-party checks (unless named as a "Specified Third Party" in an authorizing agreement adopted by Customer and acceptable to Bank); (b) deposit totals accurately match the total of all items deposited; (c) if the Customer alters information, including check amounts and deposit totals, all such alterations are accurate and are properly made; and (d) following any retention period required by applicable law and/or these Terms and Disclosures, original items will be destroyed in a manner that will render the items unreadable and incapable of subsequent recreation or processing.

Customer also agrees and represents and warrants that it will not use RDC Services to deposit: (a) Original Checks or other items previously converted to a Substitute Check; (b) checks or items that are Remotely Created Checks (as defined in Reg. CC); (c) checks or items dated more than six (6) months prior to the date of deposit; (d) checks or items that have been previously collected; and (e) other checks or items prohibited by Bank's current applicable Account Terms.

CUSTOMER AGREES TO HOLD THE BANK INDEMNIFIED PARTIES HARMLESS FROM AND INDEMNIFY AND DEFEND THEM AGAINST ANY CLAIM, DEMAND, JUDGMENT, DAMAGE, LOSS, LIABILITY, COST AND/OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH OR RESULTING DIRECTLY OR INDIRECTLY FROM BANK'S AND/OR SUCH SERVICE PROVIDER'S PROVISION OF THE RDC SERVICES, INCLUDING DAMAGES FROM THE PRESENTMENT OR NEGOTIATION OF THE ORIGINAL ITEM BY ANY PERSON OR RESULTING FROM THE SUBMISSION OF DUPLICATE IMAGES BY ANY PERSON OR RESULTING FROM CLAIMS THAT THE IMAGE OR SUBSTITUTE ITEM CREATED FROM AN IMAGE IS NOT AN ACCURATE AND UNALTERED RECREATION OF THE ITEM ORIGINALLY DRAWN BY THE DRAWEE.

**L. LIMITATION OF LIABILITY.** Customer agrees that Bank shall not have any liability for any breach of any representation, warranty or covenant of these Terms and Disclosures to the extent caused by: (i) the unavailability of the external connection services and other Internet network functions for RDC Services; (ii) any use of the RDC Services in a manner not as set forth in these Terms and Disclosures, or in a manner for which it was not designed, or in combination with systems, products or components not supplied or approved in writing by us; or (iii) Customer's use of software equipment or other systems not approved or supplied by Bank.

### **XIII. ZERO BALANCE ACCOUNT SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Customer with Zero Balance Account Services for the purpose of maintaining a zero balance, Customer agrees to comply with the following:

**B. CUSTOMER AUTHORIZATION.** Customer must designate one or more master accounts ("Master ZBA Accounts") and one or more subsidiary accounts ("Subsidiary ZBA Accounts" and with the Master ZBA Accounts, collectively, "ZBA Accounts") for participation in Bank's zero balance account program ("ZBA Program") on forms provided by Bank.

Customer hereby authorizes Bank to initiate automated transfers between the Master ZBA Account and Subsidiary ZBA Accounts under the ZBA Program for the purpose of maintaining a zero balance (the "Target Balance") in Customer's operating or Subsidiary ZBA Accounts. Customer may designate any number of Subsidiary ZBA Accounts. For each Subsidiary ZBA Account, Customer must designate only one Master ZBA Account to receive automated transfers under the ZBA Program from such Subsidiary ZBA Account. Customer may change such account designations by submitting a written request to Bank on such forms as Bank may require. Bank is not required to notify any signatory to any of the ZBA Accounts that an account has been deleted from, or added to, the ZBA Program or that an account's designation has been changed under the ZBA Program.

**C. AUTOMATED ACCOUNT TRANSFERS UNDER THE ZBA PROGRAM.** Under the ZBA Program, Bank shall adjust the balances in the Subsidiary ZBA Accounts as required to bring any Subsidiary ZBA Account balance to the Target Balance. To the extent transactions on any Subsidiary ZBA Account result in a negative balance in that ZBA Account at the end of any Business Day, Bank will initiate a transfer of funds from the Master ZBA Account to the Subsidiary ZBA Account. To the extent transactions on any Subsidiary ZBA Account result in a positive balance on that account at the end of any Business Day, Bank will initiate a transfer from the Subsidiary ZBA Account to the Master ZBA Account. Transfers under the ZBA Program will be initiated at the end of each Business Day. The ZBA Accounts shall be treated as one system of related deposit accounts having an aggregate net daily balance position. In the event there are insufficient funds in any of the ZBA Accounts at the end of a Business Day, in order to fund a negative balance in any one of the other ZBA Accounts, Bank may, in its sole discretion, return any item presented for payment in accordance with the Account Terms governing such ZBA Accounts. All float assigned to the deposits of a Subsidiary ZBA Account will be transferred to the Master ZBA Account each Business Day and shall be deemed uncollected funds in the Master ZBA Account subject to restricted availability for such period as Bank may designate, not

to exceed any period allowed by applicable law.

**D. GARNISHMENTS.** In the event a writ of garnishment is served on Bank targeting funds in a Subsidiary ZBA Account, Bank shall have the right, in its sole discretion, to: (1) freeze and/or place a hold on the Master ZBA Account for an amount equal to the amount sought by the garnishor until the writ of garnishment is satisfied; and/or (2) pay the full amount sought by the writ of garnishment using funds from the Master ZBA Account. Bank's exercise of these remedies shall not waive any other rights Bank may have under these Terms and Disclosures or otherwise available to Bank in law or equity.

**E. STATEMENTS.** Bank will furnish monthly account statements for the Master ZBA Account and each Subsidiary ZBA Account that reflect all transfers initiated pursuant to this Section XIX.

### **XIX. FOREIGN EXCHANGE SERVICE TERMS**

**A. SERVICES.** If Customer has requested, and Bank, in its sole discretion, has agreed to provide Customer with foreign exchange services including (i) the purchase and sale of currency of the United States and of foreign countries ("Currency") by Customer under contracts with Bank's foreign exchange services ("FX Contracts"), (ii) the purchase and sale of options on the purchase and sale of Currency entered into between Bank and Customer ("FX Options"), and (iii) certain additional foreign exchange services that may be offered by Bank from time to time ("Additional FX Services"), including foreign drafts, incoming and outgoing wire transfers, foreign check collection, forward purchase or sales, Customer agrees to comply with the following:

**B. RISK DISCLOSURE.** Customer is deemed to have carefully read and understood the following risk disclosure describing certain risks involved in transacting in Currency and accepted the risks specified herein. The risks listed herein are not exhaustive and are provided only to draw attention to some of the risks and issues known to Bank that a customer may wish to consider before requesting foreign exchange services from Bank. Transacting in Currency may not be suitable for everyone and Customer should consider whether transacting is appropriate for it. Some of the risks of transacting in Currency may include:

- 1. Currency Risks.** Transacting in Currency may introduce risks such as those brought about by political or economic policy changes in a foreign country, which may substantially and permanently alter the conditions, terms, marketability, availability or price of a Currency. Rates are subject to change and those of more actively traded currencies change constantly. Rate changes may be the result of many factors including the stability of the foreign country and the liquidity of the Currency.
- 2. Rates.** Although Bank expects that its prices ("Rates") are reasonably related to those available in the interbank market, Rates can vary from those available from other providers. Bank provides Rates at its sole discretion.
- 3. Liquidity Risk.** Market conditions (e.g., resulting from illiquidity, changes in government regulation or trading restrictions with respect to certain markets) may increase risk by making it difficult or impossible to enter into Transactions (defined in Section XX.C below) or to liquidate or offset existing positions. For example, it is possible for a foreign government to introduce restrictions on its currency. Bank bears no liability for not providing a Rate and/or entering, amending or terminating any Transactions should adverse market conditions arise for these or any other reason. There is also no assurance that another market participant will be available to offer you transactions that offset your Transactions with Bank. Accordingly, it may not be possible to modify, terminate or offset your obligations or your exposure to the risks associated with a particular Transaction prior to its scheduled termination date.
- 4. Non-Business Day/Weekend Risk.** Currency markets are substantially less liquid over the weekend and on other days when banks are not open for business. Customers may not be able to

request Rates or engage in Transactions during these times. To the extent this occurs, significant changes in foreign exchange rates as well as market, economic and political conditions, and the value of Foreign Exchange Transactions may take place during times when it may be difficult for you to monitor or react to them.

5. **Market Risk.** Market risk is the risk that the value of the Transaction, or the amount of payments or deliveries to be made under a transaction, will be adversely affected by fluctuations in the level or volatility of, or correlation between, one or more market prices, rates or indices or other market factors, by new information or changes in perceptions regarding contingencies affecting a market, or by illiquidity in the market for the Transaction.
6. **Settlement Risk.** Settlement risk is the risk of loss when one party to the Transaction delivers the currency it sold but does not receive the corresponding amount of the currency it bought. Because a party's payment obligations under a deliverable Transaction are denominated in a different currency than those of its counterparty, the payments cannot be netted against one another. A contributing factor to settlement risk is the time zone difference between the principal financial centers of each currency.
7. **Limited Government Regulation.** Texas Capital Bank is a Texas state bank and therefore primarily subject to regulation by the Texas Department of Banking ("TDOB") and the Federal Deposit Insurance Corporation ("FDIC"). However, neither the TDOB nor the FDIC has adopted a comprehensive regulatory scheme governing foreign currency dealing. Therefore, the customer protections generally found in a regulated exchange market are not present in the foreign exchange market.
8. **Transaction Risk.** Transaction risk is a cash flow risk and deals with the effect of exchange rate moves on transactional account exposure related to receivables (export contracts), payables (import contracts) or repatriation of dividends. An exchange rate change in the currency of denomination of any such contract will result in a direct transaction exchange rate risk to the Customer.
9. **Translation Risk.** Translation risk is a balance sheet exchange rate risk and relates exchange rate moves to the valuation of a foreign subsidiary and, in turn, to the consolidation of a foreign subsidiary to the parent company's balance sheet. Translation risk for a foreign subsidiary is usually measured by the exposure of net assets (assets less liabilities) to potential exchange rate moves. In consolidating financial statements, the translation could be done either at the end-of-the-period exchange rate or at the average exchange rate of the period, depending on the accounting regulations affecting the parent company. Thus, while income statements are usually translated at the average exchange rate over the period, balance sheet exposures of foreign subsidiaries are often translated at the prevailing current exchange rate at the time of consolidation.
10. **Economic Risk.** Economic risk reflects the risk to the Customer's present value of future operating cash flows from exchange rate movements. In essence, economic risk concerns the effect of exchange rate changes on revenues (domestic sales and exports) and operating expenses (cost of domestic inputs and imports). Economic risk is usually applied to the present value of future cash flow operations of a party's parent company and foreign subsidiaries. Identification of the various types of currency risk, along with their measurement, is essential to develop a strategy for managing currency risk.

**C. FOREIGN EXCHANGE TRANSACTIONS.** As used herein, "Transaction" means an FX Contract, FX Option or Additional FX Service, as applicable.

1. **Entering into Transactions.** To receive an exchange rate quotation ("Rate") from Bank for a Transaction, Customer must provide detailed Transaction-related information. The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to terms, in accordance with Section XX.C.3 below. Advising a customer of an indicative Rate by Bank does

not constitute a Transaction until further confirmation by Bank. Each party will make payment or delivery pursuant to Transactions subject to other provisions of this Section. Each obligation of Bank regarding a Transaction is subject to the condition precedent that no Event of Default as defined below has occurred with respect to Customer and is subject to any other applicable condition precedent specified in the relevant Confirmation or in these Terms and Disclosures.

2. **Bank's Best Efforts to Enter into Stop Loss or Take Profit Transactions.** At Customer's request, Bank may enter into a second Transaction intended to stop a loss ("Stop Loss") or take a profit ("Take Profit") on the first Transaction. Bank will do so on a commercially reasonable basis and there is no guaranty that Bank will be successful in filling the Customer's order or obtaining an exact rate.

3. **Confirmation of Forward Transactions.** Bank agrees to send via email a confirmation of the terms of each forward purchase or sale ("Forward Transaction") to Customer (each a "Confirmation"). For Forward Transactions where Bank has sent a Confirmation, Customer is responsible for promptly reviewing each Confirmation and, where a signature block is provided, returning the signed Confirmation to Bank. Customer must notify Bank on the day of its receipt of any discrepancies in the Confirmation. Bank's Confirmation, absent manifest error, shall prevail over any other record. The Confirmation described herein is mere evidence of a Transaction and failure by Bank or Customer to send, execute or return a Confirmation shall not invalidate the terms of a Transaction.

4. **Settlement Instructions.** Customer is responsible for providing correct instructions detailing where Currency will settle. Customer agrees that Settlement Instructions provided to Bank have been provided by duly authorized individuals. If Settlement Instructions include the crediting or debiting of a specified account, Customer agrees that no separate authorization is required, and that Customer will review such account statements independently and notify Bank immediately of any possible error. Bank has no obligation to verify or confirm Settlement Instructions provided by Customer. If Customer fails to provide complete or correct Settlement Instructions, the Transaction may be cancelled in accordance with Section XX.C.6 below. Bank will use reasonable efforts to contact Customer to complete or correct the Settlement Instructions before proceeding with its termination.

5. **Payment versus Delivery.** Customer will be required to pay in advance of Bank remitting funds to Customer or Customer's beneficiary (payment versus delivery). If Customer does not make payment on a payment versus delivery Transaction (which will be on or before the Settlement Date of Transaction), non-payment will be deemed an Event of Default (as defined below) and Bank will not be obligated to settle its side of the Transaction on the Settlement Date.

6. **Termination of Transactions.**

(a) **Request for Amendment or Termination by the Customer.** Customer may request that Bank amend or terminate a Transaction at any time and TCB may, at its sole discretion, amend or cancel a Transaction if it has not yet been executed. Customer understands that a cancelled or recalled transaction will be initiated at current market rates, on the bid/ask side of the market that is opposite of the original transaction that could result in a loss to the customer. TCB does not guarantee that the original Transaction will not have been executed prior to Customer's request for amendment or termination and any such request will have no effect on a Transaction that has already been executed.

(b) **Events of Default.** Bank may terminate any or all outstanding Transactions if any of the following circumstances occurs: (1) any representation made by Customer to Bank is incorrect; (2) Customer fails to perform any obligation under these Terms and Disclosures, including failure to make a payment or delivery to the Bank when due; (3) an event of default occurs under an agreement relating to any obligation of Customer in respect of borrowed money or other extension of credit; (4) any material breach of the terms of this Section, as determined



by Bank in its sole discretion; or (5) any voluntary or involuntary insolvency proceeding shall have been commenced against Customer.

(c) **Illegality.** Bank may terminate a Transaction if any law, statute, regulation, rule, policy, procedure, or guideline affecting such Transaction has been imposed after the date of such Transaction by an entity not subject to the reasonable control of either Bank or Customer and such a change has made it unlawful or impossible for Bank or Customer to perform under the affected Transaction.

(d) **Termination; Remedies.** If Bank terminates any Transaction in accordance with this Section, upon notice to Customer, Bank will determine in good faith the actual out-of-pocket costs incurred by Bank as a result of early termination. Bank will combine their costs with any amount that would be received by Bank against any amount that would be payable by Bank associated with each terminated Transaction so that amounts are netted to a single amount payable. Any amounts owed to Bank by Customer under this Section will be immediately due and payable and will bear interest until amounts are paid in full. Bank's calculations shall be conclusively binding against Customer, absent manifest error.

7. **Indemnity.** Except to the extent that any loss is caused by the gross negligence of Bank, Customer hereby indemnifies Bank fully against any claim, demand, expense, liability, loss or damage incurred by Bank arising from any FX Contract, FX Option or Additional FX Services (including, without limitation, reasonable attorney fees). This indemnity provision shall survive termination of these Terms and Disclosures or any such Transaction.

8. **Force Majeure.** To the extent that performance by a party in connection with any Transaction is prevented, delayed or made impracticable by acts of God, war, civil disobedience, pandemic, epidemic, fire, explosions, strikes, terrorist attack or insurrection, equipment malfunction, delay by third parties, unusually severe weather or other events or circumstances beyond Bank's or Customer's reasonable control, the affected party will be excused from any performance or delay until such time as it may be able to perform. If, after a reasonable period of time, such party continues to be unable to perform, either party may early terminate any affected Transaction upon notice to the other party. Each party shall be responsible for its own costs associated with such termination. If an event or circumstance that would otherwise constitute or give rise to a Force Majeure event also constitutes an Illegality, it will not constitute a Force Majeure event hereunder.

9. **NOTWITHSTANDING ANY PROVISION OF ANY TRANSACTION, AND SUBJECT TO SECTION XX.C.7 AND XX.C.8 ABOVE, IN NO EVENT WILL BANK OR CUSTOMER HAVE LIABILITY TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES OF THE OTHER PARTY, WHETHER OR NOT ANY CLAIM FOR SUCH DAMAGES IS BASED IN CONTRACT OR TORT OR WHETHER BANK OR CUSTOMER KNEW OR SHOULD HAVE KNOWN THE LIKELIHOOD OF SUCH DAMAGES.**

10. **Right of Setoff.** If a Transaction is terminated in accordance with these Terms and Disclosures, Bank may setoff amounts which Customer owes Bank against amounts Bank owes to Customer, including without limitation, any of Customer's cash, deposit accounts, or other property held by Bank.

11. **Additional Representations and Warranties by Customer.** Customer represents and warrants, as of the date any Transaction is requested that:

(a) it is entering into Transactions as a hedging instrument in order to mitigate or hedge foreign currency risk. If Customer is entering into a Transaction for any reason other than that of a hedge, it represents that it is doing so in accordance with its governing documents and is permitted to do so by such documents and any application rule, regulation or statute;

(b) it is a sophisticated purchaser and/or seller of Currency, is able to evaluate and assume the risks of engaging in foreign currency transactions and has read and understands the Foreign Exchange Risk Disclosure. Unless otherwise stated, it is entering into each Transaction and/or Additional FX Service on a principal basis, and not on behalf of any other person or entity. It has made and will make its own hedging decisions based upon its own judgment and upon any advice from such advisors as it deemed necessary, and not upon the advice of, or actions in foreign exchange markets by Bank. It has not received from Bank any assurance or guarantee as to the expected results of any Transaction.

(c) it has sufficient assets to effect settlement of all Transactions.

## 12. Taxes

(a) Customer shall provide to Bank a correctly completed U.S. Internal Revenue Service ("IRS") Form W-9, W-8BEN, W-8IMY, W-8EXP, or W-8ECI, as applicable, prior to entering into the first Transaction and shall provide an updated IRS Form (i) promptly upon reasonable demand by Bank, and (ii) promptly upon learning that any such form previously provided has become obsolete or incorrect.

(b) Customer acknowledges that Bank may reduce payments under any Transaction by amounts required to be deducted or withheld in respect of taxes and that such amounts shall be treated as paid to the Customer for purposes of the Transaction. Customer shall indemnify Bank, in accordance with Section XX.C.7, for any loss suffered by Bank in respect of any failure to withhold or deduct such amounts (including taxes, interest, and penalties). Customer shall recover directly from the IRS and not from Bank any amount withheld by Bank and paid to the IRS in respect of a Transaction.

(c) Customer shall indemnify Bank, in accordance with Section XX.C.7, for any and all stamp, documentary, transfer or similar taxes, or any other excise or property taxes or similar levies that arise on account of any payment being made under a Transaction.

## 13. Further Acknowledgments.

(a) **Bank Acting as Counterparty – Customer May Not Rely on Bank for Advice.** Customer and Bank will be entering into privately-negotiated Transactions and arrangements that are not executed on a regulated Exchange. Consequently, Bank is acting solely as a contractual counterparty regarding all Transactions. Even if Customer has other business with Bank where Bank acts as a fiduciary, Bank is not acting as a fiduciary with respect to the Transactions. Even if Bank provides information and education to Customer, Bank is not acting as a financial or investment adviser to Customer. The Customer should consult with its own legal, tax, financial or accounting experts before entering into any Transaction, should Customer feel that necessary.

(b) **Recommendations are Informational.** The recommendations of Bank are based solely on the judgment of Bank's personnel. The recommendations of Bank are based on information believed to be reliable at the time made but Bank cannot guarantee the accuracy or completeness thereof or represent that following such recommendations will reduce or eliminate the risks of dealing in Currency. Recommendations are subject to change without notice.

(c) **Regulatory Requirements.** Regarding compliance with any regulatory requirement by Bank, including background checks required by OFAC, Bank reserves the right to refuse processing of any payment it deems may be in violation of any regulatory guidelines including OFAC and Bank is not responsible for any resulting delayed or canceled payment.

*Find the latest Commercial Banking Terms & Disclosure and Commercial Electronic Banking Terms and Disclosures [here](#).*



[www.texascapitalbank.com](http://www.texascapitalbank.com)

Texas Capital Bancshares, Inc. NASDAQ®: TCBI. Member FDIC. ©2024 Texas Capital Bank.  
All Rights Reserved. Texas Capital Bank.  
All services are subject to applicable laws and regulations and service terms.  
2000 McKinney Ave., Suite 700, Dallas, TX 75201