



# Master Cash Management Agreement

This Master Cash Management Agreement (the "Agreement") supplements, but does not modify any other agreements we may have with you.

## 1. Definitions

In this Agreement, the words:

- a. "We", "us", "our", "the Bank" and "Bank" means BAC Community Bank, and any of its affiliates or direct or indirect subsidiaries.
- b. "You" or "your", means Company or Company representative(s) authorized to utilize Internet banking services.
- c. "Consumer" means a natural person who has accounts for which Electronic Services are used primarily for personal, family, or household purposes.
- d. "Business Day" means Monday through Friday, excluding Saturday, Sunday and federal banking holidays.
- e. "Include" and "including" when used at the beginning of a list, indicates that the list contains examples; the list is not exclusive and the items in the list are intended only as illustrations. They are not the only possible items that could appear in the list.
- f. "Services" means Internet banking services.
- g. "Authorized User" shall mean each employee or other representative of Company who is designated by Company to have access to and engage in Services on behalf of Company, including the Senior Administrator.
- h. "Senior Administrator" shall mean each employee or other representative of Company who is designated by Company in the manner requested by Bank to exercise all rights, powers and privileges of the Company in connection with the Services and to otherwise exercise the powers and authorities granted to the Senior Administrator as provided in this Agreement.
- i. "PC" means personal computing device including, but not limited to a personal computer, laptop computer, mobile device, tablet, etc.

## 2. Available Services in General

By signing the Cash Management Authorization form ("Authorization Form"), the Bank makes available to you the Services described herein including: account balances, transaction history, electronic account statements, initiating intra-bank funds transfers, initiating stop payment requests, initiating bill payment requests, initiating wire transfer requests, initiating Automated Clearing House ("ACH") transactions and external transfers. **The Bank strongly recommends daily review of all account activity, including reviewing check images online.**

These Services are available to the accounts as designated in Section 2 of the Authorization Form ("Authorized Accounts") and to any accounts subsequently added by an authorized Senior Administrator.

Except as otherwise provided herein, Services shall be available to you 7 am to 7 pm seven days a week. Services will not be available from 4 pm to 4:30 pm. Services may not be available occasionally due to emergency or scheduled maintenance.

## 3. Access to the Services

- a. To access the services, you must have either an Access ID and Password, or Access ID with Token and PIN and the required hardware and software. You are solely responsible for having the required hardware and software and for securing an internet provider. You are responsible to maintain and upgrade your computer equipment for your use of Services. Bank is not responsible for equipment failure or malfunction of your computer, any computer virus that may affect your computer or other problems that may occur, directly or indirectly, from your use of Services. Subject to the terms of this Agreement, BAC will generally provide access to the Services at [www.bankbac.com](http://www.bankbac.com) website seven days a week as well as through a mobile app.
- b. An Internet connection with a supported browser is required. You acknowledge that any required software and browser requirements are subject to modifications and changes from time to time. You acknowledge and agree that the software provided is not produced or manufactured by the Bank and therefore, the Bank shall not be responsible for any errors or failures in the software.

Our Customer Service Department is available at 1-877-226-5820 to assist you:

Monday through Friday	8 am to 6 pm Pacific Time
Saturday:	9 am to 2 pm Pacific Time

These hours are subject to change. See bank website for observed Holidays.



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- c. Senior Administrators designated from time to time by you in Section 3 of the Authorization Form (“Senior Administrators”) shall have the power and authority to act on your behalf with regard to all transfers, transactions and other acts or activities permitted by the Services or this Agreement. Without intending to limit such powers and authority, you agree that the Senior Administrator: (i) shall serve as our main contact for receipt of information relating to your use of the Services, (ii) shall have, or may obtain, access to each and every Deposit Account or Loan Account in which you have an interest; (iii) with regard to any such Deposit Account or Loan Account, may effect or obtain any transfer, transaction or other functionality of the Services, (iv) may direct the Bank to administer access to any one or more Deposit Accounts or Loan Accounts in which you have an interest through the Services, (v) may direct the Bank to grant to any third party access to any one or more Deposit Accounts or Loan Accounts in which you have an interest and the power and authority to effect or obtain any transfer, transaction or other functionality of the Services, such party shall thereafter be designated as an “Authorized User”; and (vi) may from time to time direct the Bank to revoke or modify the powers and authority granted to any such Authorized User. You hereby ratify and confirm all acts and activities of each Senior Administrator in connection with the Services, including the Senior Administrator’s grant of access to each Authorized User, and agree that, all loss or liability in connection with the acts or omissions of the Senior Administrator or any Authorized User shall be borne solely by you. You will immediately notify the Bank when necessary to delete a Senior Administrator or Authorized User to remove their access to the Services.
- d. Each Authorized User may access the Services only by the use of an Access ID and Password. Bank shall not be responsible for access gained to the Services through use of the Access ID and Password. You and your Authorized Users are responsible for the confidentiality and security of Passwords.
  - (i) **If a token is required for access, a token is assigned to each Authorized User. Each token has a unique serial number. Authorized Users are responsible to maintain control of their token. A Password consists of an 8 digit number randomly generated by the token followed by a 4 digit personal identification number (“PIN”) selected by the Authorized User. As part of the Security Procedures Section 6, you agree to change PINs every 90 days. PINs should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth or any other easily identifiable information. PINs should be memorized rather than written down. You agree to maintain policies and procedures to ensure PINs with strong security are utilized by your Authorized Users.**
  - (ii) **If a token is not required for access, each user will create a “strong” password, consisting of a combination of alphabetic, numeric and special characters and must contain a minimum or maximum of the combination. As part of the Security Procedures Section 6, you agree to change passwords every 90 days. Passwords should be memorized rather than written down. You agree to maintain policies and procedures to ensure Passwords with strong security are utilized by your Authorized Users.**

#### 4. Release of Information

As a condition of using the Services, you acknowledge that account related information will be made available to any person you grant access. You hereby waive all rights associated directly or indirectly with the rights to financial privacy and with the dissemination of financial information with respect to such persons.

#### 5. Notice of Unauthorized Use

If you become aware of the unauthorized use of the Service, or suspect that an unauthorized use of the Services may have occurred, You shall immediately notify the Bank of the unauthorized use or the suspected unauthorized use by phone, followed by written communication within 2 business days thereafter. Upon oral receipt of notice of unauthorized use or suspected unauthorized use, the Bank shall suspend your Authorized User’s access to Services until secure access can be established. In the event the Bank obtains actual knowledge of unauthorized use of the Services, the Bank shall notify you within a reasonable time of obtaining actual knowledge. However, in no event shall the Bank have a duty or obligation to monitor your use of the Services for unauthorized use.

#### 6. Security Procedures / Fraud Prevention

You understand the importance of your role in preventing misuse of your accounts through the Services and you agree to promptly examine your periodic statement for each of your accounts as soon as you receive the statement or the statement becomes available. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver’s license number, taxpayer identification number, and social security number. You understand that personal identification information alone, or together with information related to your account, may allow unauthorized access to your account. Your Password and Access ID are intended to provide security against unauthorized entry and access to your accounts. Data transferred via the Services is encrypted in an effort to provide transmission security and the Service utilizes identification technology to verify that the sender and receiver of the Service transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the system is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail,



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occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing the Service, or email transmitted to and from us, will not be monitored or read by others.

## a. Risk Assessment and Controls Evaluation

Financial risks are an inevitable part of business. We recommend that you perform an online banking and PC security risk assessment and controls evaluation for your business on a periodic basis. This type of risk assessment is simply a careful examination of what could cause financial harm to your business and an evaluation of whether the controls, employee training, and other precautions you have in place are adequate to safeguard the information.

Required security controls include:

- the mandatory use of a bank-issued password generating token to provide an enhanced level of PC Security for high risk transactions
- Using a unique user ID and password for each Authorized User

Best practices security controls may include:

- Instructing each employee in the process of constructing a strong password
- Restricting the authority of each user employee to the lowest level to accomplish each task
- Maintaining updated firewalls, anti-virus and anti-malware software for each business PC
- Segregating the eCommerce PC, physically or virtually, from other non-business PC activities

Recommended Security Control Options for Cash Management

- Limits – establish dollar limits by user and transaction type which prevent the origination of transactions exceeding defined limits.
- Review Thresholds – require secondary approval by user and transaction type for all transactions or only those that exceed a set dollar amount. (Dual Control – requiring the use of dual user authorization for high dollar transactions.)
- Notifications – receive email notifications regarding ACH File Transfer processing events.

## b. Acknowledgement of Commercially Reasonable Security Procedures

BAC Community Bank ("BAC") is committed to safeguarding the security of your Cash Management transactions by providing commercially reasonable security procedures offering multiple layers of security. You acknowledge and agree that this Agreement sets forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by instructions, whether authorized or unauthorized, which we implement in compliance with these procedures, unless you have given us prior notice of possible unauthorized use (and we had a reasonable opportunity to act on such notice). In addition to our security controls, the bank strongly recommends that you take an active part in preventing and mitigating your risk of online fraud by implementing additional recommended security controls.

BAC shall from time to time establish one or more security procedures to be used by BAC and you in connection with certain services. You agree to be bound by any payment order, transaction or Service change order that is acted upon by BAC in accordance with such security procedures. You understand that the security procedures are not for the purpose of detecting errors in the transmission or content of information controlled by you. If you select certain security procedures to use in connection with a Service and those security procedures provide less protection against unauthorized transactions or activity than other security procedures offered by BAC in connection with such Service: (i) the security procedures selected by you shall be deemed commercially reasonable to the same extent as the security procedures offered by BAC that provide greater protection; and (ii) you shall indemnify and hold BAC harmless from and against all Losses and Liabilities relating directly or indirectly to your use of such security procedures. BAC reserves the right to issue new security procedures and/or to cancel or change any security procedures from time to time.



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## c. Positive Pay Service

Our Positive Pay service is available to all business customers. Positive Pay can be extremely helpful in preventing fraudulent checks and ACH debits from being charged against your account. If you choose not to use our Positive Pay service, you agree to assume a heightened degree of responsibility for safeguarding your checks, supervising persons who have access to your checks, statements, reviewing all returned checks and statements, immediately reporting any unauthorized check or ACH involving your account. If you do not enroll for the Positive Pay service and a fraudulent check or ACH loss occurs despite our exercise of good faith and ordinary care, you agree to assume responsibility for the loss to the extent that it could have been prevented by your use of the service.

**The Bank strongly recommends daily review of all account activity, including reviewing check images online.**

## 7. Payment for Services / Fees and Charges

You agree to pay the fees and charges for your use of the Services as set forth in the Bank's current fee schedule. The Bank may change these fees and charges at any time. You agree that all such fees and charges will be deducted from the checking account designated as the Primary Checking Account on the Authorization Form. If you close your Primary Checking Account, you must contact us immediately to designate another account as your Primary Checking Account. You agree to pay any additional reasonable charge for services you request which are not covered by this Agreement. You are also responsible for telephone and Internet service fees you incur in connection with your use of the Service.

## 8. Services

### a. Account Inquiry Services

You may access the Services to obtain a listing of accounts and to make account inquiries regarding transactions and account balances.

You acknowledge that information obtained on your account and made available by use of the Services may not reflect other account transactions originated by you but not yet received or processed by Bank. You acknowledge and agree that the Bank has the sole discretion as to the order in which to process transactions against your account.

### b. Stop Payment Requests

You may initiate stop payment requests via the Services only for paper checks you have written on your accounts. Stop payment requests must be received by the Bank before the item has been paid or 4:00pm on the banking day in question. Requests received after 4:00pm will be processed on the next business day. To be effective, this type of Stop Payment request must precisely identify the account number, name of the payee, the check number and the amount of the check. The Bank shall have no responsibility to determine the accuracy of such information. The Bank shall provide you notice of the processing of the Stop Payment Request by making such information accessible to you online via the Service.

You will incur Stop-Payment charges as disclosed in the current fee schedule for the applicable account.

You agree to indemnify the Bank against any loss for the amount of said check and all expenses, costs and consequential damages, if any, incurred by the Bank because of refusing payment pursuant to your stop payment order. You agree that any stop payment placed on any check issued on your accounts may be relied upon by the Bank to have been placed by an agent of you, duly authorized to place the stop payment, and the Bank shall have no duty or obligation to verify either the authenticity of the stop payment order request or the authority of the person placing it.

***All stop payment orders expire eighteen (18) months (552 days) after the original stop payment request has been received and accepted by the bank.***

### c. Intra-Bank Funds Transfers

These services are available to the Authorized Account(s). You agree that given the size, type and frequency of the Intra-Bank Transfers, which you intend to make, the following procedures are commercially reasonable. You agree that the Bank may solely rely on these procedures to verify the authenticity of your transfer requests. You agree to be bound by any transfer requested and which is in compliance with such procedures whether actually authorized or not. The procedures are as follows:

- You are responsible for the input and verification of all information into the Service. The Bank shall have no responsibility to determine the accuracy of such information. Should there be any conflict



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between account number and account name, the account number shall prevail. The Bank shall be entitled to rely upon any transfer request reasonably believed by the Bank to have been input by you or your Authorized Users.

- The cut-off time for transfers is 4:00pm PT after which time such requests will be processed the next business day. Transfers initiated through the Services before 4:00pm PT on a business day are posted to your account the same day. Transfers completed after 4:00pm PT on a business day, Saturday, Sunday or banking holiday, will be posted on the next business day.
- The Bank, may, in its sole discretion, reject any transfer request if there are insufficient Available Collected Funds in your authorized account(s) or the transfer request (1) is not authenticated to the Bank's satisfaction or which the Bank, in good faith, believes may not be authorized by you; (2) contains incorrect, incomplete or ambiguous information; or (3) involves funds subject to a lien, hold, dispute or legal process which prevents their withdrawal. The Bank shall incur no liability for any loss to you or to any third party occasioned by the Bank's refusal to make such transfer.
- The Bank shall not be responsible for any loss or liability arising from: your negligence or breach of this Agreement; any ambiguity or inaccuracy in any transfer request or in the information set forth in this Agreement given to the Bank by you; or from any error, failure or delay in the execution of a transfer, including without limitation any inoperability of computer or communication facilities, or other circumstances beyond the Bank's reasonable control.

### d. Transfers from Money Market Deposit and Savings Accounts

If your account is a Money Market account or Savings account, no more than 6 transfers or withdrawals are permitted during your monthly statement cycle to another account or to a third party by means of a preauthorized or automatic transfer, telephone agreement, by check, draft, debit card or similar order and payable to third parties.

For these accounts, a "transfer" includes any transfer to a third party including an order received through an automated clearing house (ACH) and any transfer to another of your accounts at the Bank (including transfers initiated via modem, fax and personal computer) unless the transfer is initiated at an automated teller machine, by mail, your messenger or in person at the Bank.

### e. Download Services

The Electronic Services includes the ability to download information into Personal Financial Management Software (e.g. Quicken®). When you use this download feature, you understand and agree that:

- not all of the information in your accounts can be downloaded;
- information you can download may not include all of your account activity;
- statements generated by us are the official record of account transactions, positions and balances, and that the information you download is for tracking purposes only and should not be considered an official record;
- the account information will not necessarily reflect activities and transactions that have not yet been completed or settled and will only reflect the account information in your accounts at the exact point in time that you download the information;
- account information in your accounts may reflect transactions as of a prior time period and may not be current as of the point in time that you download such information;
- the account information that you download will not be automatically updated by us, and that you will have to update the account information by downloading more current information from your accounts;
- we are not liable for any loss, damages or expenses of any kind as a result of your reliance upon the account information in your Personal Financial Management Software, which for example, as stated above, may not be the most updated information and the information may not include pending transactions;
- you assume all risk that any account information you download and store in your Personal Financial Management Software may be accessed by unauthorized third parties;
- if you send the information in a manner that is not secure, or if you take the account information out of our secure computers by downloading it, we are no longer responsible for the security and confidentiality of that information, and that responsibility is now yours;



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- we are not responsible for the security and confidentiality of the account information if you (i) use wireless connections to download your account information, in which case you acknowledge such connection may permit other persons to access the information being downloaded, or (ii) allow other persons access to your Personal Financial Management Software;
- and any account information that you download is done at your own risk and you are solely responsible for any damage that might occur to the computer (or other electronic device) to which you download any information, or any loss or corruption of data that might occur as a result of the downloading or its storage in a computer or other electronic device.

You agree and understand that we make no warranties and have no liability as to:

- the accuracy, completeness, availability or timeliness of the account information, text, graphics, or other items in the account information that you can download through the download service;
- the errors or omissions in the delivery or transmission of the account information from us to you (and "you" includes delivery to your Personal Financial Management Software and/or your computer);
- the download service's fitness for a particular purpose and non-infringement of any third party rights;
- unauthorized access to your accounts or to your account information and any misappropriation, or alteration, of your account information or data, to the extent the unauthorized access results from your acts or omissions;
- your inability to use the download service and access your accounts (including but not limited to failure of electronic or mechanical equipment, interconnect problems with telephone providers or Internet service providers ("ISPs"), acts of God, strikes or other labor problems), and any other matter relating to the download service.

### f. Bill Payment Transactions

Upon approval by the Bank, you will be granted access to the Bill Payment Service. By using the Bill Payment Service, you agree to the terms of the Bank's Bill Payment Service Agreement and you are authorizing the Bank to provide you access to the Bill Payment Service through the Services. The Bill Payment Services Agreement is available electronically on our Bill Payment Service.

### g. Alerts

The alerts option allows you to request and receive messages about your account(s). You may receive alerts through email message(s) and/or text enabled cell phones. Each alert will be effective after set up of the alert parameters and delivery points using the alerts service. You must be enrolled in the Electronic Banking Service to use the alerts option.

You agree that each alert may not be encrypted, and may include your name and information pertaining to your account(s). Receipt of any alert may be delayed, or prevented by factor(s) affecting your internet service provider(s), cellular phone carrier(s), and other relevant entities. We guarantee neither the delivery nor the accuracy of the contents of any alert. We will not be liable for losses or damages arising from (a) non-delivery, delayed delivery, or wrong delivery of any alert, (b) inaccurate content in an alert; (c) your use or reliance on the contents of any alert for any purposes. We reserve the right to terminate any request from you, for any alert, at any time; the information in any alert may be subject to certain time lags and/or delays. You will manage the types and timing of alerts and the alerts may be stopped or suspended by you at any time.

Either you or the Bank may terminate your use of the alerts option at any time without notice.

### h. Wire Transfer Fund Transactions

This Section governs your use of the Bank's Wire Transfer Service ("Wire Service"). You authorize the Bank to act upon all requests to transfer funds by wire ("Payment Orders"), from any of your Authorized Accounts that are maintained at the Bank.

#### (i) Payment Orders

By submitting a Payment Order to the Bank, you authorize Bank, by wire, to transfer funds from one or more of your accounts to (i) one or more other accounts standing in your name with another financial institution, or (ii) one or more accounts of a third party maintained with Bank or with another financial institution. You must complete all Payment Orders in the form and format the Bank designates.

#### (ii) Cutoff Times



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The cutoff time for receipt and processing of Payment Orders is 12:00 noon Pacific Time on a business day. Any Payment Order or communication relating to an amendment or cancellation of a Payment Order received after the cutoff hour on a business day, Saturday, Sunday or holiday will be treated as if the Payment Order was received at the opening of the next business day. Unless your Payment Order advised Bank differently, Bank will assume that any other financial institution through or to which the Payment Order will be sent has a cutoff hour for receipt of Payment Orders which is no earlier than Bank's cutoff time.

### (iii) Security

The Bank is authorized to honor, execute and charge the Authorized Account(s) for All Payment Orders when such Payment Orders are received electronically from you through use of the Services. Each Authorized User accesses the system through a combination of an Access ID and Password ("ID"). It is your sole responsibility to secure the ID and access to the Services. The effectiveness of the security depends on you maintaining the security of the ID and limiting access to the Services to Authorized Users. Anything that permits any other party besides your Authorized Users to learn the ID and enables the outside party to input information into the Services destroys the safeguard of the ID and the protection of the Services. You acknowledge and agree that it your sole responsibility for the security of your user's ID and access to the Services and agrees to hold the Bank harmless for complying with all instructions received from you in connection with the Service.

You control the number of Authorized Users required to approve a Payment Order. Bank recommends that Payment Orders require the express approval of two (2) Authorized Users (Dual Control). If you process Payment Orders with the approval of only one (1) Authorized User, you hereby waive any protection offered by the use of the procedure recommended by the Bank and you acknowledge and agree to assume all additional risk and liability.

If a Payment Order received by the Bank purports to have been transmitted or authorized by you, the Payment Order will be deemed effective as your Payment Order and you shall be obligated to pay the Bank the amount of such Payment Order even though the Payment Order was not authorized by you provided Bank accepted the Payment Order in good faith and acted in compliance with the security procedure.

If a Payment Order received by Bank was transmitted or authorized by you, you shall pay Bank the amount of the Payment Order whether or not Bank complied with the security procedure with respect to that Payment Order and whether or not that Payment Order was erroneous in any respect or that error would have been detected if Bank had complied with such procedure.

You authorize the Bank to record electronically or otherwise any telephone calls relating to any Payment Order under this Section.

#### Recommended Security Control Options for Cash Management

- Limits – establish dollar limits by user and transaction type which prevent the origination of transactions exceeding defined limits.
- Review Thresholds – require secondary approval by user and transaction type for all transactions or only those that exceed a set dollar amount. (Dual Control)

### (iv) Bank's Conditional Obligation to Execute Payment Orders

Bank is not obligated to execute a Payment Order or to act on any amendment or cancellation to a Payment Order unless Bank accepts the Payment Order and executes it or Bank otherwise agrees, in writing, to accept that particular Payment Order. This Section is not, of itself, such an agreement. Without limiting the generality of the foregoing, Bank may reject any Payment Order, including without limitation:

1. which does not comply with the requirements of this Section;
2. if the amount exceeds your collected and available funds in the account on which the Payment Order is drawn, even if there are available funds in another account of yours;
3. which may be rejected under applicable funds transfer system "wire rules" ("Wire Rules")
4. which specifies or calls for execution more than 2 days after the business day such Payment Order is received by Bank.
5. which Bank has reason to believe or suspect is not or may not be authorized by you;
6. is incomplete or ambiguous; or



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7. which the Bank for any other reason deems unsatisfactory to Bank, in the Bank's sole discretion, notwithstanding your compliance with your obligations under this Section.
- (v) **Office of Foreign Asset Control (OFAC) and U.S. Patriot Act**
- The Bank will comply with regulations issued by the US Treasury's Office of Foreign Assets Control (OFAC). If any transfer request is to an entity listed on OFAC's list of Specially Designated Nationals and Blocked Persons, by law the Bank shall not complete the transfer and shall "block" the funds until such time OFAC issues a written release to the Bank. If your funds are "blocked", you will not have access to your funds. You will comply with the provisions of the U.S. Patriot Act.
- (vi) **Execution of Payment Orders and Credit Entries**
- Bank may execute your Payment Order through any intermediary financial institution, or funds transfer system which Bank chooses to use, notwithstanding any contrary information contained in a Payment Order. You agree to be bound by the Wire Rules of any applicable funds transfer payment system.
- (vii) **Payment**
- You shall pay Bank the amount of each Payment Order transmitted by Bank pursuant to this Section at such time as Bank, in Bank's discretion, may determine. Bank may, without prior notice or demand, obtain payment of any amount due and payable to Bank under this Section by debiting your account(s) at Bank. Bank shall credit the same account for any amount received by Bank by reason of the return of any payment order transmitted by Bank for which Bank has previously received payment from you. Such credit shall be made as of the day of such receipt by Bank. You shall at all times maintain a balance of available funds in the account sufficient to cover your payment obligations under this Section. In the event there are not sufficient available funds in the account on which the Payment Order is drawn to cover the Payment Order, the Bank, in its sole discretion, elects to honor the Payment Order, then Bank may charge the excess against any account maintained by you with Bank whether or not such charge creates an overdraft (which shall be repaid by you upon Bank's demand), or Bank may offset against any amount Bank owes you, in order to obtain payment of your obligations under this Section.
- (viii) **Execution and Payment Dates**
- If your Payment Order does not include any execution date, Bank may treat the Payment Order as if the Payment Order called for execution at any time appropriate to reasonably assure the Payment Order will be received by the beneficiary's bank no later than by the close of business on the payment date. If your Payment Order does not include a payment date, Bank may treat the Payment Order as if the Payment Order called for payment upon receipt by the beneficiary's bank, and Bank may perform the funds transfers related to the Payment Order at any time at Bank's convenience. For Payment Orders to another account held at Bank, Bank may credit the account on the execution or payment date, whichever is earlier, or if neither date is specified, at any time at Bank's convenience.
- (ix) **International Payment Orders**
- If the Bank receives an international Payment Order from you, then you will indicate the amount of United States dollars ("US Dollars") or the amount of foreign currency to be sent to the beneficiary. The Bank will send the beneficiary either US Dollars or foreign currency as instructed by you. If the amount indicated on the Payment Order is in foreign currency, the Bank will convert the amount into US Dollars at the bank's buy rate for the foreign currency in effect on the date the Bank executes the Payment Order to determine the amount to deduct from your account.
- If you do not indicate in the international Payment Order whether the payment is to be made in US Dollars or foreign currency, the Bank reserves the right to convert the Payment Order into foreign currency. Any returned funds will be converted by the Bank into US Dollars at the Bank's then current buy rate for that currency on the day of return. The Bank will not be liable for any resulting exchange losses.
- (x) **Notification by Bank of Executed or Rejected Payment Orders**
- Your account statement will serve as written confirmation of the Payment Orders Bank executes for you. Bank shall notify you by either telephone or electronic transmission of any rejection of a Payment Order no later than one hour after the opening of business the next business day. Bank shall have no liability to you by reason of the rejection of any Payment Order or the fact that such notice is not given at an earlier time than that provided for herein. If Bank rejects any Payment Order, you must submit a new Payment Order in accordance with this Section. Bank shall have no obligation to re-execute a returned Payment Order if Bank complied with the terms of this Section with respect to the original Payment Order.





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(xi) **Cancellation or Amendment of Payment Order**

You understand that, unlike checks, once a Payment Order is executed by Bank, the Payment Order is complete and in most instances is irrevocable, even if the Payment Order has not yet been received by the beneficiary. You shall have no right to cancel or amend any Payment Order after it has been executed. Bank, in the Bank's sole discretion, may use reasonable efforts to act on a request by you to cancel or amend a Payment Order, or may attempt to process a late or nonconforming Payment Order, and if Bank attempts to do so, you agree to indemnify, defend and hold Bank and its agents harmless from all actions, proceedings, losses and claims which may arise, directly or indirectly, from Bank's actions in response to your request and you agree to reimburse Bank for all costs, losses and damages Bank incurs as a result. Bank assumes no responsibility for the Bank's failure or refusal to take such action, even if the Bank accepts the instruction to amend or cancel.

If you revoke, cancel or amend any previously issued Payment Order, the Bank shall not be obligated to refund any monies to you until acceptable evidence has been received by the Bank that the transaction has been satisfactorily terminated or amended as to all parties, including the replacement of all funds, which were transferred by the Bank to effect the Payment Order. Any refund shall be less all charges and expenses incurred by the Bank and the Bank's agents in connection with the Payment Order, whether such revocation, cancellation, or amendment was successful.

(xii) **Inconsistency of Name and Account Number**

You acknowledge and agree that, if a Payment Order describes the beneficiary inconsistently by name and account or other identifying number, funds transmitted by Bank to the beneficiary's bank may be credited by that financial institution on the basis of the number even if the account or other identifying number is owned by or identifies a person different from the named beneficiary, and that your obligation to pay Bank for the Payment Order is not excused in such circumstances. Bank is not obligated to review Payment Orders for inconsistencies or to confirm the correctness of any Payment Order except to the extent provided in this Section. You also agree that where Bank is the Receiving Depository Financial Institution ("RDFI") and the name and account number are inconsistent, that Bank may credit on the basis of number, even if the account is owned by or identifies a person different from the named beneficiary.

(xiii) **Inconsistency of Name and Bank Number**

If a Payment Order describes an intermediary or beneficiary's bank inconsistently by name and bank number, execution of the Payment Order by Bank, an intermediary bank or a funds transfer system may be made on the basis of the bank number or bank name, even if they are inconsistent. Your obligation to pay the amount of the Payment Order to Bank is not excused in such circumstances.

(xiv) **Payment for Services – Fees and Charges**

You shall pay the Bank the charges for wire transfers set forth in Bank's current fee schedule in effect at the time the Payment Order is presented to Bank. Such charges do not include, and you shall be responsible for payment of, any sales, use, excise, value added, utility or other similar taxes relating to the services provided for herein, and any fees or charges provided for in the account agreement.

(xv) **Liability of Bank**

Bank shall be responsible only for performing the wire services expressly provided in this Section and, unless the law expressly provide otherwise, Bank shall not be liable for its actions or omissions in performing those wire services, nor shall the Bank be responsible for your acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any Payment Order received from you) or those of any other person or entity, including without limitation any Federal Reserve Bank, transmission or communications facility, data processing entity, third party, any beneficiary or intermediary Financial Institution or beneficiary's bank (including the return of a Payment Order by such beneficiary or Financial Institution), and no such person shall be deemed Bank's agent. Bank shall be liable only for direct damages caused by the Bank's gross negligence or willful misconduct in performing the wire services the Bank is required to perform under this Section.

You understand that Bank shall have no liability or responsibility for any loss resulting from delays in delivery of wired funds to a foreign country or for any monetary loss resulting from a change in any conversion rate occurring between the request and delivery of such funds or from any other cause whatsoever.



## Master Cash Management Agreement

Neither Bank nor its officers, directors, employees or agents shall be liable to you for (and you waive any right to make a claim against Bank with respect to):

- the use which may be made of any funds transferred pursuant to this Section, or for any acts or omissions on the part of payees with respect to such transfers;
- the validity, sufficiency, genuineness of, or authority to create, execute or deliver any Payment Order, even if such documents should prove to be in any respect invalid, insufficient, unauthorized, fraudulent or forged;
- your failure to arrange for delivery of a Payment Order to Bank in sufficient time for Bank to make the transfer at the time you desire; or
- any other circumstance whatsoever in making or failing to give effect to the actions or payments specified in any Payment Order, except to the extent of direct (and not consequential) damages suffered by you which are proved to be caused directly by Bank's willful misconduct or gross negligence in giving effect to Payment Orders or other instructions.

To the maximum extent permitted by law, the Bank shall NOT be liable for any consequential, special, punitive or indirect loss or damage which you may incur or suffer in connection with this Section, including without limitation any loss or damage from subsequent wrongful dishonor resulting from Bank's acts or omissions pursuant to this Section, even if you have advised Bank of the probability of such damages if Bank breaches its duties hereunder. Bank's entire liability and your sole remedy under this Section for damages (monetary or otherwise) resulting from claims made by you or any other third party arising from or related to any and all causes covered by this Section shall be limited to the lesser of the amount of actual damages incurred by you; or \$2,500.

If under the provisions of this Section or the law, you are not obligated to pay for a Payment Order, and Bank has charged the amount of the Payment order to you or you have otherwise paid the Payment order, Bank shall refund to you the amount of the Payment Order, except in the case of a Payment Order executed erroneously in an amount greater than intended by you, in which case Bank shall be liable only for the difference.

Notwithstanding any other provisions of this Section, Bank's liability to you, if any, shall be reduced by the amount, if any, of the loss that Bank could have prevented or recovered had you exercised ordinary care to discover the error.

If you have received notice of a Payment Order or other communication purportedly made on behalf of you which has been executed and charged to you erroneously or without your authorization, but you have not notified Bank of the error or lack of authorization, Bank will have no liability to you for any subsequent similar occurrence even if Bank would otherwise be liable to you in connection with the subsequent occurrence.

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 the lack of sufficient funds in your account, any inaccuracy or ambiguity in your instructions or Payment Orders, if such failure or delay is caused by any legal constraint, interruption of transmission, failure or disruption of a communication facility, labor disputes, equipment failure, fire, flood, earthquakes or other natural disasters, war, emergency conditions, other acts or omissions of any third party, or other circumstances beyond Bank's control. In addition, Bank shall be excused from failing to transmit or delay in transmitting a Payment Order if such transmittal would result in Bank having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in Bank otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other United States or state governmental regulatory authority or funds transfer system.

You understand and agree that Bank's fees for these funds transfer services have been established in contemplation of the limitations on liability stated in this Section and your agreement to review Payment Order confirmations and notify Bank immediately of any discrepancies, errors or problems.

(xvi) **Indemnity**

You shall be liable to the Bank, for, and shall indemnify and hold the Bank harmless from, any and all claims, causes of action, damages, expenses (including reasonable attorney's fees and other legal expenses), liabilities and other losses resulting from acts, omissions, or provision of invalid or inaccurate data by you or any other person acting on your behalf, including without limitation; a) a breach by you of any provision of this Section; b) the Bank's debiting or crediting of the account of any person as requested by you; and c) the failure to act or the delay by any financial institution other than the Bank.



# Master Cash Management Agreement

## i. Automated Clearing House (ACH) Transactions and External Transfers

You wish to initiate credit and debit Entries ("Entries") by means of the ACH Network pursuant to the terms of this Section and the Rules of the National Automated Clearing House Association ("NACHA Rules"), and the Bank is willing to act as an Originating Depository Financial Institution with respect to such Entries. Unless otherwise defined herein, capitalized terms in this Section shall have the meanings provided in NACHA Rules. The term Entries shall have the meaning provided in NACHA Rules and shall also mean the data received from you hereunder from which the Bank prepares Entries.

### I. Transmittal of Entries by You

You shall transmit credit or debit Entries to the Bank in compliance with the formatting and other requirements set forth in Section 4 of the Authorization Form. The Bank has the authority to establish and enforce a maximum dollar limit for the dollar amount of transactions originated by you in any one day or month. At the Bank's discretion, it may process Entries that exceed these established maximums. The Bank is not obligated to process Entries that exceed these established maximums even if the Bank has previously processed Entries exceeding the established maximums. Excessive violation of the established maximums is a breach of this Agreement and cause for termination of this Agreement.

### II. Security Procedures

You and the Bank shall comply with the following security procedure with respect to Entries transmitted by you to the Bank:

1. You authorize the Bank to act upon all Entries submitted in compliance with Section 4 of the Authorization Form. Each Authorized User accesses the Services through a combination of a user name and unique password ("ID"). It is your sole responsibility to secure the ID and access to the Services. The effectiveness of the security depends on you maintaining the security of the ID and limiting access to the Services to Authorized Users. Anything that permits any other party besides your Authorized Users to learn the ID and enables the outside party to input information into the Services destroys the safeguard of the ID and the protection of the Services. You agree to establish prudent security standards and policies that include proper safeguards to protect the confidentiality of all IDs.
2. The Bank is hereby directed to complete all Entries received from you and the Bank shall have no liability for performing all Entries submitted through the Services as long as the Bank complies with the security procedures. You acknowledge and agree that you have sole responsibility for the security of your ID and access to the Services and agree to hold the Bank harmless for complying with all instructions received from you. You agree that the Bank shall not call you to verify the authenticity or accuracy of any Entries and that the Bank shall have no liability for processing Entries without verifying the Entries with you.
3. You acknowledge that the purpose of such security procedure is for verification of authenticity and not to detect an error in the transmission or content of an Entry. No Security procedure for the detection of any such error has been agreed upon between you and the Bank
4. You are strictly responsible to establish and maintain procedures to safeguard against unauthorized transmissions. You warrant that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agree to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices and related instructions provided by the Bank in connection with the security procedures described above. If you believe or suspect that any such information or instructions have been made known or accessed by unauthorized persons, you agree to notify the Bank immediately followed by written confirmation. Occurrence of unauthorized access will not affect any transfers made in good faith by the Bank prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers.

#### Recommended Security Control Options for Cash Management

- Limits – establish dollar limits by user and transaction type which prevent the origination of transactions exceeding defined limits.
- Review Thresholds – require secondary approval by user and transaction type for all transactions or only those that exceed a set dollar amount. (Dual Control)
- Notifications – receive email notifications regarding ACH File Transfer processing events.



# Master Cash Management Agreement

### III. Compliance with Security Procedure

If an Entry (or a request for cancellation or amendment of an Entry) received by the Bank purports to have been transmitted or authorized by you, the entry will be deemed effective as your Entry (or request) and you shall be obligated to pay the Bank the amount of such Entry even though the Entry (or request) was not authorized by you, provided Bank accepted the Entry in good faith and acted in compliance with the security procedure referred to above with respect to such Entry.

If an Entry (or request for cancellation or amendment of an Entry) received by Bank was transmitted or authorized by you, you shall pay Bank the amount of the Entry, whether or not Bank complied with the security procedure referred to above with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if Bank had complied with such procedure.

### IV. Processing, Transmittal and Settlement by the Bank

Except as provided in Section VIII, On-Ups Entries and Section IX Rejection of Entries, Bank shall (1) process Entries received from you to conform with the file specifications set forth in NACHA Rules, (2) transmit such Entries as an Originating Depository Financial Institution (ODFI) to an Automated Clearing House Operator (the "ACH Operator"), and (3) settle for such Entries as provided in the NACHA Rules.

The Bank shall transmit such Entries to the ACH Operator by the deadline of the ACH Operator prior to the Effective Entry Date shown in such Entries, provided (i) such Entries are received by the Bank's cut-off time on a business day (ii) the Effective Entry Date is at least two days for credits and one day for debits after such business day, and (iii) the ACH Operator is open for business on such business day. The Bank's cut-off times are:

- Credit Entries: files must be submitted by 4:00pm PT two (2) business days prior to the effective date
- Debit Entries: files must be submitted by 4:00pm PT one (1) business day prior to the effective date

Effective Entry Date must be a future business day or the record will be processed on the first business day following the Effective Entry Date. Entries shall be deemed received by the Bank when the transmission is complete and the file is received by the Bank.

If any of the requirements of clause (i) (ii) or (iii) of Section IV is not met, Bank shall use reasonable efforts to transmit such Entries to the ACH Operator by the next deposit deadline of the ACH Operator which is a business day and a day on which the ACH Operator is open for business.

### V. Same Day ACH Origination

Company may, as an optional service, initiate qualified credit Same Day ACH Entries and/or qualified debit Same Day ACH eligible Entries (debits available beginning September 15, 2017) pursuant to the NACHA Operating Rules and Guidelines. (Qualified entry is a domestic entry of \$25,000 or less.) Company will initiate qualified Entries with an Effective Entry Date of the current date, and submit those Entries to BAC per the processing schedule deadlines shown below for Same Day Settlement. Same Day Entry Fees and/or additional fees will apply to said Entries (refer to Fee Schedule). Any ACH Entries received by BAC containing stale-dated or incorrect /invalid Effective Entry Dates may process as Same Day ACH Entries. (Note – Items sent with an Effective Entry Date prior to the current date may be sent as a Same Day ACH Entry.) Company is responsible for payment of all associated fees for the same day settlement option whether or not the same day settlement option was selected in error.

Same Day Processing Schedule – Cutoff Time

Type	Deadline	Day of Delivery
Same Day ACH	9:30 am PT	On the Effective Entry Date

### VI. Prefunding

The Bank will require you to prefund an account maintained at the Bank two business days prior to the Settlement Date of the ACH file. For Same-Day ACH, your account will be debited immediately upon submitting the ACH transaction.



# Master Cash Management Agreement

## VII. Prenotifications

The Bank may require you to send prenotes prior to any actual transaction. If required, the Bank will notify you in writing.

## VIII. Reserve Account

The Bank reserves the right to require you to maintain a reserve account in a specified amount. The Bank will communicate directly to you if a reserve account is required.

## IX. On-Ups Entries

Except as provided in Section X, Rejection of Entries, in the case of an Entry received for credit to an account maintained with the Bank (an "On-Ups Entry"), Bank shall credit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in clauses (i) and (ii) of Section IV are met. If either of those requirements is not met, Bank shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next business day following such Effective Entry Date.

## X. Rejection of Entries

The Bank may reject any Entry which does not comply with the requirements of Section I, Transmittal of Entries by You, or Section II, Security Procedures, or which contains an Effective Entry Date more than five days after the business day such Entry is received by the Bank. The Bank may reject an On-Ups Entry for any reason for which an Entry may be returned under NACHA Rules. Bank may reject any Entry if you have failed to comply with your account balance obligations under Section XVI, Account. Bank may reject any Entry if you do not adhere to security procedures as described in Section II Security Procedures. Bank shall notify you by either phone, email, or electronic transmission of such rejection no later than the business day such Entry would otherwise have been transmitted by the Bank to the ACH operator, or in the case of an On-Ups Entry, its Effective Entry Date. Notices of rejection shall be effective when given. The Bank shall have no liability to you by reason of the rejection of any such Entry of the fact that such notice is not given at an earlier time than that provided for herein.

## XI. Cancellation or Amendment By You

You shall have no right to cancel or amend any Entry after its receipt by the Bank. However, if such request complies with the security procedures described in Section II, Bank shall use reasonable efforts to act on a request by you for cancellation of an Entry prior to transmitting the entry to the ACH Operator or, in the case of an On-Ups Entry, prior to crediting a Receiver's account, but shall have no liability if such cancellation is not effected. You shall reimburse the Bank for any expenses, losses, or damages the Bank may incur in effecting or attempting to affect your request for the reversal of an Entry.

## XII. Returned Entries

Bank shall notify you by either phone or electronic transmission, (including email) of the receipt of a returned Entry from the ACH operator no later than one business day after the business day of such receipt. Except for an Entry retransmitted by you in accordance with the requirements in Section I, Transmittal of Entries by You, Bank shall have no obligation to retransmit a returned Entry to the ACH operator if the Bank complied with the terms of this Section with respect to the original Entry. You will not reinitiate a returned Entry unless:

- the Entry has been returned for insufficient or uncollected funds and re-initiation occurs within 180 days of the settlement date of the original entry or
- the Entry has been returned for stopped payment and re-initiation has been authorized by the receiver

The Bank may terminate this Agreement if the volume of returned Entries is determined by the Bank in its sole discretion to be excessive.

## XIII. Payment by You for Entries

You shall pay the Bank the amount of each Entry transmitted by the Bank pursuant to this Section at such time on the date of transmittal by the Bank of such Entry as the Bank, in its discretion, may determine, and the amount of each On-Ups Entry at such time on the Effective Entry Date of such Entry as the Bank, in its discretion, may determine.

## XIV. Account

Bank may, without prior notice or demand, obtain payment of any amount due and payable to the Bank under this Section by debiting the Authorized Account(s), and shall credit the Authorized Account for any



## Master Cash Management Agreement

amount received by the Bank by reason of the return on an Entry transmitted by the Bank for which the Bank has previously received payment from you. Such credit shall be made as of the day of such receipt by the Bank. You shall at all times maintain a balance of available funds in the Authorized Account sufficient to cover your payment obligations under this Section. In the event there are not sufficient available funds in the Authorized Account to cover your obligations under this Section, You agree that the Bank may debit any account maintained by you with the Bank or any affiliate of the Bank or that the Bank may set off against any amount the Bank owes to you, in order to obtain payment of your obligations under this Section.

### **XV. Account Reconciliation**

Entries transmitted by the Bank or credited to a Receiver's Account maintained with the Bank will be reflected on your periodic statement issued by the Bank with respect to the Account pursuant to the agreement between you and the Bank. You agree to notify the Bank promptly of any discrepancy between your records and the information shown on any periodic statement. If you fail to notify the Bank of any discrepancy within 30 days of receipt of a periodic statement containing such information, you agree that the Bank shall not be liable for any other losses resulting from your failure to give such notice or any loss of interest or any interest equivalent with respect to an Entry shown on such periodic statement. If you fail to notify the Bank of any such discrepancy within 30 days of receipt of such periodic statement, you shall be precluded from asserting such discrepancy against the Bank.

### **XVI. Your Representations and Agreements; Indemnity**

With respect to each and every Entry initiated by you, you represent and warrant to the Bank and agree that:

- each person shown as the Receiver on an Entry received by the Bank from you has authorized the initiation of such Entry and the crediting of your account in the amount and on the Effective Entry Date shown on such Entry;
- such authorization is operative at the time of transmittal or crediting by the Bank as provided herein;
- Entries transmitted to the Bank by you are limited to those types of Entries set forth in Section 4 of the Authorization Form;
- you shall perform your obligations under this Agreement in accordance with all applicable laws and regulations, including the sanctions laws administered by OFAC; and
- you shall be bound by and comply with ACH Rules as in effect from time to time, including, without limitation, the provision making payment of an Entry by the Receiving Depository Financial Institution to the Receiver provisional until receipt by the Receiving Depository Financial Institution for final settlement for such Entry.

You specifically acknowledge that you have received notice of ACH Rules regarding provisional payment and of the fact that, if such settlement is not received, the Receiving Depository Financial Institution shall be entitled to a refund from the Receiver of the amount credited and you shall not be deemed to have paid the Receiver the amount of the Entry, you shall indemnify Bank against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or Section.

### **XVII. Bank Responsibilities; Liability; Limitations on Liability; Indemnity**

In the performance of the services required by this Section, the Bank shall be entitled to rely solely on the information, representations, and warranties provided by you pursuant to this Section, 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, and shall be liable only for its negligence or willful misconduct in performing those services. The Bank shall not be responsible for your acts or omissions (including without limitation the amount, accuracy, timeliness or transmittal or authorization of any Entry received from Company) or those of any other person, including without limitation any Federal Reserve Financial Institution, Automated Clearing House or transmission or communications facility, any Receiver or Receiving Depository Financial Institution (including without limitation the return of an Entry by such Receiver or Receiving Depository Financial Institution), and no such person shall be deemed the Bank's agent. You agree to indemnify the Bank against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of you or any other person described in this Section.

Bank shall be liable only for your actual damages; in no event shall the Bank be liable for any consequential, special, incidental, punitive or indirect loss or damage which you may incur or suffer in



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connection with this Section, whether or not the likelihood of such damages was known or contemplated by the Bank and regardless of the legal or equitable theory of liability which you may assert, including, without limitation, loss or damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to this Section.

Without limiting the generality of the foregoing provisions, the Bank shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond the Bank's control. In addition, the Bank shall be excused from failing to transmit or delay in transmitting an Entry if such transmittal would result in the Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in the Bank's reasonable judgment otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority.

Subject to the foregoing limitations, the Bank's liability for loss of interest resulting from its error delay shall be calculated using a rate equal to the Bank's current savings rate. At the Bank's option, payment of such interest may be made by crediting the Account resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of you or any other person described in Section XVII.

## **XVIII. Inconsistency of Name and Account Number**

You acknowledge and agree that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by the Bank to the Receiving Depository Financial Institution may be made by the Receiving Depository Financial Institution (or by the Bank in the case of an On-Us Entry) on the basis of the account number supplied by you, even if the Entry identifies a person different from the named Receiver, and that your obligation to pay the amount of the Entry to the Bank is not excused in such circumstances.

## **XIX. Notifications of Change**

The Bank shall notify you of all notifications of change received by the Bank relating to Entries transmitted by you by either phone or electronic transmission (including email) no later than two business days after receipt thereof.

## **XX. Data Retention**

You shall retain data on file adequate to permit remaking of Entries for (5) five business days following the date of their transmittal by the Bank as provided herein, and shall provide such data to the Bank upon its request.

## **XXI. Evidence of Authorization**

You shall obtain all consents and authorizations required under the Rules and shall retain such consents and authorizations for two (2) years after they expire. You will provide to Bank copies of authorizations within 10 days when requested by Bank.

## **9. Indemnification**

You acknowledge that you shall be fully responsible and liable for any transactions initiated under this Agreement. You acknowledge that you are in the best position to monitor use of the Services, avoid errors in transmitting transactions through the use of the Services, protect the confidentiality and secrecy of the Passwords and govern the authority given to each Authorized User. Therefore, you agree that the Bank shall have no duty or obligation to verify information submitted by you in using the Services and shall not be responsible or liable for any unauthorized use of the Service, or errors in transactions initiated by you, except as may be caused by the gross negligence or willful misconduct on the part of the Bank.

You agree to establish, maintain and update commercially reasonable policies, procedures, equipment and software ("Internal Security Controls") that will safeguard the security and integrity of your computer system and information from unauthorized use, intrusion, takeover or theft, and prevent your Password from unauthorized discovery or use (collectively "Internal Breaches"). You bear all risk of fraudulent transfers and other losses arising from your Internal Breaches or from the interception of your communications prior to their receipt by us (collectively "Internal Security Losses"). We will not reimburse you in connection with Internal Security Losses. You agree that we are authorized to execute, and it is commercially reasonable for us to execute, any instruction received by us with your Password.

You are responsible for determining and implementing whatever controls are necessary to prevent security breaches and internal security losses. We do not warrant that any or all of the above recommendations will prevent a security breach.



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You remain solely responsible at all times for your Internal Security Controls, Internal Breaches and Internal Security Losses. Although we may employ various systems and procedures from time to time to prevent losses to us, we assume no obligation for your Internal Breaches or Internal Security Losses, provided we have acted in accordance with this Agreement and/or instructions that are accompanied by your Password.

The Bank shall have no liability for performing its obligations herein if such failure to perform is a result of circumstances beyond the Bank's control. In no event shall the Bank be held liable for any consequential, exemplary, punitive or special damages you incur for any unauthorized use or error in transmitting a transaction initiated by you in using the Services.

You agree to indemnify and hold the Bank, the Bank's officers, directors, agents and employees harmless from all claims, demands, judgments, expenses, liability, causes of action and damages, arising out of your use of the Services. These Indemnification Paragraphs shall survive the termination of this Agreement.

### 10. Signature Verification

Any requirement of verifying two or more signatures on checks, if such a requirement exists, does not apply to electronic or telephone transfers and you release us from liability when making these kinds of transfers. Authorized Users are authorized by you to individually make electronic or telephone transfers, even though that person's authority to transfer or withdraw funds from your Authorized Accounts by some other means (e.g. by check) must be exercised jointly with one or more other persons. This provision controls and takes precedence over any conflicting provision in any other agreements you have with us.

### 11. Statements, Notices and Communication

Except as expressly provided otherwise in this Agreement, we will provide you notices and other information regarding your account or the Services (collectively "Account Related Information") through mail, electronically, or by other means available. This information will be sent to the postal or electronic address ("E-Address") of the owner of the applicable account as reflected in our records, unless a different postal or electronic address has been specified in accordance with procedures we may establish from time to time. The E-Address may be an e-mail address, other Internet address, text messaging number, or other electronic access address provided to us in accordance with this Agreement. Any Account Related Information will be deemed to have been sent on the first Business Day following the date on the information. Account Related Information that is held for pick-up or posted on our Website will be deemed to be delivered to you at the time that we make the information available for pick-up or send notice in accordance with this Agreement that the information is posted on our Website, as applicable. The person receiving the notice is responsible for providing copies of all Account Related Information to all joint owners, delegates, or other persons with access to the applicable Account or Electronic Service. We reserve the right at all times to communicate all Account Related Information to you through the U.S. Postal Service or overnight courier, at our sole option.

Unless otherwise required by applicable law, if we are required to provide you with information in writing, we may, at our option, send the information electronically either:

- to your E-Address;
- by posting the information on our Website or to your online banking secure mailbox, and sending you a notice to your postal address or E-Address (either separately or as part of an account statement) telling you that the information has been posted and providing instructions on how to view it; or
- to the extent permitted by law, by posting the information to our Website. You agree that we may satisfy our obligation to provide you with an annual copy of our Privacy Policy by keeping it available for review on our Website.

Unless otherwise prohibited by the laws governing your account or Services, this paragraph applies if two or more Account Related Information documents are returned or in the case of electronic notifications, the notice is returned as undeliverable. This means we may discontinue sending Account Related Information to you until you provide a valid postal or E-Address to us. Additionally, we may, at our sole option:

- destroy Account Related Information that is sent to you and returned to us as undeliverable;
- hold the Account Related Information for your Account for you to pick-up; or
- discontinue sending the Account Related Information through the delivery channel generating returns and utilize an alternative delivery channel.

You agree that you will notify us immediately in the event of a change to your address or E-Address. Address changes may be initiated:

- at your request. You may instruct us to change the address or E-Address to which we send notices or Account Related Information concerning your Account at any time;





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- if we receive an address change notice from the U.S. Postal Service; or
- if we receive information from another party in the business of providing correct address information that the address in our records no longer corresponds to your address.

We may act on any instruction purportedly made on your behalf within a reasonable time after we received such instruction. Unless you instruct us otherwise, we may in our sole discretion change the postal or E-Address only for the account(s) you specify or for all or some of your other account(s) with us.

The Bank shall be entitled to rely on any written notice or other written communication believed by the Bank+ in good faith to be genuine and to have been signed by an Authorized User, and any such communication shall be deemed to have been signed by such person. Such notice shall be effective on the second business day following the day of Bank's receipt thereof.

Except as otherwise expressly provided herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by United States registered or certified mail, postage prepaid, or by express carrier, and, if to us, addressed to:

BAC Community Bank  
P.O. Box 1140  
Stockton, CA 95201-1140

Attn: Customer Service Department

And if to you, notices will be sent to the address associated with the Account that is on file at the Bank. Except as otherwise expressly provided herein, any such notice shall be deemed given when sent.

Any notice you send us will not be effective until we actually receive the notice and have a reasonable opportunity to act on it. If there is more than one owner on your account, we may send Account Related Information to any one of them. You assume the risk of loss in the mail or otherwise in transit. Any notice or Account Related Information we send you will be effective when mailed, sent electronically or otherwise made available to you.

## 12. Records

All electronic media, Payment Orders, security procedures and records used by Bank for transactions contemplated by this Agreement shall be and remain Bank's property. Bank may, in its sole discretion, make available such information upon your request. Any expenses incurred by Bank in making any such information available to you shall be paid by you. Bank's records shall be deemed conclusive evidence of a Payment Order or other funds transfer and related communications.

You agree to fully and promptly comply and cooperate with any requests for information or documentation made at any time by Bank, its auditors, or its regulators.

The Bank has the right to audit your compliance with this Agreement and the ACH rules and you agree to fully and promptly cooperate with such audit.

## 13. Performance of Services

Except as expressly set forth herein, the Bank shall perform its duties and obligations provided herein in accordance with reasonable commercial standards applicable to the Bank's business and in conformity with the Rules, regulations and laws governing the activities of the Bank and in accordance with the terms set forth in this Agreement.

## 14. Recording and Use of Communications

You and the Bank agree that all telephone conversations or data transmissions between you, the Bank and/or the Bank's agents made in connection with this Agreement may be electronically recorded and retained by either party by use of any reasonable means.

## 15. Governing Law and Venue

Except to the extent federal law controls, disputes concerning the acceptance and handling by the Bank of Automated Clearing House ("ACH") transactions will be governed by the internal laws of the State of New York as provided by the ACH Rules. Except to the extent that the federal law controls, all other controversies will be resolved in accordance with the internal laws of the State of California. Venue for any action arising under or relating to the Agreement shall be Stockton, San Joaquin County, California.

## 16. ALTERNATIVE DISPUTE RESOLUTION (ADR)

The parties hereto agree that any dispute or controversy arising out of or relating to this Agreement and the Related Documents, or to the interpretation, performance or breach of this Agreement and Related Documents shall be resolved by the parties themselves. If the parties are unable or unwilling to resolve such dispute or controversy themselves, then any action, dispute, claim or controversy between or among the parties shall be heard and resolved by a judicial referee under



# Master Cash Management Agreement

judicial reference as provided in California Code of Civil Procedure Sections 638 et seq. for the hearing and determination of any and all of the issues, whether of fact or of law, without a jury. The referee shall be a former judge or attorney with more than ten years of experience in the area of financial transactions. The parties agree to the appointment of one referee and shall use their best efforts to agree on the selection of the referee. If the parties are unable to agree on the referee within ten (10) calendar days after a written request to do so by either party, then each party shall submit the name of a referee to the other party and the two referees named by the parties shall appoint a third referee to hear and determine any and all issues. The referee shall be requested to set the matter for hearing within sixty (60) days after the date of selection of the referee and try any and all issues of law or fact and report a statement of decision upon them, if possible, within ninety (90) days of the first date a party first provides notice that a controversy, dispute or claim exists under this Agreement. Any decision rendered by the referee will be final, binding and conclusive and judgment shall be entered pursuant to CCP 644 in any court in the State of California having jurisdiction. No provision of, nor the exercise of any rights under this ADR provision shall limit the right of any party to employ other remedies, including, without limitation, (1) exercising self-help remedies, including setoff rights; (2) obtaining provisional or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the dispute to judicial reference nor render inapplicable the compulsory ADR provisions hereof. **THE PARTIES HEREBY ACKNOWLEDGE THAT THIS PROVISION FOR JUDICIAL REFERENCE REPLACES ANY AND ALL RIGHTS TO A TRIAL BY JURY FOR ALL CIVIL ACTIONS OR PROCEEDINGS INVOLVING A DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED DOCUMENTS.**

## 17. Attorneys' Fees and Expenses

In the event of a lawsuit or an arbitration or reference proceeding, the prevailing party is entitled to recover costs and reasonable attorneys' fees incurred in connection with the lawsuit or proceeding, as determined by the court, arbitrator or referee.

## 18. Cooperation in Loss Recovery Efforts

In the event of any damages for which you or the Bank may be liable to each other or to a third party pursuant to the Services provided under this Agreement, you and the Bank 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.

## 19. Interest

If under any of the provisions of this Agreement or under the law, Bank is responsible to you for the payment of interest, that interest shall be payable at the rate equal to Bank's current savings account rate.

## 20. Amendments and Modifications

From time to time Bank may amend any of the terms and conditions contained in this Agreement, including without limitation, any cut-off time, any business day, and any part of the Authorization Form. Such amendments shall become effective upon receipt of notice by you or such later date as may be stated in Bank's notice to you. By continuing to use the Services after the Bank sends you notice of any change, you agree to the change.

## 21. Severability

In the event that any provision of this Agreement shall be determined to be invalid, illegal or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

## 22. Headings

Headings are used for reference purposes only and shall not be deemed a part of this Agreement.

## 23. Waiver

The Bank may waive enforcement of any provision of this Agreement. Any such waiver shall not affect the Bank's rights with respect to any other transaction or modify the terms of this Agreement.

No waiver by either party shall be considered a continuing waiver or a waiver of any other right. In order to be valid, waivers must be in writing and executed by the party granting the waiver. Bank's acceptance of one or more late or nonconforming Payment Orders or other funds transfers shall not be deemed the Bank's agreement to accept such orders on an ongoing basis, and Bank may discontinue accepting such Payment Orders or other funds transfers without prior notice to you.

## 24. Assignment

You may not assign this Agreement or any of the rights or duties hereunder to any person without Bank's prior written consent.



# Master Cash Management Agreement

## 25. Binding Agreement

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against Bank or Company hereunder.

## 26. Termination

This Agreement shall remain in effect until terminated by either party. Either party may terminate this Agreement at any time with or without cause, upon three (3) business days written notice of termination to the other party. The Bank may terminate, suspend, or place restrictions on the Company's ability to originate ACH transactions if you breach the ACH Rules. In the event this Agreement is terminated, any financial obligation of you to the Bank arising out of a transaction initiated by you prior to termination shall survive the termination of this Agreement. All indemnities shall survive termination.

## 27. Entire Agreement

This Agreement (including the Authorization Form), is the complete and exclusive statement of the Agreement between you and the Bank with respect to the subject matter hereof and supersedes any prior Agreement(s) between you and the Bank with respect to such subject matter. The terms and conditions of the deposit agreements and disclosures for each Account as well as your other agreements with Bank ("Account Agreement") continue to apply. In the event of any inconsistency between the terms of this Agreement and the Account Agreement, the terms of this Agreement shall govern. In the event performance of the services provided herein in accordance with the terms of this Agreement would result in a violation of any present or future statute, regulation or government policy to which Bank is subject, and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and Bank shall incur no liability to you as a result of such violation or amendment. No course of dealing between you and the Bank will constitute a modification of this Agreement or the security procedures or constitute an agreement between you and the Bank regardless of whatever practices and procedures you and the Bank may use.

## 28. Additional Provisions Applicable Only to Consumer Accounts

### a. Electronic Funds Transfers (EFT)

The provisions in this Agreement apply only to electronic fund transfers that debit or credit a consumer's checking, savings or other asset account and are subject to the Federal Reserve Board's Regulation E (an "EFT"). The Bank may, when applicable, rely on any exceptions to the provisions in this Agreement that are contained in Regulation E. All terms not otherwise defined in the Agreement, which are defined in Regulation E, will have the same meaning when used in this Agreement.

Your liability for an unauthorized EFT or a series of related unauthorized EFT's will be determined as follows:

- I. If you notify us within two business days after learning of the loss or theft of your password, your liability will not exceed the lesser of \$50 or the amount of unauthorized EFTs that occur before notice to us.
- II. If you fail to notify us within two business days after learning of the loss or theft of your password, your liability will not exceed the lesser of \$500 or the sum of:
  1. \$50 or the amount of unauthorized EFTs that occur within the two business days, whichever is less; and
  2. the amount of unauthorized EFTs that occur after the close of two business days and before notice to us, provided we establish that these EFTs would not have occurred had you notified us within that two day period.
- III. You must report an unauthorized EFT that appears on a periodic statement within 60 days of our transmittal of the statement to avoid liability for subsequent transfers. If you fail to do so, your liability will not exceed the amount of the unauthorized EFTs that occur after the close of the 60 days and before notice to us, and that we establish would not have occurred had you notified us within the 60 day period. You may, as applicable, also be liable for the amounts described in the immediately preceding paragraphs 1 or 2 above.
- IV. If your delay in notifying us was due to extenuating circumstances, we will extend the times specified in the immediately preceding paragraphs 1, 2 or 3 above to a reasonable period.
- V. You may notify us in person, by telephone, by email, or in writing.

The telephone number and address to be notified when you believe that an unauthorized EFT has been or may be made are:



## Master Cash Management Agreement

Telephone: 1-877-226-5820  
Monday through Friday 8am PT to 6 pm PT  
Saturdays 9am PT to 2pm PT, excluding federal holidays

Address: BAC Community Bank, Customer Service  
P.O. Box 1140, Stockton, CA 95201-1140

Email: You can send an email by signing on to the Service

In Case of Errors or Questions About Your Electronic Transfers, call or write us at:

BAC COMMUNITY BANK  
CUSTOMER SERVICE  
P.O. BOX 1140  
STOCKTON, CALIFORNIA 95201-1140  
Business Days: Monday through Friday  
Excluding Federal Holidays  
Phone: 1-877-226-5820

Contact us immediately if you think:

- your statement or transaction record is wrong;
- you need more information about a transaction listed on your statement;
- an unauthorized person has discovered your username and/or password;
- someone has transferred or may transfer money from your account without your permission; or
- bill payment transactions have been made without your authorization.

We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Tell us:

- your name and account number;
- describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and
- the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

### **b. Our Liability for Failure to Complete Transactions**

If we do not complete a transaction to or from your account on time or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. However, we will not be liable for not completing, in whole or in part, any transaction or instruction which:

- I. you do not have enough available funds in your account or available credit to cover the transaction or transfer;
- II. is not in accordance with any term or condition of this Agreement or any other Agreement applicable to the relevant Service or Account;



## Master Cash Management Agreement

- III. we have reason to believe may not be authorized by you or any other person whose authorization we believe is necessary or involves funds or other property subject to a hold, dispute, restriction or legal process we believe prevents the transaction or instruction;
- IV. would violate any applicable rule or regulation of any federal or state regulatory authority;
- V. was not in accordance with any other requirement of our policies, procedures or practices;
- VI. we have other reasonable cause not to honor for our or your protection;
- VII. if scheduled system maintenance or circumstances beyond our control (such as power outage, computer virus, system failure, fire, flood, earthquake, or extreme weather) prevented the transaction or transfer;
- VIII. if the Services were not working properly, and you knew about the malfunction when you started the transaction or transfer;
- IX. if there are postal delays or processing delays by others; or
- X. other exceptions apply.

### c. Limitation of Liability

When you give someone your username and password, you are authorizing that person to use your Services, and you are responsible for all transactions that person performs while using your Services. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. If you notify us that the person is no longer authorized, then only transactions that person performs after the time you notify us are considered unauthorized.

Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions.

## 29. Additional Provisions Applicable Only to Business Accounts

### a. Limitation of Liability

If we fail in making a payment or transfer pursuant to your instructions, or if we make a payment or transfer in an erroneous amount that is less than the amount per your instructions, unless otherwise required by law, our liability shall be limited to interest on the amount that we failed to timely pay or transfer, calculated from the date on which the payment or transfer was to be made until the date it was actually made or you canceled the instructions. We may pay such interest either to you or the intended recipient of the payment or transfer, but in no event will we be liable to both parties, and our payment to either party will fully discharge any obligation to the other.

If we make a payment or transfer in an erroneous amount that exceeds the amount per your instructions, or if we permit an unauthorized payment or transfer after we have had a reasonable time to act on a notice from you of possible unauthorized use as described above, unless otherwise required by law, our liability will be limited to a refund of the amount erroneously paid or transferred, plus interest thereon from the date of the payment or transfer to the date of the refund, but in no event to exceed 60 days' interest.

If we become liable to you for interest compensation under this Agreement or applicable law, such interest shall be calculated based on the Bank's saving account rate for each day interest is due. Unless otherwise required by law, in no event will the Bank be liable to you for special, indirect or consequential damages, including without limitation, lost profits or attorney's fees, even if we are advised in advance of the possibility of such damages.

However, we will not be liable for not completing, in whole or in part, any transaction or instruction which:

- I. you do not have enough available funds in your account or available credit to cover the transaction or transfer;
- II. is not in accordance with any term or condition of this Agreement or any other Agreement applicable to the relevant Service or Account;
- III. we have reason to believe may not be authorized by you or any other person whose authorization we believe is necessary or involves funds or other property subject to a hold, dispute, restriction or legal process we believe prevents the transaction or instruction;
- IV. would violate any applicable rule or regulation of any federal or state regulatory authority;
- V. was not in accordance with any other requirement of our policies, procedures or practices;
- VI. we have other reasonable cause not to honor for our or your protection;
- VII. if scheduled system maintenance or circumstances beyond our control (such as power outage, computer virus, system failure, fire, flood, earthquake, or extreme weather) prevented the transaction or transfer;



## Master Cash Management Agreement

- VIII. if the Services were not working properly, and you knew about the malfunction when you started the transaction or transfer;
- IX. if there are postal delays or processing delays by others; or
- X. other exceptions apply.

### **30. Representations and Warranties**

You represent and warrant that You are duly organized and validly existing under the laws of the State of California, and have the full legal right and power under the laws of the State of California to enter into this Agreement, and by proper action you have duly authorized the execution and delivery of this Agreement. You represent and warrant that the Authorized Signers under Section 5 of the Authorization Form ("Agree to Terms") executing this Agreement have been fully authorized to execute this Agreement under Section 6 of the Authorization Form ("Resolution and Certification"). You represent and warrant that this Agreement has been duly authorized, executed and delivered by you and constitutes a legal, valid and binding Agreement of you enforceable against you in accordance with the Agreement terms. You represent and warrant that each transaction delivered to Bank, complies with all local, State, and Federal laws and regulations, including but not limited to the Federal Reserve Bank's Regulation E and Office of Foreign Assets Control.



# Master Cash Management Agreement

## Exhibit A Provisions for Specific Types of Entries

Entry Type	Originator Requirements:
<p><b>Represented Check (RCK)</b> - Debit Entry used to collect the amount of a Check returned for insufficient or uncollected funds.</p>	<p><u>Company Requirements:</u></p> <p>Company agrees to the following processing requirements for a RCK Entry:</p> <ol style="list-style-type: none"> <li>1. Verify the check is drawn on a consumer account and signed by the maker.</li> <li>2. Verify the check was returned as "Not Sufficient Funds".</li> <li>3. Verify the check does not exceed \$2,500.00.</li> <li>4. Verify the check has not been presented more than two times through the check collection system.</li> <li>5. Verify the check is dated 180 days or less from the date of Settlement.</li> <li>6. Ensure that the check is not one of the following items; drawn on the U.S. Treasury, a Federal Reserve Bank, Federal Home Loan Bank, U.S. Postal Service money order, item paid in a medium other than U.S. currency.</li> <li>7. Provide notice to its customer prior to accepting a check that a check returned for insufficient or uncollected funds may be re-presented electronically.</li> <li>8. Retain a front and back copy of the check for seven years from the Settlement Date. When requested, Company will provide a copy of the check to the Bank within 5 days.</li> </ol> <p><u>Company Warranties:</u></p> <p>Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. The signatures on the check to which the RCK Entry relate are authentic and authorized.</li> <li>2. Company has good title to the returned item.</li> <li>3. The check to which the RCK Entry relates has not been altered.</li> <li>4. The check to which the RCK Entry relates is not subject to a defense or claim in recoupment of any party that can be asserted against the Bank.</li> <li>5. Company has no knowledge of insolvency of the maker of the check.</li> <li>6. Company will not add a fee to the amount of the check when it is processed as an RCK Entry.</li> <li>7. The check to which the RCK Entry relates is drawn on, payable through, or payable at the Receiving Depository Financial Institution ("RDFI"), and the amount of the check, the check number, and the account number contained on the check will be accurately reflected in the RCK Entry.</li> <li>8. Neither the check to which an RCK Entry relates nor any copy of such check will be presented to the RDFI subsequent to the origination of the RCK Entry unless the related RCK Entry has been returned by the RDFI.</li> <li>9. The information encoded in magnetic ink on the check to which the RCK Entry relates after issuance of the check is correct.</li> <li>10. Agrees that any restrictive endorsement made by the Company or its agent on the check to which the RCK Entry relates is void or ineffective upon initiation of the RCK Entry.</li> </ol> <p><i>See Article 2: Subsection 2.5.13 of NACHA Operating Rules and Section V, Chapter 46 of the NACHA Operating Guidelines for additional information.</i></p>



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Entry Type	Originator Requirements:
<p><b>Internet Initiated Entry (WEB)</b> - Debit Entry to a Consumer Account originated based on (1) an authorization that is communicated, other than by an oral communication, to Company from its customer via Internet or Wireless Network; or (2) any form of authorization but the customer's instruction for the initiation of the individual Debit Entry is communicated to the Company via a Wireless Network.</p>	<p><u>Company Requirements:</u>            Company agrees to the following processing requirements for a WEB Entry:</p> <ol style="list-style-type: none"> <li>1. Obtain their customer's authorization which meets the following parameters prior to initiating the transaction:               <ol style="list-style-type: none"> <li>a. Authorization must be in a writing that is signed or authenticated by Company's customer via Internet or a Wireless Network                   <ol style="list-style-type: none"> <li>i. Customer must be able to read the authorization language displayed on a computer screen or other visual display</li> <li>ii. Company will prompt their customer to print the authorization and retain a hard copy or electronic copy</li> <li>iii. Company will provide their customer with a hard copy of the authorization if requested</li> <li>iv. Third Party Service Providers may not authorize a transaction on behalf of Company's customer.</li> </ol> </li> </ol> <p style="text-align: center;">OR</p> <p style="text-align: center;">Authorization is obtained in any manner permissible for other ACH transaction entries but the consumer's initiation of the debit entry is communicated via a Wireless Network</p> <ol style="list-style-type: none"> <li>b. The authorization must be readily identifiable as an ACH debit authorization</li> <li>c. Authorization must express its terms in a clear manner</li> <li>d. For recurring payments <i>only</i>, the authorization must provide the customer with a method to revoke the authorization.</li> <li>e. The authorization will include the following fields:                   <ol style="list-style-type: none"> <li>i. Authorization language (i.e. I authorize Company A to debit my account...)</li> <li>ii. Amount of transaction:                       <ol style="list-style-type: none"> <li>1. for a Single Entry payment</li> <li>2. for a recurring Entry that is for the same amount each interval, or</li> <li>3. for a range of payments</li> </ol> </li> <li>iii. The effective date of the transaction.</li> <li>iv. The customer's account number</li> <li>v. The customer's financial institution's routing number.</li> <li>vi. Revocation language (for recurring payments only.)</li> </ol> </li> </ol> </li> <li>2. Maintain authorizations for two years after termination or revocation. When requested, Company will provide a copy of the authorization to the Bank within 5 days.</li> <li>3. Utilize robust authentication methods to verify the identity of the customer before accepting ACH debit authorizations.</li> </ol> <p><u>Company Warranties:</u>            Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. They have established and implemented a commercially reasonable fraudulent transaction detection system.</li> <li>2. They have established and implemented a commercially reasonable method of authentication to verify the identity of their customers.</li> <li>3. They have established and implemented commercially reasonable procedures to verify that the routing number used in the WEB Entry is valid.</li> <li>4. They will conduct data security audits annually to ensure that the financial information that they receive from their customers is protected by security practices.</li> </ol> <p><i>See Article 2: Subsection 2.5.17 of NACHA Operating Rules and Chapter 48 of the NACHA Operating Guidelines for additional information.</i></p>





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Entry Type	Originator Requirements:
<p><b>Telephone Initiated Entry (TEL)</b> - Single-entry Debit Entry originated based on an oral authorization provided to the Company by its customer via the telephone.</p>	<p><u>Company Requirements:</u></p> <p>Company agrees to the following processing requirements for a TEL Entry.</p> <p>Company will:</p> <ol style="list-style-type: none"> <li>1. Obtain <i>explicit</i> oral authorization which shall be recorded, otherwise written confirmation will be required. The authorization must be readily identifiable as an authorization and must have clear and readily understandable terms. The authorization will include:               <ol style="list-style-type: none"> <li>a. The date on or after which the customer’s account will be debited</li> <li>b. The amount of the transaction.</li> <li>c. The customer’s name.</li> <li>d. A telephone number that is available to the customer for inquiries.</li> <li>e. The date of the oral authorization.</li> <li>f. A statement from the Company to their customer indicating that the authorization obtained is for a Single-Entry ACH debit, a one-time electronic funds transfer, or other similar reference.</li> </ol> </li> <li>2. Retain the authorization for two years from the date of the authorization. When requested, Company will provide a copy of the authorization to the Bank within 5 days.</li> <li>3. Utilize robust authentication methods to verify the identity of the customer before accepting ACH debit authorizations.</li> </ol> <p><u>Company Warranties:</u></p> <p>Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. Company has established and implemented commercially reasonable procedures to verify the identity of their customer.</li> <li>2. Company has established and implemented commercially reasonable procedures to verify routing numbers used in the TEL Entry are valid.</li> <li>3. Company has an existing relationship with the customer as defined by the NACHA Operating Guidelines.</li> <li>4. Company has obtained separate authorization for each TEL Entry to customers account.</li> </ol> <p><i>See Article 2: Subsection 2.5.15 of NACHA Operating Rules and Chapter 47 of NACHA Operating Guidelines for additional information.</i></p>



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Entry Type	Originator Requirements:
<p><b>Point-of-Purchase (POP)</b> - Single Entry debit originated based on a check or other source document provided to Company by Company's customer at the point-of-purchase or manned bill payment location.</p>	<p><u>Company Requirements:</u></p> <p>Company agrees to the following processing requirements for a POP Entry:</p> <p>Company will:</p> <ol style="list-style-type: none"> <li>1. Utilize a reading device to capture information contained on the check. Check information cannot be manually keyed in except to correct errors.</li> <li>2. Provide receipts for each POP Entry with the following information:               <ol style="list-style-type: none"> <li>a. Your Company name</li> <li>b. Company/Third Party Service Provider phone number for inquiries</li> <li>c. Date of transaction</li> <li>d. Transaction Amount</li> <li>e. Check Number</li> <li>f. Merchant Number</li> <li>g. Terminal City and State</li> </ol> </li> <li>3. Obtain written authorization and retain authorization for two years from the settlement date of the POP Entry. When requested, a copy of an authorization must be provided to the Bank within 5 business days.</li> <li>4. Post and provide notice regarding the conversion process. Company may use the following language:               <p style="margin-left: 40px;"><i>"When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction."</i></p> <p style="margin-left: 40px;">The notice must be posted in a prominent and conspicuous location.</p> </li> </ol> <p><u>Company Warranties:</u></p> <p>Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. Company will void the check or source document to initiate the POP Entry and return it to their customer at the time of the transaction.</li> <li>2. Company will ensure the check or source document to initiate the POP Entry has not been voided or negotiated.</li> <li>3. Company will not process a POP Entry for more than \$25,000.</li> <li>4. Company has established and implemented a commercially reasonable method to secure all banking information related to POP entries.</li> </ol> <p><i>See Article 2: Subsection 2.5.10 of NACHA Operating Rules and Chapter 44 of the NACHA Operating Guidelines for additional information.</i></p>



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Entry Type	Originator Requirements:
<p><b>Accounts Receivable Entry (ARC)</b> - Single Entry debit used to convert Company's customer's check, which is received via the U.S. Mail or at a drop box location for the payment of goods or services to an ACH debit entry.</p>	<p><u>Company Requirements:</u></p> <p>Company agrees to the following processing requirements for a ARC Entry:</p> <p>Company will:</p> <ol style="list-style-type: none"> <li>1. Utilize a reading device to capture information contained on the check. Check information cannot be manually keyed in except to correct errors.</li> <li>2. Disclose to those who you are accepting payments from that you intend to use the item(s) as a source document for an ARC Entry.               <ol style="list-style-type: none"> <li>a. Notice must be provided to your customer in a clear and easily understandable manner and provide the notice prior to initiating each ARC Entry. Company may use the following verbiage or something substantially similar:                   <p style="text-align: center;"><i>"When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction."</i></p> </li> </ol> </li> <li>3. Reasonably allow its customer the capability to "opt-out" of the check conversion process (decline authorization of an ARC Entry).</li> </ol> <p><u>Company Warranties:</u></p> <p>Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. Company has verified the amount of the ARC Entry, the routing number, the account number, and the Check Serial Number accurately represents the information on the check used to initiate the ARC Entry</li> <li>2. Company will not present for payment the check used to initiate the ARC Entry unless the ARC Entry is returned by the payor.</li> <li>3. Company has retained a reproducible and legible copy of the front of the its customer's check used to initiate each ARC Entry for two years from the Settlement Date of the ARC Entry. When requested, customer will provide a copy to the Bank within 5 business days.</li> <li>4. Company has established and implemented commercially reasonable methods to securely store:               <ol style="list-style-type: none"> <li>a. The check used to initiate the ARC Entry until it is securely destroyed; and</li> <li>b. All banking information relating to the ARC Entry.</li> </ol> </li> <li>5. Company has established and implemented commercially reasonable methods to securely destroy the check used to initiate the ARC Entry.</li> <li>6. Company will not process an ARC Entry for more than \$25,000.</li> <li>7. Company will not add a fee to the amount of the check when it is processed as an ARC Entry.</li> <li>8. Company will not reinitiate an ARC Entry more than 2 times for an ARC Entry that has been returned for insufficient or uncollected funds provided that the reinitiated entry is transmitted within 180 days of the settlement date of the original entry.</li> </ol> <p><i>See Article 2: Subsection 2.5.1 of NACHA Operating Rules and Chapter 37 of the NACHA Operating Guidelines for additional information.</i></p>



# Master Cash Management Agreement

Entry Type	Originator Requirements:
<p><b>Back Office Conversion (BOC)</b> - Single Entry debit originated based on a check provided to Company by their customer at the point-of-purchase or manned bill payment location for subsequent conversion during back-office processing.</p>	<p><u>Company Requirements:</u></p> <p>Company agrees to the following processing requirements for a BOC Entry:</p> <p>Company will:</p> <ol style="list-style-type: none"> <li>1. Utilize a reading device to capture information contained on the check. Check information cannot be manually keyed in except to correct errors.</li> <li>2. Post and provide notice regarding the conversion process. Company may use the following verbiage or substantially similar language:               <p style="margin-left: 40px;"><i>“When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. For inquiries, please call &lt;retailer phone number&gt;.”</i></p> <p style="margin-left: 40px;">The notice must be posted in a prominent and conspicuous location.</p> </li> <li>3. Reasonably allow a customer the capability to “opt-out” (decline authorization of a BOC Entry).</li> </ol> <p><u>Company Warranties:</u></p> <p>Company warrants the following:</p> <ol style="list-style-type: none"> <li>1. Company will maintain a reproducible and legible copy of the front of the check used to initiate each BOC Entry for two years from the Settlement Date of the BOC Entry. Upon request, company will provide copy of check to bank within 5 days of request.</li> <li>2. Company will verify that the amount of the Entry, the routing number, the account number, and the check serial number accurately represent the information on the check used to initiate the BOC Entry</li> <li>3. Company has established and implemented commercially reasonable methods to securely store:               <ol style="list-style-type: none"> <li>a. The check used to initiate the BOC Entry until it is securely destroyed; and</li> <li>b. All banking information relating to the BOC Entry.</li> </ol> </li> <li>4. Company will not reinitiate a BOC entry more than 2 times for a BOC entry that has been returned for insufficient or uncollected funds provided that the reinitiated entry is transmitted within 180 days of the settlement date of the original entry.</li> <li>5. Company has established and implemented commercially reasonable procedures to verify the identity of their customer.</li> <li>6. Company has established and maintains a working telephone number that is answered during normal business hours for customer inquiries regarding the BOC Entry and has displayed this telephone number on the notice.</li> <li>7. Company will not add a fee to the amount of the check when it is processed as a BOC Entry.</li> </ol> <p><i>See Article 2: Subsection 2.5.2 of NACHA Operating Rules and Chapter 38 of NACHA Operating Guidelines for additional information.</i></p>