

We're here to help.

This Service Description is part of the Treasury Services Master Agreement, Global Treasury Management Services Master Agreement, or other master agreement for treasury and payment services (the "*Master Agreement*") currently in effect between you and BMO Harris Bank N.A. ("*Bank*"), and is subject to all of the terms and conditions contained in the Master Agreement. Any references herein to the Master Agreement shall be deemed to include the terms of this Service Description. Any capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Master Agreement or, if not defined therein, in the applicable Account Agreement. Any capitalized terms not otherwise defined herein, in the Master Agreement, or in the applicable Account Agreement shall have the meanings ascribed thereto under the Rules (as hereinafter defined).

### 1. Services.

You act as an intermediary in transmitting ACH Entries on behalf of Clients and you would like to create and transmit Entry Data to Bank to process ACH Entries on behalf of Clients for settlement against or to accounts maintained with Bank (each, a "*Designated Account*"). Bank will provide to you Bank's ACH origination services and act as the Originating Depository Financial Institution ("*ODFI*") to process the Entry Data submitted by you (or in your name) on behalf of Clients in accordance with the terms and subject to the conditions of this Service Description and the related Service Documentation (the "*Service*"). This Service allows you to originate ACH Entries to (a) disburse amounts from your Designated Account or a Client's Designated Account to receiving accounts by means of Credit Entries, (b) collect amounts in your Designated Account or a Client's Designated Account by means of Debit Entries, or (c) disburse amounts from or collect amounts to your Designated Account or a Client's Designated Account by means of internal transfers which are ACH Entries for which Bank is the receiving depository institution ("*On-Us Entries*") when the receiving account designated by you is maintained with Bank. All Designated Accounts must be business accounts and not consumer accounts. This Service Description and the related Service Documentation cover all of Bank's ACH origination services where you are acting as an intermediary in transmitting ACH Entries on behalf of Clients. Information reporting and other access to ACH reports and activity is governed by the Service Documentation for the information service chosen by you.

### 2. Definitions.

As used in this Service Description: (a) "*Client*" means your customer that entered into an agreement with you to provide ACH origination services for it either in its capacity as an Originator ("*Originator Client*") or in its capacity as a Third-Party Sender originating ACH Entries on behalf of its own clients ("*Nested TPS Client*"); (b) "*ACH Entry*" means any electronic funds transfer initiated through the ACH System resulting in a credit to a Designated Account ("*Debit Entry*") or a debit to a Designated Account ("*Credit Entry*"); (c) "*ACH System*" means the automated clearinghouse or other system used for bulk file transfers; (d) "*Entry Data*" means instructions, data or other information transmitted or otherwise communicated to Bank as provided in this Service Description; and (e) "*Rules*" means the rules of NACHA – The Electronic Payments Association® ("*NACHA*") and any applicable local ACH rules and regulations as in effect from time to time.

### 3. Client Agreement; Setup.

(a) You represent, warrant and covenant that you have entered into a valid, enforceable agreement with each Client to provide ACH origination services for such Client, as described herein (a "*Client Agreement*"). You further represent and warrant that each Client Agreement for Originator Clients includes, at a minimum, the following terms: (i) that Client authorizes you and your designated ODFI to originate ACH Entries on the Client's behalf; (ii) that Client agrees to be bound by the Rules in effect from time to time; (iii) that Client agrees not to originate ACH Entries that violate the laws of the United States or any other Applicable Laws; (iv) that you have the right to terminate or suspend the Client Agreement for breach of the Rules in a manner that permits you to comply with the Rules; and (v) that you have the right to audit the Client's compliance with the Client Agreement and the Rules. You further represent and warrant that each Client Agreement for Nested TPS Clients includes, at a minimum, terms and provisions such that you receive substantially the same benefits and protections as Bank receives under this Service Description and the Nested TPS Client is subject to substantially the same requirements and obligations as you are subject to under this Service Description.

You agree that, within two (2) banking days following Bank's request, you will provide to Bank a copy of any

such Client Agreement and any other documentation or information Bank reasonably requests and deems necessary to identify each Client and regarding each ACH Entry (including, but not limited to, those documents that an Originator would be obligated to retain such as the source document (or a copy thereof) for each accounts receivable entry, the receipts for each point of purchase entry, and the record of the Client or Receiver authorization for the ACH Entry if other than the Client Agreement). Bank reserves the right to refuse to open a Designated Account or process any ACH Entries for a Client for which you either do not have a Client Agreement or such Client Agreement does not contain the terms as required herein; however, you shall remain liable for, and Bank shall have no liability for, any Designated Accounts opened or ACH Entries processed by Bank for any Client for which you do not have such Client Agreement.

- (b) Without limiting the generality of Section 3(a), you agree to provide Bank, at least annually or more often as Bank may require, with the name, Taxpayer Identification Number, full address, and North American Industry Classification System (NAICS) business code of each of your Clients. Bank may issue a separate company ID for each Client which you agree to use when initiating ACH Entries on behalf of each such Client. Furthermore, upon request, you agree to immediately furnish to Bank copies of your due diligence policies and procedures for new Clients, promotional materials, and any information in your possession relating to the Clients including, but not limited to, information gathered about the Clients' business whether from the Client or third parties.
- (c) Before accessing the Service, you must complete the required Service Documentation which must be accepted by Bank. The type of ACH Entries you will be allowed to originate will be only as permitted by Bank in the Service Documentation. You must also complete the required setup procedures for yourself and any Client. If you wish to access any of the Services which are available through Online Banking for Business ("OLBB"), you must also sign up for the OLBB service and complete the applicable Service Documentation and setup process and Bank must agree to provide that service to you. You are responsible for the contents of all setup instructions delivered to Bank. Bank is not responsible for detecting errors contained in any instructions or Entry Data, and Bank is entitled to rely on the information contained in your instructions. You must maintain at least one demand deposit Account with Bank to receive the Service.
- (d) Bank will provide to the person specified by you as your "Designated Contact" for the Service any applicable User Guides and the confidential user identification codes and passwords. The Designated Contact or any other person designated as an Authorized Individual in your Account Resolutions may authorize one or more other persons to facilitate ongoing Service administration, each known as an "Operations Contact." The responsibilities for the Operations Contact for ongoing Service administration include:
- send Entry Data to Bank;
  - provide Bank with file confirmation information; and
  - be called by Bank's personnel for Service-related problem resolutions.

Only the Designated Contact or Authorized Individual will be authorized to issue new Service instructions to Bank, or change existing Service instructions. The Designated Contact or Authorized Individual will be considered by Bank for all purposes to have full and unrestricted authority to perform all of the responsibilities of the Operations Contact even if additional persons are specified to serve as an Operations Contact. You must restrict access to any User IDs, passwords, and Security Devices provided to you only to the persons authorized to act on your behalf and you acknowledge and agree that those individuals in possession of the User IDs, passwords, and Security Devices are authorized to act on your behalf to submit Entry Data and/or give other instructions regarding the Service. If at any time you determine that any User IDs, passwords, or Security Devices have been compromised, you must immediately contact Bank to assist in making appropriate changes.

#### **4. Payment for ACH Entries.**

You agree to pay to Bank (i) the amount of each Credit Entry originated by you in immediately available funds on or before the settlement date and time for the Credit Entry, and (ii) the amount of each returned or reversed Debit Entry (including any Reversing Entry) on or before the settlement date and time for the returned or reversed Debit Entry. You agree to maintain in the applicable Designated Account a balance of available funds to pay for any Credit Entry or returned or reversed Debit Entry (including any Reversing Entry) and Bank will debit the Designated Account for the total amount of each such ACH Entry.

The foregoing payment obligation will survive termination of this Service Description and the Master Agreement. If you fail to provide in the Designated Account sufficient good, collected funds to cover any Credit Entry or returned or reversed Debit Entry when required, Bank may debit any other account of yours or the applicable Client with

Bank or any of Bank's affiliates for the amount due for such ACH Entry, and Bank may suspend the provision of Services to you or with respect to your ability to initiate ACH Entries on behalf of such Client. Bank reserves the right in its sole discretion to (i) initiate a reversal of any batch of Credit Entries for which Bank has not been paid in full, or (ii) require you to pre-fund any Credit Entry before Bank processes any Credit Entry. Bank is not obligated to continue to process or transmit any Credit Entry without having first been paid by you if Bank requests payment. You agree to, at Bank's request, maintain a balance in a non-interest bearing Account in the amount Bank determines based on a percentage of the amount of the Debit Entries and return history of your Debit Entries. You further agree to maintain such balance in such Account for a period of at least ninety (90) days after the date of your last ACH Entry prior to termination of this Service to pay Bank for any Debit Entry returned to Bank. Bank reserves the right to debit any Account of yours at any time for amounts due from you. If processing of the Services creates an overdraft in any Account, then you agree to promptly pay Bank on demand in immediately available funds, the amount of any such overdraft with interest thereon at Bank's then existing overdraft rate for the time period involved until such overdraft is paid.

#### **5. Pre-funding.**

If Bank requires you to pre-fund your Credit Entries and your Designated Account does not contain sufficient available collected balances at least equal to each unprocessed Credit Entry immediately prior to the time Bank processes such Credit Entry, your Credit Entry may be suspended and deleted from Bank's ACH processing system, resulting in the non-payment of your Credit Entry. If Bank suspends and deletes your Credit Entry because your Designated Account does not contain sufficient available collected balances, it is your responsibility to deposit additional funds into your Designated Account and then re-submit your Credit Entry to Bank for processing.

#### **6. Transmittal of ACH Entries and Settlement.**

- (a) Entry Data must be transmitted or delivered to Bank in compliance with the applicable Security Procedures and in compliance with the transmission and format requirements and cut-off times established by Bank, which may be changed by Bank from time to time. Entry Data received after the established cut-off times may be treated by Bank as received on the following business day (i.e., Monday through Friday, excluding Federal holidays) (each a "*Business Day*"). You acknowledge and agree that Bank may delay or suspend the processing of any Entry Data to verify compliance with Applicable Law and the Rules and may reverse or reject any Entry Data for failure to comply with Applicable Law or the Rules. You acknowledge and agree that all Entry Data submitted as International ACH Transactions ("*IATs*") will be reviewed against lists issued by the Office of Foreign Assets Control, a division of the United States Treasury Department ("*OFAC*") and other applicable verifications and limitations. You further agree that you will not initiate any Entry that, if executed by Bank, would violate Applicable Law or the Rules, including, but not limited to regulations promulgated by OFAC.
- (b) Bank will transmit ACH Entries (other than On-Ups Entries) to Bank's selected ACH Operator, and settle for ACH Entries in accordance with applicable Rules and industry practices. Bank reserves the right to place an aggregate dollar limit on all ACH Entries submitted to Bank for processing. In the case of On-Ups Entries, Bank will credit or debit, as appropriate, the Receivers' accounts in the amounts of such ACH Entries on the effective entry date contained in such ACH Entries, subject to the provisions of this Service Description.
- (c) Bank may send IATs in U.S. Dollars or in the local currency used in the location where the account receiving the IAT is located at Bank's discretion. If such funds will be transferred in a currency other than U.S. Dollars, you agree to validly purchase such foreign currency from Bank or one of Bank's affiliates. If you do not enter into a separate contract for such purpose, then Bank may apply Bank's then-current exchange rate for transfers to the place of payment. Any loss of exchange arising from or subsequent cancellation of such transfer request because of a rejection of delivery for any reason shall be for your account. You agree that if Bank uses the services of other banks for the purpose of giving effect to any request or order for the transfer of funds in foreign currency, then the Bank does so for your account and at your risk. You agree to pay for any such IATs in U.S. Dollars as set forth in this Service Description, unless such other arrangements for origination and payment are made between you and Bank in writing.

- (d) You are solely responsible for the accuracy and completeness of all Entry Data delivered to Bank by you (or in your name) on behalf of any Client. Except as Bank may otherwise agree in writing, Bank may refuse to accept or reject any Entry Data or ACH Entry for any reason in good faith, including, without limitation, Entry Data or an ACH Entry which is nonconforming or improper under the Rules or Bank's procedures and requirements, or if a sufficient balance is not maintained in the Designated Account. Bank will have no liability to you based on Bank's rejection of any Entry Data or ACH Entries.
- (e) You expressly acknowledge and agree that, in accordance with the Rules, (i) the payment of a Credit Entry by the Receiving Depository Financial Institution ("RDFI") to the Receiver of that Credit Entry is provisional until the RDFI receives final settlement for such Credit Entry, and (ii) if such final settlement is not received, the RDFI is entitled to a refund from the Receiver of the amount credited and you or the applicable Client shall not be deemed to have paid the Receiver the amount of that Credit Entry.
- (f) If your ACH Entry identifies the Receiver by both a name and an identifying or bank account number, and the name and number identify different persons, execution of the ACH Entry, payment to the Receiver, or cancellation of the ACH Entry may be made solely on the basis of the number. If your ACH Entry identifies any bank by both a name and an identifying number and the number identifies a bank different from the bank identified by name, Bank and any RDFI may rely solely on the identifying number. In that instance, you are obligated to pay Bank the amount of the transfer originated by Bank on the basis of that ACH Entry.
- (g) If you are enrolled in Bank's Same Day ACH service, all ACH Entries for which the Effective Entry Date is the same Business Day as the date on which the ACH Entry is transmitted, or for which the Effective Entry Date is a stale date, and which are otherwise eligible for same-day processing and settlement will be handled as Same Day Entries in accordance with applicable Rules and industry practices. Same Day Entries must be transmitted or delivered to Bank in compliance with the cut-off times established by Bank for same-day processing, which may be changed by Bank from time to time. Same Day Entries received after the established cut-off times may be treated by Bank as ACH Entries intended for standard (i.e. not same-day) processing. You may be subject to additional fees and charges for Same Day ACH service. If you are not enrolled in Bank's Same Day ACH service, Bank will treat all ACH Entries as ACH Entries intended for standard processing in accordance with applicable Rules and industry practices.

## **7. Prohibited Clients; Prohibited Activities.**

You represent and warrant that neither you nor any of the Clients on whose behalf you transmit ACH Entries or Entry Data to Bank is a "Prohibited Client" as identified in Part I of Appendix A to this Service Description (a "Prohibited Client"). You also represent, warrant, and agree that you will not transmit ACH Entries or Entry Data to Bank that in any manner relate to any one or more of the activities described in Part II of Appendix A to this Service Description (collectively, "Prohibited Activities"). These lists of Prohibited Clients and Prohibited Activities may be updated from time to time by Bank by notice to you, and you agree to promptly conform your business practices to comply with any such update.

## **8. Security Procedures.**

- (a) Bank requires that the authenticity of the Entry Data (including requests for cancellation or amendment of ACH Entries or Entry Data) transmitted or delivered by you or by any Vendor or other third party you engage to transmit ACH Entries to Bank in connection with the Service be delivered to Bank pursuant to security procedures as provided in the Master Agreement and in this Service Description (including Appendix B hereto) (the "Security Procedures"). These Security Procedures include important security features which are available only if your Entry Data is transmitted in accordance with these procedures. You acknowledge that you have reviewed the Security Procedures and agree that they are commercially reasonable for you as a means of authenticating Entry Data communicated by you to Bank in light of the size, frequency, and amount of transactions you expect to initiate. Bank and you both agree that the authenticity of the Entry Data issued to Bank in your name as sender will be verified solely pursuant to the Security Procedures and you agree to comply with the Security Procedures. You acknowledge that the Security Procedures are used to verify the authenticity of, and not to detect errors in, the transmission or content of Entry Data. Any Entry Data delivered or transmitted by you (or in your name) on behalf of any Client is effective as your or such Client's funds transfer instruction or "Payment Order" (as defined in Article 4A of the Illinois Uniform Commercial Code) and will be enforceable against you or such Client, whether or not authorized and regardless of the actual identity of the signer, sender, or transmitter, if such Entry Data is received in accordance with the

applicable Security Procedures and Bank accepts such Entry Data in good faith. You authorize Bank to charge the Designated Accounts and to originate the resulting ACH Entries based on Entry Data received in accordance with the Security Procedures.

- (b) Bank may use additional procedures to verify or authenticate Entry Data, other than those described herein, and you agree to implement any other reasonable security procedures established by Bank in order to further protect your Entry Data.
- (c) If any Entry Data (including any amendment thereto or cancellation thereof) is transmitted or delivered to Bank by you (or in your name) on behalf of any Client, other than in compliance with the Security Procedures, and if Bank accepts such Entry Data in good faith, then you agree that you and such Client shall be bound by such Entry Data and obligated to pay the amount of the ACH Entry whether or not authorized, and you will be deemed to have refused the Security Procedures that Bank offers and recommends as “commercially reasonable.” However, Bank has no obligation to accept any Entry Data that is not transmitted or delivered in compliance with the Security Procedures and Bank will not be liable for any losses, damages or costs suffered by you or a Client as a result of (i) Bank’s refusal to act upon any Entry Data which has been transmitted or delivered to Bank other than in accordance with the Security Procedures and other procedures described herein after reasonable efforts to verify the authenticity of such Entry Data have failed, or (ii) Bank’s delaying such action until such verification is obtained.

#### **9. Cancellation or Amendment of Entry Data; Reversing Entries.**

You have no right to cancel or amend any Entry Data or ACH Entry after it has been received by Bank. However, to the extent permitted by the Rules, Bank will use reasonable efforts to act on your request to cancel or amend Entry Data before Bank transmits the related ACH Entry to Bank’s selected ACH Operator or, in the case of an On-Us Entry, before debiting or crediting the Receiver’s account, but Bank will have no liability if such cancellation or amendment is not effected.

#### **10. Returned ACH Entries.**

If an ACH Entry is returned, Bank will credit or debit the Designated Account upon receipt by Bank. Bank will use reasonable efforts to notify you via Online Banking for Business, by mail, electronic transmission, phone or other reasonable means of the receipt of a returned ACH Entry no later than one Business Day after the Business Day of such receipt. Bank will have no liability to you based on the fact that such notice was not given or was not given at an earlier time. To the fullest extent permitted by law, Bank will have no liability to you based on the return of any ACH Entry.

You may initiate Reversing Entries solely to reverse Erroneous Entries and by such means as Bank may make available from time to time. You understand and agree that any amount we credit you for a Reversing Entry is provisional until Bank receives final settlement for such Reversing Entry in accordance with the Rules and is subject to reversal or adjustment at any time without notice to you. You represent and warrant to Bank that each Reversing Entry initiated by you is initiated to reverse an Erroneous Entry and otherwise complies with the Rules in all respects.

#### **11. Compliance With Rules; Client Identification.**

You are a Third Party Sender or Third Party Service Provider, as defined in the Rules, and you agree to comply with and be bound by the Rules as in effect from time to time and agree that the Entry Data you submit to Bank shall comply with Applicable Law and the Rules. You, directly or through your Clients or other third parties, have sole responsibility for obtaining, documenting, and maintaining authorizations for ACH Entries in accordance with applicable Rules and any other information required by the Rules. You are responsible for gathering, storing, maintaining, and updating all Entry Data, including your name, Client’s name, customer name, customer identification number, payment amount, transit routing number of the customer’s receiving financial institution, and the customer’s account number at that financial institution. The Entry Data resides with you. You are required to make corrections to the Entry Data as notified by Bank or by Clients or their customers.

As between you and Bank, you are responsible for monitoring return rates of your Clients (including Nested TSP Clients) in accordance with the Rules and enforcing the return rate thresholds set out in the Rules. Such monitoring shall include, at a minimum, separate monitoring of debits and credits, and by return type – unauthorized returns, administrative returns, and total returns. You agree to provide Bank, within two Business Days of request, with such information concerning the return rates of your Clients as Bank may from time to time request. Bank shall have the right, upon Bank’s request and during normal business hours, to review your processes and procedures relating to return rate monitoring to determine your compliance with the foregoing requirements.

You represent, warrant and covenant that you have in place “Know Your Customer” and other appropriate anti-money laundering and fraud prevention policies and procedures (collectively, the “*KYC Procedures*”), including a Client Information Program used to reasonably identify each Client and verify the nature of the business of, and the transactions conducted by, each Client. You further represent that each Nested TPS Client also has appropriate KYC Procedures. You have determined that providing the Service to Clients and all related transactions are in compliance with your KYC Procedures and are conducted in compliance with applicable rules and regulations of the Office of Foreign Asset Controls (“*OFAC*”). Upon Bank’s request, you agree to immediately furnish to Bank copies of your KYC Procedures and relevant information relating to your Clients. You also agree to notify Bank promptly upon your becoming aware of any regulatory actions or investigations involving you or your Clients. In addition, upon Bank’s request and during normal business hours, Bank’s regulators and/or auditors shall have access to your records relating to Clients to determine your compliance with the KYC Procedures and OFAC rules and regulations.

Bank reserves the right to refuse to process ACH Entries for any Client in Bank’s sole discretion, and you agree that, upon written notice from Bank of Bank’s refusal to process ACH Entries for a particular Client, you will immediately discontinue originating ACH Entries for that Client through the Service.

## **12. Nested TPS Clients.**

You agree to provide notice to Bank of each Nested TPS Client prior to initiating ACH Entries on behalf of such Nested TPS Client, and to provide such assistance as Bank may request in connection with Bank’s registration and oversight requirements with respect to such Nested TPS Client under Applicable Law and the Rules. You represent and warrant that you have utilized a commercially reasonable method to verify the identity of each Nested TPS Client at the time you entered into an origination agreement with the Nested TPS Client, and you have performed due diligence with respect to each Nested TPS Client sufficient to form a reasonable belief that the Nested TPS Client has the capacity to perform its obligations in conformance with the Rules. You agree to comply, and to cause each of your Nested TPS Clients to comply, with all of your requirements hereunder and under the Rules with respect to the ACH Entries submitted to Bank on behalf of such Nested TPS Client and its clients, including providing Bank, at least annually or more often as Bank may require, with the names, Taxpayer Identification Number, full address, and North American Industry Classification System (NAICS) business code of each of such clients and the use of separate company IDs when initiating ACH Entries on behalf of each of such clients.

## **13. Errors.**

You must notify Bank of any error, delay or other problem with any ACH Entry or funds transfers including unauthorized or incorrect transfers or debits as promptly as possible, within any required time parameters required by the Rules or otherwise, and in any case within thirty (30) days of the date you receive notice of the transfer through your Designated Account Statement or otherwise. If you fail to notify Bank promptly, you reduce Bank’s ability to address the error under the Rules and you may be precluded from asserting the error against Bank. If Bank is responsible for the error, Bank’s sole obligation is to refund to you such amount as is required bylaw. You are also responsible for responding to notifications of change (“*NOC*”) under the Rules. If you receive an NOC, you must investigate and make corrections within six (6) Business Days of receipt of the NOC information or prior to initiating another ACH Entry to the Receiver’s account. Bank reserves the right to make any such corrections on your behalf, and any such corrections made by Bank may be subject to additional fees.

## **14. Delay.**

Bank is not responsible for any delay or failure to effect your Entry Data and ACH Entries due to circumstances beyond Bank’s control including disruptions in communications facilities, power or equipment failures, and the neglect, action, or failure to act of any other bank, intermediary or ACH Operator.

## **15. Limitation on Liability; Indemnity.**

(a) Notwithstanding any provisions of this Service Description or the Master Agreement to the contrary, except as otherwise expressly required by Article 4A of the Uniform Commercial Code of Illinois, Bank’s sole and exclusive liability to you for any delay in executing, improper execution, or failure to execute a transaction, ACH Entry or Entry Data hereunder constituting a Payment Order shall be to assist you in retransmitting the Payment Order. If, in any case, Bank is liable to you for lost interest, Bank will calculate interest based on Bank’s then current account analysis earning rate. With respect to services performed hereunder outside the scope of Article 4A of the Uniform Commercial Code of Illinois, Bank shall only be liable as set forth in the Master Agreement. Your obligations and responsibilities with respect to any transaction, Entry Data or ACH Entry and the Services to each of your Clients is governed by the Client Agreement between such Client and you, and Bank shall have no liability to you or any Client in connection therewith. With respect to any ACH

Entries in a foreign currency, you and the Client assume the risk of any loss

- (b) from foreign exchange conversion and assume the risk of the ODFI in the event of any error or duplicate ACH Entries, it being agreed that Bank shall have no liability for any such risks.
- (c) In addition to the other indemnities set forth in the Master Agreement, this Service Description, and any other agreement between you and Bank, you agree to indemnify and defend Bank and hold Bank harmless from and against any and all actions, losses, damages, claims, demands, liabilities, costs, or expenses, including any fines, penalties, or regulatory assessments as well as all court costs and attorneys' fees and expenses (collectively "*Claims*"), relating to or arising out of or in connection with (i) Bank's processing of (or rejection or refusal of) any transaction, Entry Data, or ACH Entry, whether or not authorized, (ii) the acts or omissions of you, any Vendor, or any Client (including in each case its agents, employees and representatives) or any other third party or any Client's or other third party's use of your services, including but not limited to a breach of any representation, warranty, or covenant hereunder or under the Rules, or other failure of any Client or other third party to perform its obligations as an Originator under the Rules, or (iii) any other matters related to this Service Description, provided that you shall not be obligated to indemnify Bank to the extent such Claims have been determined by an arbitrator in accordance with the Master Agreement or a court of competent jurisdiction by a final and non-appealable judgment to have resulted from Bank's gross negligence or willful misconduct. Bank shall not be liable or responsible for any act or omission by an ACH System, any other financial institution, or any other person, or for the inaccuracy or omission in a notice or communication received from you, your Vendor, a Client, or any other third party (including, without limitation, any ACH System or financial institution). In no event will Bank be liable for any indirect losses, special, consequential, incidental, or punitive damages, or damages for lost business, profits or revenue, goodwill, or anticipated savings, which you or a Client or any other third party may incur or suffer in connection with this Service Description, even if it has been advised of the possibility thereof.
- (d) The provisions of this Section shall survive termination of this Service Description or the Master Agreement.

#### **16. Your Representations and Warranties.**

In addition to your other representations, warranties, and covenants contained in this Service Description, you represent, warrant and covenant to Bank that: (a) any ACH Entry or Entry Data submitted to Bank by you (or in your name) under this Service Description authorizes Bank to initiate an ACH Entry in accordance with the terms thereof; (b) all Entry Data and resulting ACH Entries, and the origination thereof, complies with this Service Description, Applicable Law, and the Rules (including, for any IATs, the electronic funds transfer laws and rules of the country in which funds or the IAT is received), and all authorizations therefor will be obtained by you (directly or through your Clients or other third parties) before the Entry Data is communicated to Bank; (c) each transaction has a legitimate business or commercial purpose; (d) all Entry Data is accurate, complete, and correct; (e) all statements and information furnished to Bank pursuant to or in connection with this Service Description and the Services are true, complete, and correct and do not omit a material fact necessary to make the statements or information contained therein not misleading; and (f) with respect to Entry Data for each Client received by Bank, you have obtained proper authorization to transmit such Entry Data and act on behalf of the such Client. You, on behalf of your Clients, shall be deemed to make the same warranties to Bank with respect to Entry Data and ACH Entries (i) as Bank is deemed to make under the Rules with respect thereto, and (ii) as Clients would make in connection with items endorsed and deposited to any of their accounts under the Uniform Commercial Code of Illinois. With respect to On-Ups Entries, you shall be deemed to make the same warranties with respect thereto as Bank is deemed to make under the Rules with respect to ACH Entries that do not constitute On-Ups Entries. Each time Entry Data is communicated or delivered to Bank, you reaffirm the representations and warranties set forth in this Section. Bank has no responsibility with respect to any matters warranted by you.

#### **17. Relationship of Parties.**

You acknowledge and agree that you act under this Service Description solely as agent for the Clients, and no partnership, joint venture, agency, or fiduciary relationship exists or is intended between you or Bank; it being the intent of the parties that each party hereto is an independent contractor which is not under the control by the other party in the performance of its agreements hereunder.

THIS SERVICE DESCRIPTION HAS BEEN EXECUTED AS PROVIDED IN THE SCHEDULE OF SERVICES FORMING A PART OF THE MASTER AGREEMENT.

## APPENDIX A TO ACH THIRD PARTY SERVICE/SENDER SERVICE DESCRIPTION PROHIBITED CLIENTS; PROHIBITED ACTIVITIES

### Part I – Prohibited Clients

- Bearer Shares: Any entity that has issued or has the ability to issue negotiable instruments that accord ownership in a legal person to the person who possesses the physical bearer share certificate.
- Crypto-Currency Exchanges/Exchangers: Any individual or entity engaged in the buying and selling of units of digital or crypto-currency for use as an electronic or virtual medium of exchange, or engaged in the business of providing an exchange or other forum for facilitating such activity.
- High Interest Consumer Lending: Any individual or entity that is primarily engaged in the business of making loans, either open-end or closed-end, that (i) are made to consumers and (ii) have an APR in excess of 100%. High Interest Consumer Loans may be secured or unsecured (and may include loans that are secured by an automobile title). An individual or entity shall be considered to be primarily engaged in the business of making High Interest Consumer Loans if High Interest Consumer Loans constitute 50% or more of the individual's or entity's total transaction volume or total dollar volume of outstanding loans to consumers.
- Marijuana Dispensaries, Producers, Growers and Cultivators in the United States or in any other jurisdiction where such activity is illegal: Any business involved in production, cultivation, manufacture, processing, possession, transportation, storage, packaging, distribution, sale, import, export, promotion of or other dealings with, or relating to, medical or recreational marijuana in a jurisdiction where such activity is illegal at the federal level, including the United States, regardless of the purpose or whether such activity is considered legal under any applicable State or other law.
- Online Gambling Operations: Any individual or entity engaged in the business of accepting, placing, receiving or otherwise knowingly transmitting a bet or wager by any means which involves the use, at least in part, of the Internet, and would include online businesses offering sports betting, online poker or other games of chance. This does not include Video Lottery Terminals (VLT).
- Sanctions/Local Jurisdictional Restrictions: Any individual or entity to whom Bank is prohibited to provide financial services due to legislation/regulation(s) set forth by a governmental body that institutes economic and trade restrictions against targeted countries, terrorism-sponsoring organizations, international narcotics traffickers, those involved in activities related to weapons of mass destruction, and other threats to U.S. national security, foreign policy, and the economy.
- Shell Bank: A financial institution in a foreign jurisdiction that does not have a physical presence or place of business in any country and is not a regulated financial institution nor controlled by a regulated financial institution that maintains a physical presence in a country.

### Part II – Prohibited Activities

- High Interest Consumer Lending: The funding of, or the collection of principal, interest, fees, charges, or any other payments relating to, loans, either open-end or closed-end, that (i) are made to consumers and (ii) have an APR in excess of 100%.



## APPENDIX B TO ACH THIRD PARTY SERVICE/SENDER SERVICE DESCRIPTION SECURITY PROCEDURES

### I. TRANSMISSION OF ENTRY DATA VIA OLBB

#### A. Service Setup.

Bank offers its OLBB service to enable you to transmit or deliver Entry Data directly from your terminal or personal computer to Bank via the Internet. Entry Data may be transmitted or delivered via OLBB either by utilizing the OLBB ACH Module or by transmitting ACH Files you create directly to Bank via the OLBB ACH File Transfer capability. Your Corporate Administrators who are designated Authorized Users for the Service will establish other Authorized Users for the Service and grant service permissions and related IDs and passwords. Through this process you are authorizing persons ("*OLBB Authorized Representatives*") to transmit or deliver Entry Data to Bank via the OLBB service.

A confirmation notice advising that a request has been made to create a Service set-up or modify a current Service set-up will be sent by Bank to the Corporate Administrators designated by you for OLBB purposes. The Corporate Administrators must notify Bank promptly if such request was not authorized and should therefore be canceled. This cancellation notice to Bank should be given by phone to the Help Desk at (877) 895-3278 and in writing to Bank's Client Records Maintenance Unit.

#### B. Security Procedures – OLBB ACH Module.

Bank's standard Security Procedures for the transmission or delivery of Entry Data via the OLBB ACH Module are as follows:

- (i) with respect to ACH Entries that are greater than or equal to \$100,000, Bank's standard Security Procedures are to require that each such ACH Entry be confirmed using a different User ID and User Password than the User ID and User Password used to create or initiate the ACH Entry. ACH Entries must be created or initiated and then confirmed by an OLBB Authorized Representative employing a Security Device furnished by Bank.
- (ii) with respect to ACH Entries that are less than \$100,000, Bank's standard Security Procedures are to require that each such ACH Entry be entered by an OLBB Authorized Representative using a User ID and User Password and employing a Security Device furnished by Bank. ACH Entries that are less than \$100,000 do not need to be confirmed using a different User ID and User Password than the User ID and User Password used to create or initiate the ACH Entry.
- (iii) Bank's standard Security Procedures for the transmission or delivery of Entry Data via the OLBB ACH Module also include those security measures that Bank may offer and you may accept from time to time, such as device authentication and daily volume and geographic destination limits.

#### C. Security Procedures – OLBB ACH File Transfer.

Bank's standard Security Procedures for the transmission or delivery of Entry Data via OLBB ACH File Transfer are to require that ACH files be uploaded by an OLBB Authorized Representative employing a Security Device furnished by Bank and that each ACH File be confirmed via Bank's ACH Fraud Control Service as described in Part III of this Appendix B. Bank's standard Security Procedures for the transmission or delivery of Entry Data via OLBB ACH File Transfer also include those security measures that Bank may offer and you may accept from time to time, such as device authentication, daily dollar limits, and international entitlements.

### II. TRANSMISSION OF ENTRY DATA VIA DIRECT ACH FILE TRANSFER

#### A. Service Setup.

Bank also offers the ability to transmit or deliver Entry Data directly from your terminal or personal computer to Bank via the Internet using a direct, machine-to-machine file transfer capability. In order to utilize the Direct File Transfer capability, you must first select a communication facility type from among the options made available by Bank from time to time to create a secure transmission channel between you and Bank. Bank will assist you with setup and

testing of the selected communication facility. Through this process you are authorizing persons who have or obtain access to the secure transmission channel to transmit or deliver Entry Data to Bank via the Direct File Transfer capability.

## **B. Security Procedures.**

Bank's standard Security Procedures for the transmission or delivery of Entry Data via Direct File Transfer are to require that each ACH File be confirmed via Bank's ACH Fraud Control Service as described in Part III of this Appendix B. Bank's standard Security Procedures for the transmission or delivery of Entry Data via Direct File Transfer also include those security measures that Bank may offer and you may accept from time to time, such as device authentication, encryption, daily dollar limits, and international entitlements.

## **III. OLBB ACH FRAUD CONTROL SERVICE**

Bank requires that you confirm the transmission of each ACH file, whether transmitted via OLBB ACH File Transfer or Direct ACH File Transfer, via Bank's ACH Fraud Control Service or by such other means as you and Bank may agree to from time to time. The ACH Fraud Control Service works as follows:

- Input ACH Entry total information into Bank's OLBB ACH Fraud Control Service **prior** to the time of transmission of the ACH file. This information will consist of the number of payment transactions and aggregate dollar value of Debit Entries and Credit Entries in such file.
- Via an automated process, the file confirmation information provided by you via the ACH Fraud Control Service will be compared to the ACH file. If your file confirmation information matches the ACH file, Bank will perform normal ACH processing. If your file confirmation information does not match the ACH file, Bank will notify the Designated Contact for ACH and suspend processing the ACH file until you resolve the inconsistency.
- Should the ACH Fraud Control Service not receive a total to confirm an ACH file, then the processing of that ACH file will be suspended. Bank will contact the Designated Contact or Operations Contact to obtain file confirmation information. **Processing of the file will not occur until a confirmation has been received.**
- Should the ACH Fraud Control Service fail, you must provide file confirmation information to Bank orally by telephone at the telephone number provided in the Service Documentation. **Processing of the file will not occur until a confirmation has been received.**

## **IV. GENERAL**

The Security Procedures described in this Appendix B are a Security Procedure used to verify the authenticity of Entry Data sent to Bank in your name. All Entry Data sent to Bank in your name and accepted by Bank in good faith and in compliance with the Security Procedures will be binding upon you regardless of whether they are authorized by you. If you choose not to accept any of the standard Security Procedures offered by Bank, then you are refusing the Security Procedures that Bank is offering and recommending as commercially reasonable for you, and you agree to be bound by any Entry Data, whether or not authorized, which is issued in your name and accepted by Bank in compliance with the Security Procedures accepted by you.