

**INWOOD NATIONAL BANK  
TREASURY SERVICES AGREEMENT  
TERMS AND CONDITIONS**

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**INWOOD NATIONAL BANK  
TREASURY SERVICES AGREEMENT  
TERMS AND CONDITIONS**

Inwood National Bank ("**Inwood**" or "**Bank**") offers its business customers a variety of Treasury Services. This Treasury Services Agreement Terms and Conditions ("**Agreement**") sets forth the terms and conditions applicable to all Services (as defined in Section 1) offered by Bank. By executing one or more Enrollment Forms (as defined in Section 1) requesting one or more Services or by using one or more Services, Customer (as defined in Section 1) accepts the terms and conditions of this Agreement and acknowledges that this Agreement, each Enrollment Form executed by Customer or its Agent (as defined in Section 1), and any Supplemental Documentation (as defined in Section 1) govern the Services.

If Customer designates an Agent to act on Customer's behalf with respect to this Agreement, then Bank will accept all Instructions (as defined in Section 1) from Customer's Agent upon receipt of evidence satisfactory to Bank, in its sole discretion, of Agent's ability to act on Customer's behalf. Bank may continue to accept and act on Instructions from Agent until Bank receives Customer's written notice of revocation or termination of Agent's authority from a representative demonstrating authority to act on behalf of Customer in a form and manner reasonably satisfactory to Bank.

All Services involving any Accounts (as defined in Section 1) are subject to any other agreements concerning such Accounts, including without limitation, any deposit agreement, Account Disclosures (as defined in Section 1), and availability schedules in effect from time to time.

**Section 1** of this Agreement shall apply to all Services. Each of **Sections 2-6** is applicable only to the specific Service described therein. Capitalized terms not defined elsewhere in this Agreement will have the meanings described in Section 1.

**SECTION 1 – DEFINITIONS**

"**Account**" means any deposit account, investment deposit account, reserve account, certificate of deposit, overdraft protection line of credit, commercial loan, or any other deposit or loan account that Customer has established and maintained with Bank primarily or exclusively for business-related purposes as identified in an Enrollment Form.

"**Account Analysis**" means the process by which Bank determines an earnings credit available to offset Service Fees based on the balances in Customer's Accounts, as described in Section 2.2.

"**Account Disclosures**" means any terms and conditions, agreements, or disclosures provided to Customer relating to any Account.

"**ACH**" means Automated Clearing House as defined by the Rules.

"**Affiliate**" means an entity that directly or indirectly (i) owns or controls a party to this Agreement, or (ii) is under common ownership or control with a party to this Agreement.

"**Agreement**" means this Treasury Services Management Agreement Terms and Conditions as agreed upon by Customer or its Agent and Bank through an executed Enrollment Form.

"**Agent**" means a person, legal entity, management services company, or other person or legal entity that is authorized by Customer to act on Customer's behalf in connection with the specific Services described on a relevant Enrollment Form and in this Agreement.

"**Applicable Law**" means all applicable federal, state, or local laws, executive orders, ordinances, rules, or regulations together with all applicable rules or regulations of any clearinghouse or other organization.

"**ARC Entry**" means an Account Receivable Conversion Entry as defined by the Rules.

"**Authorized Person**" means a representative of Customer who is designated as such by Customer on an Enrollment Form and authorized by Customer to act on Customer's behalf in connection with the specific Services described on a relevant Enrollment Form.

"**Bank**" means Inwood National Bank and any branch where Customer maintains the Account(s) identified on an applicable Enrollment Form.

"**BOC Entry**" means a Back Office Conversion Entry as defined by the Rules.

"**Business Day**" means any day that the Bank is open to the public for carrying on substantially all business functions. Business Day excludes Bank holidays, any day that is not a Business Day for the Federal Reserve, and any day which is not a Business Day for any Vendor the Bank utilizes for business functions.

"**Cash**" means United States coin and currency.

"**Chargeback**" means a returned ACH as described in the Rules. Customer is responsible for payment to Bank for all Chargebacks.

"**Check**" means a draft payable on demand and drawn on or payable through or at a United States office of a bank, whether negotiable, that is handled for forward collection or return. Check includes a traveler's check or cashier's check. An instrument may be a check even though it is described on its face by another term, such as money order.

"**Company Administrator**" means, for purposes of Section 3, the primary User appointed by Customer to have full authority under Section 3 to issue Instructions to Bank and delegate authority to other Users.

"**Customer**" means Bank's Customer identified by name on one or more Enrollment Forms as requesting Bank's Treasury Services, either directly or through its Agent, pursuant to this Agreement and one or more Enrollment Forms. The term "Customer" includes any person or entity acting as Agent.

"**Designated Account**" means an Account held at Bank and named as the Designated Account for Services requested by Customer on one or more Enrollment Forms.

"**Electronic Communications**" means secured and unsecured electronic mail and facsimile transmissions.

"**Electronic Funds Transfer**" means ATM withdrawals, preauthorized transactions, point of sale transactions, or other transfers to and from the Customer's Accounts using Internet Banking. Electronic Funds Transfer includes but is not limited to bill payments.

"**Enrollment Form**" means any properly executed enrollment form:

- A. completed by Customer, or its authorized Agent, and
- B. in which Customer requests one or more Services and agrees to comply with terms, conditions, and procedures for the requested Service(s).

"**Entry**" or "**Entries**" means an "Entry" as defined in the Rules, including the data that Bank receives from Customer to prepare an ACH transmission. Any Entry shall be either a "credit Entry" or "debit Entry," as further defined in the Rules.

"**Equipment**" means any equipment provided by Bank or a Vendor for use in a Service.

"**Equipment Software**" means software incorporated into any Equipment.

"**Fed Wire**" means the Federal Reserve Bank's wire transfer system.

"**FINCEN**" means the Financial Crime Enforcement Network of the United States Department of Treasury.

"**Funds**" means the mutual funds and other investment opportunities identified on a Sweep Services Enrollment Form or as communicated by Bank to Customer from time to time.

"**IAT Entry**" means an "International ACH Transaction Entry" as defined in the Rules.

"**Infringement Claim**" means a claim that Licensed Software infringes another party's intellectual property rights.

"**Instruction**" means any instruction Customer gives Bank electronically, verbally, or in writing in connection with the performance of Services.

"**MICR Line**" means the line on the bottom of an original Check that contains information concerning the Check and is printed in Magnetic Ink Character Recognition form.

"**NACHA**" means the National Automated Clearing House Association.

"**NOC**" means Notice Of Change as defined in the Rules.

"**Operating Procedures**" means Payment Facilitator's operating rules and regulations, as may be changed by Bank from time to time.

"**Originator**" means an "Originator" as defined in the Rules.

"**OFAC**" means the U.S. Department of Treasury's Office of Foreign Assets Control.

"**Password**" means the unique combination of words, letter, characters, or numbers used by Customer to access Internet Banking.

"**Payment Account**" is the Account that Customer designates on an Enrollment Form for payment of a Service Fee.

"**POP Entry**" means a "Point Of Purchase Entry" as defined in the Rules.

"**Positive Pay File**" means an electronic file prepared daily by the Customer that identifies checks authorized by the Customer for payment. A Positive Pay File includes a list of check numbers by date with corresponding exact dollar amounts issued by the Customer since the date of the Customer's last Positive Pay File submission to the Bank.

"**Product**" means Equipment, Licensed Software, and any Supplemental Documentation such as a user guide or other materials provided to Customer by Bank, a Vendor, a third party vendor to Bank, or the manufacturer of Equipment and/or Equipment Software.

"**Provider**" means a third-party service provider to whom ACH files are delivered by the Customer for further processing and delivery to the Bank.

"**RCK Entry**" means an "Returned Check Entry" as defined in the Rules.

"**Related Entity**" has the meaning set forth in Section 2.6.D.

"**Reserve Account**" means an Account established and funded at Bank's request or on Customer's behalf pursuant to the Card Payment Processing Service.

"**Reversal**" means a "Reversal" as defined in the Rules.

"**Rules**" means the NACHA operating rules and applicable state and federal laws and regulations. Rules includes but is not limited to the Electronic Fund Transfer Act, Regulation E, and sanctions or laws administered by the Office of Foreign Assets Control ("OFAC"), all as may be amended from time to time.

"**Security Administrator**" means, for purposes of Section 2.5, the primary User appointed by Customer to have full authority under Section 2.5 to issue Instructions to Bank and delegate authority to other Users.

"**Security Procedures**" means the security procedures applicable to a Service requested and agreed to by Customer. Security Procedures are set forth in this Agreement, in Bank's Supplemental Documentation, or in an Enrollment Form.

"**Service**" means each treasury management service described in this Agreement.

"**Service Fee**" means the charges, fees, and assessments established from time to time by Bank applicable to each Service. Service Fee may include but is not limited to fees from any third party agents, vendors, or contractors engaged to provide services to Bank and the Bank's cost for providing the Service.

"**Supplemental Documentation**" means written information or materials provided to Customer from time to time by Bank subsequent to execution of this Agreement and applicable to certain Services requested by Customer. Supplemental Documentation includes but is not limited to instructions, security procedures, tokens, and operational guidelines.

"**TEL Entry**" means a "Telephone initiated Entry" as defined in the Rules.

"**Third-Party Sender**" has the meaning set forth in Section 2.3.

"**User**" means Customer's employee, agent, or representative designated by Customer's Company Administrator from time to time as being authorized to issue Instructions on Customer's behalf.

"**WEB Entry**" means a "Internet initiated Entry" as defined in the Rules.

"**Wire Transfer**" means any transfer of funds into or out of Customer's Accounts accomplished via Fed Wire or other wire transfer service.

"**Wire Transfer Request**" means any Instruction received by Bank from Customer as affects any transfer of funds activity with Customer's Accounts.

## SECTION 2 – GENERAL TERMS

### 2.1. ENROLLMENT AND MODIFICATION.

**A. Enrollment:** Customer shall execute an Enrollment Form(s) requesting each Service desired by Customer. Agent may execute an Enrollment Form requesting Services on Customer's behalf upon furnishing evidence of authorization satisfactory to Bank in Bank's sole discretion. Customer may add or delete Services by requesting such additions or deletions through execution of additional Enrollment Forms or other authorization method accepted by Bank. Subject to Bank's approval, Customer may change the processing instructions for a Service by providing notice to Bank in accordance with Section 2.4.A. Bank may accept any Instruction that purports to be from Customer's Agent, Company Administrator, Authorized Person, Designated Representative, User, or an officer or principal of Customer and will not be obligated to verify the authenticity of the requests purporting to be from Customer. Bank may require that certain Instructions be in writing and in a certain form. Bank may also require Customer to execute a new Enrollment Form, if applicable, reflecting any modifications.

**B. Modifications and Revisions to this Agreement:** Bank may modify or revise the terms and conditions contained in this Agreement as applicable to all Services, or Bank may modify or revise the terms and conditions as applicable to a particular Service from time to time by doing any of the following (i) posting any modification or revision on Bank's website; (ii) Electronic Communication of any modification or revision; or (iii) delivering notice of any modification or revision to Customer in accordance with Section 2.4.A. A modification or revision to a Service will be deemed accepted and agreed to by Customer when Customer uses the Service after Bank provided notice of the modification or revision pursuant to this Section.

**C. Termination:** Bank may suspend or terminate any Service provided to Customer for cause without notice if Customer, Agent, Company Administrator, Designated Representative, or User (a) does not comply with this Agreement or any other agreement contained in the Account Disclosures, Enrollment Forms, or Supplemental Documentation; (b) becomes insolvent, files, or has filed against it any bankruptcy or other insolvency, reorganization, liquidation, or dissolution proceeding of any kind; (c) has a material adverse change occur in its business or financial condition; or (d) fails to provide financial information reasonably requested by Bank. Bank may suspend or terminate this Agreement, any Service, or any agreement contained in an Account Disclosure, Enrollment Form, or Supplemental Documentation if Bank has reason to believe that Customer, Agent, Company Administrator, Designated Representative, or User has engaged in fraudulent or illegal activity. Bank may suspend or terminate a particular Service for cause without notice as more fully set forth in the section of this Agreement applicable to such Service. In addition, Bank may terminate this Agreement for convenience and cease providing any Services at any time, in Bank's discretion, by providing Customer with thirty (30) days' prior written notice. Customer may terminate

any Service for convenience by providing at least thirty (30) days prior written notice to Bank. The parties agree that after any termination this Agreement and any relevant Enrollment Form(s), Account Disclosure(s), Supplemental Documentation or other agreement between Bank and Customer will continue to apply to all transactions initiated before termination. The parties further agree that Sections 2.2, 2.3, 2.6, and any other terms that by their nature should survive termination (including but not limited to indemnification and limitation of liability), will survive termination.

## **2.2. PAYMENT TERMS.**

Customer will pay Bank the Service Fee(s) established by Bank from time to time and disclosed to Customer in the Master Treasury Service Fee Schedule, attached as **Schedule B** and incorporated herein. Bank may modify Service Fees time to time by providing notice to Customer. Service Fees established pursuant to this Agreement are in addition to fees for banking services as set out in the Account Disclosures. For Customers on Account Analysis, fees shall be offset in whole or in part by applying earnings credit obtained through Account Analysis.

Earnings credit is calculated by Bank for Customer's Account(s), based on applying a rate established by Bank from time to time to the total of Customer's collected balances. Customer will receive an Account Analysis statement that will disclose the analyzed fees for the applicable period and the earnings credit rate. Any Service Fee and other cost(s) payable by Customer that exceeds the earnings credit for the applicable period will be deducted from the Payment Account on a monthly basis. All Customers will be on Account Analysis. Any Service Fee(s) shall be deducted from the Payment Account on a monthly basis. Customer agrees to maintain sufficient funds in the Payment Account to pay the Service Fee(s) as such Service Fee(s) become due.

In addition to Service Fees, Customer will be responsible for:

- A. all reasonable attorneys' fees and other costs and expenses Bank may incur in collecting amounts Customer owes Bank in connection with any Service;
- B. the amount of any taxes levied or based on the Service Fees, if any, including without limitation, federal, state or local privilege, excise or sales taxes; and
- C. any third-party expenses incurred on Customer's behalf.

No Service Fee(s) will be refunded or prorated if a Service is terminated before the end of a month. Likewise, if a Service is terminated before the end of the month, then any credit related to Account Analysis shall be forfeited.

## **2.3. CONFIDENTIALITY.**

**A. General Confidentiality:** Bank will maintain the confidentiality of information obtained from Customer in accordance with Applicable Law and Bank's policies and procedures for safeguarding Customer's information. Customer will use any confidential information obtained from Bank, including without limitation, security information, user identification codes, personal identification numbers, passwords, access codes, security devices, and Bank's business processes only as Bank specifies and in the ordinary course of using the Services. All specifications, programs, concepts, and techniques developed or utilized by Bank for Customer or provided by Bank to Customer in connection with the provision of Services are and will remain the sole property of Bank. Customer agrees to keep all such information confidential and to limit access to such confidential information to its Agent(s), Company Administrator, User(s), Designated Representative(s), officers, employees, and other representatives who require access in the normal course of their duties on a need-to-know basis. Customer shall notify Bank immediately if any of Bank's confidential information is lost or is reasonably believed to be compromised. Upon termination of this Agreement or any Service, Customer will return to Bank all manuals, software, or other documents or materials provided to Customer in connection with any Service or this Agreement.

**B. Exceptions:** This Section 2.3 does not limit either party's ability to disclose information (i) with prior written approval from the other party; (ii) to its attorneys, accountants, auditors, or other professional advisors, or to Customer's representatives or agents who are under a similar contractual or professional duty of confidentiality; (iii) that becomes public before such disclosure through legal means and not through a breach of this Agreement or a breach of obligations of a third party; or (iv) that was in its possession or available to it before its receipt in connection with a Service hereunder. This Section 2.3 does not limit either party's ability to disclose information that is required or requested by a regulatory body to which either party is subject or required or requested under Applicable Law; provided, however, that in such circumstance the disclosing party shall provide notice to the other party before such disclosure.

## **2.4. COMMUNICATION TERMS.**

**A. Notices:** All communication and notices provided pursuant to this Agreement shall be provided in writing to the other party at the postal, e-mail, facsimile, or other address stated on the relevant Enrollment Form as updated from time to time by other method accepted by Bank. Each party will provide notice to the other if any relevant contact information changes. Notices will be deemed to have been given or made (i) when received, if delivered by hand or courier; or (ii) three (3) Business Days after such notice is deposited in the United States mail; or (iii) if sent by e-mail, express mail, or facsimile, the earliest to occur of (a) actual receipt by the intended recipient or (b) the Business Day following the date on which it was sent; provided, however, that Bank shall not be deemed to have received an e-mail or facsimile until Bank confirms such receipt by returning a facsimile or e-mail to Customer.

**B. Electronic Communication:** If Customer provides an e-mail address for itself, Agent(s), Company Administrator(s), Designated Representative(s), or User(s) listed on any Enrollment Form, Customer consents and agrees to receive information and notices from Bank via Electronic Communication to the individual or entity designated by Customer. Customer understands that Electronic Communications are inherently insecure due to the possibility of error, delay, or observation or receipt by an unauthorized person. Bank may rely in good faith on Customer's Instructions received via e-mail or facsimile that Bank reasonably believes to have been initiated by Customer. Customer is advised to always use the bank's secure message system. See Section 3.7.H.



## 2.5. INFORMATION EXCHANGE SERVICES.

**A. Information Exchange:** In the event that Customer obtains electronic access to certain Bank products, services, or information as authorized by Bank from time to time in a manner other than through the Internet Cash Management Service described in Section 3, this Section governs that electronic access.

**B. Establishment and Acceptance of Security Procedures:** Customer acknowledges and agrees to the Security Procedures identified in this Agreement and agrees that such Security Procedures are commercially reasonable for Customer. Customer shall be bound by any Instruction to Bank accepted by Bank in accordance with the Security Procedures whether or not the Instruction was actually authorized by Customer, so long as the Instruction was issued in Customer's name or by its Agent(s), Authorized Person(s), Company Administrator(s), Designated Representative(s), Security Administrator(s), User(s), or other authorized and designated representative(s).

**C. Information Exchange Security Administration:** The Customer or Agent or Company Administrator or Security Administrator is responsible for authorizing the Bank to establish access to the Information Exchange Service for additional Users. Customer and its Security Administrator are responsible for maintaining access to the Information Exchange Service in a secure manner, including without limitation, notifying Bank to remove access to the Information Exchange Service upon the termination of employment of any User or termination of authority of any Agent. Once a Customer or Agent or Company Administrator or Security Administrator has granted access to the Information Exchange Service, Bank is authorized to accept Instruction from any Authorized Person, Company Administrator, Designated Representative, or User, subject to the Security Procedures outlined below.

## 2.6. GENERAL TERMS.

**A. Security Procedures:** Bank and Customer shall agree to one or more Security Procedures to be used in connection with a Service. Customer agrees that the Security Procedures for each Service are commercially reasonable. Customer shall be bound by any Instruction, Entry, Wire Transfer Request, fund transfer, transaction, service change order, notice, or other communication that is acted upon by Bank in accordance with the Security Procedures. Customer acknowledges and agrees that the Security Procedures are not intended to detect errors in the transmission or content of any information, Wire Transfer Request, service change order, notice, or Instruction transmitted by Customer to Bank. If Customer requests or elects other security procedures for use in connection with a particular Service and those other security procedures provide less protection than the Security Procedures offered by Bank, then Customer agrees that the other security procedures chosen by Customer shall be deemed commercially reasonable. Bank reserves the right to audit Customer's compliance with the Security Procedures and to mandate controls or suspend a Service until Customer complies with the Security Procedures. Bank may, in its sole discretion, require additional or new Security Procedures and/or change Security Procedures from time to time. Customer agrees that any such addition to or change in Security Procedures shall be deemed commercially reasonable. Customer's continued use of a Service after Bank establishes new or additional Security Procedures or after Bank changes the Security Procedures shall constitute Customer's agreement that the new, additional, or changed Security Procedures are commercially reasonable.

**B. Bank's Reliance; No Review:** Bank is entitled to rely on any Electronic Communication, notice, document, or Instruction Bank believes in good faith to be genuine, correct, and given, signed, and/or sent by Customer or on Customer's behalf of Customer by its Agent or its designated representative(s), and shall not be obligated to verify the authenticity of the information, and Bank will not be liable to Customer for the consequences of any such reliance. Bank has no obligation of any kind to review any data or to correct any error in any data provided to Customer through any Service or any data or Instruction provided by Customer to Bank through any Service received in good faith and believed to be genuine.

**C. Status of Parties:** The relationship of Bank and Customer and its Agent is solely that of independent contractors. Neither party will be considered to be an employee or agent of the other. Nothing contained in this Agreement will be construed to create any partnership or joint venture between the parties.

**D. Intercompany Services:** Bank may, in its discretion and subject to receipt of documentation satisfactory to Bank, permit Customer to use Services on behalf of a parent company, subsidiary, affiliate or other commonly owned company (a "Related Entity"). If Bank permits Customer to use Services on behalf of Related Entities, Customer shall be jointly and severally liable for the Related Entities' obligations under this Agreement. Additionally, Customer represents and warrants that any and all transfers of a Related Entity's funds, or commingling of funds of one or more Related Entities with another Related Entity's or Customer's funds and Customer's use of the Services on behalf of the Related Entities have been duly authorized by all necessary parties and that Customer will make such documentation available to Bank immediately upon request. Customer represents and warrants that with respect to any Services used by Customer on behalf of Related Entities, such action is not in violation of any agreement, bylaw or board resolution of Customer or the Related Entities and is not in violation of any Applicable Law.

**E. Standard of Care:** Bank's duties and responsibilities are limited to those specifically described in this Agreement and the Enrollment Form(s). Bank will exercise commercially reasonable and ordinary care in performing its obligations, unless otherwise expressly provided herein or required by Applicable Law. Bank makes no warranty, either express or implied, to Customer with respect to any service or product provided or to be provided hereunder, as further described in Section 2.6.K.

**F. Customer Responsibilities:** Customer is solely responsible for (i) use of the Services in accordance with the terms of this Agreement, and implementing internal policies and procedures to safeguard confidential information, security codes and User access to the Services; (ii) any activity of any kind generated by Customer's computer systems or networks, including fraudulent activity or corruption of Customer's system or corruption or infection of Bank's computer systems or networks; and (iii) the provision, repair and maintenance of any equipment used by Customer to access the Services; (iv) the protection of any equipment and software used by Customer to access any Service from intrusion or attack through use of commercially reasonable anti-virus and anti-spy programs and/or software; and (v) the actions or inaction of Customer, its designated Agent(s) or its designated representative(s) to facilitate fraud or any security related events. Customer shall immediately notify Bank if it believes that the security of any password, identification number or any other means of access to any Service has been compromised or any fraudulent activity described in this Section 2.6.F (ii) has occurred. In addition, Bank shall from time to time make information available via Supplemental Documentation or its website, regarding fraud awareness and education to assist Customer in the prevention and mitigation of any fraudulent or suspicious activity.

**G. No Extension of Credit:** Neither this Agreement nor the provision of any Service, nor the terms of any Enrollment Form or Supplemental Documentation will be construed to obligate Bank to create an overdraft, pay any amount in excess of Customer's collected and available funds in any applicable Account, lend money or otherwise advance funds to or on behalf of Customer unless expressly set forth in a written agreement between Customer and Bank.

**H. Release; Force Majeure:** Unless otherwise required by expressly Applicable Law, Bank will not be liable for, and Customer hereby releases Bank from, any loss arising directly or indirectly, in whole or in part, from any of the following causes: (i) any act, failure to act or delay in acting on the part of any person not within Bank's reasonable control, including Customer or its Agent or designee, (ii) the negligence or misconduct of Customer, any Agent or any other officer, employee or agent (apparent or otherwise) of Customer, (iii) any inaccuracy or ambiguity in any information given to Bank (including, without limitation, any incorrect, incomplete or untimely information) by Customer, (iv) any error, failure or delay in the provision of any Service, execution of any Instruction, performance under any Enrollment Form or other instruction that is caused by any natural disaster, an act of governmental or military authority, legal constraint, fire, flood, earthquake, windstorm, other natural calamity, war, riot, civil unrest, act of terrorism, labor disturbance, strike, lockout, inability of Bank to obtain labor, materials or transportation in a timely manner, electrical, communication, telecommunication, word processing or computer failure or interruption of service (whether hardware, software or both) and which failure or delay in performance is not within the direct and reasonable control of Bank, or (v) any other cause or circumstance beyond the reasonable control of Bank.

**I. INDEMNIFICATION OF BANK; RIGHT OF SETOFF: CUSTOMER, INCLUDING WITHOUT LIMITATION A CUSTOMER ACTING IN ITS CAPACITY AS AN AGENT, SHALL INDEMNIFY, REIMBURSE OR OTHERWISE HOLD HARMLESS BANK, ITS AFFILIATED COMPANIES AND ITS OFFICERS, EMPLOYEES AND AGENTS FOR ANY AND ALL COSTS, LOSSES, CLAIMS, TAXES, EXPENSES, LIABILITIES AND DAMAGES INCURRED OR SUSTAINED BY BANK IN THE PERFORMANCE OF SERVICES FOR CUSTOMER (INCLUDING WITHOUT LIMITATION SERVICES PROVIDED FOR A PRINCIPAL OF A CUSTOMER ACTING IN ITS CAPACITY AS AN AGENT), EXCEPT TO THE EXTENT CAUSED SOLELY BY THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT OF BANK. ANY CLAIM FOR INDEMNIFICATION WILL BE PROMPTLY SUBMITTED BY BANK TO CUSTOMER IN WRITING ALONG WITH A SUMMARY OF THE FACTS CONSTITUTING THE BASIS OF SUCH CLAIM. UPON NOTICE TO CUSTOMER SPECIFYING IN REASONABLE DETAIL THE BASIS FOR SUCH CLAIM, BANK MAY SET OFF ANY AMOUNT TO WHICH IT MAY BE ENTITLED UNDER THIS SECTION 2.6.I OR OTHERWISE RELATING TO ANY OF THE SERVICES OR OTHER TERMS OR CONDITIONS OF THIS AGREEMENT AGAINST ANY AMOUNTS OR OBLIGATIONS OWED TO CUSTOMER, WHETHER UNDER THIS AGREEMENT OR OTHERWISE RELATING TO THE SERVICES OR PURSUANT TO ANOTHER AGREEMENT BETWEEN CUSTOMER AND BANK. THE EXERCISE OF THIS RIGHT BY BANK, WHETHER OR NOT ULTIMATELY DETERMINED TO BE JUSTIFIED, WILL NOT CONSTITUTE A BREACH, EVENT OF DEFAULT UNDER THIS AGREEMENT OR UNDER ANY OTHER AGREEMENT BETWEEN BANK AND CUSTOMER. NEITHER THE EXERCISE OF NOR THE FAILURE TO EXERCISE ANY OF THIS RIGHT WILL CONSTITUTE AN ELECTION OF REMEDIES OR LIMIT BANK OR ANY OF ITS AFFILIATED COMPANIES AND/OR OFFICERS, EMPLOYEES AND AGENTS IN ANY MANNER IN THE ENFORCEMENT OF ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO THEM HEREUNDER.**

**J. Customer Representations and Warranties:** Customer represents that it is duly organized in accordance with the laws of the jurisdiction of its organization, and that each person executing any Agreement or Enrollment Form is properly authorized. Bank is entitled to rely on such signatures as conclusive authority to enter into this Agreement and obtain the applicable Service. Customer also covenants to Bank each time Customer uses a Service, that: (i) Customer is validly existing and in good standing under the laws of the jurisdiction of its organization; (ii) Customer's assent to this Agreement is authorized and that its obligations hereunder are Customer's legal, valid and binding obligation; (iii) each person signing documents on behalf of Customer, including its Agent, has the requisite power and authority and has taken all necessary action to execute and deliver the Instructions, and to perform Customer's obligations under this Agreement and each Service used by Customer; (iv) any consent or authorization of any governmental authority or third party required to be obtained by Customer in connection with this Agreement or any Service used or performed pursuant to this Agreement has been obtained; (v) the Services are not intended to and will not be used by Customer for purposes in violation of Applicable Law; (vi) Customer is not acting on behalf of or transmitting funds to or from any party subject to sanctions enforced by OFAC; (vii) Customer is utilizing the Service solely for commercial use and not for any personal, family or household purposes; and (viii) if Customer is acting in its capacity as an Agent, Customer is a duly authorized Agent for the principal Customer and has the power and authority to use the Services on behalf of the principal Customer.

**K. DISCLAIMER OF BANK WARRANTIES, LIMITATIONS ON LIABILITY: BANK HEREBY DISCLAIMS ANY WARRANTIES, EXPRESS OR IMPLIED, RELATED TO THE SERVICES, INCLUDING ALL WARRANTIES AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR SUITABILITY OF ANY SERVICES FOR CUSTOMER, OR AS TO ANY EQUIPMENT OR SOFTWARE PROVIDED BY BANK OR THE COMPATIBILITY OF BANK'S SOFTWARE, EQUIPMENT OR COMMUNICATION INTERFACES WITH CUSTOMER.** Customer acknowledges that the Services are provided by Bank without representation or any of the warranties discussed above and that Bank is not responsible for determining the accuracy, timeliness or completeness of information provided to Bank by Customer or any third party. **IN NO EVENT WILL BANK BE LIABLE TO CUSTOMER FOR ANY LOST PROFITS OR THIRD-PARTY CLAIMS OR ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) FROM ANY CAUSE WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATING TO, CONNECTED WITH OR PERTAINING TO EITHER THIS AGREEMENT OR THE PERFORMANCE OR NON-PERFORMANCE OF ANY SERVICES HEREUNDER.** These limitations will apply whether or not the likelihood of such losses or

damages was known or should have been known by Bank, regardless of the legal or equitable theory of liability advanced by Customer. Customer's exclusive remedy for any cause whatsoever and regardless of the form of action (whether in contract or in tort, including negligence) will be limited to the actual, proven damages of Customer that are the immediate and direct result of an action or failure to act by Bank constituting gross negligence or willful misconduct. Bank's liability shall in no event exceed an amount equal to the fees paid by Customer for the Services during the three month period immediately preceding the claim, except to the extent such limitation is expressly prohibited by Applicable Law.

**L. Compliance with Law:** Customer will (and will ensure its Agents will) comply with all Applicable Laws in connection with the Services, including without limitation, OFAC-enforced prohibitions. Customer shall indemnify and hold Bank harmless for any and all fines and assessments imposed on Bank as a result of any alleged violations of Applicable Laws.

**M. Customer's Records and Review:** Without limiting any obligations of Customer to retain records as specifically set forth in this Agreement with respect to a Service, Customer will retain and provide to Bank, upon request, all information necessary to remake or reconstruct any deposit, transmission, file or entry for thirty (30) days following such transaction. Customer will regularly and promptly review and verify all information provided to it concerning the Services, including without limitation Account statements, reports, Check payment records, adjustments, charges, and/or other billing statements, and other transactions and, within a reasonable time (which in no event will be greater than thirty (30) days) will notify Bank of any error or discrepancy between Customer records and any Bank notice or statement, or any transaction or transfer which Customer believes was not authorized. Customer's failure to notify Bank of such error or unauthorized transaction within the requirements of Applicable Law and the Account Disclosures shall relieve Bank of any liability.

**N. Bank Records:** Bank has no obligation to retain any records, including records relating to Instructions delivered by Customer, for longer than the period required of Bank by Applicable Law. In the event Customer fails to report any alleged error to Bank during the period of time Bank is required to retain such records, any good faith attempt by Bank to reconstruct the contents of the Instructions will be conclusively presumed correct.

**O. Bank Cutoff Times; Timeliness of Action:** Bank establishes cutoff times for various purposes. Information, Instructions, data or requests received after an applicable cutoff time will not be effective until the following Business Day. Bank shall have a reasonable time to act on any Instruction, or request of any kind. If it is unable to act on such Instruction or request prior to an applicable cutoff time, the action requested of Bank shall be effective the following Business Day.

**P. Binding Effect:** This Agreement binds and benefits the parties and their permitted successors and assigns. Bank will not be bound by any agreement or representation made by any Bank employee or Agent that is in conflict with this Agreement, unless that agreement or representation is contained in a validly executed agreement or amendment. Bank will not be deemed to waive any right or power under this Agreement as a result of any delay in exercising such right, nor will any single or partial waiver or exercise of any right or power limit Bank's ability to subsequently fully exercise the right or power or to exercise any other right or power under this Agreement. The rights and remedies set forth in this Agreement are cumulative and not exclusive of any other rights or remedies available to Bank.

**Q. Entire Agreement:** This Agreement, the terms and conditions contained in the Account Disclosures, the executed Enrollment Form(s), and any Supplemental Documentation provided by Bank represent the complete statement of the agreement between Bank and Customer for the Services. In the event of any conflict between this Agreement, the Account Disclosures and any Supplemental Documentation, the terms of this Agreement will control. In the event of any inconsistency between the terms of this Agreement and the Enrollment Form, the terms of the Enrollment Form shall control.

**R. Assignment:** Customer may not assign its right to receive Bank's Services hereunder without the prior written consent of Bank. Bank will have the right to delegate its obligation to perform Services hereunder to an appropriate third party as determined by Bank in its sole discretion. Bank may provide certain Services through third-party service providers. While Bank will have the right to delegate its duty to perform under this Agreement; it will be under no duty to do so.

**S. Governing Law:** This Agreement and the rights and obligations of the parties hereunder will be governed by, and construed, interpreted and enforced in all respects in accordance with the federal law of the United States, and to the extent that federal law does not apply, the law of the State of Texas without regard to conflict of laws principles.

**T. Venue; Jurisdiction; Service of Process:** Any legal action or proceeding arising out of or relating to this Agreement must be instituted in the courts of the state where the main office of Bank is located or of the United States of America for the district where the main office of Bank is located, and Customer hereby irrevocably submits to the jurisdiction of each such court in any such action or proceeding. By executing any Enrollment Form or utilizing any of the Services, Customer irrevocably consents to the service of any and all legal process, summons, notices and documents out of any of the aforesaid courts in any such action, suit or proceeding by mailing copies thereof by overnight or certified mail, postage prepaid, to Customer at its address provided for notices in accordance with **Section 2.4.A**

**U. JURY TRIAL WAIVER: CUSTOMER AND BANK EACH WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM RELATING TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY SERVICE OR TRANSACTION HEREUNDER.**

**V. No Waiver:** No failure or delay on the part of Bank or Customer to exercise any right hereunder will operate as a waiver of such right, nor will any single or partial exercise by Bank or Customer of any right hereunder preclude any other or further exercise thereof, or exercise of any other rights.

**W. Severability:** Any provision of this Agreement, the Enrollment Form or any Supplemental Documentation which is unenforceable will only be ineffective to the extent of such unenforceable provision, without invalidating the remaining provisions of the document.

## SECTION 3 – BUSINESS INTERNET BANKING SERVICES

### 3.1 BUSINESS INTERNET BANKING SERVICES.

This Section 3 sets forth the terms and conditions for the use of the Business Internet Banking Services ("Internet Banking" or "Internet Banking Services") offered by the Bank. The Customer should read this Section 3 carefully and keep a copy of it with their Account records. By accessing Internet Banking, or allowing others to access Internet Banking, the Customer accepts and agrees to the terms and conditions of this Section 3 as may be in effect from time to time.

### 3.2 CUSTOMER ACKNOWLEDGMENT.

**BY LOGGING INTO INWOOD NATIONAL BANK'S INTERNET BANKING SYSTEM, I CONFIRM THAT I HAVE READ AND AGREE TO ALL OF THE TERMS SET FORTH IN EACH CASH MANAGEMENT SERVICES AGREEMENT APPLICABLE TO MY ACCOUNTS. I FURTHER CONFIRM THAT OUR USE OF THE SERVICES AND CONTENT IS ENTIRELY AT OUR OWN RISK. EXCEPT AS DESCRIBED IN THIS AGREEMENT, THE SERVICES ARE PROVIDED "AS IS." TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, INWOOD NATIONAL BANK, AND ITS THIRD PARTY SERVICE OR DATA PROVIDERS, LICENSORS, DISTRIBUTORS OR SUPPLIERS (COLLECTIVELY REFERRED TO AS, "SUPPLIERS") DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY THAT THE SERVICES ARE FIT FOR A PARTICULAR PURPOSE, TITLE, MERCHANTABILITY, DATA LOSS, NON-INTERFERENCE WITH OR NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS, OR THE ACCURACY, RELIABILITY, QUALITY OR CONTENT IN OR LINKED TO THE SERVICES. INWOOD NATIONAL BANK AND ITS SUPPLIERS DO NOT WARRANT THAT THE SERVICES ARE SECURE, FREE FROM BUGS, VIRUSES, INTERRUPTION, ERRORS, THEFT OR DESTRUCTION. IF THE EXCLUSIONS FOR IMPLIED WARRANTIES DO NOT APPLY TO YOU, ANY IMPLIED WARRANTIES ARE LIMITED TO 60 DAYS FROM THE DATE OF PURCHASE OR DELIVERY OF THE SERVICES, WHICHEVER IS SOONER. INWOOD NATIONAL BANK AND ITS SUPPLIERS DISCLAIM ANY REPRESENTATIONS OR WARRANTIES THAT YOUR USE OF THE SERVICES WILL SATISFY OR ENSURE COMPLIANCE WITH ANY LEGAL OBLIGATIONS OR LAWS OR REGULATIONS. YOU ARE SOLELY RESPONSIBLE FOR ENSURING THAT YOUR USE OF THE SERVICES IS IN ACCORDANCE WITH APPLICABLE LAW.**

### 3.3 LIMITATIONS.

Your use of Internet Banking is subject to the following limitations:

- A. You are not permitted in any statement cycle to make more than six transfers or withdrawals from a savings or money market Account to another Account you have with us or to a third party by means of preauthorized or automatic transfers, or by means of telephonic (including data transmission) agreement, order or instruction, or by means of personal computer (including internet banking and bill payment services). Reminder: Each bill payment transaction transmitted from a money market Account or other limited transaction Account will count toward such Account's transaction limitation during the statement period. In any event, we may not permit bill payments to be made from limited transaction Accounts.
- B. For security reasons, we may from time to time impose other limits or restrictions on the number and dollar amount or types of transfers or transactions that you can make using Internet Banking. Also, there may be additional limitations described throughout this Section 3, and your ability to initiate transactions may be limited by the terms of other agreements you have with us or as described in other disclosures we have made to you, or by applicable law. You agree to abide by and be bound by all applicable limitations.

### 3.4 ACCESS.

To access Internet Banking, you must have at least one Account at the Bank, access to Internet service, and an e-mail address. Once we have received your signed Enrollment Form, and verified your Account information, we will send you, either by e-mail or by postal mail, confirmation of our acceptance of your enrollment. We will call you with your assigned user name and temporary Password. Internet Banking can be used to access only the Accounts which you have designated for access through Internet Banking in your Enrollment Form. Access to your Accounts through Internet Banking will be based upon the identification of users and authority levels specified by you in your Enrollment Form. **YOU ARE RESPONSIBLE FOR MAINTAINING ALL INTERNET CONNECTIONS, BROWSERS, HARDWARE AND SOFTWARE THAT ARE NECESSARY TO ACCESS THE SERVICES DESCRIBED IN THIS SECTION 3. THE COMPUTER AND THE RELATED EQUIPMENT YOU USE TO ACCESS THE SERVICES ARE REFERRED TO COLLECTIVELY AS THE "COMPUTER." WE UNDERTAKE NO OBLIGATION TO MONITOR TRANSACTIONS THROUGH INTERNET BANKING TO DETERMINE THAT THEY ARE MADE ON BEHALF OF THE CUSTOMER.**

### 3.5 INTERNET BANKING SERVICES.

You can access Internet Banking to check the balance of your Accounts, view Account histories, transfer funds between your Accounts, make stop payment requests, and view statements. If you have requested bill payment services on your Enrollment Form, you may pay bills from your Accounts in the amounts and on the dates you request.

### 3.6 HOURS OF ACCESS.

You can access Internet Banking seven days a week, twenty-four hours a day, although some or all Internet Banking services may not be available occasionally due to emergency or scheduled system maintenance. We will make an effort to post notice of any extended periods of non-availability on the Internet Banking website.

### 3.7 SECURITY.

**YOU ACKNOWLEDGE THE IMPORTANCE OF YOUR ROLE IN PREVENTING MISUSE OF YOUR ACCOUNTS THROUGH INTERNET BANKING. YOU AGREE TO PROMPTLY EXAMINE YOUR PERIODIC STATEMENT FOR EACH OF YOUR ACCOUNTS AS SOON AS YOU RECEIVE IT. YOU AGREE TO PROTECT THE CONFIDENTIALITY OF YOUR ACCOUNT, ACCOUNT NUMBER, AND YOUR PERSONAL IDENTIFICATION INFORMATION, SUCH AS YOUR DRIVER'S LICENSE NUMBER AND SOCIAL SECURITY NUMBER. YOU ACKNOWLEDGE THAT PERSONAL IDENTIFICATION INFORMATION BY ITSELF, OR TOGETHER WITH INFORMATION RELATED TO YOUR ACCOUNT, MAY ALLOW UNAUTHORIZED ACCESS TO YOUR ACCOUNT. YOUR PASSWORD AND LOGIN ID ARE INTENDED TO PROVIDE SECURITY AGAINST UNAUTHORIZED ENTRY AND ACCESS TO YOUR ACCOUNTS. IN AN EFFORT TO PROVIDE TRANSMISSION SECURITY, DATA TRANSFERRED VIA INTERNET BANKING IS ENCRYPTED AND INTERNET BANKING UTILIZES IDENTIFICATION TECHNOLOGY TO VERIFY THAT THE SENDER AND RECEIVER OF INTERNET BANKING TRANSMISSIONS CAN BE APPROPRIATELY IDENTIFIED BY EACH OTHER. NOTWITHSTANDING OUR EFFORTS TO INSURE THAT INTERNET BANKING IS SECURE, YOU ACKNOWLEDGE THAT THE INTERNET IS INHERENTLY INSECURE AND THAT ALL DATA TRANSFERS, INCLUDING ELECTRONIC MAIL, 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 INTERNET BANKING, OR EMAIL TRANSMITTED TO AND FROM US, WILL NOT BE MONITORED OR READ BY OTHERS. IF YOU ARE SENDING US ACCOUNT INFORMATION OR REFER TO YOUR ACCOUNT, ALWAYS USE ONLY THE LAST FOUR DIGITS OF YOUR ACCOUNT NUMBER.**

**A. Authorization.** You agree that the methods and procedures for the authorization and authentication of Internet Banking transactions described in and contemplated by this Section 3 constitute commercially reasonable security procedures under applicable law. Subject to the requirements of applicable law and other express terms and provisions of this Section 3, you are responsible for all Internet Banking transactions initiated or made through Internet Banking. Without limiting the scope of the preceding sentence, if you allow any other person to use your Password or Internet Banking, you will have authorized that person to access your Accounts and you are responsible for all transactions that person initiates or authorizes in connection with your Accounts. You agree to notify us immediately as provided in Section 2.4 of this Agreement if you believe that your Password has been lost or stolen or that any Account has been or may be accessed without your authorization. Telephoning is the best method for limiting your potential losses. You agree to take any reasonable actions requested by us to prevent unauthorized transactions to your Accounts.

**B. Your Password.** For security purposes, you are required to change your Password upon your initial login to Internet Banking. You determine what Password you will use. The identity of your Password is not known to us. You agree that we are authorized to act on instructions received under your Password. You accept responsibility for the confidentiality and security of your Password and agree to change your Password regularly. Upon three unsuccessful attempts to use your Password, your access to Internet Banking will be revoked. To re-establish your authorization to access Internet Banking, you must contact us to have your Password reset or to obtain a new temporary Password.

If the confidentiality of your user name or Password is, or you believe may be, compromised, you agree to notify us immediately. In the event your user name or Password is compromised you may be required to establish a new one. You must take every precaution to ensure the safety, security and integrity of your Accounts and transactions with the Services. Your user name and Password allow access to your Accounts and the Services provided for herein; providing these to another person shall constitute a grant of authority to access your Accounts for all purposes, including, without limitation, access under the Electronic Fund Transfer Act and Regulation E, as applicable. Such authorization shall continue until you have notified us that such person is not authorized to act with regard to your Accounts and the Services.

We recommend that you create a Password that utilizes numeric and alphanumeric characters for purposes of security. Your Password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children, and should be memorized rather than written down.

**C. PC Specifications.** In order to use Internet Banking, your PC must meet current minimum technical specifications. Technical requirements and specifications regarding the use of Internet Banking may be described elsewhere in this Section 3. We do not guarantee the compatibility of Internet Banking with all modem types, computer systems, internet browsers, hardware and/or software.

**D. Equipment.** You are responsible for obtaining and properly installing and maintaining all telephone equipment and services, internet connection services, computer hardware and software, and any and all necessary upgrades thereto, and other equipment necessary for you to access and use Internet Banking Services. We are not responsible for any computer viruses, problems or malfunctions resulting from any computer viruses, or related problems that may be associated with the use of an online system. We recommend that you routinely update your anti-virus software, apply all security patches for your operating system, and install a firewall on your PC. We are not responsible for any errors or failures resulting from defects in or malfunctions of any software on your PC.

**E. Transaction Authorization; Protecting Your Password.** You authorize us to follow any instructions entered through Internet Banking using your Password - notwithstanding any dual or multiple signature requirement identified on the signature card or other documents relating to your Accounts. You authorize us to initiate any reversing entry or reversing file, and to debit your Accounts maintained at the Bank, or elsewhere, in order to correct any mistaken credit entry. Your obligation to pay the amount of the transaction or transfer is not excused in such circumstances. You agree and intend that the authorization of transactions through Internet Banking shall be considered the same as your written signature in authorizing us to perform any action relating to the transactions requested. You also agree that use of your Password is the agreed security procedure to access Internet Banking and that such security procedure is commercially reasonable.

You agree to keep your Password confidential, to prevent unauthorized access to your Accounts, and to prevent unauthorized use of Internet Banking. You agree not to give your Password or make it available to any person or entity who is not authorized to access your Accounts for the purpose of performing the transactions contemplated by Internet Banking or who intends or may use Internet Banking for the purpose of accessing and compiling Account data for such person's or entity's own commercial gain. You should change your Password frequently. You should avoid using your ATM or debit card personal identification number (PIN) as your permanent Password.

If your access to Internet Banking is blocked or if you forget your Password, you may contact us at 214-358-5812 or you may also reset your password in the designated section on our website. We may issue you a new Password, although it may not be available for use of Internet Banking for several days.

**F. Protecting Your Personal Information.** In addition to protecting your Password and other Account information, you should also take precautions to protect your personal identification information, such as your driver's license, Social Security Number, etc. This information by itself or together with other Account information may allow unauthorized access to your Accounts. It is your responsibility to treat personal information with the same level of care as your Account information. You are also responsible for protecting and securing all information and data stored in your PC's hard drive.

**G. Your E-mail Address.** You agree to keep your e-mail address that you have provided to us for use in connection with Internet Banking, as well as your mailing address, current and updated with us at all times. To notify us of an e-mail or mailing address change, please call us at the telephone number(s) provided in Section 2.4 of this Agreement during our normal business hours. You also may update your e-mail address in the Internet Banking section of our website. Except to the extent otherwise required by applicable law or regulation, you agree that we are under no obligation to re-send, re-transmit, or otherwise deliver to you any Internet Banking notifications or information that we have transmitted to your e-mail address and that has been returned "undeliverable" or otherwise rejected for delivery.

**H. Electronic Messaging and E-mail.** Conventional e-mail is not a secure method of communication over the Internet, and we recommend that you not send confidential or privileged information, such as Account numbers and financial information, to us by conventional e-mail. The Message Center function in Internet Banking is a secure method of communication which allows messages to be sent and received within the Internet Banking application. An electronic message sent by you will not be immediately received by us. No action will be made on any electronic message you send to us until we actually receive your message and have a reasonable opportunity to act on it. If you need to contact us immediately, please refer to Section 2.4 of this Agreement. You cannot use conventional e-mail or Message Center to make a bill payment, Account inquiry, or Electronic Funds Transfer. There may be other limitations to your use of electronic messaging from time to time in effect. To the extent you elect to communicate with us using e-mail, the following provisions apply to those communications:

- You agree and acknowledge that the information communicated via e-mail to or from us may include information regarding any or all of the services we feel may be of added interest to you.
- You acknowledge that you have been advised and understand the risks of using e-mail with respect to the communication of information regarding Internet Banking and that we are unable to guarantee the authenticity, privacy or accuracy of information received or sent by e-mail or to monitor the authorization of persons using your e-mail address to send or receive information.
- You acknowledge that you will always refer to or use only the last four digits of your Account number in any e-mail or other non-secure method of communication with the Bank.
- In the event you receive information from us via e-mail that you believe is intended for another recipient, you agree to immediately return the information to us and to thereafter delete the information from your computer system. You shall not use the information for any personal or commercial purposes.
- You agree that certain information communicated from us to you may be confidential in nature as a communication between you and us.
- You agree to maintain the confidentiality of the information and to refrain from sharing the information with any other person or entity or from using the information for any purpose that is not related to Internet Banking or your financial relationship with us.
- In the event that you believe that an unauthorized person has gained access to your computer system, you agree to immediately notify us so that we can cease communication of information to you via e-mail until you and we take measures agreed to jointly to protect your financial information.
- Having acknowledged the risks associated with communicating financial information via e-mail, you (a) agree that we have no obligation to monitor or investigate the use of your computer system or the source of any communication received from you bearing

your email address, (b) release us from any claim or liability arising from or in connection with any communications sent or received using e-mail, and (c) agree to indemnify and hold us harmless from all claims, losses, expenses, or liability arising in any way out of or connected in any way with the use of e-mail as contemplated by this Section 3.

- To the extent any other agreement between you and us requires you to deliver written notice to a particular address regarding any matter, you agree that these provisions regarding the use of e-mail do not displace or modify any such requirement for a written notice, and you agree to comply with any requirement for a written notice without reference to these provisions regarding the use of e-mail.

### **3.8 FEES AND CHARGES.**

You agree to pay the Service Fees and charges for your access of Internet Banking Services as set forth in the then current Master Treasury Services Fee Schedule, which may be amended by us from time to time. You agree that all such fees and charges will be deducted from the checking Account designated as the Payment Account on your Enrollment Form. If you close your Payment Account, you must contact us immediately to designate another Account as your Payment Account. You agree to pay any additional reasonable charges for services you request, which are not covered by this Section 3. If you do not have sufficient funds in your Account(s) on the date a fee or charge is payable, you authorize the Bank to automatically deduct the payment from your Payment Account as soon as funds are available, or from other Accounts you maintain at the Bank accessible by Internet Banking. You are also responsible for telephone and Internet service fees you incur in connection with your access of Internet Banking.

### **3.9 POSTING OF TRANSFERS.**

Transfers initiated through Internet Banking before 6:25 p.m. (Central Standard Time) on a Business Day are posted to your Account the same day. Transfers completed after 6:25 p.m. (Central Standard Time) on a Business Day, Saturday, Sunday or banking holiday, will be posted on the next Business Day. Internet Banking identifies transfers based upon the login I.D. of the user who made the electronic transfer. Accordingly, you understand and acknowledge that the View Postings screens in both the Transfer and Bill Pay menu options of Internet Banking will not reflect transfers made by multiple users from the same Account if different login IDs are used. You agree to communicate with any other persons with authorized access to your Accounts concerning any transfers or bill payments from your Accounts in order to avoid overdrafts.

### **3.10 OVERDRAFTS (ORDER OF PAYMENTS, TRANSFERS, AND OTHER WITHDRAWALS).**

If your Account has insufficient funds to perform all Electronic Fund Transfers you have requested for a given Business Day, then:

- Electronic fund transfers involving currency disbursements, like ATM withdrawals, will have priority;
- Electronic fund transfers initiated through Internet Banking which would result in an overdraft of your Account may, at our discretion, be cancelled;
- In the event the electronic fund transfers initiated through Internet Banking which would result in an overdraft of your Account are not cancelled, overdraft charges may be assessed pursuant to the terms of the deposit agreement for that Account.

### **3.11 INTERNET BANKING BILL PAYMENT SERVICE.**

Internet Banking allows you to pay bills online. You must designate the Account from which such payments are to be made; the complete name of the payee, the Account number, and the payee's remittance address, all exactly as shown on the billing statement or invoice; the amount of the payment; and the date you want the payment to be debited from your Account. If the date you want the payment to be debited from your Account is not a Business Day, your Account will be debited on the prior Business Day. By using Internet Banking Services, you agree that, based upon instructions received under your Password, we can charge your designated Account by electronic transfer, "no signature required draft". We reserve the right to refuse to pay any payee designated by you. If we do so, we will notify you promptly.

### **3.12 SCHEDULING INTERNET BANKING PAYMENTS.**

You may elect for payees to receive an electronic payment, or a conventional bill payment check that we prepare for you in accordance with specifications that you provide. You understand and agree that we are not responsible for the timely delivery of mail or the improper transmission or handling of payments by a third party such as the failure of the bill payment payee to properly post a payment to your Account. Payments remitted electronically may not reach the intended payee until seventy-two (72) hours after the date the payment is debited from your Account. Such electronic payments will be deducted from your Account on the date that you arrange for the payment to be initiated. Some payees are not set up to accept electronic payments. In these cases, we will prepare a conventional check for delivery to the payee as you direct and, in this case, it may take five (5) to eight (8) Business Days for the payee to receive the payment that you schedule. Funds from any conventional check we prepare will be debited from your Account when such a check clears your Account. You must allow sufficient time - two (2) Business Days for electronic payments and five (5) Business Days for conventional bill payment checks - for the Bank to receive your request and process the payments so that the funds can be delivered to the payee before the payment due date, or for mortgage payments, on or before the due date (the due date shown on your invoice or provided in your agreement with the payee, not taking into Account any grace period provided by the payee). If you do not allow sufficient time for us to process your request, you understand that you are responsible for any and all late fees, finance charges, and any other actions taken by the payee. The Bank is not liable in any way for damages or losses that you incur in the event that: i) you do not maintain sufficient funds in your Account to make the payment; ii) your estimate of the time required to deliver payment to the payee is inaccurate; iii) payment is not delivered in a timely manner to the payee due to delays in mail delivery, changes of merchant address or Account number, or any other circumstances beyond the Bank's reasonable control; or iv) the payee fails to Account correctly for or credit the payment in a timely manner.

### **3.13 HOW TO CANCEL A BILL PAYMENT.**

To cancel a bill payment that you have scheduled through Internet Banking, you must cancel the payment online via Internet Banking (by following the onscreen instructions) on the day before the payment is scheduled to be debited from your Account.

**3.14 STOP-PAYMENT REQUESTS.**

You may initiate stop-payment requests online via Internet Banking only for paper checks you have written (non-electronically) on your Accounts. Online stop-payment requests are processed at 9:00 a.m. on the Business Day following the date the stop payment has been requested online. To be effective, this type of stop-payment request must precisely identify the name of the payee, the check number, the amount, and the date of the check. If you make your stop-payment request online or by telephone, we may also require you to put your request in the form of paper writing and get it to us within fourteen (14) days after you call. You will incur stop-payment charges as disclosed in the current fee schedule for the applicable Account.

**3.15 DISCLOSURE OF ACCOUNT INFORMATION AND TRANSFERS.**

You understand that information about your Accounts or the transfers you make may be disclosed to others as explained in the separate Privacy Policy of the Bank. For example, tax laws require disclosure to the government of the amount of interest you earn, and some transactions, such as large currency and foreign transactions, must be reported to the government. We may also provide information about your Accounts to persons or companies we believe would use the information for reasonable purposes, such as when a prospective creditor seeks to verify information you may have given in a credit application or a merchant calls to verify a check you have written. In addition, we routinely inform credit bureaus when Accounts are closed because they were not handled properly. We may also seek information about you from others, such as the credit bureau, in connection with the opening or maintaining of your Account or in connection with approving your access to Internet Banking. You agree and hereby authorize all of these transfers of information.

**3.16 PERIODIC STATEMENTS.**

You will not receive a separate Internet Banking statement. Transfers to and from your Accounts using Internet Banking will appear on the respective monthly periodic statements for your Accounts.

**3.17 SPECIAL PROVISIONS FOR NON-CONSUMER USERS OF INTERNET BANKING.**

**(THE TERMS AND PROVISIONS OF THIS SECTION ARE APPLICABLE TO YOU TO THE EXTENT THAT YOU ARE A NON-CONSUMER USER OF INTERNET BANKING.)**

**A. Transmission of Information; Unauthorized Use.** You agree that we may transmit confidential information, including (without limitation) Password confirmations, to the current address shown in our records for any of your Accounts, or to the e-mail address you have provided in connection with your use of Internet Banking, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that we will not be responsible or liable to you in any way in the event that such properly addressed information is intercepted by an unauthorized person, either in transit or at your place of business. In addition to any other security precautions set forth in this Section 3, you agree to keep your Password secure and strictly confidential. By using Internet Banking (or permitting others to use Internet Banking) you acknowledge and agree that this Section 3 and any other related agreements with us set forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by any and all transactions performed through Internet Banking, whether authorized or unauthorized, and we shall have no liability to you for any unauthorized transaction or inquiry with respect to your Account(s) made through Internet Banking.

**B. Examining Records and Reporting Discrepancies.** You agree to examine your periodic Account statements promptly, and to promptly and regularly review transaction information available through Internet Banking, and to notify us immediately of any discrepancy between the statements or Internet Banking information and your other Account records. You should notify us of discrepancies as provided Section 3.18 of this Agreement. You agree that in no event will we be liable to you under this agreement in performing, failing to perform, or erroneously performing the transactions described in this Section 3. You also agree that in no event will we be liable for special, indirect, consequential damages, or for any other damages whatsoever, including but not limited to, lost profits or attorneys' fees.

**C. Consumer Protection Inapplicable.** You acknowledge, represent and warrant that all Accounts that can be accessed under this Section 3 are not Accounts established primarily for personal, family or household purposes and that your use of Internet Banking is not primarily for personal, family or household purposes. Accordingly, the provisions of the Electronic Fund Transfer Act, as amended (15 U.S.C. 1693 et seq.), Federal Reserve Regulation E, as amended (12 C.F.R. 205), and any other laws or regulations intended for the protection of or governance of transactions involving consumers or consumer Accounts do not apply to any Internet Banking transactions affecting your Accounts.

**D. Limitations and Restrictions; Disclosure of Account Information.** You agree that we, in our discretion, may impose limitations and restrictions on the number, frequency, and dollar amount of Internet Banking transactions, as well as restrictions on the types of available transactions, with or without notice to you. In addition, you agree to comply with any limitations or restrictions that otherwise apply to your Accounts. You agree that we may disclose any information about your Accounts to third parties as we deem necessary or convenient for the processing of Internet Banking transactions.

**3.18 IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS.**

In accordance with Section 2.4 of this Agreement, contact Bank if you think that your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. 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 (if any).
- 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.
- Tell us 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 (5 Business Days for Visa Check Card point-of-sale transactions processed by Visa and 20 Business Days if the transaction 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 transaction 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 (5 Business Days for Visa Check Card point-of-sale transactions processed by Visa and 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 3 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. For lost or stolen Visa Check Cards, call 1-866-546-8273, 24 hours a day.

### **3.19 ELECTRONIC FUND TRANSFER DISCLOSURE TO CONSUMERS.**

**THE DISCLOSURES AND TERMS IN SCHEDULE A ARE APPLICABLE TO YOU ONLY TO THE EXTENT THAT YOUR USE OF THE SERVICE AND/OR YOUR APPLICABLE SERVICE ACCOUNTS ARE PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE. SUCH DISCLOSURES AND TERMS DO NOT APPLY TO YOU TO THE EXTENT YOUR USE OF THE SERVICE IS FOR NON-CONSUMER PURPOSES.**

### **3.20 DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY.**

**WE WILL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES SPECIFICALLY DESCRIBED IN THIS SECTION 3. YOU AGREE THAT OUR STANDARD OF CARE IS MET BY PAYING ITEMS IN ACCORDANCE WITH THE PROVISIONS HEREOF. WE WILL NOT BE RESPONSIBLE FOR ANY ACTS OR OMISSIONS BY YOU, INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, TIMELINESS OF DELIVERY OR YOUR AUTHORIZATION OF ANY ITEM OR INSTRUCTION RECEIVED, OR ANY ACT OR OMISSION OF ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION ANY TRANSMISSION OR COMMUNICATIONS FACILITY AND/OR DATA PROCESSOR OF YOURS, AND NO SUCH PERSON WILL BE DEEMED TO BE OUR AGENT FOR ANY PURPOSE. WE MAKE NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SERVICES PROVIDED TO YOU UNDER THIS SECTION 3. WE DO NOT AND CANNOT WARRANT THAT THE INTERNET BANKING SYSTEM WILL OPERATE WITHOUT ERRORS, OR THAT ANY OR ALL SERVICES WILL BE AVAILABLE AND OPERATIONAL AT ALL TIMES. WE ARE NOT RESPONSIBLE FOR ANY ERRORS OR FAILURES FROM ANY MALFUNCTION OF YOUR COMPUTER OR ANY SOFTWARE NOR ARE WE RESPONSIBLE FOR ANY ELECTRONIC VIRUS, VIRUSES, WORMS OR SIMILAR SOFTWARE THAT YOU MAY ENCOUNTER. IN ADDITION, YOU ARE SOLELY RESPONSIBLE FOR INSTALLING APPROPRIATE SOFTWARE, INCLUDING, BUT NOT LIMITED TO ANTI-VIRUS AND ANTISPYWARE SOFTWARE, AS WELL AS FIREWALL(S) ON YOUR COMPUTER HARDWARE TO PREVENT KEY LOGGING AND/OR OTHER INTRUSIONS THAT MAY ALLOW A THIRD PARTY TO UNLAWFULLY VIEW ACTIVITY ON YOUR COMPUTER. THE BANK HAS NO LIABILITY TO YOU FOR ANY DAMAGE OR OTHER LOSS, DIRECT OR CONSEQUENTIAL, WHICH YOU MAY SUFFER OR INCUR BY REASON OF YOUR USE OF YOUR COMPUTER OR THE SOFTWARE. FURTHERMORE, THE BANK MAKES NO WARRANTY OR REPRESENTATION REGARDING THE COMPUTER, ANY RELATED SOFTWARE OR YOUR USE OF THE SERVICES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU AGREE THAT WE ARE NOT RESPONSIBLE FOR ANY FAILURE TO ACT OR DELAY IN ACTING IF SUCH FAILURE IS CAUSED BY LEGAL CONSTRAINT, THE INTERRUPTION OF TRANSMISSION OR COMMUNICATION FACILITIES, COMPUTER MALFUNCTION OR EQUIPMENT FAILURE, WAR, EMERGENCY CONDITIONS, OR OTHER CIRCUMSTANCES BEYOND OUR REASONABLE CONTROL. IN ADDITION, WE SHALL BE EXCUSED FROM DELAY OR FAILURE TO TRANSMIT AN ENTRY IF SUCH TRANSMISSION WOULD RESULT IN OUR HAVING VIOLATED ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER GOVERNMENTAL REGULATORY AUTHORITY. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 3, OR OTHERWISE REQUIRED BY LAW, YOU AGREE THAT OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR CONTRACTORS ARE NOT LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES UNDER OR BY REASON OF ANY SERVICES OR PRODUCTS PROVIDED UNDER THIS SECTION 3 OR BY REASON OF YOUR USE OF OR ACCESS TO BILL PAY, INCLUDING LOSS OF PROFITS, REVENUE, DATA OR USE BY YOU OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT**

**OR BASED ON A WARRANTY. FURTHER, WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL OUR LIABILITY HEREUNDER EXCEED THE AMOUNTS PAID BY YOU FOR THE SERVICES PROVIDED TO YOU THROUGH THIS AGREEMENT DURING ANY SIX (6) MONTH PERIOD. YOU ACKNOWLEDGE THAT EACH PROVISION IN THIS AGREEMENT, WHETHER OR NOT BOLD-FACED OR OTHERWISE HIGHLIGHTED, IS CONSPICUOUS AND HAS BEEN CONSIDERED TO YOUR SATISFACTION.**

### **3.21 TERMINATION.**

You may cancel your Internet Banking service at any time by providing us with written notice. Your access to Internet Banking will be suspended within three (3) Business Days of our receipt of your instructions to cancel the service. You will remain responsible for all outstanding fees and charges incurred prior to the date of cancellation. You agree that we can terminate or limit your access to Internet Banking Services for any of the following reasons:

- Without prior notice, if you have insufficient funds in anyone of your Accounts, Internet Banking service may be reinstated, in our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits;
- Upon three (3) Business Days' notice, if you do not contact us to designate a new Payment Account immediately after you close your Payment Account; or
- Upon reasonable notice, for any other reason in our sole discretion.

Customer acknowledges access to certain proprietary information regarding the Bank's Security Procedures, and the services contemplated by this Section 3. Customer shall not disclose any such proprietary information of the Bank and shall use such proprietary information only in connection with the transactions contemplated by this Section 3.

## **SECTION 4 – WIRE TRANSFER SERVICES**

### **4.1 WIRE TRANSFER SERVICES**

In order to use the Wire Transfer services offered by Bank, the Customer must execute the Wire Transfer Services Agreement (the "**Wire Agreement**"). The Wire Agreement sets forth the specific terms and conditions related to Bank's Wire Transfer Services.

## **SECTION 5 – AUTOMATED CLEARING HOUSE SERVICES**

### **5.1 AUTOMATED CLEARING HOUSE SERVICES.**

This Section 5 sets forth the terms and conditions under which the Bank will provide Automated Clearing House Services ("ACH Services") which allow the Bank to process payment instructions for electronic credit and direct debit transfers with respect to Customer Account(s) maintained at the Bank. ACH Services are available for those Accounts identified by the Customer on the Enrollment Form. The Customer should read this Section 5 carefully and keep a copy of it with their Account records. By accessing ACH Services, or allowing others to access ACH Services, the Customer accepts and agrees to the terms and conditions of this Section 5 as may be in effect from time to time. Capitalized terms used in this Section 5 that are not otherwise defined in this Agreement will have the meanings provided in the rules.

### **5.2 INITIATION OF ENTRIES.**

We are hereby authorized to transmit Entries initiated by you as provided by the Rules. We shall be under no obligation to initiate Entries if the total amount of credit files sent by you exceeds established limits set forth by us from time to time and at our discretion. You acknowledge that cross-border or international Entries are subject to pre-approval requirements established by us, which such additional requirements may delay processing of your Entry. In order to initiate Entries pursuant to this Section 5, you shall furnish Entries on the medium and in the format specified by the Rules for that type Entry. Each Entry shall be delivered as specified and in accordance with the cutoff times and other requirements stated in our Procedures. We may handle Entries and Files delivered by you to us, as well as those which we receive from other customers, in any order selected by us in our sole discretion, and we may use any means or routes which we, in our sole discretion, may consider suitable. We shall not be deemed to have accepted any Entries initiated hereunder until we transmit such Entries to an ACH Operator and shall not be obligated to provide notice to you of our transmittal of Entries to the ACH Operator. If you deliver or transmit Entries to a Provider for processing and delivery to us, you shall comply with the Provider's delivery schedule, formats and security procedures, and the Provider shall be your agent. Any Provider used by you shall be acceptable to us, in our sole discretion. You shall comply with the pre-notification procedures prescribed by the Rules.

- Remaking Entries.** In the event the ACH Operator or we reject an Entry for any reason other than our gross negligence, you shall be obligated to remake such Entry. You shall retain and provide to us, upon our request, all information necessary to remake any File for a reasonable time after the settlement date with respect to such Entry.
- Returned Entries.** You shall promptly provide immediately available, fully collected funds to reimburse us for any debit Entry which is rejected or any adjustment Entry which is received by us after we have permitted you to withdraw funds in the amount thereof. You shall pay us interest on the amount of any such returned debit or adjustment Entry at the rate specified in the Account Disclosures between us and you with respect to overdrafts. We reserve the right to require you to deposit funds to be held by us in one of your ACH Accounts or in a separate Account held by and pledged to us for the purpose of paying for returned Entries or adjustment Entries, in the event that we determine, in our sole discretion, that such amount or Account is necessary due to a larger-than-usual number of returned Entries or adjustment Entries, or other adverse conditions with respect to you or Entries initiated by you. We shall have no obligation to re-transmit a returned Entry, and you agree not to reinstate Entries that have been returned except as permitted by the Rules.

- C. Cancellation or Amendment of Entry by Customer.** You shall have no right to cancel or amend any Entry after its receipt by us. We shall use reasonable efforts to act on a request by you for cancellation of an Entry prior to transmitting it to the ACH Operator, but we shall not be liable for our failure or inability to cancel an Entry. You shall indemnify us against and hold us harmless from any and all claims, demands, liabilities, expenses (including, but not limited to, reasonable attorneys' fees and costs), loss or damage of any nature whatsoever arising directly or indirectly out of our cancellation of any Entry.
- D. Rejection of Entries; Notices of Rejected or Returned Entries.** Any unexecuted Entry for which no notice of rejection is given shall be deemed canceled at the close of the fifth (5th) Business Day after the requested settlement date. We shall use reasonable efforts to notify you of our rejection of any Entry or return of any Entry from an ACH Operator; provided, however, that we shall have no liability if we fail to give any such notice. We shall not be liable to you for any delay or failure in executing an Entry unless such delay or failure is proximately caused by our gross negligence, and our liability therefore shall be limited to interest payable on the amount of such Entry from the requested settlement date until the earlier of (a) the date notice of rejection of such Entry is given by us, or (b) the close of the fifth (5th) Business Day following the settlement date.
- E. Use of Identifying Numbers.** You acknowledge that if an Entry identifies a Receiver inconsistently by name and Account number, payment of the Entry might be made by the RDFI on the basis of the Account number, even if the Account number identifies a person different from the named Receiver, and that your obligation to pay the amount of the Entry to us shall not be excused in such circumstances.
- F. Settlement Date.** In the event you deliver an Entry with a requested settlement date either (a) earlier than the date we actually receive the Entry, or (b) such that the payment or debit cannot be made by the requested settlement date, you authorize us to transmit the Entry to the ACH Operator notwithstanding the stated settlement date, and you accept responsibility for any delay in the transfer of funds and for notifying Receiver of such delay.
- G. Settlement.** Entries, returned Entries, and adjustment Entries may be debited against or credited to the ACH Account(s). You agree that we may debit any of your ACH Account(s) for any funds owed to us hereunder and that we shall credit an ACH Account designated by you on the Enrollment Form for any amount received by us payable to you with respect to debit Entries or adjustment Entries. We shall be entitled to withhold the availability of funds credited to your ACH Account hereunder for up to six (6) Business Days after the settlement date for such Entries or adjustments. We shall not be required to provide notice of the debiting or crediting of any ACH Account of yours with us hereunder, other than to provide you a regular Account statement. Credit Entries shall be received by us two (2) Business Days prior to the settlement date. Debit Entries shall be received by us one (1) Business Day prior to the settlement date.
- H. Payment for Credit Entries.** By the opening of our Business Day on the settlement date with respect to each Entry or group of Entries, you shall provide us immediately available, finally collected funds in an amount equal to such credit Entry or group of credit Entries. If such finally collected funds have not been provided to us as set forth above, we may, in our sole discretion, debit any Account of yours maintained with us for the payment of such Entries.
- I. Pre-funding; Collateral Account; Security Interest in Collateral Account.** We reserve the right, in our sole discretion, to require either (a) the payment in finally collected, immediately available funds for any credit Entry prior to executing such Entry, or (b) the deposit of finally collected, immediately available funds in a separate pledged deposit Account ("**Collateral Account**") equal to the amount of any credit Entry prior to executing such Entry. You hereby grant us a security interest in the Collateral Account. In the event that, for any reason, the Collateral Account does not contain sufficient finally collected funds at the time we are prepared to execute the credit Entries, we shall not be obligated to execute such Entries until its first regularly scheduled transmittal to the ACH Operator after the Collateral Account contains sufficient funds. This Section 5 is not a credit agreement and you shall not be entitled to advances or loans hereunder, despite any prior course of dealing.
- J. Provisional Settlement.** You acknowledge that the Rules provide that payment of an Entry by the RDFI to a Receiver is provisional until receipt by the RDFI of final settlement, and that, if final settlement is not received, the Entry may be reversed. In such event, the RDFI will be entitled to a refund from Receiver of the amount credited, and you will not be deemed to have paid Receiver the amount of such credit Entry.

### 5.3 CROSS-BORDER/ INTERNATIONAL ENTRIES.

You may initiate cross-border/international ACH credit Entries ("**IAT**") only on a preapproved basis. In addition to complying with all ACH Rules (as well as future new or revised rules, and abiding by all local, state, and federal regulations, including but not limited to the Electronic Fund Transfer Act and Regulation E, sanctions or laws administered by the OFAC, and laws administered by the United States of America), you must also abide by:

- Applicable laws of the receiving country's ACH network;
- International ACH Transaction Operating Rules; and
- The Bank Secrecy Act's ("**BSA**") "**Travel Rule**" information within the international payment format.

For definition purposes, an IAT is a debit or credit entry that is part of a payment transaction involving a financial agency's office that is not located in the territorial jurisdiction of the United States. For the purposes of this definition, a financial agency means an entity that is authorized by applicable law to accept deposits or is in the business of issuing money orders or transferring funds. An office of a financial agency is involved in the payment transaction if it:

- Holds an Account that is credited or debited as part of the payment transactions;
- Receives payment directly from a person or makes payment directly to a person as part of the payment transaction; or

- Serves as an intermediary in the settlement of any part of the payment transaction.

For clarification purposes, the IAT definition does not apply to transactions involving data received or processed offshore if the:

- Processing entity is not a party to the transaction;
- Processing does not alter the terms of the transaction; and
- Offshore party has no direct financial stake in the transaction through an Account relationship or settlement obligation.

IAT entries must be originated using the IAT Standard Entry Class Code. IAT entries may be sent to demand, savings, general ledger, and loan Accounts for live entries, pre-notes and returns. Zero dollar IAT entries may be sent to demand and savings Accounts, but should not be sent to general ledger or loan Accounts.

**NOTE:** While BSA only requires Travel Rule information when a funds transfer exceeds \$3,000, you acknowledge that the Rules require this information for all IAT entries.

The ACH Rule classifies IATs by focusing on where the financial agency that handles the payment transaction (movement of the funds) is located and not where any other party to the transaction (e.g., the Originator or Receiver) is located. Therefore, certain transactions that are sent as PPDs or CCDs, but are actually international transactions, must be sent as IATs.

You agree that all of your originated IAT Entries will include the BSA's Travel Rule data within the ACH record for compliance with U.S. law. Specifically, IATs must include:

- A. A unique Customer/Batch Header and Entry Detail Record;
- B. Seven required addenda (which is the same information provided in an international wire transfer) that includes:
  - Name and physical address of the Originator;
  - Name and physical address of the Receiver (beneficiary);
  - Account number of the receiver;
  - Identity of the receivers financial institution;
  - Correspondent financial institution's name, the financial institution's 10 number, and the financial institution's Branch Country Code. Each correspondent financial institution involved in an IAT transaction must identify itself within an addenda record. A separate addenda record is to be added to the payment by each correspondent financial institution (for a maximum of five correspondent financial institutions addenda records); and
  - Reason for payment.
- C. Two optional addenda records to accommodate the transmission of remittance information. A maximum of 160 characters (80 characters per addenda record) can be included;
- D. A maximum of five addenda for required correspondent financial institution identification; and
- E. The seven required addenda for all returns (plus the one additional addenda record within which specific information related to the return would be included).

In addition you agree to:

1. Payment terms with the Receiver or trading partner before creating any IAT entry, such as:
  - Currency;
  - Payment mechanism;
  - Penalties for late payments; and
  - Timing of payments.
2. Obtain authorization for payment origination from the Receiver or trading partner.

3. Deliver payment instructions to us in the agreed upon format pursuant to the International ACH Payment Technical Specifications (The IAT Standard Entry Class (SEC) code consolidates international ACH transactions coded under the Corporate Cross Border (CBR) and Consumer Cross Border (PBR) SEC codes into a single SEC code with expanded format).
4. Deliver payment instructions to us by the deadlines established within this Section 5.
5. Provide immediate funding for credits originated, as specified within this Section 5.

We will notify you in the event that problems have occurred which may delay processing of an IAT entry. In addition, you will batch IAT Entries separate from all other ACH transactions.

You agree to become knowledgeable regarding the payment rules and regulations in the Receiver's country, in addition to your own. You acknowledge that you and the Receiver are bound by the rules of their own countries' national payments systems, and differences in rights and responsibilities may be significant.

#### **5.4 PROHIBITED OR RESTRICTED ENTRIES.**

You agree not to use the ACH Services in a manner that would result in the creation or acceptance of prohibited or restricted Entries as provided by the Rules, including those such Entries that would result in you (i) being or becoming a "money service business" as defined in the Bank Secrecy Act and its implementing regulations, (ii) knowingly originating or accepting prohibited or restricted Entries or transactions in connection with another person in unlawful Internet gambling as defined in the Unlawful Internet Gambling Enforcement Act and Regulation GG, which generally prohibit funding of unlawful Internet gambling, or knowingly accepting funds, credits or proceeds of such activities, or (iii) engaging in any other fraudulent activity.

#### **5.5 COMPLIANCE WITH RULES AND BANK PROCEDURES.**

You shall comply with and be bound by the Rules and Bank Procedures identified in this Section 5.6 (the "**Bank Procedures**"). Both we and you acknowledge that the obligations of each under this Section 5 are subject to the Rules and that in the event of a conflict between the Rules and this Section 5 and/or the Bank Procedures, the Rules shall govern. This Section 5 and/or the Bank Procedures may, however, impose additional obligations upon us or you not inconsistent with the Rules. You shall assume responsibility for obtaining information with respect to the application of OFAC restrictions and sanctions applicable to ACH Services. We will follow the operating procedures below in connection with our performance of ACH Services:

- A. Authorizations.** You shall obtain a signed authorization from any Receiver (as defined in the Rules) authorizing you to initiate ACH Entries and enabling the Receiving Depository Financial Institution ("**RDFI**") to accept such Entries for charge against or credit to Receivers ACH Account. You shall retain the original or a copy of each authorization for a period of time after the date of termination or revocation of such authorization, as prescribed by the Rules. All such authorizations shall be secured in compliance with the Rules and Federal Reserve Regulation E. You shall, upon the request of us or the RDFI, furnish the original or a copy of such authorization. All methods of input initiated by you shall conform in all respects to the record layout and control specifications set forth by the Rules.
- B. Security Procedures.** You agree to follow the Security Procedures described in this Section 5.6.B (the "**Security Procedures**"). You acknowledge and agree that these Security Procedures are hereby deemed to be commercially reasonable pursuant to Section 4A.202 of the Texas Business & Commerce Code and the Rules. Your requests to us to initiate Entries shall contain the following control information, which shall conform in all respects to the record layout of control specification set forth by the Rules.
  - **Dual Control Security Procedure.** Our representative shall verify with you or your authorized representative as listed on your Enrollment Form on file with our ACH department, the transmission Entry that has been received by us. Any e-mails or telephone calls may be monitored and recorded by us.
  - **Electronic Transmission Security Procedure.** You agree to the security procedures incorporated in the System. You will maintain the login IDs, passwords and other authentication methods and aspects of the security procedures confidential and secure and will prevent access to them by unauthorized persons. Additionally, you agree that these Security Procedures are commercially reasonable.
  - **Security Procedures for Unauthorized, Authorized and Inconsistent Entries.** You agree that the purpose of the Security Procedures is to verify the authenticity of Entries transmitted to us and not to detect an error in the transmission or content of any Entry, and that no security procedure for the detection of such errors has been agreed upon by us and you, and we will undertake no such effort. You are strictly and solely responsible for establishing and maintaining procedures, the latest PC security software and security devices to safeguard against unauthorized transmissions of Entries. We may require you to utilize specific security software or hardware. 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 of any passwords, codes, security devices and related instructions provided by us in connection with the Security Procedures. If you believe or suspect that any such information or instructions are known or have been accessed by unauthorized persons, you shall notify us immediately. An Entry delivered to us that purports to have been transmitted or authorized by you shall be effective as your Entry as provided herein even if the Entry was not in fact authorized by you, provided we have accepted the Entry in compliance with the Security Procedures with respect to such Entry. If an Entry received by us was transmitted or authorized by you, it shall be effective as your Entry as provided herein, even if we did not comply with the Security Procedures with respect to that Entry and even if that Entry was erroneous in any respect or such error would have been detected if we had complied with the Security Procedures. You acknowledge and agree that (i) if any Entry describes the Receiver inconsistently by name and Account number, payment of the Entry transmitted by us to a RDFI may be made by a RDFI (or by us in the case of an On-Us Entry) on the basis of the Account number even if it identifies a person different from the named Receiver, and that your obligations to pay the amount of the Entry to us is not excused in such circumstances, and (ii) if an Entry describes the RDFI inconsistently by name and identifying number, payment of the Entry may be made by the RDFI on

the basis of the Account number even if it identifies an RDFI different from the named RDFI, and that your obligation to pay the amount of the entry to us is not excused in such circumstances.

**C. Delivery Requirements.**

- **Schedule.** ACH Entries will be processed by us the same day they are received. Entries received after 2:30 PM CST will be processed by us before the close of business on the next Business Day. To fully complete the transaction, Entries must also be processed by the RDFI over which we have no control. We cannot and do not guarantee the date a transaction will be completed. To increase the likelihood that Entries will be fully completed by the desired effective date, you shall deliver electronic media to us no less than two (2) Business Days prior to the effective date.
- **Form.** You agree to ensure that all ACH Entries sent to us comply with the Operating Rules of NACHA, and the rules of the Federal Reserve Bank ("Federal Reserve") in existence as of the date of this Addendum and as amended from time to time (herein collectively referred to as the "Rules"). All ACH Entries shall be transmitted in standard format which is acceptable under NACHA and Federal Reserve Rules. You shall have sole responsibility to obtain copies of and determine the requirements imposed by NACHA and the Federal Reserve Rules and any revisions thereto necessary to comply with this Addendum. Entries submitted by you for processing shall be no float transactions. All Entries must be supported by collected funds. The total amount of credit or debit Entries in the transmission shall be exactly equal to either an offsetting item in the Entries to be debited or credited from or to your Account at the same time the Entries to process are transmitted.
- **Submission.** We shall transmit Entries according to any routing number or other designation of RDFI appearing in any form on the Entries. We shall not be liable for any delay which may result from handling an item according to one designation of a RDFI which appears on the Entries whether or not this designation is consistent with all designations of a RDFI which appear on Entries.
- **Transmission Delivery.** Our Security Procedures may include an e-mail or telephone call to the Authorized Persons listed on your Enrollment Form to verify an ACH Entry that has been submitted or to verify the Entry scheduled for that day as indicated by you. Your Authorized Person will be asked by us for debit or credit dollar totals. Failure by your Authorized Person to verify this Entry information may result in a processing delay.
- **Transfer Limits.** You agree not to exceed the total daily, weekly or monthly dollar limit for the aggregate amount of all payment orders received by us and in process of settlement Payment orders greater than the total dollar limit will be processed upon our validation of the request. Processing delays may result if we are unable to perform this validation.

- D. Acceptance of Procedures.** You agree to the foregoing Security Procedures. The Security Procedures have been discussed and offered as part of the ACH Services chosen by you, and you agree that they are commercially reasonable under Texas Business & Commerce Code Section 4A.202 and any applicable Rules. You agree to be bound by any ACH Entries that are submitted and verified using our Security Procedures, subject to the terms contained herein. If an Entry received by us purports to have been delivered or authorized by you, it shall be deemed effective as your Entry and you shall be obligated to pay us the amount of any credit Entry, provided we acted in compliance with the Security Procedures. You acknowledge that the Security Procedures are commercially reasonable in light of your circumstances and the type and frequency of Entries initiated hereunder. You further acknowledge that the Security Procedures are not designed to detect duplicate Entries, duplicate Files or errors in transmission. If an Entry (or request to cancel an Entry) received by us is delivered and authorized by you, you shall be obligated to pay the amount of the Entry as provided herein, whether or not we complied with the Security Procedures with respect to that Entry, and whether or not that Entry was erroneous in any respect or that error would have been detected if we had complied with such Security Procedures.

**5.6 WARRANTIES AND BREACH OF WARRANTIES.**

You warrant to us and all other parties entitled to the benefit of such warranties pursuant to the Rules that (1) you have complied with the pre-notification procedure set forth in the Rules, including the forwarding of a copy of an authorization agreement; (2) each Entry initiated is timely and in accordance with an authorization agreement which you have on hand, executed by the Receiver to whose Account the Entry is to be credited or debited; (3) at the time each Entry is transmitted to the ACH Operator, you do not have actual knowledge of the revocation of any authorization agreement by the Receiver; (4) the Entry complies in all other respects with the Rules and is subject to all other warranties required by the Rules; and (5) you have established and will maintain procedures reasonably adapted to comply with the Electronic Funds Transfer Act and Federal Reserve Regulation E, as each may be amended from time to time. If you breach any of the foregoing warranties, you agree to indemnify us and all other parties entitled to the benefit thereof pursuant to the Rules against any and all claims, demands, liabilities, expenses (including reasonable attorneys' fees and costs), loss or damage resulting directly or indirectly from, or arising out of, any such breach.

**5.7 LIABILITY OF THE BANK; LIMITATIONS ON LIABILITY.**

- A. Performance of the Bank.** We shall be responsible only for performing the services we expressly agree to perform in this Section 5, and shall be liable only for direct damages caused by our negligence in performing those services. We shall not be responsible for any of your acts or omissions, including without limitation the amount, accuracy, timeliness of delivery or your authorization of any Entry received from you, or any act or omission of any other person, including without limitation any Federal Reserve Bank, any ACH or transmission or communications facility, or data processor, or any Receiver or RDFI (including without limitation the return of an Entry by such Receiver or RDFI), and no such person shall be deemed our agent.
- B. Limit on Damages.** In no event shall we be liable for any consequential, special, punitive, or indirect loss or damage which you may incur or suffer in connection with this Section 5, including without limitation loss or damage from subsequent wrongful dishonor resulting from our acts or omissions in performing our services under this Section 5. Our liability to you in the event you incur any loss due to mishandling of a particular Entry or Entries by us shall be limited to (i) liability for our own negligence or willful misconduct; and (ii) the amount recoverable by us from the ACH, or any third party pursuant to the ACH Rules or any indemnity agreement. Compensation shall be calculated using the compensation rules provided in the ACH Operating Rules publication.

- C. **Force Majeure.** We shall not be responsible for any failure to act or delay in acting if such failure is caused by legal constraint, the interruption of transmission or communication facilities, computer malfunction or equipment failure, war, emergency conditions, or other circumstances beyond our reasonable control. In addition, we shall be excused from failing to transmit or delay in transmitting an Entry if such transmittal would result in our having violated any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other governmental regulatory authority.
- D. **Interest.** Subject to the foregoing provisions of this Section, any liability which we may have for loss of interest for an error or delay in performing its services hereunder shall be calculated by using a rate equal to the average Federal Funds rate of the Federal Reserve Bank of Dallas for the period involved, less any applicable reserve requirements.

## 5.8 **INDEMNIFICATION.**

**YOU SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS US, AND OUR OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL ACTIONS, COSTS, CLAIMS LOSSES, DAMAGES OR EXPENSES, INCLUDING ATTORNEYS' FEES AND EXPENSES, RESULTING FROM OR ARISING OUT OF (I) ANY BREACH OF ANY OF YOUR AGREEMENTS, REPRESENTATIONS, OR WARRANTIES CONTAINED IN THIS SECTION 5, OR (II) ANY ACT OR OMISSION OF YOU OR ANY OTHER PARTY ACTING ON YOUR BEHALF, INCLUDING BUT NOT LIMITED TO PARTIES DESCRIBED IN THIS SECTION 5.**

5.9 **TERMINATION.** We may terminate this Addendum immediately by notice to you, or without notice if you breach any of your obligations under this Addendum or the Rules. You may terminate this Addendum at any time upon prior notice to us. Such Termination shall be effective on the 2nd Business Day following the day of our receipt of written notice of such Termination or later as specified in that notice. Termination shall not affect any of our rights or your obligations under this Section 5 or related to Entries initiated by you prior to such termination.

5.10 **CONFIDENTIALITY.** You acknowledge that you will have access to certain confidential information regarding our execution of Entries, the Security Procedures, and the services contemplated by this Section 5. You agree not to disclose any such confidential information of ours and shall use such confidential information only in connection with the transactions contemplated by this Section 5.

5.11 **RECORDS.** All electronic transmission files, magnetic tapes, Entries, Security Procedures and records used by us for transactions contemplated by this Section 5 shall be and remain our property. We may, in our sole discretion, make available such information upon your request. Any expenses incurred by us in making any such information available to you shall be paid by you.

5.12 **CREDIT AND AUDIT REVIEW.** You are subject to satisfactory credit and audit review by us from time to time, at our sole option and discretion, and in accordance with our established credit and auditing criteria. You shall, upon our request, provide to us any such credit and audit related information and assistance as we may require to perform any such review. Failure by you to meet such standards, in our sole discretion, or to provide such information or assistance when requested shall constitute a breach of this Section 5 and shall permit us to terminate this Section 5.

5.13 **SECURITY INTEREST IN ACCOUNTS AND SETTLEMENT RESERVE.** You grant us a security interest in all Accounts or other deposits (whether general or special) of yours with us, and in all funds in such Accounts or other deposits, to secure your obligations to us under this Section 5. This security interest will survive termination of this Section 5. We may hold any funds on deposit with us by you after termination of this Section 5 for up to sixty (60) days following the expiration of any return or chargeback rights regarding any request or Entry processed by you using the ACH Services or, if later, until any other claims to such funds have expired. You may be required to maintain a reserve ("**Settlement Reserve**") of an amount to be solely determined by us. You acknowledge and agree that any Settlement Reserve will be deposited in an Account for exclusive use by us for purposes of offsetting any of your obligations under this Section 5. You authorize us to immediately replenish the Settlement Reserve to an amount to be determined by us via an ACH debit to your Account or by a direct deposit to the Settlement Reserve if the Customer's Settlement Reserve falls below the required amount. You grant us a security interest in any Settlement Reserve to enable us to enforce any obligation owed by you under this Section 5 without notice or demand to you. Your obligation to maintain a Settlement Reserve shall survive the termination of this Section 5, with such obligation lasting until all of your obligations under this Section 5 have been fully offset. Our security interest shall continue until all of your obligations under this Section 5 have been fully offset.

## SECTION 6 – POSITIVE PAY SERVICES

### 6.1 **POSITIVE PAY SERVICES.**

This Section 6 sets forth the terms and conditions under which the Bank will provide Positive Pay services ("Positive Pay") to Customer. Positive Pay compares check clearing data provided by you each day against checks presented to us for payment. All presented checks matching the check number and dollar amount identified by you in your Positive Pay File will be paid and charged against the appropriate Account. Any item presented to us for payment that does not strictly match the data you provided in a Positive Pay File will be identified either as an "Exception" or "Violation" and will be handled by us as follows:

- A. **"Exceptions"** are items presented for payment through our check clearing process that do not match the Positive Pay File. Exceptions must be resolved by you through Internet Banking between the hours of 7:00 a.m. and 12:00 p.m. local time in Dallas, Texas. Exceptions left unresolved will be handled according to the default option you elect. Default options available include:
- **PAY NONE** - All Exceptions not resolved by you on a timely basis will be returned unpaid.
  - **PAY ALL** - All Exceptions not resolved by you on a timely basis will be considered authorized and paid.

- B. **"Violations"** are items presented to us for immediate payment (i.e. cashing a check) that do not match the Positive Pay File. Our representatives will attempt to contact you for instruction on any such item. If we at our sole and absolute discretion cannot determine the required action on an item categorized as a Violation, the item will be returned unpaid.

## 6.2 ACCESS.

To access Positive Pay, you must have at least one checking Account with us, access to Internet Banking, and an e-mail address. Once we have i) received your signed Enrollment Form, and ii) verified your Account information, we will send you, by e-mail or by postal mail, confirmation of our acceptance of your enrollment. Positive Pay can be used to access only the Accounts which you designated for access in your Enrollment Form. You can add or delete any of your Accounts for which Bank provides Positive Pay by completing a new Enrollment Form. Access to your Accounts through Positive Pay will be based upon the identification of users specified by you in your Enrollment Form.

## 6.3 HOURS OF ACCESS.

You can access Positive Pay on Business Days from 7:00 a.m. to 12:00 p.m. local time in Dallas, Texas. Some or all Positive Pay services may not be available occasionally due to emergency or scheduled system maintenance. We will make an effort to post notice of any known extended periods of non-availability of Positive Pay on Internet Banking.

## 6.4 PRINTED CHECKS.

You are responsible for ensuring that all of the checks that you issue meet the minimum standards of the American National Standards Institute with respect to character position and formation, and that the MICR encoding ink is of high quality and meets our specifications – as may be established from time to time. We assume no responsibility for errors or omissions resulting from your deviation from these standards.

## 6.5 SCHEDULING POSITIVE PAY FILES.

Positive Pay Files must be uploaded through Internet Banking on every banking day that you issue checks. Failure to do so will result in check item Violations or Exceptions.

## 6.6 DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY.

**WE WILL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES SPECIFICALLY DESCRIBED IN THIS SECTION 6. YOU AGREE THAT OUR STANDARD OF CARE IS MET BY PAYING ITEMS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 6.1 ABOVE AND THAT ALL SUCH ITEMS ARE DEEMED "PROPERLY PAYABLE" ITEMS AS PROVIDED BY APPLICABLE LAW. WE WILL NOT BE RESPONSIBLE FOR ANY ACTS OR OMISSIONS BY YOU, INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, TIMELINESS OF DELIVERY OR YOUR AUTHORIZATION OF ANY ITEM OR INSTRUCTION RECEIVED, OR ANY ACT OR OMISSION OF ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION ANY TRANSMISSION OR COMMUNICATIONS FACILITY AND/OR DATA PROCESSOR OF YOURS, AND NO SUCH PERSON WILL BE DEEMED TO BE OUR AGENT FOR ANY PURPOSE. WE MAKE NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH THE POSITIVE PAY SERVICES PROVIDED TO YOU UNDER THIS SECTION 6. WE DO NOT AND CANNOT WARRANT THAT THE POSITIVE PAY SYSTEM WILL OPERATE WITHOUT ERRORS, OR THAT ANY OR ALL POSITIVE PAY SERVICES WILL BE AVAILABLE AND OPERATIONAL AT ALL TIMES. YOU AGREE THAT WE ARE NOT RESPONSIBLE FOR ANY FAILURE TO ACT OR DELAY IN ACTING IF SUCH FAILURE IS CAUSED BY LEGAL CONSTRAINT, THE INTERRUPTION OF TRANSMISSION OR COMMUNICATION FACILITIES, COMPUTER MALFUNCTION OR EQUIPMENT FAILURE, WAR, EMERGENCY CONDITIONS, OR OTHER CIRCUMSTANCES BEYOND OUR REASONABLE CONTROL. IN ADDITION, WE SHALL BE EXCUSED FROM DELAY OR FAILURE TO TRANSMIT AN ENTRY IF SUCH TRANSMITTAL WOULD RESULT IN OUR HAVING VIOLATED ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER GOVERNMENTAL REGULATORY AUTHORITY. EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 6, OR OTHERWISE REQUIRED BY LAW, YOU AGREE THAT OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR CONTRACTORS ARE NOT LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES UNDER OR BY REASON OF ANY SERVICES OR PRODUCTS PROVIDED UNDER THIS AGREEMENT OR BY REASON OF YOUR USE OF OR ACCESS TO POSITIVE PAY, INCLUDING LOSS OF PROFITS, REVENUE, DATA OR USE BY YOU OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT OR BASED ON A WARRANTY. FURTHER, WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL OUR LIABILITY HEREUNDER EXCEED THE AMOUNTS PAID BY YOU FOR THE SERVICES PROVIDED TO YOU THROUGH POSITIVE PAY DURING ANY SIX (6) MONTH PERIOD. YOU**



**ACKNOWLEDGE THAT EACH PROVISION IN THIS SECTION 6, WHETHER OR NOT BOLD-FACED OR OTHERWISE HIGHLIGHTED, IS CONSPICUOUS AND HAS BEEN CONSIDERED TO YOUR SATISFACTION.**

**6.7 TERMINATION.**

You may cancel Positive Pay at any time by providing us with written notice by postal mail or fax. Your access to Positive Pay will be suspended within three (3) Business Days following our receipt of your instructions to cancel the service. You agree that we can terminate your access to Positive Pay Services for any reason, in our sole discretion, upon ten (10) days prior written notice.

**SECTION 7 – ACKNOWLEDGMENT**

Customer acknowledges that it has received the foregoing Terms and Conditions, which are incorporated in the Enrollment Form executed by Customer and by Inwood and which, along with the Enrollment Form, any Supplemental Documentation, other applicable Enrollment Forms and/or Agreements, constitute the agreement between Customer and Inwood for Treasury Services.

CUSTOMER:

\_\_\_\_\_  
[Customer Name]

By: \_\_\_\_\_  
Authorized Signature

Name: \_\_\_\_\_  
Printed Name

Title: \_\_\_\_\_

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## SCHEDULE A

### ELECTRONIC FUNDS TRANSFER ACT DISCLOSURE

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#### *Applicable only to consumer Accounts*

Certain types of transactions that are handled completely or partially by electronic means are subject to the Electronic Fund Transfer Act ("EFT Act"). These include certain transactions made through Internet Banking. Your rights, protection, and liabilities as a consumer are outlined in the following disclosure in accordance with the EFT Act. Our obligations and liabilities are also summarized for you. Please read and become familiar with all parts of this disclosure. Be sure to retain the telephone numbers and addresses that you may need in order to limit your liability and to resolve problems that you may have concerning electronic transfers. This disclosure supplements other electronic fund transfer disclosures that you may receive in connection with other electronic fund transfer services affecting your Accounts.

#### **A. Types of Available Transfers and Limits on Transfers.**

1. **PC Transactions.** The Service allows you to use your PC to make Payments to Payees from your eligible designated Accounts.
2. **Limitations on Dollar Amounts and Frequency of Transfers.** Limitations apply to transfers and transactions that may be made through Internet Banking.

**B. Right to Receive Documentation of Transfers.** All of your transactions completed through Internet Banking will appear on your periodic deposit Account statement. You will receive a periodic Account statement each month for each deposit Account from which or into which a transaction through Internet Banking has been completed during the month. For all other deposit Accounts, you will receive a periodic statement at least quarterly, or as required by applicable law or the terms of the respective deposit agreements governing such Accounts. The periodic statement will include a description of the transactions completed through Internet Banking. The Payee name (including the Payee code, as applicable), Payment amount, and transaction date will be reflected for each Payment made through Internet Banking.

**C. Disclosures of Charges for Transfers or Right to Make Transfers.** Fees and charges associated with the use of Internet Banking are disclosed in the disclosure provided to you with the Account at the time of opening and in fee schedules and disclosures that have been provided to you in connection with your Account. Fees are subject to change. Please contact us as provided in Section 2.4 of this Agreement or visit one of our branches for current information about applicable fees. Any charges associated with the use of Internet Banking are in addition to all service charges and fees applicable to and contained from time to time in our disclosures related to your Account and/or other services related to your Account.

**D. Your Liability for Unauthorized Transfers; Advisability of Prompt Reporting.** An unauthorized transfer means a transfer from your Account that is initiated by another person without your authority to initiate the transfer and from which you receive no benefit. The term does not include any transfer that is initiated by a person who was furnished with your Password by you, unless you have notified us that transfers by that person are no longer authorized and we have had reasonable opportunity to act on that notification.

1. Tell us **AT ONCE** by contacting us as provided in Section 2.4 of this Agreement if you believe your Password or any other device for accessing your Account through the Service has been lost or stolen. Telephoning at 214-358-5812 is the best way of keeping your possible losses down. You could lose all your money in your Account (plus your maximum overdraft limit). If you tell us within two (2) Business Days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your Password or other means of Account access without your permission.
2. If you do NOT tell us within two (2) Business Days after you learn of the loss or theft of your Password or other device for Account access, and we can prove we could have stopped someone from using your Password or other access device without your permission if you had told us, you could lose as much as \$500.00.
3. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.
4. If we determine that extenuating circumstances kept you from telling us, we may extend the time periods.

**E. Our Liability for Failure to Make Transfers.** If we do not properly complete a transfer to or from your Internet Banking Account on time or in the correct amount according to the terms of this Agreement, we will be liable for your losses or damages. However, we will not be liable (and any payment guarantee provided elsewhere in this Agreement will not be applicable) if any of the following occurs:

1. Through no fault of ours, you do not have sufficient collected funds in the Account to complete the transaction;
2. The transaction would exceed the overdraft credit limit on any Account;
3. Your PC, Internet service provider, telephone line, modem, or other equipment is not operating properly;
4. Internet Banking is not working properly and you were aware of the malfunction when you initiated the transaction;
5. You do not authorize a Payment within a sufficient period of time for your Payment to be received by the Payee by the Due Date;

6. You have not provided us with the correct Payee name, address, Account information, Payment amount, or other instructions necessary to complete the Payment, or the foregoing instructions stored on your PC's hard drive or the host system have been lost;
7. A Payee mishandles or delays the handling of Payments sent by us;
8. Your funds are held or frozen, or a court order or other legal process prevents us from making a transaction;
9. Your Password or any other Account access device has been reported lost or stolen;
10. We have reason to believe that a transaction has not been properly authorized or authenticated, or is fraudulent, erroneous, or illegal;
11. You have exceeded the limitations on frequency of transactions or dollar amount of transactions applicable to the Account;
12. Your telephone service has been disconnected or there are deficiencies in the quality of your telephone line;
13. Circumstances beyond our control (such as telecommunication or electrical outages and malfunctions, postal strikes or delays, computer system failures, or natural disasters) prevent the transaction;
14. Making a transfer would cause us to violate any law, rule, or regulation to which we are subject; or
15. Any failure on our part was not intentional and resulted from a bona fide error notwithstanding procedures to avoid such error, except for actual damages (which do not include indirect, incidental, special, or consequential damages).

There may be other exceptions to liability stated in this Agreement, or in other agreements we have with you, or otherwise provided by applicable law.

**F. Disclosure of Account Information to Third Parties.** We will disclose information to third parties about your Account or the transfers you make:

1. Where it is necessary for completing transfers, or
2. In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or
3. In order to comply with government agency or court orders, or
4. If you give us your written permission, or
5. Otherwise in accordance with our privacy notice or as described in this Agreement. You may obtain a copy of our privacy notice at any time by visiting any of our branches or by visiting our website.

**G. Stopping Preauthorized Payments.** You may stop Recurring Payments (and any other "preauthorized electronic fund transfer" as defined by Federal Reserve Board Regulation E) by calling or writing to us at the address and telephone number identified in Section 2.4 of this Agreement. We must receive your request three (3) Business Days or more before the payment is to be made. If you call, we may also require you to put your request in writing and deliver it to us within fourteen (14) days after you call. If we require you to put your request in writing and you fail to provide this written confirmation to us within fourteen (14) days after your call, we may not honor your stop payment request for any Recurring Payment (or other "preauthorized electronic fund transfer") that is to be made after that fourteen (14) day period. We will be liable for your actual losses and damages (if any) if we fail to stop a Recurring Payment (or other "preauthorized electronic fund transfer") following a timely order by you.

**H. In Case of Errors or Questions about Your Electronic Transfers.** In accordance with Section 2.4 of this Agreement, contact Bank as soon as you can, if you think that your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and Account number (if any).
2. 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.
3. Tell us 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 (5 Business Days for Visa Check Card point-of-sale transactions processed by Visa and 20 Business Days if the transaction 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 transaction 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 (5 Business Days for Visa Check Card point-of-sale transactions processed by Visa and 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 3 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. For lost or stolen Visa Check Cards, call 1-866-546-8273, 24 hours a day.

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**SCHEDULE B****MASTER TREASURY SERVICE FEE SCHEDULE**

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**Internet Banking Services**

Internet Banking Electronic Statement (ES)	No Charge
	No Charge

**iPay Bill Pay Services**

Monthly Fee	\$ 6.95
<i>includes up to 10 check or electronic payments each month</i>	
Additional Payments	\$ 0.75

**ACH Fee Schedule**

One-time Setup Fee	\$ 100.00
<i>This includes copy of NACHA Originator Rules and Sample forms to assist with NACHA Compliance.</i>	
Processing CD	\$ 25.00
Credit Items Originated	\$ 0.15
Debit Items Originated	\$ 0.15
Per File Originated	\$ 25.00
Pre-Notes Originated	\$ 0.15
Per File Fee	\$ 25.00
Monthly Maintenance Fee	\$ 100.00
Returned Items	\$ 2.50
Notification of Change (NOC) Received	\$ 2.50

**Wire Transfer Services Fee Schedule**

Domestic – Receiving Wire	\$ 8.00
<i>Includes Phone Notification</i>	
Domestic – Sending Wire	\$ 15.00
International – Sending Wire	\$ 50.00*

\*Excludes receiving bank fees that may apply