



BUSINESS ONLINE BANKING AND CASH MANAGEMENT SERVICES MASTER AGREEMENT

In consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, you and Bank, intending to be legally bound, do hereby agree that the following information represents the Business Online Banking and Cash Management Services Master Agreement between you and The Canandaigua National Bank and Trust Company ("Bank," "we," "our," "ours"). This Master Agreement, including, as applicable, any related Online Banking Application and/or Enrollment Authorization, the signature card, rate and fee schedule, and any applicable Service Agreement and other instructions and the terms and conditions contained herein relating to specific Services that may be provided in connection herewith (collectively, this "Master Agreement"), sets forth the terms and conditions governing the provision of Online Banking and cash management services to you or anyone authorized by you (collectively, "Customer," "Company," "you," "your," "yours") and describes your and our rights, responsibilities and obligations. By completing and signing the Enrollment Authorization, and/or using one or more of the Services, Customer agrees to, and shall be bound by, the terms, conditions and provisions in this Master Agreement, and the Service Agreement for each Service which Customer has selected or uses as they may be amended from time to time. Please review this Agreement carefully and keep a copy for your records. These Product Terms and Conditions are effective as of the date you enter into this Master Agreement and may be amended by Bank from time to time and distributed in hardcopy and/or posted or sent electronically for your review. If you continue to use the services after any such change, you will be bound by such change and will be deemed to have agreed to and accepted such change. Bank, in its sole discretion, may refuse to permit Customer to use the Service until Bank has determined that Customer has accepted or executed the applicable documentation and otherwise provided appropriate information and specifications for the use of the Service, and until Bank has had a reasonable opportunity to review the Enrollment Authorization and activate the Service. In any event, Customer agrees that the use by Customer of any Service for any Account shall, without any further action or execution or acceptance of any documentation on the part of Customer, constitute Customer's acceptance of and agreement to Bank's terms and conditions for the use of such Service as may be in effect as of the time of such usage, whether set forth in this Master Agreement, any applicable Service Agreement or otherwise prescribed by Bank. In the event of a conflict between the terms of this Master Agreement and those of any Enrollment Authorization, or Service Agreement, the terms of the Enrollment Authorization, or Service Agreement as applicable, shall govern and control with respect to the Service at issue. This Agreement supersedes all prior agreements for the Services. You must maintain and designate one or more Accounts with us linked to the Services.

Article I. Definitions.

The following terms and definitions apply when used in this Master or Service Agreement(s).

- 1.1. Access Device. Access equipment, including but not limited to a personal computer or a Mobile Device that meets the requirements for use of the Service.
- 1.2. Access Device System. All software, hardware, Access Devices or other equipment necessary to access the Services.
- 1.3. "Account" or "Accounts". One or more checking, savings, money market deposit or loan accounts that you have with us.
- 1.4. Account Access. Your ability to access account and transaction information on Accounts and transfer funds between Accounts through the Internet.
- 1.5. Account Agreement. The agreement between you and us that governs the use of your Account including the deposit account agreement, any funds availability agreement, electronic funds transfer agreement or disclosure, line of credit agreement, and our schedule of fees and charges.
- 1.6. Automated Clearing House or ACH. A facility that processes debit and credit transfers under rules established by a Federal Reserve Bank operating circular on automated clearing house items or under rules of an automated clearing house association.



- 1.7. ACH Transaction(s).** Certain electronic funds transfers which settle within a bank or between banks according to specified rules and procedures governed by the Federal Reserve Bank and NACHA.
- 1.8. Available for Withdrawal, Available Funds.** With respect to funds deposited means the funds are available for all uses generally permitted to you for actually and finally collected funds under the Bank's Account Agreement or policies, such as for payment of checks drawn on the account, certification of checks drawn on the account, electronic payments, withdrawals by cash, and transfers between accounts.
- 1.9. Banking Day.** The part of any Business Day on which an office of the Bank is open to the public for carrying on substantially all of its banking functions.
- 1.10. Bill Payment Account.** The Account(s) you have authorized us to debit for payment made to Payee(s) in connection with the Online Banking Service.
- 1.11. Bill Payment Service.** Our service that allows you to pay or transfer funds to designated Payees based upon your instructions to us, via Access Device, entered on the bill payment site.
- 1.12. "Bill Payment" or "Payment".** The remittance of funds, initiated through Online Banking Service, from a Bill Payment Account to a Payee.
- 1.13. Business Day(s).** 8:30 a.m. to 5:00 p.m. Eastern Time Monday through Friday. Federal Holidays are not included. Some online transaction deadlines may vary from this definition.
- 1.14. Check.**
- (a) A negotiable demand draft drawn on or payable through or at an office of a bank;
 - (b) A negotiable demand draft drawn on a Federal Reserve Bank or a Federal Home Loan Bank;
 - (c) A negotiable demand draft drawn on the Treasury of the United States;
 - (d) A demand draft drawn on a state government or unit of general local government that is not payable through or at a bank;
 - (e) A United States Postal Service money order; or
 - (f) A traveler's check drawn on or payable through or at a bank.
- The term check includes an original check and a Substitute Check. The term check does not include a Noncash Item or an item payable in a medium other than United States money. A draft may be a check even though it is described on its face by another term, such as money order. The term check also includes a demand draft of the type described above that is nonnegotiable.
- 1.15. Credit Entry.** Any ACH Transaction which has the intended effect of depositing funds to Company's demand deposit account(s).
- 1.16. Debit Entry.** Any ACH Transaction which has the intended result of removing funds from Company's demand deposit account(s).
- 1.17. Deposit Account Agreement.** The meaning provided in Section 10.6 ("Rules of the Deposit Account").
- 1.18. Electronic.** Electrical, digital, magnetic, wireless, optical or electromagnetic technology, or any other technology that entails similar capabilities.
- 1.19. Enrollment Authorization.** The Service Enrollment Authorization for Business Online Banking and Cash Management Services.
- 1.20. "Funds Transfer" or "Transfer".** A transfer of funds, initiated through the Online Banking Service.
- 1.21. "Hardware" or "Equipment".** A personal computer with internet connection capability and related equipment.



- 1.22. Login ID.** The alphanumeric character sequence used to identify each User.
- 1.23. Magnetic Ink Character Recognition Line and MICR Line.** The numbers, which may include the Routing Number, account number, check number, check amount, and other information, that are printed near the bottom of a check in magnetic ink in accordance with American National Standard Specifications for Placement and Location of MICR Printing for an original check and American National Standard Specifications for an Image Replacement Document for a Substitute Check (unless the Federal Reserve Board, by rule or order, determines that different standards apply).
- 1.24. Mobile Device.** An Access Device that is mobile, including but not limited to a mobile phone, smartphone, tablet, personal computer, any personal data assistant or other wireless device.
- 1.25. “Online Banking” or “Service”.** The service(s) described in this Master Agreement provided by Bank to business customers under the umbrella name of Online Banking for Business.
- 1.26. “Operating Instructions” or “User Documentation”.** The set of detailed instructions or procedures provided by Bank for Customer to use the Service.
- 1.27. Original Check.** The first paper check issued with respect to a particular payment transaction.
- 1.28. Password.** The confidential identification alphanumeric character sequence or other code assigned to you by us or selected by you for identification purposes in connection with the use of our Online Banking Services.
- 1.29. Payee.** Any individual, financial institution, educational institution, company, merchant or other entity you wish to pay.
- 1.30. PC.** Personal computer (including any personal data assistant or other wireless access device) that meets the requirements for use of Online Banking Services.
- 1.31. Presented Check.** A check drawn on a designated account and presented to Bank for payment.
- 1.32. Regulation CC.** Federal Reserve Board Regulation CC: Availability of Funds and Collection of Checks, which may be amended from time to time.
- 1.33. Rules.** The NACHA Operating Rules & Guidelines produced by NACHA – The Electronic Payments Association.
- 1.34. Service Agreement.** The terms and conditions applicable to the specific services Customer has selected or uses.
- 1.35. Service Enrollment Authorization.** The Enrollment Authorization required to be completed in connection with a particular Service.
- 1.36. Software.** The programs and data files selected by you or provided by us for use on a computer or Mobile Device in connection with the Service.
- 1.37. Substitute Check.** A paper reproduction of an original check that:
- (a) Contains an image of the front and back of the original check;
 - (b) Bears a MICR line that contains all the information appearing on the MICR line of the original check at the time that the original check was issued and any additional information that was encoded on the original check’s MICR line before an image of the original check was captured;
 - (c) Conforms in paper stock, dimension, and otherwise; and
 - (d) Is suitable for automated processing in the same manner as the original check.
- 1.38. Transfer Day.** Monday - Friday, not including Federal Holidays.



1.39. Unauthorized Person. Any person that is not authorized to act on Company's behalf.

1.40. "Uniform Commercial Code", "Code", or "UCC". The Uniform Commercial Code as adopted in a state.

1.41. User. Anyone authorized to have access to your account(s) or the Service.

Other definitions may be set forth elsewhere in this Master Agreement.

Article II. Setup and Use of Online Access Services.

2.1. Eligibility. To have access to the Services you must be an authorized user of the Software you select, if required for use with the Equipment. You must also have at least one eligible deposit or loan account with us and a valid e-mail address. If you have more than one Account, you will have access through the Service to the Accounts you specify through Online Banking, and we will "link" the Accounts together. Accounts which are "linked" under the Services will have one common owner and signer. Any signer, acting alone, must be authorized to access a linked account. Any non-linked account will not be accessible through the Service. Prior to your first use of Online Banking, the Bank will send you, either by e-mail or postal mail, confirmation of our acceptance of your enrollment, along with an assigned Login ID. Upon the first login attempt you will be prompted to enter an access code that will be provided to you by an out of band communications channel of your choosing. Upon entry of the access code, you will be able to create a Password. The Login ID, Password and other authentication codes you establish (the Login ID and Password and other authentication codes collectively are referred to as the "Access Codes"), are required to gain access to Online Banking. Upon three unsuccessful attempts to use your Password, your access to the Service will be revoked. To re-establish your authorization to use the Service, you must contact the Bank to have your Password reset or to obtain a new temporary Password.

We may require that you create a password that utilizes both upper and lower case alpha, numeric, and special 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.

The words "Deposit Account" means any Deposit Account you may have with us that was established primarily for business purposes. The words "Loan Account" means any Loan Account you may have with us that was established primarily for business purposes.

Certain types of transactions, including transfers between Deposit Accounts, between Loan Accounts, or between Deposit and Loan Accounts, may be limited or not permitted depending on titling, product type, Bank policy or applicable law or regulation. Therefore, in this Agreement, the use of the term "eligible" shall also mean that only certain Deposit Accounts and Loan Accounts may be used for the transaction described.

2.2. Security Procedures. "Security Procedures" means the applicable security procedures specified by the Bank for the data delivery type or Service used by Customer set forth in this Agreement or in the Service Agreement or as otherwise agreed to in writing by Customer and Bank. The use of an Access Code, in addition to other authentication methods described below, is a security procedure established by Bank to authenticate the identity of the person attempting to gain access to the Service. The security procedures are not designed for the detection of errors. Access Codes are generated by the Online Banking System per transaction and are time limited. Any person having access to your Access Code will be able to access these Services and perform all transactions, including reviewing Account information and making Transfers to other Accounts and to other persons.

2.2.1. You agree to comply with the "Security Procedures" and any other Security Procedures Bank directs you to use, and you acknowledge and agree that the Security Procedures, including (without limitation) any code, password, personal identification number, user identification technology, token, certificate, layered security, or other element, means, or method of authentication or identification used in connection with Security Procedures ("Security Devices"), constitute commercially reasonable security procedures under applicable



law for the initiation of the Services you utilize, including without limitation, transfers and access to confidential information. You authorize us to follow any and all instructions entered and transactions initiated using applicable Security Procedures unless and until you have notified us, according to notification procedures prescribed by us, that the Security Procedures or any Security Device has been stolen, compromised, or otherwise become known to persons other than you or your representative(s) and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a transaction or instructions using applicable Security Procedures constitutes sufficient authorization for Bank to execute such transaction or instruction notwithstanding any particular designation by you of authorized persons or signature requirements identified on any signature card or other documents relating to this Agreement or your deposit account maintained with Bank, and you agree and intend that the submission of transactions and instructions using the Security Procedures shall be considered the same as your authorized written signature in authorizing us to execute such transaction or instruction. You acknowledge and agree that you shall be bound by any and all transactions initiated through the use of such Security Procedures, whether authorized or unauthorized, and by any and all transactions and activity otherwise initiated by you, to the fullest extent allowed by law. You further acknowledge and agree that the Security Procedures are not designed to detect error in the transmission or content of communications or transaction initiated by you and that you bear the sole responsibility for detecting and preventing such error.

2.2.2. You agree to appoint and designate an administrator (the “Administrator”) who will be authorized and responsible for creating and maintaining subsequent Login IDs and Passwords on your behalf, including assigning and revoking access privileges for persons to use the Service (“User”) and providing new and subsequent Security Procedures to those Users. Customer understands that the Administrator has the capability of providing administrative privileges identical to that of the Administrator to any User, including the ability to create and maintain subsequent User accounts and assigning and revoking access privileges. If these privileges are granted by the Administrator to a User, that User will also be considered an Administrator. Customer will be required to use the Security Procedures each time it accesses the Services. Customer acknowledges that any Administrator shall have the ability to control security levels such as Service access and Service transaction limits, including without limitation the ability to assign and alter dollar amount limits to transfers of funds. You also agree that the Administrator or any User shall also have the authority on behalf of Customer to electronically accept and approve any and all agreements and amendments to agreements by and between Bank and Customer, including but not limited to this Master Agreement.

You agree that all actions taken by the Administrator you name in this Agreement are your actions, and the person or persons so named is your agent for purposes of use of the System or the Services. You further agree to assume all risks associated with providing User ID's, Passwords and Authentication Methods to your agents, representatives, employees or officers, and to limit the number of User ID's, Passwords and Authentication Methods issued to only those who have a specific need to use the Service.

2.2.3. You agree to keep all Security Procedures protected, secure, and strictly confidential and to provide or make available the same only to your authorized representative(s). You agree not to disclose or provide any Security Procedures to any unauthorized person. You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any Security Procedures have been stolen, compromised, or otherwise become known to persons other than you or your authorized representative(s) or if you believe that any transaction or activity is unauthorized or in error. In the event of any actual or threatened breach of security, we may issue you a new Username and initial password as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions. You agree to indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorney's fees, caused by you, your employees', or agents' failure to keep the Security Procedures confidential and secure or to use commercially reasonable procedures to keep your Access Devices and systems secure.

2.2.4. You agree to notify us immediately if the authority of any Administrator shall change or be revoked.



Changes in the Company Administrator(s) shall be made by submitting the *Business Online Banking Administrator Change* form signed by an officer or official of the Company setting forth the changes to be made (including the name, signature, mailing and e-mail address and telephone number of each Company Administrator to be changed). No such change will be effective until the Bank has received such new certification and has had a reasonable opportunity to act upon such certification. The Bank may act upon the written instructions of an individual purporting to be an authorized officer or official of the Company instructing the Bank to add or delete Company Administrators (including those received by facsimile transmissions), the Bank's obligations being limited to taking reasonable care to determine that the signature reasonably resembles the specimen signature provided to the Bank.

The Company agrees that the Bank is not responsible for faulty transmissions or any failure to receive facsimile transmissions. An instruction received by the Bank shall be effective upon Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is accepted by the Bank in good faith and in accordance with the foregoing procedures.

Unauthorized use of any Online Banking Access or other component of the Security Procedures shall be solely the responsibility of the Company.

2.2.5. We reserve the right to modify, amend, supplement, or cancel any or all Security Procedures at any time and from time to time in our discretion. We will endeavor to give you reasonable notice of any change in Security Procedures; provided that we may make any change in Security Procedures without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. Your implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute your agreement to the change and your agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

2.3. Access. Services are generally accessible 24 hours a day, seven days a week, except that the Services may be inaccessible for a reasonable period on a daily basis for system maintenance. We are not liable under this Master Agreement or any applicable Service Agreement for failure to provide access due to a system failure or due to other unforeseen acts. We may modify, suspend, or terminate access to the Services at any time and for any reason without notice or refund of fees you have paid. The Bank may change the terms and conditions of this Master Agreement or any applicable Service Agreement from time to time to conform with changes or advancements in our services, or as required by law or regulation. All such changes will be made according to the procedures outlined in Article IX. Use of Online Banking after the effective date of such changes will constitute your consent to the changes.

2.4. Access Device Equipment, Browser Access and Internet Services. You are responsible for obtaining, installing, maintaining and operating all software, hardware, or other equipment necessary (collectively, "Access Device Systems") necessary for you to access and use the Service. This responsibility includes, without limitation, your utilizing up to date web-browsers and Access Devices and the best commercially available encryption, antivirus, anti-spyware, and Internet security software. You are additionally responsible for obtaining Internet service via an Internet service provider of your choice, for any and all fees imposed by such Internet service provider, and any associated communications service provider charges. You acknowledge that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the Internet and you hereby expressly assume such risk, including, but not limited to those we may disclose in our educational materials. You acknowledge that you are responsible for data security of the Systems used to access the Service, and for the transmission and receipt of information using such System. You acknowledge that you have requested the Service for your convenience, have made your own independent assessment of the adequacy of the Internet and Systems and that you are satisfied with that assessment. Bank shall have no responsibility for failures, interruption or other defects in the Services, which arise from the malfunction or failure of the Internet or your Systems nor are we responsible for notifying you of any upgrades, fixes, or enhancements to, or for providing technical or other support for your Systems. The Bank may add to, modify, or replace software programs used in conjunction with providing the Services under this Master Agreement or any Service Agreement at its sole discretion and without notice, provided Services rendered to you are not substantially



negatively affected or obligations altered. If you are a business, from time to time the Bank may deem it necessary to hold training or retraining classes for you. You agree that you will require appropriate personnel to participate in such training.

Article III. Business Online Access Services.

3.1. Available Services. Business Customers may elect use the Services to:

1. Make transfers between Accounts you may have with us.
2. Make Payments to a Payee from your Account(s) (Bill Payment Service) if you have requested the Bill Payment Service (as described in a separate Service Agreement).
3. Obtain Account balances. Your account balance is generally current as of the time indicated in the system but may not include current transactions (such as checks cashed at a teller on the same Business Day). In addition, your account balance may show funds that have been credited to your account but are not yet Available for Withdrawal.
4. Review recent transactions on your Accounts.
5. Transfer money to make loan payments.
6. Transfer money from Line of Credit to transactional accounts.
7. Communicate directly with Bank via the Online Banking secure message center.
8. Download account information in various formats.
9. Issue stop payment orders.
10. View check images (Check Image Service).
11. Order checks.
12. Originate ACH entries (as described in the Service Agreement).
13. Scan and deposit Remote Deposit checks (as described in the Service Agreement).
14. Utilize ACH and/or Check Positive Pay fraud protection (as described in the Service Agreement).
15. Make Wire Transfers (as described in the Service Agreement).

These activities are limited to the extent noted herein and in the agreements governing your various accounts with us.

3.2. Additional Services. Additional services may be included in an update to this Master Agreement or in other separate agreements to notify you of the existence of any new services available through Online Banking. Information about new services may be obtained from our website at www.cnbank.com. By using these services when they become available, you agree to be bound by the terms and conditions contained in this Master Agreement or separate Service Agreements covering these services.

3.3. Services via Mobile Device. Your enrollment in Online Banking Services includes access to the Service via a Mobile Device. By using the Mobile Device, you agree that we may send you information relative to the Service through your communication service provider in order to deliver them to you and that your communication service provider is acting as your agent in this capacity. You agree to provide a valid phone number, e-mail address or other delivery location so that we may send you certain information about your applicable account or otherwise related to the Services. Additionally, you agree to indemnify, defend and hold us harmless from and against any and all claims, losses, liability, cost and expenses (including reasonable attorneys' fees) arising from your provision of a phone number, e-mail address, or other delivery location that is not your own or your violation of applicable federal, state or local law, regulation or ordinance. Your obligation under this paragraph shall survive termination of the Master Agreement.

Mobile access to the Service is provided for your convenience and does not replace your monthly account statement(s), which are the official record of your Accounts. You understand and agree these Services may not be encrypted and may include personal or confidential information about you such as your account activity or status. Delivery and receipt of information, including instructions for payment, transfer and other move money transactions, through the Service via a Mobile Device may be delayed or impacted by factors(s) pertaining to your Internet service provider(s), phone carriers, other parties, or because of other reasons outside of our control. We will not be liable for losses or damages arising from disclosure of account information to third parties, non-delivery, delayed delivery,



misdirected delivery or mishandling of, or inaccurate content in, information and instructions sent through a Mobile Device. Additionally, not all of the products, services or functionality described in the Agreement are available when you use a Mobile Device. Therefore, you may not be eligible to use all the products, services or functionality described when you access or try to access them using a Mobile Device. We reserve the right to determine your eligibility for any product, service, or functionality. Information available directly through the Service without the use of the Mobile Device may not be available via the Mobile Device, may be described using different terminology (including capitalized terms used in the Agreement), or may be more current than information available via Mobile Device, including but not limited to account balance information. The method of entering instructions via a Mobile Device may also differ from the method of entering instructions directly through the Service without the use of a Mobile Device. Processing of payment and transfer instructions may take longer through the use of a Mobile Device. We are not responsible for such differences, whether or not attributable to your use of a Mobile Device. Additionally, you agree that neither we nor our service providers will be liable for any errors or delays in the content, or for any actions taken in reliance thereon. You are responsible for any and all charges imposed by your communications service provider. We are not responsible for any damages resulting from your failure to comply with any terms and conditions provided by your communication service provider or any App store.

- 3.4. Restrictions: Limits.** In most cases you may use Online Banking to gain access to deposit accounts in which you have an unrestricted right to withdraw funds. However, the Bank, as it may determine at any time and from time to time in its sole discretion, may deny Online Banking account access, restrict Online Banking account transactions, or place limits on the specific dollar amount of funds that may be withdrawn or transferred from any account.
- 3.5. Vendor.** You acknowledge and agree that the Service is provided by an independent third party service provider ("Vendor") as selected by Bank, and that both the Vendor and the Service are subject to change from time to time without notice to you. You further acknowledge, agree, and stipulate that the Vendor is an independent contractor providing software and data transmission services and is not the agent of you or Bank. Neither the Bank nor the Vendor is responsible for the actions or omissions of the other.

Article IV. Additional Information about the Services.

- 4.1. Account Access.** Transfers and Payments from your Account will be deducted on the date you instruct us to process them. If the date you schedule a Transfer or Payment falls on a weekend or holiday, we will process your transaction the next Transfer Day. We may refuse to act on your Transfer instructions or Payment request if sufficient funds, including funds available under any overdraft protection plan, are not available in your Account on the date you want us to make the Transfer or Payment.

The Service identifies Transfers and Payments based upon the Login ID of the User who initiated the Transfer or Payment. Accordingly, you understand and acknowledge that the information displayed in both the Transfer and Bill Payment menu options of the Service may not reflect Transfers or Payments 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 Payments from your Accounts in order to avoid overdrafts.

- 4.2. Processing Fund Transfers.** We can process a Transfer until 6:00 p.m., Eastern Time (Standard or Daylight) on a Transfer Day. If you request a Transfer after the cutoff time, the Transfer may be processed the following Transfer Day. If you schedule a Transfer for a future date, we will process the transaction after the close of business on that date, if that day is a Transfer Day.

You are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize to be made. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permissible by the applicable law and the terms of any other relevant agreements.

If there are insufficient funds in your Account to make a Transfer or Payment, we may refuse to make the Transfer or Payment or we may make the Transfer or Payment and overdraw your Account. In either event, you are responsible for any non-sufficient funds ("NSF") charges that may apply.



- 4.3. Canceling Transfers or Payments.** You may cancel a pending Transfer or Payment transaction; however, to do so, the cancellation request must be received by us in a time and manner that gives us a reasonable opportunity to act upon the request. We must receive your instruction to cancel prior to the transmission time on the Transfer Day the transaction is scheduled to be processed. If we do not receive your instruction to cancel a transaction before that time, we may process the transaction.
- 4.4. Transfer(s) from Savings/Money Market Deposit Accounts.** Federal regulations require us to limit, either by contract or in practice, the number of certain types of transfers from savings and money market deposit accounts. You are limited to six (6) preauthorized electronic fund transfers per month from these accounts. Each fund transfer through these Services from your savings or money market deposit account is counted as one of the six (6) transfers permitted each calendar month. However, payments to your loan accounts with us are not counted toward this transfer limit for savings/money market deposit accounts.
- 4.5. E-Mails - Not Preferred Method of Urgent Communication.** The Bank will not immediately receive e-mail that you send. Therefore, you should not rely on e-mail if you need to communicate to the Bank immediately. Moreover, e-mail may not be a secure method of communication. Therefore, we recommend you do not send confidential personal or financial information by email. For example, if you need to stop payment on a check, report a lost or stolen card, or report an unauthorized transaction from one of your accounts, you should contact the Bank **immediately** by calling the Customer Call Center (see Section 10.5 for contact information) rather than sending an e-mail about the issue. The Bank will not take actions based on e-mail requests until the Bank actually receives your message, can authenticate the message was sent by you, and has a reasonable opportunity to act.
- 4.6. Overdrafts: Order of Payments, Transfers, and Other Withdrawals.** Transactions in your account will post in chronological order. If funds are withdrawn from any of your accounts by means of multiple transactions in any given day, and if the account contains insufficient funds to enable all transactions, the transactions posted after the point in time when the account has insufficient funds will either be refused or will result in an overdraft in your account, at the Bank's sole discretion.
- 4.7. Bill Payment Service.** You can arrange, at your option, for the payment of your current, future and recurring bills from your designated Bill Pay Account. The terms and conditions are set forth in the Service Agreement for the Service you select.
- 4.8. Stop Payment Requests.** Your stop payment requests must follow the procedures and specifications we establish for this Service. You must provide us with timely, complete and accurate information on: (a) the account number of the Account against which the item is drawn; (b) the date of the item; (c) the item number; and (d) the exact amount (dollars and cents) of the item.

Complete accuracy is essential since stop payment orders are processed by computers operating on the basis of precise data. If any of the required information is incomplete or incorrect, we will not be responsible for failing to effectuate the order. Stop payment requests that cover a range of checks that are missing or stolen may be processed by us without regard to the dollar amount. A stop payment order becomes effective when we confirm its receipt and have verified that the item has not been paid. We will not be able to verify this immediately for items paid more than 60 days prior to your request.

Stop payment orders submitted by written request on the form provided by us are in effect for six months and can be renewed after the 6-month period upon your further written request on the form provided by us. They will be renewed at the prevailing renewal fee then in effect, as long as your account remains on account analysis. From time to time, our systems may be inoperable. If that occurs, you may transmit stop payment orders by telephone instruction. Verbal stop payment requests will only be effective for 14 calendar days from the date of request unless confirmed by you in writing on the form provided by us. You are advised that under applicable state law, stopping payment on a check may not relieve you of your obligation to pay the check.

- 4.9. Check Image Service.** The Check Image Service allows you to retrieve images of your paid checks from your Accounts linked to the Online Banking Service. In general, you may view and/or print both sides of your paid



check images retrieved through Online Banking the day following posting to your account. Check images not available through Online Banking can be obtained upon your request.

Article V. Limitations.

Your use of these Services is subject to the following limitations:

- 5.1. Dollar Amount. There may be a limit on the dollar amount of the transactions you can make using these Services. Security reasons limit the dollar amount of transactions and these limits are subject to change from time to time. Payment can only be made in United States dollars.
- 5.2. Frequency. In addition to the federal banking regulations that restrict the number of transfers and withdrawals, there may be limits on the number of transactions you can make using these Services. These limits are for security reasons and are subject to change.
- 5.3. Foreign Transactions. No ACH Payments may be made to Payees outside the United States. International Wire transfers are affected by transmission to a correspondent banking organization which will execute the request. The Bank is not able to cancel wire transfers after they have been transmitted to the correspondent banking organization.
- 5.4. Additional Limitations. Additional limitations may be contained in this Master Agreement or the applicable Service Agreement. Your ability to initiate transactions may also be limited by the terms of other agreements you have with the Bank or by applicable law.

Article VI. Parties' Responsibilities.

6.1. Your Responsibility.

6.1.1. Physical and Electronic Security.

- .1. You are solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. We are not responsible for any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware"), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is obtained at your own discretion and risk, and Bank is not responsible for any damage to your computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. Bank is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your operating systems.
- .2. You acknowledge and agree that it is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud using social engineering, commonly referred to as "phishing" or "pharming"). You agree to educate your representative(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. You acknowledge that Bank will never contact you by e-mail or through social media in order to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information, and will never provide links to websites in e-mails that Bank transmits to you. In the event you receive an e-mail or other electronic communication that you believe, or have reason to believe, is fraudulent, you agree that you shall not respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. To the extent allowed by law, you agree that Bank is not responsible for any losses, injuries, or harm incurred by you as a result of any electronic, e-mail, or internet fraud.



- .3. In the event of a breach of the Security Procedures, you agree to assist Bank in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Bank or Bank's agent access to your hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedures. You further agree to provide to Bank any analysis of such equipment, device, or software or any report of such analysis performed by you, your agents, law enforcement agencies, or any other third party. Your failure to assist Bank shall be an admission by you that the breach of the Security Procedure was caused by a person who obtained access to your transmitting facilities or who obtained information facilitating the breach of the Security Procedures from you and not from a source controlled by Bank.
- 6.1.2. Reporting Unauthorized Transactions.** You should notify us immediately if you believe your Login ID or Password have been lost or stolen, that someone has gained access to the Security Procedure, or that someone has transferred or may transfer money from your Account without your permission or if you suspect any fraudulent activity on your Account. To notify us, call us at the number provided in Section 10.5.
- 6.1.3. Duty to Inspect.** You shall inspect all transaction history, reports, journals, and other material evidencing the output of the Service(s) performed by Bank. You must report all errors to the Bank for Services performed and indicated in the transaction history, reports, journals, and other material evidencing the output of the Service(s) or otherwise reported to you daily by the close of business on the Banking Day following the day on which the Service(s) is rendered. You must report all other errors within twenty four hours (24) of discovery that an error has been made. Failure of you to promptly report errors within such specified time shall preclude you from asserting against the Bank any claims arising from the error or any loss caused by the error.
- 6.1.4. Financial Information.** Bank may from time to time request information from you in order to evaluate a continuation of the Service(s) to be provided by Bank hereunder and/or adjustment of any limits set by this Master Agreement or any applicable Service Agreement. You agree to provide the requested financial information immediately upon request by Bank, in the form required by Bank. If you refuse to provide the requested financial information, or if Bank concludes in its sole discretion that the credit risk presented by your deposit relationship and Service utilization is unacceptable, Bank may terminate the Service according to the provisions hereof. You authorize Bank to investigate or reinvestigate at any time any information provided by you in connection with this Master Agreement or any applicable Service Agreement or any Services and to request reports from credit bureaus and reporting agencies for such purpose.
- 6.1.5. Deadlines.** You shall deliver or transmit all data or information to Bank by the deadline(s) specified in this Master Agreement or any applicable Service Agreement and the Operating Instructions. Bank shall have no obligation to process data or perform the Service if the data is not received by the Bank by the specified deadline.
- 6.1.6. Payment for Services.**
- .1. You agree to pay the Bank the charges for the services provided in connection with this Master Agreement or any applicable Service Agreement, as set forth in the Bank's prevailing fee schedule in effect at the time the services are rendered. All fees and services are subject to change upon prior notice from the Bank. Such charges do not include, and the Company shall be responsible for payment of, any sales, use, excise, value added, utility or other similar taxes relating to such services, and any fees or charges provided for in the Depository Agreement between the Bank and the Company with respect to the Account.
 - .2. The Bank may change or add any fees for Online Banking by the procedures outlined in Article IX for amending this Master Agreement. Fees charged for Online Banking under this Master Agreement are in addition to any service charges or fees that apply to your accounts with us.



- .3. You authorize the Bank to deduct all applicable fees from any Account you have activated in Online Banking. If you close the Account(s) associated with the Service, fees may be deducted from any other account you maintain with us or any of our affiliates. Furthermore, Bank may offset against any amount it owes to you in order to obtain payment of your obligations under this Master Agreement or any applicable Service Agreement.
- .4. In addition to the Service fees, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Service, this Master Agreement, and/or the software or equipment made available to you (excluding any income tax solely attributable to the Bank's business). You are also responsible for the costs of any communication lines and any data processing charges payable to third parties.
- 6.1.7. Required Deposit Balance.** You agree to maintain the minimum collected balance ("Required Deposit Balance") in the amount and in the account specified in the Service Agreement establishing the terms and conditions of the specific Services selected by you and the set of detailed instructions ("Operating Instructions") establishing the operating procedures governing the Service.
- 6.1.8. Data and Information Supplied by You.** You shall transmit or deliver data and other information in the format and on the media as provided for in the Service Agreement and the Operating Instructions if applicable or as otherwise required by the Bank in conjunction with rendering the Service(s) selected by you. You shall have the sole responsibility of ensuring the accuracy and correctness of the data transmitted. You acknowledge and agree that Bank shall not examine the data for correctness and the Bank shall not have any responsibility for detecting errors in the data transmitted by you. The data transmitted by you must be legible, correct and complete. Bank shall not process, and Bank shall not be liable to you for failure to process, the data if it is not in the format specified by Bank or if the data is incomplete. Bank shall not be liable for errors or omissions caused by data that is rejected as the result of your failure to provide the data in accordance with the standards specified in the Master Agreement or any applicable Service Agreement or any Operating Instructions.
- 6.1.9. Remotely Created Checks.** If you use a Service wherein you create or deposit a Remotely Created Check, as that term is defined in Regulation CC, you warrant to Bank that the person on whose account the Remotely Created Check is drawn authorized the issuance of the check in the amount stated on the check and to the Payee stated on the check.
- 6.1.10. Use of Services.** You will use the Services only for your own internal business use in accordance with the terms of this Master Agreement. Without limiting the generality of the foregoing, you agree not to make the Services available or allow use of the Services in a computer bureau service business, timesharing, or otherwise disclose or allow use of the Service by or for the benefit of any third party. FURTHER, YOU REPRESENT AND WARRANT THAT NONE OF THE ACCOUNTS HAVE BEEN ESTABLISHED OR ARE BEING OR WILL BE USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES AND THAT YOU ARE NOT A "CONSUMER" UNDER REGULATION E – ELECTRONIC FUNDS TRANSFER ACT (HEREIN, "REG.E").
- 6.1.11. Prohibited Transactions.** You agree not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, or (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, (d) to engage in any activity or business that would result in you being or becoming a "money service business" as defined in the Bank Secrecy Act and its implementing regulations (unless you have received specific written authorization from the Bank to do so), or (e) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. You acknowledge and agree that Bank has no obligation to monitor your use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Agreement; provided, however, that Bank reserves the right to decline to execute any transaction or activity that Bank believes violates the terms of this Agreement.



6.1.12. Tax Assessment and Consideration. You agree that it is Company's sole responsibility to assess and consider any and all tax ramifications arising from or in any way related to the transfer of funds between Accounts, including any multiple entity agency agreements you may have with Bank.

6.2. The Bank's Responsibilities. Bank agrees to use ordinary care in rendering Services under this Master Agreement and any applicable Service Agreement. You recognize and agree that ordinary care does not mean error free. You agree to pay all attorneys' fees, costs and expenses Bank may incur in collecting any sums you owe to Bank for overdrafts, service charges or otherwise or in enforcing any rights Bank may have under the terms of this Master Agreement and any applicable Service Agreement or applicable law, rule or regulation applicable to your account(s) or the Services rendered by Bank under this Master Agreement and any applicable Service Agreement. You also agree to pay all attorneys' fees, costs and expenses that Bank may incur as the result of defending any claim or action made against Bank by you, or on your behalf where Bank is found not to be liable for such claim. In no event shall Bank be liable to you for attorneys' fees incurred by you in any action brought by you against Bank.

Our sole responsibility for an error in a transfer will be to correct the error. Without limiting the generality of the foregoing, we will not be responsible for the following matters, or for errors or failures of our Services as result of:

6.2.1. Access. We will not be liable under this Master Agreement or any applicable Service Agreement for failure to provide access or for interruptions in access to our Services due to a system failure or due to other unforeseen acts or circumstances.

6.2.2. Your Computer Equipment and Your Software. We will not be responsible for any errors or failures from any malfunction of your computer or any computer virus or other problems related to your computer equipment used with our Services.

We are not responsible for any error, damages or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser, your Internet service provider, your personal financial management or other software, or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with the Online Banking Services.

6.2.3. Any Transaction or Instruction. We may, in our discretion, not honor a request for a Transfer if: (a) it exceeds your collected and Available Funds on deposit with the Bank; (b) it is not in accordance with any condition indicated by you and agreed to by the Bank; (c) the Bank has reason to believe it may not be authorized by you; (d) it involves funds subject to hold, dispute, or legal process preventing their withdrawal; (e) it would violate any provision of any present or future risk control program of the Federal Reserve or Comptroller of the Currency or any current or future rule or regulation of any other federal or state regulatory authority; (f) it is not in accordance with any other requirement stated in this Master Agreement or any Bank policy, procedure or practice; or, (g) for the protection of the Bank or you, the Bank has reasonable cause not to honor the request.

Article VII. Privacy and Confidentiality.

7.1. Privacy/Information Sharing. The importance of maintaining the confidentiality and privacy of the information provided by you is one of our highest priorities. We may disclose information about your Accounts or the Transfers you make: (a) where it is necessary for completing the transfers or processing or maintaining your Accounts; (b) in order to verify the existence or condition of your Accounts for a third party such as a credit bureau or merchant; (c) in order to comply with legal process, government agency or court orders; (d) to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements; or (e) otherwise as permitted by law.

An explanation of our privacy policy will be provided to you separately in the manner required by applicable law. Please review it carefully. Our privacy policy may change from time to time and is always available on our website and at our banking locations.



7.2. Confidential Information. All information of a business nature relating to the assets, liabilities or other business affairs disclosed to the Bank by you and your customers in connection with this Master Agreement and any applicable Service Agreement is confidential. Bank shall not, except as may be required by law or to provide the Services, without the express written consent of you, disclose or permit access to any such information by any person, firm or corporation and Bank shall cause its officers, employees, and agents to take such action as shall be necessary or advisable, to preserve and protect the confidentiality of such information. You agree to hold confidential and to use only in connection with the Service provided under this Master Agreement and any applicable Service Agreement all information furnished to you by Bank or by third parties from whom Bank has secured the right to use the Service, including, but not limited to, Bank's product and service pricing structure, system design, programming techniques or other unique techniques. In addition, should you at any time receive or acquire any information relating to another customer of the Bank, you shall promptly return such information to Bank and not reveal such information to any other party and shall not make use of such information for your own benefit. Bank and your obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other, or is or becomes generally available to the public other than by breach of this Agreement, or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party. Notwithstanding anything to the contrary contained herein, it is authorized and agreed by the parties hereto that the performance of the Service(s) is or might be subject to regulation and examination by authorized representatives of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and/or a State regulatory agency and you agree to the release of your reports, information, assurances, or other data as may be required by them under applicable laws and regulations. You agree that any specifications or programs developed by the Bank in connection with this Master Agreement and any applicable Service Agreement or supplied or made available to you by Bank are the exclusive property of Bank, its agents, suppliers, or contractors, and you further agree that such material shall not be copied or used in any manner or for any purpose without the express written consent of Bank. This clause shall survive the termination of this Master Agreement.

Article VIII. Termination.

8.1. Termination Upon Written Notice. Either you or the Bank may terminate this Master Agreement, any applicable Service Agreement, and your Online Banking subscription at any time upon giving prior written notice of the termination to the other party. If you terminate Online Banking, you authorize the Bank to continue making transfers you have previously authorized and continue to charge applicable fees until such time as the Bank has had a reasonable opportunity to act upon your termination notice. Once the Bank has acted upon your Online Banking termination notice, the Bank will make no further Online Banking transfers from your accounts, including any transfers you have previously authorized. Any termination will not affect obligations arising prior to termination, such as the obligation to process any checks and electronic items (including returned electronic items) that were in the process of being transmitted or collected prior to the termination date. If the Bank terminates your use of Online Banking, the Bank reserves the right to make no further transfers from your accounts, including any transactions you have previously authorized.

Any termination of this Master or any applicable Service Agreement shall not affect any of Bank's rights and Company's obligations with respect to Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to services performed by Bank prior to termination, or any other obligations that survive termination of this Master or any applicable Service Agreement.

You may cancel your Service at any time by writing us at 72 South Main Street, Canandaigua, New York 14424 on a form provided by us. Bank shall be allowed a reasonable period of time (as measured by industry standards) in which to process the cancellation instructions following their receipt from Company. Termination will not affect your liability or obligations under this Agreement for transactions that have been processed on your behalf. You will remain responsible for all outstanding fees and charges incurred prior to the date of termination. Termination will apply only to the Service(s) requested and does not terminate your other relationships with us.

Within 21 calendar days after termination of this Master or any applicable Service Agreement, you will return or remove all copies of the Software and User Guide(s) in your possession or under your control, and will, upon



request, certify in writing that you have returned or removed all such copies. In addition, when cancelling a Service, you will keep your account(s) at the Bank open until the later of:

- (a) 14 calendar days after the date of termination; or
- (b) Final payment with respect to all processing fees, and will maintain funds in such account(s) in amounts and for a period of time determined by the Bank in its reasonable discretion to cover any outstanding checks and your obligations for returns of checks, warranty claims, fees and other obligations.

If any such liabilities exceed the amount in the applicable account, we may charge such excess against any of your other accounts at the Bank, and you will pay immediately upon demand to the Bank any amount remaining unpaid. You will also continue to retain checks and forward checks to the Bank.

Our election to terminate this Agreement is in addition to any and all other remedies that may be available to us and will not affect any obligations you may have to us. Any reinstatement of Service(s) under this Agreement will be at our sole discretion and must be agreed upon in writing by an authorized representative of Bank.

Upon termination of this Master or any applicable Service Agreement, (i) you will promptly pay to us all sums due or to become due under this Master or any applicable Service Agreement, (ii) you shall have no further right to make use of the terminated Service(s) or any system or software which may have been provided in connection with the terminated Service(s).

8.2. Immediate Termination. Either party shall have the right to terminate this Master Agreement, any applicable Service Agreement, and your Online Banking subscription immediately by giving written notice to the other if such other party: (i) ceases to conduct its business in the ordinary sense, (ii) has any substantial part of its property become subject to any levy, seizure, assignment or application for sale for, or by, any creditor or government agency, (iii) is a party to an acquisition, (iv) in the reasonable judgment of the party seeking termination, experiences an adverse change in its financial condition or business which impairs the ability of such party to perform its obligations under this Master Agreement or any applicable Service Agreement, (v) fails to perform its obligations under this Master Agreement or any applicable Service Agreement or defaults under any other agreement between the parties or (vi) makes any warranty or representation which proves to be false or misleading.

Notwithstanding the foregoing or Section 8.1, Bank may immediately terminate this Master Agreement and/or any applicable Service Agreement without notice if, (a) you or we close your Account(s), or (b) in Bank's sole discretion, Bank determines that you have abused the Online Banking Service or Bank believes that it will suffer a loss or other damage if the Master Agreement and/or applicable Service Agreement is not terminated.

Without liability to any party, and without limiting any other right or remedy available to Bank, Bank shall be entitled to cease or suspend the service, in whole or in part, in Bank's sole and absolute discretion and with or without notice to Company if Company shall fail to properly perform its duties, obligations, and responsibilities in connection with the service, or commit any act or omission which impairs Bank's ability to provide or prevents Bank from providing the service.

We reserve the right to terminate this Agreement or limit your use of the Service at any time and for any reason at our discretion, with or without cause and without prior notice. Examples of when we may cancel this Agreement and the use of the Service(s) without prior notice include, but are not limited to:

- (a) If you breach this or any other agreement we may have with you;
- (b) If we have reason to believe that there has been or may be an unauthorized use of your User ID, Password and Authentication Method or account(s);
- (c) If there are conflicting claims as to the funds in any of your account(s);
- (d) If you request us to do so;
- (e) If you do not access the System for a period of one year or longer;
- (f) If you have insufficient funds in any one of your Bank accounts;
- (g) If you do not designate a new Primary Account immediately after you or we close your Primary Account;
- (h) If you are in violation of the ACH Rules or applicable laws.



- 8.3. Rights Cumulative.** Bank's election to terminate this Master Agreement and/or any applicable Service Agreement is in addition to any and all other remedies that may be available to Bank and will not affect any obligations you may have to Bank. Any reinstatement of the Service under this Master Agreement and/or any applicable Service Agreement will be at Bank's sole discretion and must be agreed upon in writing by an authorized representative of Bank.
- 8.4. Rights/Duties Upon Termination.** Upon termination of this Master Agreement and/or any applicable Service Agreement, (i) you will promptly pay to Bank all sums due or to become due under this Master Agreement and/or applicable Service Agreement, and (ii) you shall have no further right to make use of the Service or any system or software which may have been provided in connection with the Service.

Article IX. Changes in Terms and Other Amendments.

We may at any time in our sole discretion, amend, modify, add or delete (collectively and individually a "change") the terms of this Master Agreement and any applicable Service Agreement or any supplemental agreement with or without notice unless prohibited by applicable law. A change may include a change to existing terms, a change that involves a new term, a change to the Services provided, or a change that involves conditions not otherwise contemplated by account holder or Bank at the time this Agreement is entered. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, you agree that we may notify you of the change in terms by mail or by posting a notice on our website.

If required by agreement or by applicable law, notice will be given for the required applicable number of days in advance of such amendments by mailing a copy of the amendment to you at your most recent address shown on our records or, if you have previously agreed, by providing notice delivered to the last email address you have provided us. Your continued use of the Services shall constitute your agreement to such amendment. No amendments requested by you shall be effective unless received in writing by Bank and agreed to by the Bank in writing. If you wish to decline to be bound by the change, you must terminate the account or discontinue the System to which the change relates; otherwise you will be deemed to have accepted and agreed to the change.

In the event that performance of services under this Master or any applicable Service Agreement would result in a violation of any present or future statute, regulation or governmental policy to which the Bank is subject, then this Master or any applicable Service Agreement shall be amended to the extent necessary to comply with such statute, regulation or policy. Alternatively, the Bank may terminate this Master or any applicable Service Agreement if it deems such action necessary or appropriate under the circumstances. The Bank shall have no liability to the Company as a result of any such violation, amendment or termination. Any practices or course of dealings between the Bank and the Company, or any procedures or operational alterations used by them, shall not constitute a modification of this Master or any applicable Service Agreement or the Rules, nor shall they be construed as an amendment to this Master or any applicable Service Agreement or the Rules.

Article X. Other Provisions.

- 10.1. Electronic Notices.** We may deliver to you any required disclosures and other notices concerning these Services or your Accounts by e-mail or other appropriate electronic means.
- 10.2. Ownership of Website.** The content, information and offers on our website are copyrighted by Bank and/or Vendor and the unauthorized use, reproduction, linking or distribution of any portions is strictly prohibited. You agree not to copy, display, distribute, download, license, sub-license, modify, publish, repost, reproduce, reuse, sell, transmit, create a derivative work from or otherwise use for public or commercial purposes, the information and materials on the Sites, except as provided in this Master Agreement, without our express written permission. Unless otherwise noted, all other trademarks, service marks, and logos used on the Bank's sites are the trademarks, service marks or logos of Bank, or others as indicated.
- 10.3. Web-linking Practices.** Bank may provide access to information, products or services offered on other third party web sites. The Bank is not responsible for, nor does it control, the content, products, or serviced provided by linked sites. The Bank does not endorse or guarantee the products, information or recommendations provided by linked



sites, and is not liable for any failure of products or services advertised on those sites. In addition, each third party site may provide less security than the Bank and have a privacy policy different than that of the Bank. Your access, use and reliance upon such content, products or services is at your own risk.

10.4. Geographic Restrictions. The Services described in this Master Agreement and any application for credit, deposit services, and brokerage services available at our web site are solely offered to citizens and residents of the United States of America residing within the United States of America. Citizens and residents may not be able to access these Services outside the United States of America.

10.5. Contact Information, Notices, Instructions, Etc.

Except as stated herein, the Bank shall not be required to act upon any notice or instruction received from the Company or any other person, or to provide any notice or advice to the Company or any other person with respect to any matter.

The Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized representative of Company, and any such communication shall be deemed to have been signed by such person. Such notice shall be effective on the second Business Day following the day received by the Bank.

Except as stated herein, any written notice or other written communication required or permitted to be given under this Master Agreement or any Service Agreement shall be delivered or sent by US mail, if to Company, at the address of Company on the books of Bank and if to Bank, at the following address:

The Canandaigua National Bank and Trust Company
72 South Main Street
Canandaigua, New York 14424
Phone: (585) 394-4260 or (800) 724-2621

unless another address is substituted by notice delivered or sent as provided herein. Except as otherwise stated herein, any such notice shall be deemed given when received. The notice address of Bank or Company may be amended by providing notice in the manner required herein to the other party hereto of the change in such party's notice address.

10.6. Deposit Account Agreement. You acknowledge and agree that your demand deposit account maintained with Bank is an integral part of the Services offered by Bank and that all transactions and Services initiated or processed pursuant to this Master Agreement are subject to the terms and conditions of the [Rules of the Deposit Account Agreement](#) governing accounts in effect from time to time between you and Bank. The Rules of the Deposit Account Agreement is expressly incorporated herein by reference. The terms and conditions of this Master Agreement shall control over any inconsistent terms and conditions of the Rules of the Deposit Account Agreement. You acknowledge that you have signed and executed all agreements, resolutions, signature cards and forms governing your demand deposit account required by Bank. If you have not signed the foregoing forms required by Bank, by signing this Master Agreement, you acknowledge that you have read the contents of and agree to be bound by the terms of those forms, agreements and documents, and adopt and ratify, as an authorized signatory(s), the signature(s) of any person(s) who has signed a signature card or any check on your account. You also agree to establish all accounts that must be opened in conjunction with the Service provided by Bank.

10.7. Effective Dates. The effective date of this Master Agreement and any applicable Service Agreement shall be the date upon which the Agreement is accepted by you and the Bank.

10.8. Internet Disclaimer. For any Service(s) described in the Agreement utilizing the Internet, Bank does not and cannot control the flow of data to or from Bank's network and other portions of the Internet. Such flow depends in large part on the performance of Internet Services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt your connections to the Internet (or portions thereof). Bank cannot



guarantee that such events will not occur. Accordingly, Bank disclaims any and all liability resulting from or related to such events and in no event shall Bank be liable for any damages (whether in contract or in tort) that are attributable to the public Internet infrastructure, your ability to connect to the Internet, or Bank's ability to connect to the Internet on your behalf.

10.9. Limitation of Liability.

- 10.9.1.** YOU AGREE THAT BANK SHALL NOT BE RESPONSIBLE OR LIABLE TO YOU OR TO ANY OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, SPECIAL EXEMPLARY, PUNITIVE OR INCIDENTAL DAMAGES ARISING OUT OF THE USE BY YOU OF ANY SERVICE EVEN IF YOU, BANK OR BANK'S SERVICE PROVIDER HAVE BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 10.9.2.** TO THE FULLEST EXTENT ALLOWED BY LAW, BANK'S LIABILITY TO YOU UNDER THIS MASTER AGREEMENT OR ANY APPLICABLE SERVICE AGREEMENT SHALL BE LIMITED TO CORRECTING ERRORS RESULTING FROM BANK'S FAILURE TO EXERCISE ORDINARY CARE OR TO ACT IN GOOD FAITH. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN NO EVENT WILL BANK BE LIABLE TO YOU FOR AN AMOUNT GREATER THAN THE FEES ACTUALLY PAID BY YOU AND RECEIVED BY BANK DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED, WHICH SHALL BE DETERMINED BY THE EARLIER OF THE DATE WHEN YOU FIRST BECAME AWARE OF THE CLAIM OR THE DATE WHEN, THROUGH THE EXERCISE OF REASONABLE CARE, YOU REASONABLY SHOULD HAVE BECOME AWARE OF THE CLAIM.
- 10.9.3.** YOU ACKNOWLEDGE AND AGREE THAT YOUR USE OF THE SERVICES SHALL BE AT YOUR SOLE RISK AND THAT THE SERVICES ARE PROVIDED BY BANK ON AN "AS IS" BASIS.
- 10.9.4.** EXCEPT AS EXPRESSLY SET FORTH IN THIS MASTER AGREEMENT, BANK MAKES NO, AND HEREBY DISCLAIMS ANY AND ALL, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, WHATSOEVER TO YOU OR TO ANY OTHER PERSON AS TO THE SERVICES OR ANY ASPECT THEREOF, INCLUDING (WITHOUT LIMITATION) ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, ACCURACY, OR SUITABILITY. YOU AGREE THAT NO ORAL OR WRITTEN ADVICE OR REPRESENTATION OBTAINED FROM ANY BANK EMPLOYEE OR REPRESENTATIVE SHALL CREATE A WARRANTY OR REPRESENTATION FOR PURPOSES OF THIS MASTER AGREEMENT OR ANY SERVICES TO BE PERFORMED PURSUANT HERETO.
- 10.9.5.** BANK MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, TO YOU AS TO ANY COMPUTER HARDWARE, SOFTWARE, OR EQUIPMENT USED IN CONNECTION WITH THE SERVICES (INCLUDING, WITHOUT LIMITATION, YOUR COMPUTER SYSTEMS OR RELATED EQUIPMENT, YOUR SOFTWARE, OR YOUR INTERNET SERVICE PROVIDER OR ITS EQUIPMENT), OR AS TO THE SUITABILITY OR COMPATIBILITY OF BANK'S SOFTWARE, INTERNET DELIVERED SERVICE, EQUIPMENT OR COMMUNICATION INTERFACES WITH THOSE THAT YOU USE, OR AS TO WHETHER ANY SOFTWARE OR INTERNET DELIVERED SERVICE WILL PERFORM IN AN UNINTERRUPTED MANNER, INCLUDING (BUT NOT LIMITED TO) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 10.9.6.** BANK SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR FAILURES RESULTING FROM DEFECTS IN OR MALFUNCTIONS OF YOUR COMPUTER HARDWARE OR SOFTWARE, FOR THE QUALITY OF PERFORMANCE OR LACK OF PERFORMANCE OF ANY COMPUTER SOFTWARE OR HARDWARE OR INTERNET DELIVERED SERVICES SUPPLIED BY BANK TO YOU IN CONNECTION WITH THIS MASTER AGREEMENT, OR FOR THE TRANSMISSION OR FAILURE OF TRANSMISSION OF ANY INFORMATION FROM YOU TO BANK OR FROM BANK TO YOU. BANK SHALL NOT BE RESPONSIBLE FOR NOTIFYING YOU OF ANY UPGRADES OR ENHANCEMENTS TO ANY OF YOUR COMPUTER HARDWARE OR SOFTWARE.



10.9.7. FOR TRANSACTIONS THAT ARE SUBJECT TO UCC 4A OR FEDWIRE REGULATIONS (REGULATION J), BANK WILL ONLY BE LIABLE FOR DAMAGES REQUIRED TO BE PAID IN ACCORDANCE WITH UCC 4A AND REGULATION J.

10.10. Relationship of Parties. Customer and Bank acknowledge and agree that the relationship between Bank and Customer is that of an independent contractor and that this Master Agreement does not establish or create a general agency, joint venture, partnership, or employment relationship between them.

10.11. Force Majeure. The Bank shall not be responsible for any liability, loss, or damage resulting from Bank's failure to perform any Service or to perform any other obligations under this Master Agreement and any applicable Service Agreement which is caused by an act of God, fire, floods, adverse weather or atmospheric conditions or other catastrophes; war, sabotage, riots, acts of public enemy, or acts of governmental authority or the Board of Governors of the Federal Reserve; labor difficulties; equipment or computer failure or destruction or the unavailability, interruption, or malfunction of communications facilities or utilities; delays or failure to act by you or third parties and their personnel; criminal acts; or generally any cause reasonably beyond the Bank's control.

10.12. Reimbursement. Any reimbursement by Bank for any liability hereunder may be made either directly to you or by adjustment of the aggregate ledger and collected balances of your accounts.

10.13. Indemnification. In addition to other indemnification and liability provisions elsewhere in this Master Agreement and any applicable Service Agreement, to the fullest extent allowed by law, you will be liable for, hold harmless, and will indemnify Bank, and their employees and agents from and against all claims of any sort by third parties or others arising out of this Master Agreement and any applicable Service Agreement, including all losses and expenses incurred by Bank arising out of your failure to report required changes, transmission of incorrect data to Bank, or failure to maintain compliance with all laws, regulations and rules. Except for those losses caused directly by Bank's failure to exercise ordinary care or to act in good faith, you agree to indemnify and hold Bank, its officers, directors, shareholders, agents, employees, and affiliates, and their respective officers, directors, agents and employees, harmless from and against any and all losses, costs, suits, damages, claims, liabilities and expenses (including reasonable attorneys' fees) arising from or related in any way to (i) any Services performed in connection with this Master Agreement and any applicable Service Agreement, (ii) Bank's action or inaction in accordance with or reliance upon any instructions or information received from any person reasonably believed by Bank to be an authorized representative of you or Authorized User, (iii) your breach of any of your covenants, agreements, responsibilities, representations or warranties under this Master Agreement and any applicable Service Agreement, and/or (iv) your breach of applicable laws, rules or regulations.

10.14. ARBITRATION AND WAIVER OF JURY TRIAL. YOU AND BANK AGREE THAT THE TRANSACTIONS PROCESSED UNDER THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT INVOLVES "COMMERCE" UNDER THE FEDERAL ARBITRATION ACT ("FAA"). ANY CONTROVERSY OR CLAIM BETWEEN YOU AND BANK, OR BETWEEN YOU AND ANY OF BANK'S OFFICERS, EMPLOYEES, AGENTS OR AFFILIATED ENTITIES, THAT ARISES OUT OF OR IS IN ANY WAY RELATED TO ANY SERVICE PROVIDED UNDER THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT, WHETHER BASED ON CONTRACT OR IN TORT OR ANY OTHER LEGAL THEORY, INCLUDING WITHOUT LIMITATION CLAIMS OF FRAUD, SUPPRESSION, MISREPRESENTATION AND FRAUD IN THE INDUCEMENT (COLLECTIVELY, ANY "CLAIM"), WILL BE SETTLED BY BINDING ARBITRATION UNDER THE FAA. THE PARTIES SHALL WORK IN GOOD FAITH TO SELECT AND AGREE UPON AN ARBITRATOR WITHIN THIRTY (30) DAYS AFTER A DEMAND FOR ARBITRATION BY EITHER PARTY. THE ARBITRATOR SHALL HAVE SOLE DISCRETION TO USE ANY COMMERCIALLY REASONABLE RULES OF ARBITRATION, UNLESS OTHERWISE AGREED TO IN WRITING BY THE PARTIES. IF THE PARTIES CANNOT AGREE UPON AN ARBITRATOR, THEN EACH PARTY SHALL DESIGNATE AN ARBITRATOR REPRESENTATIVE AND THE ARBITRATOR REPRESENTATIVES SHALL SELECT THE ARBITRATOR. IF A CLAIM IS SUBMITTED TO ARBITRATION, (A) YOU WILL NOT HAVE THE RIGHT TO GO TO COURT OR TO HAVE A JURY TRIAL; (B) YOU WILL NOT HAVE THE RIGHT TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED IN THE ARBITRATION RULES; (C) YOU WILL NOT HAVE THE RIGHT TO HAVE ANY CLAIM ARBITRATED AS A CLASS ACTION UNDER THE ARBITRATION RULES OR UNDER ANY OTHER RULES OF CIVIL PROCEDURE; (D) THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING WITH LIMITED RIGHTS



TO APPEAL; AND (E) THIS MASTER AGREEMENT SUPERSEDES ANY PRIOR ALTERNATIVE DISPUTE RESOLUTION AND/OR ARBITRATION AGREEMENT THAT MAY EXIST BETWEEN YOU AND BANK. THIS AGREEMENT TO ARBITRATE DISPUTES WILL SURVIVE THE CLOSING OF YOUR ACCOUNT AND THE TERMINATION OF THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT. THE ARBITRATOR SHALL AWARD REASONABLE ATTORNEYS' FEES AND COSTS ASSOCIATED WITH THE ARBITRATION TO THE PREVAILING PARTY IN ANY ARBITRATION UNDER THIS AGREEMENT. THE ARBITRATION PROCEEDINGS AND ARBITRATION AWARD SHALL BE MAINTAINED BY YOU AND THE BANK AS STRICTLY CONFIDENTIAL, EXCEPT AS IS OTHERWISE REQUIRED BY COURT ORDER OR AS IS NECESSARY TO CONFIRM, VACATE OR ENFORCE THE AWARD AND FOR DISCLOSURE IN CONFIDENCE TO THE PARTIES' RESPECTIVE ATTORNEYS, TAX ADVISORS AND SENIOR MANAGEMENT.

10.15. Governing Law. These terms and conditions of this Master Agreement and any applicable Service Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of law provisions and without regard to your state of residence and to the extent applicable by federal law.

10.16. Enforcement. In the event a dispute arises either directly or indirectly under this Master Agreement, the venue for any and all litigation resulting therefrom shall be in New York State Supreme Court, Commercial Part, Monroe County, or United States District Court for the Western District of New York. The prevailing party in any such action shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees (which may be or include the allocable cost of in-house counsel) and costs, including fees for any litigation, arbitration, mediation, appeal, or bankruptcy proceedings, and any post-judgment collection actions, if applicable.

10.17. Compliance with Laws, Rules, and Regulations. You agree to comply with all existing and future instructions used by the Bank for processing of transactions. You further agree to comply with and be bound by all applicable state or federal laws, rules and regulations affecting the use of checks, drafts, fund transfers, and ACH Transactions, including but not limited to, rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, the National Automated Clearing House Association ("NACHA") and any other clearinghouse or other organization in which Bank is a member or to which rules Bank has agreed to be bound. These laws, procedures, rules, regulations, and definitions shall be incorporated herein by reference.

10.18. Miscellaneous Provisions.

10.18.1. Headings. The headings and captions contained in this Master Agreement and any applicable Service Agreement are included only for convenience of reference and do not define, limit, explain, or modify this Master Agreement and any applicable Service Agreement or its interpretation, construction, or meaning.

10.18.2. Severability. The holding of any provision of this Master Agreement and any applicable Service Agreement as invalid, illegal, or unenforceable, in whole or in part, shall not affect the other provisions of this Master Agreement and any applicable Service Agreement, which shall remain in full force and effect.

10.18.3. Waiver. No waiver by the Bank (whether or not in writing) of any term, condition, or obligation of you under this Master Agreement and any applicable Service Agreement shall bind the Bank to waive the same term, condition, or obligation again, nor shall any other provision, condition, term, or obligation hereof be affected by such a waiver.

10.18.4. Binding Effect. This Master Agreement and any applicable Service Agreement shall inure to the benefit of and be binding upon the successors, heirs, trustees, and permitted assigns of the parties hereto.

10.18.5. Entire Agreement. This Master Agreement and any applicable Service Agreement constitutes the entire agreement between the parties hereto concerning the subject matter hereof and supersedes any prior agreement(s). All contemporaneous agreements or understandings concerning the subject matter hereof, whether oral or written, are merged into this Master Agreement.



10.18.6. Transfers and Assignments. You cannot transfer or assign any rights or obligations under this Master Agreement and any applicable Service Agreement without Bank's written consent. The Bank may assign its rights and delegate its duties under this Master Agreement and any applicable Service Agreement to a company affiliated with the Bank or to any other party.



Service Agreements

ACH – Automated Clearing House (a “Service”)

This Service allows Company to originate credit and/or debit Entries through the Bank to Accounts maintained at the Bank and in other depository financial institutions by means of the Automated Clearing House Network (“ACH”) pursuant to the terms of these ACH service Terms and Conditions and the rules of the National Automated Clearing House Association (NACHA) and Bank’s operating rules and procedures for electronic entries, thereto now in effect, or as may be amended from time to time, (the “Rules”), and Bank is willing to act as an Originating Depository Financial Institution (“ODFI”) with respect to such Entries. Company may, with Bank’s permission, use a third party service provider to transact on its behalf. Company accepts and agrees to all terms, conditions, and provisions of this Service Agreement and agrees that this Service Agreement sets forth the terms and conditions pursuant to which Bank will provide to Company the ACH Services outlined herein (“Services”). Company further agrees that this Service Agreement is entered into as a Service Agreement under the Business Online Banking and Master Cash Management Agreement (“Master Agreement”). Bank and Company agree that by executing this Service Agreement, Company acknowledges receipt of and agrees to the terms of the Master Agreement.

In the event of inconsistency between a provision of this Service Agreement, the Uniform Commercial Code (“UCC”), the Master Agreement, and/or the Depository Agreement, the provisions of this Service Agreement shall prevail. Terms not otherwise defined in this Service Agreement shall have the meaning ascribed to those terms in the Rules. The term “Entry” shall have the meaning provided in the Rules and shall also mean the data received from Company hereunder from which Bank initiates each Entry.

1. Compliance with Rules and Laws. Company acknowledges it has a copy or has access to a copy of the Rules. The Rules may also be purchased online at www.nacha.org under the NACHA Operating Rules. Company agrees to comply with and be subject to the Rules of NACHA in existence at the date of this Service Agreement, and any amendments to these Rules made from time to time. It shall be the responsibility of the Company that the origination of ACH Transactions complies with U.S. law, including but is not limited to sanctions enforced by the Office of Foreign Assets Control (“OFAC”). It shall further be the responsibility of the Company to obtain information regarding such OFAC enforced sanctions. This information may be obtained directly from the OFAC Compliance Hotline at (800) 540-OFAC or online at www.treasury.gov. Bank will charge the Company with any fines or penalties imposed by OFAC, NACHA or any organization which are incurred as a result of non-compliance by the Company and the Company agrees to fully reimburse and/or indemnify Bank for such charges or fines. The specific duties of the Company provided in the following paragraphs of this Service Agreement in no way limit the foregoing undertaking. The duties of the Company set forth in the following paragraphs of this Service Agreement in no way limit the requirement of complying with the Rules. Bank may terminate or suspend this Service Agreement upon written notice and identification of a material breach by Company of the Rules. Furthermore, Bank shall have the right to initiate an audit of Company procedures for compliance with this Service Agreement and the Rules, upon written notification to Company.

2. Credit Approval. In utilizing the Automated Clearing House Network in performance of this Service Agreement, Bank must make certain warranties on behalf of Company. Specifically, Bank is charged with assuring the financial soundness of Company to make the intended Entries. Bank must approve all ACH Agreements and may request financial information from Company and/or a separate credit agreement. Bank shall also be authorized to obtain a credit report(s) on Company as may be necessary from time to time. Bank may also assign Company a limit representing the maximum aggregate dollar amount of Entries that may be initiated by Company each day (“ACH Processing Limit”). Company acknowledges that the ACH Processing Limit is solely for the protection of Bank and its assets. Company understands that daily requests for Entries exceeding this amount are honored solely at the discretion of the Bank. Requests not honored would be communicated to the Company or the Company’s designated representative.

3. Security Interest. To secure the payment and performance of Company’s obligations set forth herein, Company grants to Bank a security interest in and pledges and assigns to Bank all of Company’s right, title, and interest in the following described property, whether now owned or hereafter existing or acquired and wherever located: (a) all monies, instruments, savings, checking and other accounts of Company (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties if so assigned) that are now or in the future in Bank’s custody or control; (b) any other collateral described in any security instrument securing the obligations of Company to Bank under this Service Agreement or any other obligation of



Company to Bank; and (c) all proceeds and products of the property as well as any replacements, accessions, substitutions, and additions to any of the above.

The security interest given pursuant to this Section 3 shall survive the termination of this Agreement.

4. Designation of Administrator. In order to originate ACH Entries, Company must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Company authorizes to issue Entries on its behalf. For the purposes of this Service Agreement, the term User shall also include the Administrator. The Bank shall be entitled to rely on the designations made by the Company's Administrator(s) and shall not be responsible for matching the names of the company Users designated by the Administrator(s) to names or titles listed in Company's banking resolutions. Company agrees that any such online Entries shall comply with Bank's Security Procedures, which are subject to change without notice to Company. Although Bank is only required to act upon the instructions of the Users(s), the Bank may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Company to sign checks on Company accounts. The signature cards establishing the authorized signatories for Company deposit accounts are hereby incorporated by reference and made a part hereof.

You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any Administrator shall change or be revoked.

5. Transmission of Entries by Company. User(s) shall initiate the debit or credit Entries on behalf of and selected by Company. Bank shall be entitled to deem any person having knowledge of any Security Procedures and required to initiate Entries under this Service Agreement, to be a User. User(s) shall transmit Entries to Bank in computer readable form in compliance with the formatting and other requirements set forth in the NACHA file specifications or as otherwise specified by Bank. Entries shall be transmitted to Bank no later than the time and the number of days prior to the Effective Entry Date specified in the Processing Schedule. For the purposes of this Service Agreement, "Business Day" means Monday through Friday, excluding federal holidays. Entries received after the cut off time shall be deemed to have been received on the next Business Day. The total dollar amount of Entries transmitted by Company to Bank on any one Business Day shall not exceed the lesser of the amount of collected funds in Company's account or the ACH Processing Limit set forth as subsequently requested by Company and approved by Bank. Company may not reinitiate entries except as prescribed by the Rules.

6. Third Party Service Providers. Company may be using special equipment, services or software provided by a third party to assist it in processing Files hereunder ("Service Provider"). Company agrees not to use a Service Provider to transmit files to Bank without first entering into Bank's Third Party Service Provider Agreement. If Company uses Service Provider to transmit Files to Bank and Company and Service Provider have not entered into a Third Party Service Provider Agreement, Company (a) agrees that Service Provider is acting as Company's agent in the delivery of Files to Bank, and (b) agrees to assume full responsibility and liability for any failure of Service Provider to comply with the laws of the United States, the Rules and this Service Agreement. Bank will not be liable for any losses or additional costs incurred by Company as a result of any error by Service Provider or a malfunction of equipment provided by Service Provider. Company is solely responsible for maintaining compliance with the requirements of Service Provider, including obtaining any software updates. Bank's sole responsibility shall be to transmit Bank approved transactions to the ACH Operator and Bank shall not have any responsibility for any File handled by Service Provider until that point in time when Bank accepts and approves a File from such Service Provider for processing. If Bank authorizes Company to use a Service Provider, the terms and conditions governing the relationship between Company and the Service Provider shall be governed by a separate agreement between Company and Service Provider ("Service Provider Agreement"). All of Company's obligations and responsibilities under this Service Agreement will apply to the Service Provider, and Company's separate agreement with the Service Provider must so provide. At Bank's request, Company will provide to Bank a true and exact copy of such agreement. Company shall designate the Service Provider as a User and the Service Provider must also enter into a Service Provider Agreement before the Service Provider sends Files to Bank. Notwithstanding the foregoing, Company hereby authorizes Bank to accept any File submitted by the Service Provider even if the Service Provider has not been designated as a User or if the Third Party Service Provider has not executed the Service Provider agreement. Company hereby indemnifies and holds Bank harmless for any losses, damages, fines, assessments, costs and expenses incurred or suffered by Bank or any other person as a result of or arising from Company's use of Service Provider, including fines or assessments incurred under or pursuant to the Rules and attorneys' fees.



7. International ACH Transactions ("IAT"). Company shall not initiate any IAT Entries without Bank's prior approval. If approved by Bank, the following provisions apply to IAT Entries originated by Company:

- 7.1.** IAT Entries are transmitted by Bank in U.S. dollars and converted to the local currency for receipt in the foreign country at the exchange rate determined by Bank's processor on the date determined by Bank's processor. All risk of fluctuation in the applicable exchange rate is borne by Company.
- 7.2.** In the event of a returned IAT Entry, consumer payments will be credited to Company at the originated U.S. dollar amount; corporate payments will be credited to Company at the exchange rate determined by Bank's processor at the time of return.
- 7.3.** In the event of an error in an Entry or duplicate entries, Company acknowledges and agrees that Company shall be liable for any and all losses caused by and a direct or indirect result from the error or duplicate Entry.
- 7.4.** Company shall originate all International ACH Transactions, as that term is defined in the Rules, with an IAT SEC code and Company hereby agrees to abide by all of the Rules related to IAT Entries.
- 7.5.** Company agrees that in the case of a non-Consumer Account, Company shall enter into an agreement with the Receiver whereby the Receiver agrees to abide by the Rules in effect from time to time.
- 7.6.** Company acknowledges that it has reviewed and understands Subsection 2.11.3 of the Rules entitled "Exceptions for Outbound IAT Entries" and Company understands and agrees that laws, regulations, and rules of the country in which the Receiver is located shall govern the matters listed within that subsection. Company further acknowledges that Company understands how such laws, regulations and rules differ from the Rules.
- 7.7.** Company agrees and acknowledges that any assistance by Bank does not in any manner obligate Bank for the accuracy or enforceability of the Entry in any country outside the United States.
- 7.8.** Company bears the risk of any loss caused by any delay, tax, cost, tariff, fee, or other charge incurred on account of the Entry in any country outside the United States.
- 7.9.** If the settlement of any IAT Entry involves clearing of the Entry in more than one country outside the United States, Bank shall be permitted to rely upon any advice or instruction received by Bank from the financial institution or financial agency located in the first country outside the United States to which the Entry is directed.
- 7.10.** Company hereby indemnifies Bank from and against any and all resulting claims, demands, losses, liabilities, or expenses, including attorneys' fees and costs, resulting directly or indirectly from Company's origination of an IAT Entry.

8. Credit and Debit Entries; Records Retention. Company shall obtain an authorization ("Authorization Agreement") as required by the Rules from the person or entity whose account will be debited or credited as the result of a Debit or Credit Entry initiated by Company and Company shall retain the Authorization Agreement in original form while it is in effect and the original or a copy of each authorization for two (2) years after termination or revocation of such authorization as stated in the Rules. Company shall furnish the person or entity executing the Authorization Agreement with a copy of the same. Upon request, Company shall furnish the original or a copy of the authorization to any affected Participating Depository Financial Institution, as defined in the Rules.

9. Recording and Use of Communications. Company and Bank agree that all telephone conversations or data transmissions between them or their agents made in connection with this Service Agreement may be electronically recorded and retained by either party by use of any reasonable means. Bank shall not be obligated to make such recordings.

10. Processing, Transmittal and Settlement by Bank. Except as otherwise provided for in this Service Agreement and if Bank elects to accept Entries, Bank shall:



10.1. (i) use commercially reasonable efforts to comply with the instructions of Company, (ii) process Entries received from Company to conform with the file specifications set forth in the Rules, (iii) transmit such Entries as an ODFI to the "ACH" processor selected by Bank, (iv) settle for such Entries as provided in the Rules, and (v) in the case of a credit Entry received for credit to an account with Bank ("On-Us Entry"), Bank shall credit the Receiver's account in the amount of such Credit Entry on the Effective Entry Date contained in such Credit Entry provided such Credit Entry is received by Bank at the time and in the form prescribed by Bank in Section 5.

10.2. transmit such Entries to the ACH processor by the deposit deadline of the ACH processor, provided: (i) such Entries are completely received by Bank's cut-off time at the location specified by Bank to Company from time to time; (ii) the Effective Entry Date satisfies the criteria provided by Bank to Company; and (iii) the ACH processor is open for business on such Business Day. Company agrees that the ACH processor selected by Bank shall be considered to have been selected by and designated by Company. The Company will receive immediately Available Funds for any electronic Debit Entry initiated by it on the Settlement Date applicable thereto.

11. Payment for Credit Entries and Returned Debit Entries. Company agrees to make payment to Bank for all credit Entries issued by Company, User(s), or credit Entries otherwise made effective against Company. Company shall make payment to Bank on the date as determined by Bank, in its discretion ("Payment Date"). Company shall pay Bank for the amount of each Debit Entry returned by a Receiving Depository Financial Institution ("RDFI") or Debit Entry dishonored by Bank. Settlement shall be made by Company to Bank in any manner specified by Bank. Notwithstanding the foregoing, Bank is hereby authorized to charge the account(s) ("Authorized Account(s)") designated on the enrollment form, as payment for all payments due under this Service Agreement. Company shall maintain sufficient collected funds in the Authorized Account(s) to pay for all payments due Bank under this Service Agreement on the Payment Date. In the event the Authorized Account or any other Company Bank account does not have collected funds sufficient on the Payment Date to cover the total amount of all Entries to be paid on such Payment Date, Bank may take any of the following actions:

11.1. Refuse to process all Entries, in which event Bank shall return the data relating to such credit Entries to Company, whereupon Bank shall have no liability to Company or to any third party as a result thereof; or

11.2. Process that portion of the credit Entries as Company has sufficient collected funds in the Authorized Account to cover, in whatever order Bank in its sole discretion shall elect to process, in which event Bank shall return the data relating to such credit Entries as are not processed to Company, whereupon Bank shall have no liability to Company or any third party as a result thereof; or

11.3. Process all credit Entries. In the event Bank elects to process credit Entries initiated by Company and Company has not maintained sufficient collected funds in the Authorized Account with Bank to cover them, the total amount of the insufficiency advanced by Bank on behalf of Company shall be immediately due and payable by Company to Bank without any further demand from Bank. If Bank elects to pay Company's account in the overdraft on any one or more occasions, it shall not be considered a waiver of Bank's rights to refuse to do so at any other time nor shall it be an agreement by Bank to pay other items in the overdraft.

12. Pre-funding. Bank reserves the right to require Company to pre-fund an Account maintained at Bank prior to the Settlement Date of the ACH file. Bank shall determine whether pre-funding is required based on criteria established from time to time by Bank. Bank will communicate directly to Company if pre-funding is required and, if requested by Company, will provide Company with an explanation of its pre-funding criteria. If it is determined that pre-funding is required, Company will provide immediately available and collected funds sufficient to pay all Entries initiated by Company prior to initiating any Entries for which pre-funding is required.

13. On Us Entries. Except as provided in Section 14, Rejection of Entries, in the case of an Entry received for credit to an account maintained with Bank (an "On-Us Entry"), the Bank shall credit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in Section 10.2 (i), (ii), and (iii) are met. If any of those requirements are not met, the Bank shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next Business Day following such Effective Entry Date.



14. Rejection of Entries. Company agrees that Bank has no obligation to accept Entries and therefore may reject any Entry issued by Company. Bank has no obligation to notify Company of the rejection of an Entry but Bank may do so at its option. Bank shall have no liability to Company for rejection of an Entry and shall not be liable to pay interest to Company even if the amount of Company's payment order is fully covered by a withdrawable credit balance in an Authorized Account of Company or the Bank has otherwise received full payment from Company.

15. Cancellation or Amendment by Company. Company shall have no right to cancel or amend any Entry after its receipt by Bank. However, Bank may, at its option, accept a cancellation or amendment by Company. If Bank accepts a cancellation or amendment of an Entry, Company must comply with the ACH Origination Security Procedures. If such a request is received by the Bank before the affected Entry has been transmitted to the ACH (or, in the case of an On-Us Entry, before the Receiver's account has been credited or debited), the Bank will use reasonable efforts to cancel or amend the Entry as requested, but the Bank shall have no liability if the cancellation or amendment is not effected. If Bank accepts a cancellation or amendment of an Entry, Company hereby agrees to indemnify, defend all claims and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Bank as the result of its acceptance of the cancellation or amendment.

16. Reversals of Entries.

16.1. General Procedure. Upon proper and timely request by the Company, the Bank will use reasonable efforts to effect a reversal of an Entry or File. To be "proper and timely," the request must (i) be made within five (5) Business Days of the Effective Entry Date for the Entry or File to be reversed; and (ii) comply with all of the Rules. In addition, if the Company requests reversal of a Debit Entry or Debit File, it shall concurrently deposit into the Company Account an amount equal to that Entry or File. The Company shall notify the Receiver of any reversing Entry initiated to correct any Entry it has initiated in error. The notification to the Receiver must include the reason for the reversal and be made no later than the Settlement Date of the reversing Entry.

16.2. No Liability: Reimbursement to the Bank. Under no circumstances shall the Bank be liable for interest or related losses if the requested reversal of an Entry is not effected. The Company shall reimburse the Bank for any expenses, losses or damages it incurs in effecting or attempting to effect the Company's request for reversal of an Entry.

17. Error Detection. Bank has no obligation to discover and shall not be liable to Company for errors made by Company, including but not limited to errors made in identifying the Receiver, or an Intermediary or RDFI or for errors in the amount of an Entry or for errors in Settlement Dates. Bank shall likewise have no duty to discover and shall not be liable for duplicate Entries issued by Company. Notwithstanding the foregoing, if the Company discovers that any Entry it has initiated was in error, it shall notify the Bank of such error. If such notice is received no later than four (4) hours prior to the ACH receiving deadline, the Bank will utilize reasonable efforts to initiate an adjusting Entry or stop payment of any On-Us Credit Entry within the time limits provided by the Rules. In the event that Company makes an error or issues a duplicate Entry, Company shall indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Bank as result of the error or issuance of duplicate Entries.

18. Prenotification. Company, at its option, may send prenotification that it intends to initiate an Entry or Entries to a particular account within the time limits prescribed for such notice in the Rules. Such notice shall be provided to the Bank in the format and on the medium provided in the media format section of such Rules. If Company receives notice that such prenotification has been rejected by an RDFI within the prescribed period, or that an RDFI will not receive Entries without having first received a copy of the Authorization signed by its customer, Company will not initiate any corresponding Entries to such accounts until the cause for rejection has been corrected or until providing the RDFI with such authorization within the time limits provided by the Rules.

19. Notice of Returned Entries and Notifications of Change. Bank shall notify Company by e-mail, facsimile transmission, US mail, or other means of the receipt of a returned Entry from the ACH Operator. Except for an Entry retransmitted by Company in accordance with the requirements of Section 5, Bank shall have no obligation to retransmit a returned Entry to the ACH Operator if Bank complied with the terms of this Service Agreement with respect to the original Entry. Company shall notify the Receiver by phone or electronic transmission of receipt of each return Entry no later than one Business Day after the Business Day of receiving such notification from Bank.



Bank shall provide Company all information, via e-mail, telephone call, or facsimile transmission to User, as required by the Rules, with respect to each Notification of Change ("NOC") Entry, Refused Notification of Change, or Corrected Notification of Change ("Corrected NOC") Entry received by Bank relating to Entries transmitted by Company. Bank must provide such information to Company within two (2) Banking Days of the Settlement Date of each NOC or Corrected NOC Entry. Company shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) Banking Days of Company's receipt of the NOC information from Bank or prior to initiating another Entry to the Receiver's account, whichever is later.

20. Entries Returned as Unauthorized; Unauthorized Rate.

20.1. In the event that an Entry is returned as unauthorized or authorization revoked, Company will contact the necessary parties and resolve any dispute. During this process Company may ask Bank to request from the RDFI a copy of the "Written Statement of Unauthorized Debit (WSUD)." Bank will make its best effort to obtain the form and will deliver it to the Company when received. Company agrees not to re-originate any transaction returned as unauthorized or as authorization revoked unless and until the Receiver reauthorizes the Entry or Entry stream.

20.2. In the event the rate of unauthorized transactions exceeds the permissible limit based on the calculations noted in the Rules, Company will share the data requested by Bank based on the Rules and will immediately begin the process of bringing the rate below that threshold.

21. Account Reconciliation. The Company agrees to notify the Bank promptly of any discrepancy between the Company's records and the information shown on any periodic statement. If the Company fails to notify the Bank within ten (10) calendar days of receipt of a periodic statement containing such information, the Company agrees that the Bank shall not be liable for any other losses resulting from the Company's failure to give such notice or any loss of interest or any interest equivalent with respect to any Entry shown on such periodic statement. If the Company fails to notify the Bank within thirty (30) calendar days of receipt of such periodic statement, the Company shall be precluded from asserting any discrepancy against the Bank.

22. Provisional Settlement. Company shall be bound by and comply with the Rules as in effect from time to time, including without limitation the provision thereof making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry; and Company acknowledges that it has received notice of that Rule and or the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry.

23. Company Representations and Warranties. With respect to each and every Entry transmitted by Company, Company represents and warrants to Bank and agrees that (a) each person or entity shown as the Receiver on an Entry received by Bank from Company has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry, (b) such authorization is operative at the time of transmittal or crediting or debiting by Bank as provided herein, (c) Entries transmitted to Bank by Company are limited to those types of credit and debit Entries accepted by Bank, (d) Company shall perform its obligations under this Service Agreement in accordance with all applicable laws, regulations, and orders, including, but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws, regulations, and orders administered FinCEN; and any state laws, regulations, or orders applicable to the providers of ACH payment services, and (e) Company shall be bound by and comply with the provision of the Rules (among other provisions of the Rules) making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry, and (f) Company shall ensure that any and all non-public personal information provided by Company to Bank shall be secure and will not be disclosed to any unauthorized person. Company specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry.

The Company shall defend, indemnify, and hold harmless the Bank, and its officers, directors, agents, and employees, from and against any and all actions, costs, claims, losses, damages, or expenses, including attorney's fees and expenses, resulting from or arising out of (aa) any breach of any of the agreements, representations or warranties of the Company



contained in this Service Agreement; or (bb) any act or omission of the Company or any other person acting on the Company's behalf.

24. Additional Company Warranties for Selected Standard Entry Classes. NACHA, in its role of ensuring the safety, security, and viability of the ACH network, has determined that certain single-use or limited-use consumer authorizations have the potential to increase risk in the ACH system and compromise system effectiveness by increasing the incidence of returned Entries. Therefore, to qualify as an Originator of such Entries, Company hereby warrants to Bank that for each such ACH Entry submitted for processing, Company has obtained all authorizations from the Receiver as required by the Rules, by Regulation E or other applicable law, and this Service Agreement. Company also makes the additional warranties to Bank that Bank makes to each RDFI and ACH Operator under the Rules for the respective SEC codes for Entries originated by Company. Company indemnifies and holds Bank harmless from any liability arising out of Company's breach of these warranties.

25. Same Day Entries. A Credit or Debit Entry with an Effective Entry Date of the date of or a date prior to the date of the transmission of the Entry or File to Bank and received by Bank prior to the applicable cut-off time shall be considered to be a Same Day Entry. IAT and Entries above \$25,000 (as may be adjusted per the NACHA Rules) are not eligible for Same Day ACH processing. In addition to any other fees that Customer is obligated to pay Bank, Company hereby agrees to pay Bank the Same Day Entry fee established by Bank from time to time for Same Day Entries transmitted to Bank by Company.

26. Financial Information and Audit. Upon request by Bank, Company hereby authorizes Bank to enter Company's business premises for the purpose of ensuring that Company is in compliance with this Service Agreement and Company specifically authorizes Bank to perform an audit of Company's operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. Company hereby acknowledges and agrees that Bank shall have the right to mandate specific internal controls at Company's location(s) and Company shall comply with any such mandate. In addition, Company hereby agrees to allow Bank to review available reports of independent audits performed at the Company location related to information technology, the Service and any associated operational processes. Company agrees that if requested by Bank, Company will complete a self-assessment of Company's operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by Bank in an audit of Company. If Company refuses to provide the requested financial information, or if Bank concludes, in its sole discretion, that the risk of Company is unacceptable, if Company violates this Service Agreement or the Rules, or if Company refuses to give Bank access to Company's premises, Bank may terminate the Service and this Service Agreement according to the provisions hereof.

27. LIMITATION OF LIABILITY.

27.1. IN ADDITION TO THE LIMITATION OF LIABILITY PROVISIONS OF THE MASTER AGREEMENT, IN THE PERFORMANCE OF THE SERVICES REQUIRED BY THIS SERVICE AGREEMENT, BANK SHALL BE ENTITLED TO RELY SOLELY ON THE INFORMATION, REPRESENTATIONS, AND WARRANTIES PROVIDED BY COMPANY PURSUANT TO THIS SERVICE AGREEMENT, AND SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS THEREOF. BANK SHALL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES EXPRESSLY PROVIDED FOR IN THIS SERVICE AGREEMENT, AND SHALL BE LIABLE ONLY FOR ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN PERFORMING THOSE SERVICES. BANK SHALL NOT BE RESPONSIBLE FOR COMPANY'S ACTS OR OMISSIONS (INCLUDING, WITHOUT LIMITATION, THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ENTRY RECEIVED FROM COMPANY) OR THOSE OF ANY OTHER PERSON, INCLUDING, WITHOUT LIMITATION, ANY FEDERAL RESERVE BANK, ACH OPERATOR OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING, WITHOUT LIMITATION, THE RETURN OF ANY ENTRY BY SUCH RECEIVER OR RDFI), AND NO SUCH PERSON SHALL BE DEEMED BANK'S AGENT. COMPANY AGREES TO INDEMNIFY BANK AGAINST ANY LOSS, LIABILITY OR EXPENSE (INCLUDING ATTORNEYS' FEES AND COSTS) RESULTING FROM OR ARISING OUT OF ANY CLAIM OF ANY PERSON THAT THE BANK IS RESPONSIBLE FOR ANY ACT OR OMISSION OF COMPANY OR ANY OTHER PERSON DESCRIBED IN THIS SECTION 27.1.

27.2. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING PROVISIONS, AND IN ADDITION TO THE "FORCE MAJEURE" PROVISIONS OF THE MASTER AGREEMENT, BANK SHALL BE EXCUSED FROM



FAILING TO TRANSMIT OR DELAY IN TRANSMITTING AN ENTRY IF SUCH TRANSMITTAL WOULD RESULT IN BANK'S HAVING EXCEEDED ANY LIMITATION UPON ITS INTRA-DAY NET FUNDS POSITION ESTABLISHED PURSUANT TO PRESENT OR FUTURE FEDERAL RESERVE GUIDELINES OR IN BANK'S REASONABLE JUDGMENT OTHERWISE WOULD VIOLATE ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER U.S. GOVERNMENTAL REGULATORY AUTHORITY.

27.3. SUBJECT TO THE FOREGOING LIMITATIONS, BANK'S LIABILITY FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED BY USING A RATE EQUAL TO THE AVERAGE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. AT BANK'S OPTION, PAYMENT OF SUCH INTEREST MAY BE MADE BY CREDITING THE ACCOUNT.

28. Inconsistency of Name and Account Number. The Company acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by the Bank to the RDFI may be made by the RDFI (or by the Bank in the case of an On-Us Entry) on the basis of the account number supplied by the Company, even if it identifies a person different from the named Receiver, and that the Company's obligation to pay the amount of the Entry to the Bank is not excused in such circumstances. Company is liable for and must settle with Bank for any Entry initiated by Company that identifies the Receiver by account or identifying number or by name and account or identifying number.

29. Payment for Services. Refer to Master Agreement section 6.1.6 Payment for Services.

30. Amendments. Refer to Master Agreement Article IX. Changes in Terms and Other Amendments.

31. Contact Information, Notices, Instructions, Etc. Refer to Master Agreement section 10.5 Contact Information, Notices, Instructions, Etc.

32. Required Data Retention. The Company shall retain data on file adequate to permit the remaking of Entries for five (5) Business Days following the date of their transmittal by the Bank as provided herein, and shall provide such Data to the Bank upon its request.

33. Tapes and Records. All magnetic tapes, Entries, Security Procedures and related records used by the Bank for transactions contemplated by this Service Agreement shall be and remain the Bank's property. The Bank may, at its sole discretion, make available such information upon the Company's request. Any expenses incurred by the Bank in making such information available to the Company shall be paid by the Company.

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

35. Termination. Refer to Master Agreement Article VIII. Termination.

36. Entire Agreement. This Service Agreement, together with the Rules of the Deposit Account and the Master Cash Management Agreement, is the complete and exclusive statement of the agreement between the Bank and the Company with respect to the subject matter hereof and supersedes any prior agreement(s) between the Bank with respect to such subject matter. In the event of any inconsistency between the terms of this Service Agreement and the Depository Agreement, the terms of this Service Agreement shall govern. In the event performance of the services provided herein in accordance with the terms of this Service Agreement would result in a violation of any present or future statute, regulation or government policy to which the Bank is subject, and which governs or affects the transactions contemplated by this Service Agreement, then this Service Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and the Bank shall incur no liability to the Company as a result of such violation or amendment. No course of dealing between the Bank and the Company will constitute a modification of this Service Agreement, the Rules, or the Security Procedures, or constitute an agreement between the Bank and the Company regardless of whatever practices and procedures the Bank and the Company may use.



ACH ORIGATION SECURITY PROCEDURES

In addition to, and without limiting the generality of, the provisions of the Master Agreement relating to security, the Company shall comply with the ACH Origination Security Procedure provisions set forth herein and Company acknowledges and agrees that the ACH Origination Security Procedure provisions constitute commercially reasonable Security Procedures under applicable law for the initiation of ACH entries. In the event of a conflict between the security provisions of the Master Agreement and the ACH Origination Security Procedures, the terms of the ACH Origination Security Procedures will prevail with respect to ACH Origination.

Use of User ID and Password

The Security Procedures agreed upon by the parties for verifying the authenticity of Entries is the use of a log-in identification code ("User ID"), unique authentication code(s) ("Password") and Secure Access Code. Except as otherwise provided herein, the Company agrees to use the User ID, Password and Secure Access Code to authenticate all Entries and related messages transmitted through The Bank's Online Banking.

The Bank shall provide the terms and procedures for using the User ID, Password and Secure Access Code including any other additional documents and correspondence relating to the User ID and Password (collectively referred to as "Online Banking Access") only to an officer or other authorized person(s) of the Company as being authorized to use and receive the same ("Company Administrator"). The Company Administrator shall issue and disseminate the Online Banking Access only to those individuals who are authorized by the Company to initiate and transmit Entries to the Bank on behalf of the Company ("Authorized User"). Each Company Administrator shall also be deemed to be an Authorized User.

The Company shall ensure that only Authorized Users who have been authorized by the Company may use the ACH Origination services to initiate Entries. The Company shall be solely responsible for controlling and monitoring the use of the Password and User ID and maintaining the confidentiality of such procedures and any other Online Banking Access and documentation. The Company shall instruct all Company Administrators and Authorized Users to treat the Security Procedures with extreme care. The Company shall notify the Bank immediately of any unauthorized disclosure or use of the User ID and Password, including without limitation, if an Authorized User is no longer employed by the Company, by telephone at (585) 394-4260 with a confirmation followed in writing. The occurrence of unauthorized access will not affect any transfers the Bank makes in good faith prior to receipt of such notifications and within a reasonable time period thereafter to prevent unauthorized transfers.

The Company shall utilize the Company's User ID and Password to access the Online Banking service to transmit Entries. The Bank may act upon any Entry upon verification of the Company's User ID and Password. The Company agrees that the use of these Security Procedures constitute commercially reasonable methods of providing security against unauthorized Entries. The Bank will have no obligation to act upon any Entry unless and until such Entry is verified in accordance with the agreed upon Security Procedures, and the Company shall indemnify, defend, and hold the Bank harmless from any loss suffered or liability incurred by the Bank in refraining from executing any Entry after all reasonable efforts to verify the same in accordance with the Security Procedures have failed or in delaying execution until such verification is obtained. An Entry received by the Bank shall be effective upon the Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is sent using the Security Procedures set forth herein. If an Entry received by the Bank was transmitted or authorized by the Company, the Company shall pay the Bank the amount of the Entry, whether or not the Bank complied with the Security Procedures and whether or not that Entry was erroneous in any respect or that error would have been detected if the Bank had complied with such procedures.

Additional Procedures for Cancellation, Amendment or Reversal by the Company

File reversals may be originated to correct a duplicate or erroneous file in which substantially all of the entries were incorrect. A reversing file should only reverse those batches that were duplicate or erroneous. It is the responsibility of the party that originated the duplicate or erroneous file to reverse that file. Each reversing file must be in the format required by ACH specifications. When a file is reversed due to duplication or error, the Originator or ODFI must:



- Initiate the reversing file so that it can be transmitted or made available to the RDFI(s) within 5 Banking Days after the Settlement Date for the entries within the duplicate or erroneous file
- Place the word "REVERSAL" in the Company Entry Description Field of each Company/Batch Header Record
- Transmit the file to the Originating ACH Operator within 24 hours of the discovery of the error
- Initiate a correcting file with the reversing file, if the file is reversing an erroneous file

The rules and requirements for authorization do not apply for reversing files. The Bank may act on any oral instructions of an individual purporting to be the Company Administrator or Authorized User instructing the Bank to cancel, amend or reverse a file if the Bank (i) recognizes the voice of the caller and believes in good faith the caller to be genuine and to have been made by one of the Company's authorized agents, (ii) the Company complies with the Bank's procedures for amending, canceling or reversing a file as in effect from time to time, and (iii) the Company confirms the oral request by electronic mail.

In addition, the Bank may accept a facsimile instruction of a Company Administrator or other authorized officer or official of the Company to reverse an individual entry item at designated facsimile numbers provided by the Bank from time to time. Facsimile instructions directed to any other telephone number may not be recognized. The Bank may act on any direction of a Company Administrator or authorized officer or official of the Company when bearing or purporting to bear the signature or facsimile signature of such Company Administrator or authorized official, regardless of by whom or by what means the actual or purported facsimile signature may have been affixed, if the signature resembles the specimens duly certified to or filed with the Bank.

Procedures to Change Company Administrator(s)

The Company agrees to notify the Bank of any change in the Company Administrator(s) by submitting the *Business Online Banking Administrator Change* form signed by an officer or official of the Company setting forth the changes to be made (including the name, signature, mailing and e-mail address and telephone number of each Company Administrator to be changed). No such change will be effective until the Bank has received such new certification and has had a reasonable opportunity to act upon such certification. The Bank may act upon the written instructions of an individual purporting to be an authorized officer or official of the Company instructing the Bank to add or delete Company Administrators (including those received by facsimile transmissions), the Bank's obligations being limited to taking reasonable care to determine that the signature reasonably resembles the specimen signature provided to the Bank.

The Company agrees that the Bank is not responsible for faulty transmissions or any failure to receive facsimile transmissions. An instruction received by the Bank shall be effective upon Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is accepted by the Bank in good faith and in accordance with the foregoing procedures.

Unauthorized use of any Online Banking Access or other component of the Security Procedures shall be solely the responsibility of the Company.



POSITIVE PAY (a “Service”)

This Service allows Company to utilize the Positive Pay Services outlined herein (“Services”). All of the terms and provisions of the Master Agreement are hereby incorporated by reference and are made a part of this Service Agreement to the same extent as if those terms and provisions were contained herein. Company further agrees that this Service Agreement is entered into as a Service Agreement under the Business Online Banking and Master Cash Management agreement (“Master Agreement”). Bank and Company agree that by executing this Service Agreement, Company acknowledges receipt of and agrees to the terms of the Master Agreement.

In the event of inconsistency between a provision of this Service Agreement, the UCC, the Master Agreement, and/or the Depository Agreement, the provisions of this Service Agreement shall prevail. Bank offers the Positive Pay Service subject to the terms of this Service Agreement in association with the Company accounts, and this Agreement supplements but does not replace the terms and conditions governing the account.

1. Definitions. The following terms and definitions apply when used in this Service Agreement.

- 1.1. Bank’s Wrongful Honor.** Bank’s liability to Company for any Presented Check erroneously paid by Bank in breach of this Agreement.
- 1.2. Issued Check File.** Referenced sometimes herein as the “File” is a file issued by Company to the Bank which provides a list of all outstanding checks issued by Company against the designated accounts which were not previously listed on an Issued Check File.
- 1.3. Exception Item.** An ACH entry that does not exactly match the ACH instructions or a check that does not exactly match the uploaded check (per the criteria identified in this Service Agreement).
- 1.4. Matched Check.** A Presented Check that matches a check identified in the File by check number, issue date, and exact dollar amount. If Company is enrolled in Payee Match, then a “Matched Check” shall also include the Payee name to the Company’s list of checks issued.
- 1.5. Positive Pay Contact(s).** Authorized Users who are authorized to instruct Bank concerning the disposition of Exception Items.

2. Check Positive Pay. Company may use the Positive Pay service to identify and act upon fraudulent checks and reconcile Company’s designated accounts. Company shall provide the Bank with an Issued Check File or upload checks issued manually in the manner described and defined below, detailing all checks Company has issued on the designated accounts. This File or uploaded checks are imported into the Check Positive Pay service for comparison to checks presented for payment against Company’s designated accounts.

- 2.1. Issued Check File.** By transmitting the File, Company expressly warrants that all Presented Checks that match the information in the File are properly payable. The File must accurately state the check number, issue date, and exact dollar amount on each check drawn on the designated accounts. Before beginning the Positive Pay Service and providing its first File, Company must provide Bank a list of all outstanding checks on the designated accounts. Any Presented Check that does not appear in a File received by Bank or that is not manually uploaded by Company, shall appear as an Exception Item. In order to avoid having a large number of Exception Items, Company should upload the File or checks to Bank’s system by the deadlines provided in the *Positive Pay Configuration/Training Checklist*.
- 2.2. Reverse Positive Pay.** Upon enrollment of Reverse Positive Pay (an optional service), Bank will make available to Company a Reverse Positive Pay Extract. It is Company’s responsibility to review the Reverse Positive Pay Extract and communicate to Bank, in a manner acceptable to Bank, its decision to return any applicable item. If Company fails to communicate the return decision by the Positive Pay Cut-Off time listed in the *Positive Pay Configuration/Training Checklist*, the checks in the Reverse Positive Pay Extract will be paid. Checks presented at the teller line for deposit will be provided for Company’s review on the following business day. The Reverse Positive Pay service is not available for checks presented at the teller line for cash.



- 2.3. Payee Match. Payee Match service includes a matching requirement for the Payee name to the Company's list of checks issued. If Company is enrolled in Payee Match, Company shall also provide the name of the Payee on the item in the Issued Check File.
- 2.4. Account Reconciliation. Account Reconciliation Services provide you with the ability to reconcile issued and paid items. Use of this Service does not affect your obligations to report unauthorized signatures, alterations, endorsements, or any other unauthorized transaction or discrepancy. Use of this Service does not increase our duty with respect to Accounts or the payment of items.
- 2.5. Software. Company may upload a file to Bank's system using a spreadsheet format that meets the requirements of Bank that may be established from time to time. Bank shall have the right to reject any file that is presented in a format that cannot be uploaded by Company or processed by Bank. Company will provide to the Bank applicable test data, including, but not limited to, issue file formats and checks, by a date agreed to by Bank and Company, prior to the first day that the Positive Pay service is to be performed. Bank cannot guarantee compatibility with any third party software. Company may provide files to Bank through the Positive Pay service as a manual upload.
- 2.6. Printed Check Requirement. If Company orders or prints checks from any check-printing vendor other than the Bank's approved vendor, Company agrees to ensure the MICR encoding ink is of high quality. Not using high quality MICR ink could result in a large number of Positive Pay Exception Items and additional costs.
- 2.7. Payment of Presented Items and Reporting Exception Items. Bank shall compare each Presented Check (other than checks not covered as discussed in Section 2.8) to the checks uploaded and identified as received by the Bank from Company. Bank will not review or attempt to match the Payee on the check even if Company has provided Bank with the Payee information unless Company is enrolled in the Payee Match service. Company has sole responsibility for matching the Payee on the checks identified by Company in the File, unless Company is enrolled in the Payee Match service. In the event that the check number and the amount of the Presented Check match the item uploaded in the Positive Pay service but the Payee does not match, the Presented Check shall not be designated as an Exception Item subject to further review by Company, unless Company is enrolled in the Payee Match service.

If Company is enrolled in the Payee Match service, Company acknowledges and agrees that Bank shall use reasonable efforts to match the name of the Payee on the item uploaded to the Positive Pay service to the Presented Check and that Bank shall not be liable to Company if Bank is not able to match the Payee designated in the item uploaded to the Positive Pay service to the Presented Check.

Each Matched Check or check within the Exception Items which Company authorizes Bank to pay in accordance with this service will be paid without Bank performing its customary (or any other) check verification procedures. Bank will have no liability whatsoever for paying such Matched Check or Company authorized check even if its serial number or amount is altered, or even if it is a counterfeit, bears a forged or unauthorized signature or was otherwise not validly issued. Company acknowledges and agrees that each Presented Check which Bank pays in accordance with this Agreement will be conclusively deemed to be properly payable.

- 2.8. Checks Not Covered. This Positive Pay service does not cover a Presented Check which the Bank has already cashed, negotiated or paid or which the Bank is already committed to honor or pay under applicable laws, regulations or rules governing such items. In no event shall Bank be liable for: (i) any check paid over the counter if, at the time the check was reviewed by the Teller, it did not appear as an exception item (ii) any check not paid over the counter because it appeared to be an exception item when the check was reviewed by the Teller.

Notwithstanding any other provision of this Agreement, Company authorizes Bank to return the Presented Check which fits the criteria in the preceding paragraph. Additionally, Bank shall have no obligation to notify Company of any such Presented Check.

Company agrees and understands that the Check Positive Pay Service applies only to MICR encoded paper checks and documents. Therefore, the Check Positive Pay Service shall not apply to any Electronic Funds Transfer, ACH



Transaction, or check that has been converted to an ACH Transaction that does not contain a serial number. Accordingly, this Agreement shall have no effect with respect to any such transactions on Bank's or Company's respective rights, obligations, duties or responsibilities under any other Master or Service Agreement between the parties or applicable law or regulation.

3. ACH Positive Pay. Bank shall provide the service to Company, which allows Company to authorize or filter ACH transfers to or from Company's deposit accounts at Bank. Company acknowledges and agrees that by instructing Bank to filter designated ACH Entries, the Company acknowledges that Bank will act accordingly on Company instruction.

3.1. Transmitting and Processing ACH Instructions. Company's authorized representative or agent shall provide ACH instructions, such as ACH Pre-Authorization or ACH Transaction Filter Setup to Bank. Amendments of the ACH instructions shall be by such method and in such format as Bank shall specify. Bank shall process ACH instructions received from Company in accordance with the procedures and requirements. Bank shall be allowed a reasonable period of time (as measured by industry standards) in which to process the ACH instructions following their receipt from Company. Bank shall not be obligated to process ACH instructions unless all of Bank's specified requirements and conditions have first been satisfied or waived by Bank, in its sole and absolute discretion.

3.2. ACH Instructions. Instructions may include any one or more of the following actions:

3.2.1. Company may filter all ACH Debit and/or Credit Entries on its account(s).

3.2.2. Company may authorize specified ACH Debit and/or Credit Entries to post against its account(s) and filter all others.

3.2.3. Company may filter all ACH Debit and/or Credit Entries to its account(s) (i) greater than a specified amount, (ii) from specified accounts, (iii) from specified Company IDs, and/or (iii) containing specified SEC Codes.

4. Exception Items. Company will receive a list of any Exception Items. Company may set up an alert through the Positive Pay system to receive via email when the Exception Items are available. Company must log into Online Banking to review, work, and clear the Exception Items no later than the Positive Pay Cut-Off time listed in the *Positive Pay Configuration/Training Checklist*.

5. Pay/No Pay (Return) Requests. Company shall designate and provide Positive Pay contact information for any file or exception alerts. Prior to the Positive Pay Cut-Off time listed in the *Positive Pay Configuration/Training Checklist* or upon Bank's notification if Company has elected to receive an alert, a Positive Pay Contact of Company will either confirm the validity of the exception item and request the Bank to pay the item ("Pay Request") (in which case Bank will pay the exception item provided Company responds prior to the Positive Pay Cut-Off time), or will instruct Bank to Not Pay the exception item ("Return Request"). Bank may rely upon instructions received from any designated Positive Pay Contact(s). Bank is not required to obtain approval or confirmation from Company, from any Administrator or from any other Positive Pay Contact. Company agrees that a Positive Pay Contact will respond to Bank concerning each exception item using the Electronic service by the Positive Pay Cut-Off on the same Business Day that Bank notifies Company of the Exception Item. Company agrees to pay Bank the Exception Item's fee for each Exception Item presented to Bank. Notwithstanding the provisions contained in this section, Bank may return (without providing Company notification prior to such return) each Exception Item that is personally presented by an individual to Bank at the teller line for payment. Any Administrator may, from time to time, add or delete Positive Pay Contacts or change contact information or exception authority by filling out the Bank's Change Request Form. No such change in Positive Pay Contacts' exception authority shall be effective until Bank receives the revised list and has a reasonable period of time to act thereon. Bank shall not be responsible for any claims, liabilities, losses, damages, costs or expense resulting from, or relating to, Bank's payment or return of a presented item, or Bank's other action or inaction, that is based upon: (i) an Unauthorized Person's instructions to pay or return an Exception Item or other instructions; (ii) an Unauthorized Person's failure to respond to Bank's notification concerning an Exception Item; or (iii) an Unauthorized Person's revision to the list of Positive Pay Contacts.

Subject to Section 8 of this Agreement, Bank shall not pay any Presented item for which Bank has received from Company a "stop payment" order request consistent with the Terms and Conditions within the agreement between the parties governing the designated accounts.

6. COMPANY'S FAILURE TO TIMELY COMMUNICATE DECISION. THE FAILURE OF COMPANY TO COMMUNICATE



EITHER A PAY REQUEST OR RETURN REQUEST AS TO THE EXCEPTION ITEMS, OR THE FAILURE OF BANK TO RECEIVE ANY SUCH PAY OR RETURN REQUEST FROM THE COMPANY, SHALL BE CONCLUSIVELY DETERMINED TO BE A RETURN REQUEST BY DEFAULT. BANK SHALL NOT BE LIABLE TO CUSTOMER FOR RETURNING SUCH EXCEPTION ITEMS AND SHALL HAVE NO LIABILITY TO CUSTOMER FOR SUCH PAID ITEMS.

7. Errors. The Bank is not responsible for detecting any Company error contained in any File, ACH instructions, pay request or return request communicated by the Company to the Bank or for any File, ACH instructions, pay request or return request not timely received by Bank.

8. Stop Payment and Return Decisions. The Positive Pay service will not be used as a substitute for Bank's stop payment service. Company will follow Bank's standard stop payment procedures if it desires to return a valid check or ACH Transaction. Nothing in this Agreement will limit Company's right to stop payment on any check or ACH Transaction that Company has authorized Bank to pay in accordance with this Agreement if Bank determines in its sole discretion that the check or ACH Transaction is not properly payable for any reason (without Bank's agreeing to, or being required to, make such determination in any circumstance) or that there are insufficient collected and available funds in the Account to pay it.

9. Communication. Company is solely responsible for setting up via Online Banking accurate electronic addresses for communication in connection with transactions contemplated in this Agreement and for all security of Company's systems and devices used to access Online Banking.

10. Limitation of Liability. In addition to the Limitations of Liability set forth in the Master Agreement, the parties agree as follows:

10.1. Wrongful Dishonor. Bank's Wrongful Honor shall be limited to the lesser of the amount of the wrongfully paid Presented Check or Company's actual damages resulting from Bank's payment of the Presented Check. Bank retains the right to assert the defense that Company has sustained no actual damages because Bank's Wrongful Honor discharged for value an indebtedness of Company. Bank also retains the right to assert Company's failure to exercise reasonable promptness or ordinary care under the UCC. Nothing herein shall constitute a waiver or limitation of the rights of Bank under the UCC. Bank's liability for wrongful dishonor of a Presented Check shall be limited to the damages for wrongful dishonor recoverable under UCC Articles 3 and 4; provided, however, that Bank shall have no liability to Company for wrongful dishonor when Bank, acting in good faith, returns a Presented Check: (i) that it reasonably believed was not properly payable; or (ii) if required to do so by the service of legal process on Bank or the instructions of regulatory or government authorities or courts. Company agrees that Bank exercises ordinary care whenever it pays or returns a Presented Check consistent with the provisions of this Agreement.

10.2. Loss Recovery Efforts. Company agrees to cooperate with Bank in any loss recovery efforts the Bank undertakes to reduce any loss or liability that arises in connection with the Positive Pay service. Company acknowledges that the fees of Bank for the Positive Pay service, has been established in contemplation of: (a) these limitations on our liability, (b) the responsibility of Company to review statements, confirmations, and notifications promptly and to notify Bank immediately of any discrepancies or problems, and (c) the responsibility of the Company to assist Bank in any loss recovery effort.

10.3. Hold Harmless. Company shall accept liability to any party and indemnify and hold the Bank harmless for any damages, losses, fines, fees, taxes, legal expenses, or actions at law arising from the return (dishonor) of any Presented Check or ACH Debit Transaction if such return resulted from the correct application of any pay or return request of Company.

10.4. Properly Payable Debit. Any Presented Check or ACH Debit Transaction that is paid in accordance with the Positive Pay service shall conclusively be considered properly payable and Company agrees that Bank shall have no liability to Company for paying Presented Checks or ACH Debit Transactions in accordance with the service.

10.5. Dispute over Return of ACH Debit Entry. Company acknowledges that the return of an ACH Debit Entry is subject to dispute on the part of the sender. In the event of such a dispute the Bank must act according to applicable laws, regulations, and the rules, including any attachments or appendices thereto now in effect, or as may be amended



from time to time, of the Rules.

10.6. Identification of ACH Transactions to Filter. Company and Bank acknowledge that ACH Transactions are originated according to certain processing Rules which require the use of an originator name and originator identification number imbedded in the transaction to identify its source, and this imbedded data is a critical component of Bank's ability to monitor for transactions which Company desires to filter. Bank shall act in good faith to process Company's ACH instructions. However, if the identifying information in the transaction is inconsistent or is described inconsistently by Company in ACH instructions, Bank shall be held harmless for posting an ACH Transaction to Company's account and any dispute related to such a transaction shall be between Company and the originator of the transaction.

10.7. No Change in the Agreement Limits of Liability. This limitation of liability supplements the limits of Bank's liability described in the Master Agreement, which remain in full force and effect without change.

10.8. Termination. Refer to Master Agreement Article VIII. Termination.

11. Recording and Use of Communications. Company and Bank agree that all telephone conversations or data transmissions between them or their agents made in connection with this Service Agreement may be electronically recorded and retained by either party by use of any reasonable means. Bank shall not be obligated to make such recordings.

12. Payment for Services. Refer to Master Agreement section 6.1.6 Payment for Services.

13. Designation of Administrator. Company must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Company authorizes to utilize the Positive Pay service on its behalf. For the purposes of this Service Agreement, the term User shall also include the Administrator. The Bank shall be entitled to rely on the designations made by the Company's Administrator(s) and shall not be responsible for matching the names of the company Users designated by the Administrator(s) to names or titles listed in Company's banking resolutions. Company agrees that any such online Entries shall comply with Bank's Security Procedures, which are subject to change without notice to Company. Although Bank is only required to act upon the instructions of the Users(s), the Bank may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Company to sign checks on Company accounts. The signature cards establishing the authorized signatories for Company deposit accounts are hereby incorporated by reference and made a part hereof.

You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any Administrator shall change or be revoked.

14. Amendments. Refer to Master Agreement Article IX. Changes in Terms and Other Amendments.

15. Survival. Section 10 of this Agreement will survive termination of the service.

16. Contact Information, Notices, Instructions, Etc. Refer to Master Agreement section 10.5 Contact Information, Notices, Instructions, Etc.



POSITIVE PAY SECURITY PROCEDURES

In addition to, and without limiting the generality of, provisions of the Master Agreement relating to Security, the Company shall comply with the Positive Pay Security Procedure provisions set forth herein and Company acknowledges and agrees that the Positive Pay Security Procedure provisions constitute commercially reasonable Security Procedures under applicable law. In the event of a conflict between the security provisions of the Master Agreement and the Positive Pay Security Procedures, the terms of the Positive Pay Security Procedures will prevail with respect to Positive Pay.

In its sole and absolute discretion Bank may elect to specify Security Procedures which relate to the service and Online Banking. When such procedures are specified, Company agrees that the purpose of the Security Procedures is to verify the authenticity of any pay request and return request submitted to Bank by Company. Company's continued use of this service following receipt of any Security Procedures specifications from Bank constitutes Company's acceptance of such Security Procedures, Company's acknowledgement that such Security Procedures are commercially reasonable, and Company's agreement that all pay request and return request communicated by Company hereunder will comply with such Security Procedures.

Company agrees to establish and maintain internal procedures to adequately safeguard against unauthorized (a) pay requests, (b) return requests and (c) ACH instructions and to limit access to the service to only those individuals whom Company has authorized to act on its behalf with respect to this service, and shall otherwise comply with the procedures and security precautions set forth herein pertaining to Online Banking. Any pay request, return request, or ACH instructions (including a request for cancellation, amendment, or reversal of any such request or ACH instruction) or other communication received by Bank that purports to have been submitted or authorized by Company in accordance with this Agreement and the Master Agreement, with the user name, password, or other identification codes designated by Company shall be effective and binding upon Company even if such request or ACH instruction was not in fact authorized by Company, provided Bank has acted in good faith.

If Company believes the Security Procedures have been compromised or that confidential information regarding the use of this Positive Pay service has become known to any individual who might initiate unauthorized pay requests, return requests or ACH instructions, Company agrees to promptly notify Bank to initiate such corrective action as might be necessary to prevent unauthorized access to the service.

Use of User ID and Password

The Security Procedures agreed upon by the parties for verifying the authenticity of Positive Pay Entries is the use of a log-in identification code ("User ID"), and ("Password"). Except as otherwise provided herein, the Company agrees to use the User ID and Password to authenticate all Positive Pay Entries and related messages transmitted through The Bank's Online Banking.

The Bank shall provide the terms and procedures for using the User ID, Password and Secure Access Code including any other additional documents and correspondence relating to the User ID and Password (collectively referred to as "Online Banking Access") only to an officer or other authorized person(s) of the Company as being authorized to use and receive the same ("Company Administrator"). The Company Administrator shall issue and disseminate the Online Banking Access only to those individuals who are authorized by the Company to initiate and transmit Entries to the Bank on behalf of the Company ("Authorized User"). Each Company Administrator shall also be deemed to be an Authorized User.

The Company shall ensure that only Authorized Users who have been authorized by the Company may use the Positive Pay services. The Company shall be solely responsible for controlling and monitoring the use of the Password and User ID and maintaining the confidentiality of such procedures and any other Online Banking Access and documentation. The Company shall instruct all Company Administrators and Authorized Users to treat the Security Procedures with extreme care. The Company shall notify the Bank immediately of any unauthorized disclosure or use of the User ID and Password, including without limitation, if an Authorized User is no longer employed by the Company, by telephone at (585) 394-4260 with a confirmation followed in writing. The occurrence of unauthorized access will not affect any transactions the Bank makes in good faith prior to receipt of such notifications and within a reasonable time period thereafter to prevent unauthorized transactions.



The Company shall utilize the Company's User ID and Password to access the Online Banking service to utilize the Positive Pay service. The Company agrees that the use of these Security Procedures constitute commercially reasonable methods of providing security against unauthorized Positive Pay instructions. The Bank will have no obligation to act upon any Positive Pay instructions unless and until such Positive Pay instruction is verified in accordance with the agreed upon Security Procedures, and the Company shall indemnify, defend, and hold the Bank harmless from any loss suffered or liability incurred by the Bank in refraining from executing any Positive Pay instructions after all reasonable efforts to verify the same in accordance with the Security Procedures have failed or in delaying execution until such verification is obtained. A Positive Pay instruction received by the Bank shall be effective upon the Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is sent using the Security Procedures set forth herein.

Procedures to Change Company Administrator(s)

The Company agrees to notify the Bank of any change in the Company Administrator(s) by submitting the *Business Online Banking Administrator Change* form signed by an officer or official of the Company setting forth the changes to be made (including the name, signature, mailing and e-mail address and telephone number of each Company Administrator to be changed). No such change will be effective until the Bank has received such new certification and has had a reasonable opportunity to act upon such certification. The Bank may act upon the written instructions of an individual purporting to be an authorized officer or official of the Company instructing the Bank to add or delete Company Administrators (including those received by facsimile transmissions), the Bank's obligations being limited to taking reasonable care to determine that the signature reasonably resembles the specimen signature provided to the Bank.

The Company agrees that the Bank is not responsible for faulty transmissions or any failure to receive facsimile transmissions. An instruction received by the Bank shall be effective upon Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is accepted by the Bank in good faith and in accordance with the foregoing procedures.

Unauthorized use of any Online Banking Access or other component of the Security Procedures shall be solely the responsibility of the Company.



REMOTE DEPOSIT CAPTURE (a “Service”)

1. General Description of Remote Deposit Capture Service.

1.1. Description. Subject to the terms, provisions and conditions of this Agreement, Bank shall provide CNBusiness Deposit the Remote Deposit Capture Service to you, which allows you to make deposits to your deposit accounts from your office by scanning checks on a desktop scanner and delivering the images and information required hereby to Bank or Bank’s designated processor (a “**Processor**”). The scanner must capture an image of the front and back of each Check (as herein defined) to be deposited (each an “**Image**” or “**Check Image**” and, if more than one, “**Images**” or “**Check Images**”) in accordance with the Procedures (as herein defined), must read and capture the magnetic ink character recognition (“**MICR**”) line on each check and must read and capture all such other data and information as is required by this Agreement. After capture of the Images, the MICR line on each check and all other required data and information from each check, you will transmit one or more files containing the Images, the MICR line from each check and all other required data and information from or pertaining to all checks and all batched ACH (as herein defined) data and other required information (each such file a “**File**” and, if more than one, “**Files**”) to Bank or Processor via the Internet. Subject to compliance with the terms, provisions and conditions of, and as provided in, this Agreement, we will provisionally credit the Account or Accounts designated by you for the amount of the deposit(s) to which the File(s) pertains on the day of receipt of the File(s) and enter the images of the checks into the collection process, in accordance with the provisions of our then current Deposit Account Agreement and disclosure pertaining to the Account(s) into which the deposit is to be made (the “**Deposit Account Agreement**”) and this Agreement. In addition, or as an alternative, to transmitting Check Images, you may use the desktop scanner to initiate electronic signals for paperless debit entries through Bank to accounts maintained either at Bank or in other depository financial institutions by means of the Automated Clearing House (“**ACH**”). You and Bank agree that Bank may convert the Images to ACH entries on your behalf. You hereby appoint Bank as your agent for the specific purpose of making the determination and decision to convert the Images to ACH entries. You and Bank agree that you shall be and remain the Originator and Bank shall be the Originating Depository Financial Institution, as those terms are defined in the NACHA Rules. You understand and agree that you must execute, and we must approve and accept, our then current agreement pertaining to the provision of ACH services (such agreement the “**ACH Agreement**”) before initiating ACH debit entries. You shall receive credit for ACH debit entries in accordance with the terms of the ACH Agreement. You acknowledge and agree that we may discontinue, and/or change the terms of, CNBusiness Deposit the Remote Deposit Capture Service or any related content, features, products or services associated therewith, at any time without notice or liability to you or any third party. You hereby agree that Bank shall be the exclusive provider of the Service provided in accordance with this Service Schedule and that you will not use the same or similar services of any other party.

1.2. Other Agreements. The terms and conditions of the Deposit Agreement and disclosures for each of your Bank accounts, in addition to your other agreements with the Bank such as loans, continue to apply notwithstanding anything to the contrary in this Agreement and are hereby incorporated by reference and made a part hereof. This Agreement shall control as to any inconsistencies between this Agreement and the Deposit Agreement and disclosures.

1.3. Using Remote Deposit Service. To use the Service, you must have at least one checking account at the Bank, acquire the computer hardware and software required to access the Service, World Wide Web access via a secure Internet Service Provider (ISP), an Internet browser that supports a minimum 128 bit encryption standard, anti-virus software, and a valid e-mail address. Once we have verified your account information, we will provide you with your assigned User ID, Password and Authentication Method. The Service can be used to send Check Images for deposit to only the Bank accounts designated for access by the System in your Remote Deposit Capture Services Enrollment Form. You can add, change or delete any of your Bank accounts or User access from this Agreement by notifying us. Remote deposit access to your accounts through the Service will be based upon the identification of users and authority levels specified by you. We undertake no obligation to monitor transactions through the Service to determine that they are made on behalf of the accountholder.

2. Definitions. The following terms and definitions apply when used in this Service Agreement



- 2.1. Authentication Method.** The software provided to you by the Bank will include a method to identify the computer from which you send files to the Bank for processing. You agree to use only the computer that has been identified by the software provided by the Bank to process checks and originate files to the Bank for processing.
- 2.2. Check 21.** Check Clearing for the 21st Century Act, which may be amended from time to time.
- 2.3. Check Image.** An electronic image of an original check (including a Substitute Check) created by you in connection with the Service.
- 2.4. Collecting Bank.** Any bank handling a check for Forward Collection, except the Paying Bank.
- 2.5. Depository Bank.** The first bank to which a check is transferred even though it is also the Paying Bank or the Payee. A check deposited in an account is deemed to be transferred to the bank holding the account into which the check is deposited, even though the check is physically received and indorsed first by another bank.
- 2.6. Electronic Item.** A digitized image of a check, an Image Exchange Item, or any other electronic version of a check or other electronic item (such as items process able through the Automated Clearing House (ACH) system) approved by the Bank for processing through the System.
- 2.7. Electronic Payment.** A wire transfer or an ACH credit transfer.
- 2.8. Files.** Shall have the meaning set forth in Section 1.1.
- 2.9. Forward Collection.** The process by which the Bank sends a check on a cash basis to a Collecting Bank for settlement to the Paying Bank for payment.
- 2.10. Image Exchange Item.** A digitized image of a check cleared and settled directly with a payor financial institution without conversion to a Substitute Check.
- 2.11. Noncash Item.** An item that would otherwise be a check, except that:
 - (a) A passbook, certificate, or other document is attached;
 - (b) It is accompanied by special instructions, such as a request for special advice of payment or dishonor;
 - (c) It consists of more than a single thickness of paper, except a check that qualifies for handling by automated check processing equipment; or
 - (d) It has not been preprinted or post-encoded in magnetic ink with the Routing Number of the Paying Bank.
- 2.12. Paper or Electronic Representation of a Substitute Check.** Any copy of or information related to a Substitute Check that a bank handles for Forward Collection or return, charges to a customer's account, or provides to a person as a record of a check payment made by the person.
- 2.13. Paying Bank.**
 - (a) The bank by which a check is payable, unless the check is payable at another bank and is sent to that bank for payment or collection;
 - (b) The bank at which a check is payable and to which it is sent for payment or collection;
 - (c) The Federal Reserve Bank or Federal Home Loan Bank by which a check is payable;
 - (d) The bank through which a check is payable and to which it is sent for payment or collection, if the check is not payable by a bank; or
 - (e) The state or unit of general local government on which a check is drawn and to which it is sent for payment or collection.

Paying bank includes the bank through which a check is payable and to which the check is sent for payment or collection, regardless of whether the check is payable by another bank, and the bank whose Routing Number appears on a check in fractional or magnetic form and to which the check is sent for payment or collection. A paying bank also includes the Treasury of the United States or the United States Postal Service for a check that is payable



by that entity and that is sent to that entity for payment or collection.

2.14. Processor. Shall have the meaning set forth in Section 1.1.

2.15. Reconverting Bank.

- (a) The bank that creates a Substitute Check; or
- (b) With respect to a Substitute Check that was created by a person that is not a bank, the first bank that transfers, presents, or returns that Substitute Check or, in lieu thereof, the first paper or electronic representation of that Substitute Check.

2.16. Remotely Created Check. A check that is not created by the Paying Bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. For purposes of this definition, "account" means an account or other arrangement that allows a person to draw checks that are payable by, through, or at a bank.

2.17. Retention Period. Shall have the meaning set forth in Section 10.

2.18. Returning Bank. A bank (other than the paying or Depository Bank) handling a returned check or notice in lieu of return. A returning bank is also a Collecting Bank for purposes of UCC 4-202(b).

2.19. Routing Number.

- (a) The number printed on the face of a check in fractional form or in nine-digit form; or
- (b) The number in a bank's endorsement in fractional or nine-digit form.

2.20. Sufficient Copy and Copy.

- (a) A sufficient copy is a copy of an original check that accurately represents all of the information on the front and back of the original check as of the time the original check was truncated or is otherwise sufficient to determine whether or not a claim is valid.
- (b) A copy of an original check means any paper reproduction of an original check, including a paper printout of an electronic image of the original check, a photocopy of the original check, or a Substitute Check.

2.21. "Transfer" and "Consideration". These terms have the meanings set forth in the Uniform Commercial Code and in addition:

- (a) The term transfer with respect to a Substitute Check or a paper or electronic representation of a Substitute Check means delivery of the Substitute Check or other representation of the Substitute Check by a bank to a person other than a bank; and
- (b) A bank that transfers a Substitute Check or a paper or electronic representation of a Substitute Check directly to a person other than a bank has received consideration for the item if it has charged, or has the right to charge, the person's account or otherwise has received value for the original check, a Substitute Check, or a representation of the original check or Substitute Check.

3. Hardware and Software. You understand you must, and hereby agree to, at your sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of CNBusiness Deposit the Remote Deposit Capture Service and that fulfills your obligation to obtain, and maintain, secure access to the Internet. You understand and agree you may also incur, and shall pay, any and all expenses related to the use of CNBusiness Deposit the Remote Deposit Capture Service, including, but not limited to, telephone service or Internet service charges. You are solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of CNBusiness Deposit the Remote Deposit Capture Service. You understand and agree that you are solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with CNBusiness Deposit the Remote Deposit Capture Service and the cost thereof, and you hereby agree that you will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements, and such performance shall be rendered by properly trained personnel, whether they are employees of you or third-party employees. We are not responsible for, and you hereby release us from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated



with using electronic mail or the Internet. We are not responsible for, and you hereby release us from any and all claims or damages resulting from, or related to, defects in or malfunctions of your computer hardware or software, or failures of or interruptions in any electrical, telephone or Internet services. We hereby advise you, and you hereby agree, to scan your computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses. In connection with your use of CNBusiness Deposit the Remote Deposit Capture Service, you shall only use the hardware described in the list provided by the Bank (as the same may be amended or supplemented, the **"Hardware List"**) or such other hardware as is approved in advance by us and shall only use such software as is approved in advance by us.

All right, title and interest in and to (a) any and all computer programs, including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto and any and all documentation, user guides and instructions pertaining thereto (everything in this clause (a), collectively, **"Software"**), (b) the Remote Deposit Procedure Manual (defined herein below) and (c) any and all users guides, instructions and other documentation provided to, or used by you in connection with CNBusiness Deposit the Remote Deposit Capture Service (everything in this clause (c) together with the Remote Deposit Procedure Manual, collectively, the **"Documentation"**) shall be, and remain, the property of Bank or any third party Software provider, as applicable. Unless otherwise expressly authorized, you may not (a) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, reverse engineer, reverse compile or create derivative works of, the Software in any form or (b) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit the Documentation.

4. Checks Deposited. You hereby agree that you will only deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC (**"Reg CC"**). You shall endorse each Check to be deposited in accordance with 'The Law and Your Endorsements Disclosure' and shall also stamp the original Check "Processed" before or during the process of scanning the Check. You further agree that you will not remotely deposit any checks or other items that: (a) are payable to any person or entity other than you, (b) are drawn, or otherwise issued, by you or any of your affiliates on any of your accounts or of such affiliate, (c) are prohibited by Bank's then current procedures pertaining to CNBusiness Deposit the Remote Deposit Capture Service (the **"Procedures"**) or are in violation of any law, rule or regulation, checks derived from illegal internet gambling transactions are strictly prohibited, and may not be included in any of the batches scanned, (d) you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Check is drawn, (e) have not been previously endorsed by a bank and are either "Substitute Checks" or "image replacement documents" that purport to be Substitute Checks, without our prior written consent, (f) are drawn on financial institutions that are located outside of the United States or Territories of the United States, (g) is a Remotely Created Check as that term is defined in Reg CC, or (h) which are not acceptable to Bank for deposit into a deposit account as provided in the Deposit Agreement (Checks described in clauses (a) through (h) each a **"Prohibited Check"** and, collectively, **"Prohibited Checks"**). You agree that the terms Electronic Item and Item shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text). If you deposit a Prohibited Check, you agree to indemnify and reimburse us for, and hold us harmless from and against, any and all losses, costs and expenses (including reasonable attorney's fees) we may incur associated with any warranty, indemnity or other claim related thereto. Furthermore, if, after first having obtained our written consent to do so, you provide us with an electronic representation of a Substitute Check for deposit into an Account instead of an original Check, you agree to indemnify and reimburse us for, and hold us harmless from and against, any and all losses, costs and expenses (including reasonable attorney's fees) we incur because any such Substitute Check resulting from such electronic representation does not meet applicable Substitute Check standards and/or causes duplicate payments.

5. Your Responsibility When the User ID, Password and Authentication Method are Used. In your electronic communications with us, you must use your User ID, Password and Authentication Method (**"Security Procedures"**) to initiate a secure System session with us. You may then use the tools provided by us within the System.

When we initially commence your ability to access the System, we will establish access for you using a temporary Password. You will be required to change your Password upon your first login and periodically thereafter. You agree that you will not under any circumstances disclose your Password to anyone, including anyone claiming to represent Bank.

Your Password must be at least eight characters in length and consist of both an alpha (letter) and a numeric (or special such as \$, #, %, etc.) characters for purposes of security. We recommend that you create a Password that utilizes both



upper and lower case characters. 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.

We are entitled to act upon instructions we receive with respect to the Service under your User ID, Password and Authentication Method, and you are liable for all transactions made or authorized with the use of your User ID, Password and Authentication Method. We have no responsibility for establishing the identity of any person who uses your User ID, Password and Authentication Method. You agree that if you give your User ID, Password and Authentication Method to anyone or fail to safeguard its secrecy, you do so at your own risk since anyone with your User ID, Password and Authentication Method will have access to the Service.

You agree to take appropriate steps to ensure that all User ID's, Passwords, Authentication Methods and any other applicable Security Procedures issued to your agents, representatives, employees or officers are protected and kept confidential. In your review of the System, including those aspects of the System pertaining to the issuance, use, and protection of User ID's, Passwords, Authentication Methods and Security Procedures, you agree to notify the Bank in the event your use of the System would necessitate or be better served by a level of security that exceeds that offered by the System. If you fail to notify the Bank, you acknowledge and agree that the security aspects of the System are appropriate for your needs and will provide you with a commercially reasonable degree of security against unauthorized use.

You agree to indemnify and hold harmless the Bank from any and all liability, and agree not to make any claim against the Bank or bring any action against the Bank, relating to its honoring or allowing any actions or transactions that were conducted under your User ID, Password and Authentication Method or acting upon messages or authorizations provided to us using your User ID, Password and Authentication Method unless Bank has a breach.

You agree that we shall not be responsible for any loss, property damage or bodily injury arising out of or resulting from the failure of any person to provide you with access to the System, whether caused by the equipment, software, the Bank, Internet service providers, Internet browsers, or the parties providing communication services to or from us to you. We are not liable for war, acts of government that may restrict or impair use of System services, hurricanes, floods or other disasters, nor shall we be responsible for any direct, indirect, special or consequential, economic or other damages relating in any way to the foregoing.

By directing us, through the use of the System, the Service used in conjunction with your User ID, Password and Authentication Method, you authorize us to complete the transaction. Any requests or instructions we receive from you through the System using your User ID, Password and Authentication Method shall constitute writings with your signature as provided under applicable law, and shall have the same force and effect as a writing signed by you. This includes, but is not limited to, inquiries, deposit transactions, items deposited, check images, changes to accounts or Service or any other communication you provide us through the System using your User ID, Password and Authentication Method. You acknowledge, understand and agree the Security Procedures are not designed for the detection of errors. We are not, and will not be, obligated to detect errors by you or others, even if we take certain actions from time to time to do so.

Your access to the System will be blocked in the event your User ID, Password and Authentication Method is entered incorrectly on **(3)** three consecutive attempts. If this happens, please call us at (800) 724-2621. If you believe that your User ID, Password or Authentication Method has been lost or stolen, or that someone has accessed the System without your permission, call us at (800) 724-2621, or write to us at 72 South Main Street, Canandaigua, New York 14424.

6. Responsibility for Users. The System requires you to designate at least one User. The User will be responsible for maintaining user settings and security. Access to the System will be based upon the identification of users and authority levels. You must notify us immediately if you terminate or change the User. You can use the System seven days a week, twenty-four hours a day, although some or all System options may not be available occasionally due to emergency or scheduled system maintenance. We will attempt to advise you in advance of any extended periods of non-availability.

7. Data Protection. You understand the importance of your role in preventing misuse of your accounts through the System and you agree to promptly examine your statement for each of your accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself, or



together with information related to your account, may allow unauthorized access to your account. Your User ID, Password and Authentication Method are intended to provide security against unauthorized entry and access to your accounts. Data transferred via the System is encrypted in an effort to provide transmission security and the System utilizes identification technology to verify that the sender and receiver of System transmissions can be appropriately identified by each other. Notwithstanding our efforts to ensure that the System 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 the System, or e-mail transmitted to and from us, will not be monitored or read by others.

8. Your Operational Responsibilities - You agree to:

- 8.1.** Maintain at least one or more checking accounts at the Bank eligible for the receipt of deposits of digitized images of checks;
- 8.2.** Perform initial installation procedures in accordance with the Bank's Remote Deposit Capture Services User Guide;
- 8.3.** Use the System only for your internal business purposes as applied for;
- 8.4.** Exercise due care in preserving the confidentiality of any User ID, password, test key, or other code or authentication method provided by the Bank and to prevent the use of the System by unauthorized persons, in addition you assume full responsibility for the consequences of any unauthorized use of or access to the System or disclosure of any confidential information;
- 8.5.** Install and implement any changes and upgrades to the System as required by the Bank to ensure compliance with regulatory changes or developments, or to protect the integrity and security of the System;
- 8.6.** Use only equipment authorized and approved by the Bank;
- 8.7.** Ensure the equipment is operating properly at all times;
- 8.8.** Inspect and verify the quality of images;
- 8.9.** Use the System and equipment to enter, process and transmit images of original checks in accordance with this Agreement. You will create a Check Image of an original check using scanning equipment to scan the front and back of each original check, including the correct dollar amount of each Check Image. In addition, you are responsible for ensuring the MICR line information from the original check is accurately scanned, entered or repaired for each Check Image, and that the deposit balances correctly;
- 8.10.** You are responsible for any loss or failure to collect a Check Image that results from an inaccurate or illegible Check Image or failure to provide full and correct MICR data or dollar amount for a Check Image;
- 8.11.** Comply with all Security Procedures outlined in the Bank's Online Banking Agreement and this Agreement and you agree not to bypass, override or disable any security mechanisms in the software or processing equipment;
- 8.12.** Train your employees in the overall use of CNBusiness Deposit the Remote Deposit Capture Services, including the supervision and auditing of your employees' use of the service;
- 8.13.** Verify Bank's receipt of your transmission(s) by verifying that deposits have been posted to the appropriate accounts, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Bank;
- 8.14.** Retain all information regarding your digitizing of checks as created by the System for at least six calendar months;



8.15. Cooperate with the Bank in providing information in the event of lost, mistaken, incomplete or unusable electronic Items, or in the event of claims of fraud, alteration, counterfeit or otherwise, including access to such records as the bank may require;

8.16. Ensure that no information has been deleted or degraded from a Substitute Check returned by the Bank in the event you capture for processing a digital image of a previously truncated and reconverted Substitute Check returned to you by the Bank. If you capture for processing a digital image of any other previously truncated and reconverted Substitute Check, you are to ensure that the Substitute Check meets the requirements for legal equivalency under Reg CC and the identifications of previous truncating and Reconverting Bank(s) (as such terms are defined in Reg CC) are preserved.

9. Deposit Deadlines and Deposit Limits. To ensure accuracy, you shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the File in accordance with the User Guide. You may send multiple Files to Bank or Processor throughout the day. The total dollar value of the Files sent by you to us on any day shall not exceed the dollar amount specified by the Bank (the **"Deposit Limit"**). If the total dollar value of the Files sent by you to us on any day exceeds the Deposit Limit, we may, at our option, refuse to accept the File that exceeds the Deposit Limit, or we may accept and process the File. You agree not to exceed the Deposit Limit. To be eligible for processing on the day transmitted, Files must be received by us no later than the time specified in the *CNBusiness Deposit Installation/Training Checklist* (the **"Cut-Off Time"**). A File is considered received by us when a complete copy of such File has been written on a Bank electronic storage device in conformity with our technical and operational requirements. To meet the Cut-Off Time, the entire File must be received by us prior to the Cut-Off Time, and the File must successfully pass the edits for conformity with the technical requirements. For purposes of determining when a File has been delivered and received, our records shall be determinative. A File which is not balanced in accordance with the Procedures or which is received after the Cut-Off Time shall be deemed to have been received on the Business Day following the Business Day on which the File is actually received by us. We reserve the right to change the number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time. All such changes shall be effective immediately and may be implemented prior to your receipt of notice thereof. You may contact us at any time to verify the current number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time.

10. Maintenance and Destruction of Original Check. You shall securely store all original Checks for a period of forty-five (45) days after you have received notice from us that the File containing the images of such Checks has been accepted (such period the **"Retention Period"**). During the Retention Period, you shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, (b) the information contained on such Checks shall not be disclosed, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be deposited or negotiated in any form. You shall also implement proper Security Procedures and internal controls to ensure the confidentiality of any information that is considered to be confidential personal information that is retained by you. You shall destroy original Checks upon the expiration of the Retention Period applicable to such Checks. You will use commercially reasonable methods of destruction approved by us to destroy original Checks after expiration of the Retention Period. You hereby indemnify us for, and hold us harmless from and against, any and all claims, demands, actions, causes of action, losses and damages, of whatever nature or kind, and regardless of the theory upon which the same is (are) based, caused directly or indirectly by, arising out of, related to, in connection with or resulting wholly or partially from, the destruction of original Checks by you.

11. Image and MICR Quality. Each File transmitted by you to us shall contain Images of the front and the back of the Checks scanned and remotely deposited by you. Each Image of each Check shall be of such quality that the following information can clearly be read and understood by sight review of such Image: (a) the amount of the Check; (b) the Payee of the Check; (c) the signature of the drawer of the Check; (d) the date of the Check; (e) the Check number; (f) the information identifying the drawer and the Paying Bank that is preprinted on the Check, including the MICR line; and (g) all other information placed on the Check prior to the time an image of the Check is captured, such as any required identification written on the front of the Check and any endorsements applied to the back of the Check.

Each Image shall also meet all standards for image quality established by the American National Standards Institute (**"ANSI"**), the Board of Governors of the Federal Reserve or any other regulatory agency, clearing house or association.



You shall also capture and transmit to us the full-field MICR encoding on each Check. In accordance with the Procedures, you shall ensure that the following information is captured from the MICR line of each Check:

- (a) the American Bankers Association routing transit number ("**RTN**");
- (b) the number of the account on which the Check is drawn;
- (c) when encoded, the amount of the Check; and
- (d) when encoded, the serial number and the process control field of the Check.

12. Bank Operational Responsibilities - The Bank agrees to:

12.1. Deliver the following items to you, in addition to providing access to the System:

- (a) User Guide
- (b) User IDs, temporary passwords and other related authentication methods; and
- (c) Software and software license necessary to perform the service.

12.2. Make initial installation and training support available to ensure the proper implementation and use of the System;

12.3. Provide maintenance and support for the System (not including hardware) to You, including but not limited to:

- (a) Corrections, contingent or alternate work methods and fixes to any known system program bugs or errors;
- (b) Modifications, enhancements and updates in the event the Bank elects to make available to you; and
- (c) Telephone and e-mail support during the Bank's normal business hours.

12.4. If the digitized images are not complete, are not useable, or do not adhere to data specifications, the images may not be processed by the Bank, in which event your deposit will be adjusted and notification will be provided to you;

12.5. Immediate suspending the System or the processing of any Check or corresponding electronic item if the Bank has reason to believe that there has been a breach in the security of the System, fraud involving your Account(s) or Check(s), or any uncertainty as to the authorization or accuracy of electronic items, including the right to process electronic items on a collection basis at any time; and

12.6. Refuse to process any non-conforming items and Prohibited Checks, including without limitation any items that do not meet the definition of a "Check."

13. Receipt of File. You agree that you shall be solely liable for, and we shall not have any liability whatsoever to you for, any File or the Images or other information contained therein that are not received by us or for any File or the Images or other information contained therein that are intercepted or altered by an unauthorized third party. You agree that we have no obligation to accept a File and, therefore, may reject any File or the Images or other information contained therein submitted by you. We have no obligation to notify you of the rejection of a File or the Images or other information contained therein. We shall have no liability to you for the rejection of a File or the Images or other information contained therein or for the failure to notify you of such rejection. Upon receipt of a File submitted by you, we may examine such File and the Images and other information contained therein to ensure that you have complied with this Agreement and followed the Procedures. If we determine that you have not complied with this Agreement or followed the Procedures or if errors exist in the Images or other information contained in the File, we, in our sole discretion, may either reject the File or elect to correct the error and accept and process the corrected File (a "**Corrected File**"). As a form of correction, we may credit your Account for the full amount of the deposit and make any necessary adjustments to the Account to correct the error. You may, at its option, also perform a risk management analysis of one or more Files submitted by you to detect potentially fraudulent Checks, and, in its sole discretion, we may reject any such File or the Images or other information contained therein. If after examination of a File and the Images and other information contained therein, we determine that you have complied with this Agreement and processed and transmitted the File in accordance herewith and with the Procedures, the File is balanced and the Images meet the requirements of this Agreement, then we shall accept the File (an "**Accepted File**") for deposit to your Account. Notwithstanding the fact that we have accepted a File for deposit, any credit made to your Account shall be provisional, and you shall remain liable to us for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against, us.



14. Provisional Credit and Availability of Funds. Upon acceptance of the File, we shall grant you're Account Provisional Credit (as herein defined) for the total amount of the Corrected File or the Accepted File, as applicable. As used herein, "Provisional Credit" means that the credit is made to your Account subject to final payment of the Checks and subject to the terms of the Deposit Agreement. For the purpose of determining availability of funds, we may hold funds for the period of time permitted by our Funds Availability Disclosure.

15. License and Intellectual Property.

15.1. License. The Bank, subject to the terms and conditions of this Agreement, hereby grants you a non-exclusive, non-transferable license to:

- (a) Use the System for those portions of the Service selected by you, solely for processing checks in connection with your own business operations, in accordance with the Remote Deposit Capture Services User Guide and solely on Authorized Equipment;
- (b) Copy and use the Remote Deposit Capture Services User Guide to solely support your authorized use of the System; and
- (c) Copy any System actually delivered to you solely for archival or backup purposes.

15.2. Protection and Security of the System and the Remote Deposit Capture Services User Guide. You agree to establish and maintain reasonable:

- (a) Precautions and use commercially reasonable efforts to protect the confidentiality and security of the System and Remote Deposit Capture Services User Guide;
- (b) Measures to protect the System and Remote Deposit Capture Services User Guide from unauthorized copying, dissemination, disclosure or other unauthorized use; and
- (c) Provisions to maintain a complete and accurate list of all locations where you have loaded and use the System, and make such list available to the Bank upon the Bank's request.

In addition, you agree not to at any time either directly or indirectly:

- (a) Copy or use the System or Remote Deposit Capture Services User Guide except as expressly authorized by this Agreement;
- (b) Sublicense, rent, distribute, transfer, publish, disclose, display or otherwise make available the System to others;
- (c) Use the System or Remote Deposit Capture Services User Guide for third party training, commercial time sharing or service bureau use;
- (d) Alter, change, modify or otherwise create derivative works of the System or Remote Deposit Capture Services User Guide; and
- (e) Reverse engineer, disassemble or decompile the System, except to the extent expressly permitted by applicable law.

If you or any third party takes such action the Bank shall have the right to immediately terminate this Agreement and/or the license to the System upon notice to you.

15.3. Ownership. You acknowledge and agree that all right, title and interest in and to the System and the Remote Deposit Capture Services User Guide, together with modifications, enhancements and derivative works, and all intellectual property rights such as copyrights, patents, and trade secrets, pertaining to the System and the Remote Deposit Capture Services User Guide are:

- (a) Owned exclusively by the Bank and its licensors;
- (b) Represented or contain valuable rights of the Bank and its licensors; and
- (c) Protected under United States patent, copyright, trademark and trade secret laws of general applicability.

No other license or interest in the System or Remote Deposit Capture Services User Guide, either express or implied, is granted under this Agreement other than the license set forth in this Agreement.

In addition, you agree not to at any time either directly or indirectly:

- (a) Challenge the scope, validity or ownership of the Bank's (or its licensors') intellectual property rights in



the System and Remote Deposit Capture Services User Guide;

(b) Perform any act which could reasonably be expected to impair the scope, validity or ownership of such intellectual property rights;

(c) Assert any ownership rights to the System or Remote Deposit Capture Services User Guide; or

(d) Remove or alter any copyright, trademark, or other intellectual property or proprietary right notices, legends, symbols or labels appearing on or in the System, Remote Deposit Capture Services User Guide or any packaging, and shall include any copy of the System or Remote Deposit Capture Services User Guide any copyright, trademark, or other intellectual property or proprietary right notices contained on the original.

You acknowledge and agree that this Agreement does not grant or convey to you an interest in or to the System or Remote Deposit Capture Services User Guide, or any right, title, interest or license in or to any trademark of the Bank or its licensors, but only a limited right of use (revocable in accordance with the terms hereof).

You hereby assign to the Bank and/or its licensors, as directed by the Bank, any rights, including any patent, copyright, mask work rights, trademarks, and trade secrets, which you may now have or may acquire at any time in the future to the System or the intellectual property rights to the System, and any other computer code using any of the System.

You agree to:

(a) Cooperate with the Bank and its licensors to protect the System, including in connection with any lawsuits or disputes involving the System;

(b) Promptly notify the Bank and provide relevant information and facts upon becoming aware of any actual or potential claim made by a third party regarding infringement, misappropriation, imitation, illegal use or misuse, or reasonable likelihood thereof, by the System; and

(c) In the event of any actual or potential infringement, misappropriation, imitation, illegal use or misuse, or reasonable likelihood thereof of the System by others:

I. Grant to the Bank and its licensors the sole right to determine the course of action with respect to such infringement and to bring any proceeding with respect thereto, and to settle, and collect any settlement amount or judgment for any such proceeding; and

II. Agree that such licensors shall be solely entitled to any proceeds of any such proceeding, including without limitation any settlement proceeds, insurance proceeds, arbitration award, judgment, or other consideration in any form.

15.4. Termination. You acknowledge and agree that the license to the System and Remote Deposit Capture Services User Guide will terminate upon the termination of this Agreement, the termination of the Bank's license to the System and Remote Deposit Capture Services User Guide, or closure of your accounts with the Bank.

15.5. Limitation on Liability. The Bank's Licensors shall have no liability of any nature to you, or any third party, for damages, liabilities or claims, whether in contract, tort for negligence, infringement or otherwise, including without limitation damages, liabilities or claims arising from or under this Agreement, error in the System, or for any injury, damage or loss resulting from such error, or from any use of the System. Notwithstanding the generality of the foregoing, in no event will such licensors be liable for any consequential, indirect, incidental, special or punitive damages, or any lost profits or loss of any opportunity or good will, even if such licensors have been advised of the possibility of such.

15.6. Compliance with Law. You shall not export, re-export or otherwise transfer, directly or indirectly, the System or any portion thereof to any location outside the United States without first complying with all applicable foreign and United States federal, state and local laws, rules, regulations or controls (including without limitation those regarding import, export, marketing, distribution or use of software programs).

15.7. Assignment. You may not assign the license granted hereunder to any party whatsoever, except in connection with an assignment of the entire Agreement, subject to the terms of the Agreement. Any attempted assignment of the license in violation of this provision shall be void.

15.8. Further Assurances. You agree to, at your expense, promptly execute and deliver such further documents and



take any and all other actions reasonably requested by the Bank from time to time, for the purpose of fully effectuating the intent and purposes of this Agreement, and to protect the interests of the Bank, its licensors, and their respective successors and assignees.

15.9. Injunctive Relief. You acknowledge that violation of your commitment regarding the security and use of the System may cause irreparable injury to the Bank and/or its licensors, and agree that the Bank be entitled to seek and obtain temporary and preliminary injunctive relief in a court of competent jurisdiction, without the necessity of proving actual damages or posting a bond, to prevent such violation.

15.10. Survival. You agree that the provisions of this section of the Agreement survive termination of the license granted hereunder and the termination of this Agreement.

16. Laws, Rules and Regulations. You agree to comply with all existing and future operating procedures used by us for processing of transactions. You further agree to comply with, and be bound by, all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars and pronouncements, affecting checks and drafts and ACH Transactions, including, but not limited to, all rules and procedural guidelines established by the Federal Trade Commission ("**FTC**"), the Board of Governors of the Federal Reserve, the National Automated Clearing House Association ("**NACHA**"), Electronic Check Clearing House Organization ("**ECCHO**") and any other clearinghouse or other organization in which we are a member or to which rules we have agreed to be bound. The Rules are incorporated herein by reference. These procedures, rules, and regulations (collectively the "Rules") and laws are incorporated herein by reference. In the event of conflict between the terms of this Agreement and the Rules, the Rules will control.

17. Collection of Checks. We, in our sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee bank. We, in our sole discretion, shall select the clearing agents used to collect and present the Images, and our selection of the clearing agents shall be considered to have been designated by you. We shall not be liable for the negligence of any clearing agent. Collection of Checks is also subject to the Rules and the terms of the Deposit Agreement.

18. 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 at the Bank (with the exception of accounts which cannot legally be pledged or which would realize adverse tax consequences as a result of granting a security interest) and in all funds in such Accounts or other deposits, to secure your obligations to us under this Agreement. This security interest will survive termination of this Agreement.

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 a Bank account for exclusive use by the Bank for purposes of offsetting any of your obligations under this Agreement. You authorized the Bank to immediately replenish the Settlement Reserve to an amount to be determined by the Bank via an ACH debit to your account or by a direct deposit to the Settlement Reserve if your 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 Agreement without notice or demand to you. Your obligation to maintain a Settlement Reserve shall survive the termination of this Agreement, with such obligation lasting until all of your obligations under this Agreement have been fully offset. Our security interest shall continue until all of your obligations under this Agreement have been fully offset.

19. Contingency Plan. You agree that, in the event you are not able to capture, balance, process, produce or transmit a File to us, or otherwise comply with the terms hereof or of the Procedures, for any reason, including, but not limited to, communications, equipment or software outages, interruptions or failures, you will transport the originals of all Checks to the closest office of Bank and deposit original Checks with Bank until such time that the outage, interruption or failure is identified and resolved. You hereby acknowledge and agree that we shall not be liable to you for any loss or damage of any nature that you sustain, if any, as the result of your inability to use the Service. The deposit of original Checks at an office of Bank shall be governed by the terms and conditions of the Deposit Agreement and not by the terms of this Agreement. Notwithstanding the foregoing, and to the extent applicable, Section 20 of this Agreement dealing with warranties shall apply to the deposit of original Checks.

20. Warranties. You represent, warrant and covenant the following to us:



- 20.1. Checks Deposited.** You shall only deposit Checks that are authorized by this Agreement, the Procedures and the Deposit Agreement;
- 20.2. Image Quality.** Each Image transmitted by you to us contains an accurate representation of the front and the back of each Check and complies with the requirements of this Agreement;
- 20.3. Accuracy of Information.** All data and other information submitted by you to us, including, but not limited, to data contained in the MICR line of each Check is complete and accurate and complies with the requirements of this Agreement;
- 20.4. Business Purpose Only.** You are not a consumer, and CNBusiness Deposit the Remote Deposit Capture Service shall be used for business purposes only;
- 20.5. No Duplicates.** You will not: (i) create duplicate Images of the Checks, (ii) transmit a duplicate Image or File to Bank, or (iii) deposit or otherwise negotiate the original of any Check of which an Image was created. You further warrant that no subsequent transferee, including but not limited to us, a collecting or Returning Bank, drawer, drawee, Payee or endorser, will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic, including ACH entries) of the Item(s);
- 20.6. No Loss.** No Subsequent transferees of the Item(s), including but not limited to us, a collecting or Returning Bank, drawer, drawee, Payee or endorser, shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check;
- 20.7. Information.** All information provided by you to us is true, complete and accurate and properly reflects the business, financial condition and principal partners, owners or officers, of you. You are not engaged in, or affiliated with, any businesses, products or methods of selling other than those disclosed by you to us;
- 20.8. Authority and Legality.** (i) You are authorized to enter into, and perform its obligations under, this Agreement; (ii) the person signing this Agreement on behalf of you is duly authorized to execute this Agreement; (iii) this Agreement is valid and enforceable against you in accordance with its terms; and (iv) the entry into, and performance of, this Agreement by you will not violate any law, or conflict with any other agreement, to which you are subject;
- 20.9. No Litigation.** There is no action, suit or proceeding pending or, to your knowledge, threatened which, if decided adversely, would impair your ability to carry on its business substantially as now conducted or which would adversely affect your financial condition or operations.
- 20.10. Transactions.** All Checks and business transactions of you are, and will be, bona fide. All signatures on Checks are authentic and authorized.
- 20.11. Rule Compliance.** You conduct your business, and submit Checks and Files in compliance with this Agreement, the Procedures, applicable law and the Rules.
- 20.12. Computer Virus.** No Files or Checks contain any computer viruses or other harmful, intrusive or invasive codes.
- 20.13. Indemnity.** You agrees to indemnify us for, and hold us harmless from and against, any and all claims, losses, liabilities, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising from a breach of any of your warranties, representations and/or obligations under this Agreement or any other agreement with between you and Bank, including, but not limited to, the Deposit Agreement, and the terms of this paragraph shall survive the termination of this Agreement.

21. Returned Checks.

- 21.1. Chargeback of Returned Checks.** If a drawee bank or other third party makes a claim against us or seeks a re-credit with respect to any check processed, we may provisionally freeze or hold aside a like amount in the applicable



account pending investigation and resolution of the claim. If Images of Checks deposited by you are dishonored or otherwise returned unpaid by the drawee bank, or are returned by a clearing agent for any reason, including, but not limited, to issues relating to the quality of the Image, you understand and agree that, since you either maintains the original Check or has destroyed the original Check in accordance with this Agreement, the original Check will not be returned, and we may charge back an Image of the Check to your Account whether or not the return is timely and proper, and may either return the item to you or re-present it to the drawee bank before returning it to you. You understand and agree that the Image may be in the form of an electronic or paper reproduction of the original Check or a Substitute Check. Unless otherwise instructed by us, you agree not to deposit the original Check if an Image or other debit as previously described is charged back to you.

21.2. Special Instructions. You may request that we re-present returned Images of Checks to the drawee or process returned Images of Checks according to instructions provided by you to us (the “**Special Instructions**”). These Special Instructions may be given to us in a separate document in conjunction with or subsequent to the execution of this Agreement. We shall not be bound by such Special Instructions until such time as we have agreed in writing to accept the Special Instructions. Notwithstanding the fact that we have agreed to accept the Special Instructions, we may, in its sole discretion, disregard the Special Instructions and charge the returned Check back to your Account to which the Checks were deposited. In the event that you have requested that returned Images of Checks be re-presented, in no event will we re-present an Image of a Check or an ACH entry in excess of the limit established or permitted for the number of times that a Check or ACH entry may be re-presented by the Rules. You may change or amend the Special Instructions by providing us a written request to change or amend the Special Instructions. Changes or amendments to the Special Instructions shall not become effective until acknowledged and accepted in writing by us. We hereby agrees to pay us the fees for processing returned Checks and Special Instructions contained in our then current schedule of fees for such services.

22. Payment for Services. Refer to Master Agreement section 6.1.6 Payment for Services.

23. Amendments. Refer to Master Agreement Article IX. Changes in Terms and Other Amendments.

24. Periodic Statements. You agree that to the extent permitted by law, receipts, notices and disclosures associated with the System may be provided to you by e-mail, facsimile or over the Internet, either as part of a System session or otherwise. You will not receive a separate System statement; however your transactions will be reflected on your monthly account statement (and online banking if you are so enrolled). You may use the System to view deposit activity to accounts as indicated on the Remote Deposit Capture Services Enrollment Form You agree to notify us of any changes to your mailing or e-mail address. If you do not notify us, you will hold us harmless from any consequences, including financial loss, resulting from your failure to notify us of the change in your mailing or e-mail address.

25. Update Notice. You shall provide written notice to us of any changes to the information previously provided by you to us, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided and method of conducting sales. Such notice must be received by us within 5 Business Days of the change. You shall provide any additional information requested by us within 5 days of such request. We retain the right to: (I) review your Checks, Files and business activities from time to time to confirm you are conducting business as stated by you at the time of the execution of this Agreement and (ii) re-price or terminate CNBusiness Deposit the Remote Deposit Capture Service based on changes to information previously provided to us by you.

26. Bank's Duties. Our duties and responsibilities are limited to those described in this Agreement, the Deposit Agreement and any other agreements governing the Accounts. We will use commercially reasonable care in performing its responsibilities under this Agreement.

27. Bank's Responsibilities. You agree to monitor your account balances and charges, to promptly notify us if any Report conflicts with your records, and to refrain from acting on information it has reason to believe is erroneous. In all instances, Bank's and, if the services of a third party provider are utilized in the provision of CNBusiness Deposit the Remote Deposit Capture Service, such third party's sole liability to you shall be limited to the correction of any errors made. We shall not be responsible for suspension of performance of all or any of its obligations, responsibilities or covenants hereunder, whether expressed or implied, if at any time, or from time to time, compliance therewith is prevented or hindered by, or are in conflict



with, any federal or state law, regulation or rule, the order of any court of competent jurisdiction, any act of God or of the public enemy, war, epidemic, strike, or work stoppages of the U.S. Postal Service and commercial carrier(s), or electric power disruption or shortage, telecommunications failure or computer failures; acts, omissions or errors of any carrier and/or agent operating between you and us or us and any Federal Reserve Bank or other agency utilized to exercise transfers or any recipients of transferred funds; any incorrect, unauthorized or fraudulent use or other fraud by any person other than our employees; or, without limiting the generality of the foregoing, any other cause or circumstance beyond our control or other conditions or circumstances not wholly controlled by us, which would prohibit, retard or otherwise affect our complete or partial performance under this Agreement.

28. Disclaimer of Warranty, Limitation of Liability and Indemnity. We make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, the existence of any latent or patent defects, viruses, or the accuracy or freedom from error, of the data or the program used by or furnished to the Bank or to you by licensor or others, in connection with the System or Service(s) provided to you under this Agreement. Without limiting the generality of the foregoing, the Bank makes no representation or warranty, express or implied, against any infringement of any proprietary rights of any other party. You assume the entire risk as to the quality and performance of the System, the suitability of the Service, and with respect to any documentation. This paragraph shall survive the termination of this Agreement by either you, the account holder, or the Bank, and also limits the liability of any agent, employee or affiliate of the Bank. We do not and cannot warrant that the System will operate without errors, or that any or all Service(s) will be available and operational at all times.

The Bank agrees to be responsible only for performing the Service(s) expressly provided for in this Agreement and shall be responsible only for its actions or inactions for which the Bank has engaged in gross negligence or willful misconduct in performing those Service(s). The Bank will not be responsible for your acts or omissions and none of your employees or agents shall be considered agents of the Bank. You agree to defend, indemnify and hold the Bank harmless against any loss, liability or expense (including attorney's fees and expenses) resulting from or arising out of:

- (a) Any claim of any person that is the result of any act or omission by you or your employees or agents;
- (b) Any claims against the Bank from a third party resulting directly or indirectly under this Agreement where the Bank has acted in accordance with your instructions and/or within the terms of this Agreement;
- (c) Your negligence or breach of this Agreement
- (d) Your failure to provide the appropriate information for an instruction via the System;
- (e) Your failure to provide and maintain accurate information in this Agreement and Remote Deposit Capture Services Enrollment Form; and
- (f) Any breach by you of any representation or agreements made pursuant to or in this Agreement.

You understand and agree that the Bank's liability and your sole and exclusive remedy for claims in connection with or arising out of this Agreement for any cause whatsoever and regardless of the form of action shall be limited to actual, direct damages for losses resulting from the Bank's gross negligence or willful misconduct. In no event shall the Bank be liable for special, consequential, incidental, exemplary or similar damages including, but not limited to, lost profits or lost savings, even if the Bank was advised of the possibility thereof.

Without limiting the generality of the foregoing provisions, the Bank shall be excused from failing to act or delay in acting:

- (a) If any legal constraint or circumstances beyond the Bank's control caused such failure or delay;
- (b) If the System was not working properly, and you knew about the breakdown when you started the check image and deposit instruction; or
- (c) If there are other exceptions stated in our agreement with you.

Nothing contained in this Agreement shall be deemed to relieve you of any liability, duty or obligation which may be imposed upon you by any federal, state or municipal laws, including without limitation, laws requiring you to maintain records regarding your business or employees or to withhold taxes or other deductions.

You will indemnify and hold harmless the Bank, its licensors and providers of services, and their respective directors, officers, shareholders, employees and agents (each an "Indemnified Party") from and against any third party suits, proceedings, claims, demands, causes of action, damages, liabilities, losses or expenses (including reasonable attorneys' fees and other legal expenses) that result from or arise out of:

- (a) Your wrongful acts or omissions, or any person acting on your behalf, in connection with your use of



the System or processing of checks hereunder, including without limitation:

- i. A breach by you of any provision, representation or warranty of this Agreement;
- ii. The negligence or willful misconduct (whether by act or omission) of you, your customers, or any third party acting on behalf of you;
- iii. Any modifications or changes to the System made by you or any third party within your control or on behalf of you;
- iv. Any misuse of the System by you or any third party within your control or on behalf of you;
- v. The failure by you to comply with applicable state and federal laws and regulations.
- vi. The failure by you to report required changes.
- vii. The transmission of incorrect data to Bank
- (b) Any act or omission of the Bank that is in accordance with this Agreement or instructions from you;
- (c) Bank's provision of CNBusiness Deposit the Remote Deposit Capture Service ; or
- (d) Any claim by any recipient of a Substitute Check corresponding to a check processed by you hereunder, that such recipient incurred loss due to the receipt of the Substitute Check instead of the original check (a "Claim").

The Bank will not be liable to you for any of the following, unless liability or loss is a result of the Bank's breach of this Agreement or the gross negligence or willful misconduct of the Bank or its employees or agents:

- (a) Any damages, costs or other consequences caused by or related to the Bank's actions that are based on information or instructions that you provide to the Bank;
- (b) Any unauthorized actions initiated or caused by you or your employees or agents;
- (c) The failure of third persons or vendors to perform satisfactorily, other than persons to whom the Bank has delegated the performance of specific obligations provided in this Agreement;
- (d) Any refusal of a Payor Financial Institution to pay an electronic item or Substitute Check for any reason, including without limitation that the check, electronic item or Substitute Check was allegedly unauthorized, was a counterfeit, had been altered, or had a forged signature;
- (e) Any other party's lack of access to the Internet or inability to transmit or receive data;
- (f) Failures or errors on the part of Internet service providers, telecommunications providers or any other party's own internal systems; or
- (g) Actions by third parties, such as the introduction of a virus, that delay, alter or corrupt the transmission of an electronic item to the Bank.

The Bank's liability for errors or omissions with respect to the data transmitted or printed by the Bank will be limited to correcting the errors or omissions. Correction will be limited to reprinting and/or representing Substitute Checks or electronic items to the Payor Financial Institution.

The Bank shall indemnify and hold you harmless, and your directors, officers, shareholders, employees, and agents (each an "Indemnified Party") from and against any third party suits, proceedings, claims, demands, causes of action, damages, liabilities, losses or expenses (including reasonable attorneys' fees and other legal expenses) arising from a claim by a third party that your use of the System to:

- (a) Capture electronic images of original checks;
- (b) Electronically transmit the resulting electronic images to the Bank for processing, in accordance with the Remote Deposit Capture Services User Guide; and/or
- (c) Store electronic copies of such electronic images within the System, directly infringes any valid United States copyright or United States patent of such third party (a "Claim").

The Bank shall have no liability under this provision to the extent a Claim is attributable to:

- (a) Modification of the System by anyone other than the Bank without the express prior written consent of the Bank, if liability for infringement would not have arisen but for such modification;
- (b) Combination or use of the System with any software or hardware not provided by the Bank, if liability for infringement would not have arisen but for such combination or use with such software or hardware;
- (c) Use of the System in any way not authorized by this Agreement, if liability for infringement would not have arisen but for such unauthorized use;
- (d) Transmission of electronic images to any other computer, system or media, other than, transmission to the Bank for the purpose of processing such electronic images as contemplated herein, if liability for



infringement would not have arisen but for such transmission;

(e) Use of other than the most current release of the System provided to you, if liability for infringement would not have arisen if the most current release had been in use; or

(f) Any breach by you of this Agreement, if liability for infringement would not have arisen but for such breach.

If your use of the System is, or in the Bank's opinion is likely to be, enjoined due to any Claim, the Bank shall, at its sole option and expense, do one or more of the following:

(a) Provide you the right to continue using the System at no additional expense;

(b) Replace or modify the System with non-infringing software, without a material reduction in functionality or performance;

(c) Resolve any Claim so that you may continue using the System at no additional expense; or

(d) Terminate the Service and the license of the System.

An Indemnified Party shall:

(a) Provide the indemnifying party prompt written notice of any Claim for which the Indemnified Party intends to claim indemnification;

(b) Provide the indemnifying party (and/or its licensors, in case the Bank is the indemnifying party) the right to control and direct the investigation, defense and settlement of the Claim; and

(c) Cooperate fully with the indemnifying party (and/or its licensors, in case the Bank is the indemnifying party) in the investigation, defense and settlement of such Claim.

The failure to deliver notice to the indemnifying party promptly after an Indemnified Party becomes aware of a Claim, if prejudicial to the indemnifying party's ability to defend such action, shall relieve the indemnifying party of any liability to Indemnified Parties under this provision to the extent of such prejudice. An Indemnified Party shall not settle or compromise any Claim, and any settlement or compromise by an Indemnified Party of a Claim shall be void as against the indemnifying party and shall terminate the indemnifying party's obligation to indemnify such Indemnified Party. The indemnifying party (and/or its licensors, in case the Bank is the indemnifying party) may settle or compromise any Claim, provided that such settlement or compromise does not involve any admission of wrongdoing on the part of any Indemnified Party or require any payment or other performance by any Indemnified Party.

29. Third Parties; Maintenance.

29.1. Remote Deposit Service from Others. You agree not to use special equipment, services or software provided by a third party to assist you in processing Checks and Files hereunder (each a "**Third Party**" and, if more than one, "**Third Parties**"). However, if you do use such services of a Third Party, you (i) agree that any Third Party is acting as your agent in the delivery of Checks and Files to Bank, and (ii) agree to assume full responsibility and liability for any failure of that Third Party to comply with the Rules or this Agreement. Bank will not be liable for any losses or additional costs incurred by you as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party. You shall provide at least 10 days advance written notice to Bank in the event it uses any such Third Party. You are solely responsible for maintaining compliance with the requirements of any Third Party, including obtaining any software updates. Bank shall not have any responsibility for any Check or File handled by a Third Party until that point in time when Bank accepts and approves a Check or File from such Third Party for processing.

29.2. Equipment Maintenance. You shall be solely responsible for obtaining and properly maintaining your equipment and system requirements, including computer equipment, Internet connectivity, scanning terminals (unless contracted with Bank) and any other equipment or items necessary to receive CNBusiness Deposit the Remote Deposit Capture Service. Bank shall not be liable to you, in any manner whatsoever, for any type of errors, losses, damages or other claims related to your failure to do so.

30. Use of Trademarks. You may not use Bank's name or trademarks without the express written consent of Bank. If you are permitted to use any of Bank's name, trademarks or promotional materials, you will not indicate, directly or indirectly, that Bank endorses, or is connected in any way with, any of your goods or services.



31. Financial Information and Audit. Upon request by Bank, you hereby authorize Bank to enter your business premises for the purpose of ensuring that you are in compliance with this Agreement and you specifically authorize Bank to perform an audit of your operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. You hereby acknowledge and agree that Bank shall have the right to mandate specific internal controls at your location(s) and you shall comply with any such mandate. In addition, you hereby agree to allow Bank to review available reports of independent audits performed at the you location related to information technology, CNBusiness Deposit the Remote Deposit Capture Service and any associated operational processes. You agree that if requested by Bank, you will complete a self-assessment of your operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by Bank in an audit of you. If you refuse to provide the requested financial information, or if Bank concludes, in its sole discretion, that your risk to Bank is unacceptable, or if you refuse to give Bank access to your premises, Bank may terminate CNBusiness Deposit the Remote Deposit Capture Service according to the provisions hereof.

32. Confidential Information and Proprietary Right in Data. All information of a business nature relating to the assets, liabilities or other business affairs disclosed to us by you and your Customers in connection with this Agreement is confidential. Except as allowed by applicable law, we shall not disclose or permit access to any such information by any person, firm or corporation. We shall cause our officers, employees and agents to take such action as shall be reasonably necessary to preserve and protect the confidentiality of such information, by disclosing such information only to persons needing to have access thereto for the performance of the our obligations under this Agreement or to any other party to which we may be required by law to report such information. You agree to hold confidential, and to use only in connection with CNBusiness Deposit the Remote Deposit Capture Service, all information furnished to you by Bank or by third parties from whom Bank has secured the right to use CNBusiness Deposit the Remote Deposit Capture Service, including, but not limited to, Bank's product and service pricing structure, system design, programming techniques or other unique techniques. In addition, should you at any time receive or acquire any information relating to another Customer of Bank, you shall promptly return such information to us and not reveal such information to any other party and shall not make use of such information for its own benefit or otherwise. Our and your obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other, is or becomes generally available to the public other than by breach of this Agreement or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party, or that you are compelled by law to disclose. Notwithstanding anything to the contrary contained herein, it is understood and agreed by the parties hereto that the performance of CNBusiness Deposit the Remote Deposit Capture Service is or might be subject to regulation and examination by authorized representatives of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and/or a State regulatory agency, and you agree to the release of by Bank of your reports, information, assurances and other data and information as may be required under applicable laws and regulations. You agree that any specifications or programs developed by us in connection with this Agreement, or supplied or made available to you by us, are our exclusive property, our agents, suppliers or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose without the express written consent of us. This clause shall survive the termination of the Agreement.

33. Additional Disclosures. In addition to the above paragraph regarding confidentiality, you understand information about your accounts or the deposit you make may automatically be disclosed to others. 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. In addition, we routinely inform credit bureaus and bank service providers 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 the System. You agree and hereby authorize all of these transfers of information.

34. Waiver of Jury Trial. The parties waive any right to trial by jury of any issue connected with this Agreement, or any other documentation relating thereto, or the enforcement of any of such documents.

35. Successors. This Agreement and all the terms and provisions herein shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.



36. Assignment. You may not assign this Agreement. We may assign this Agreement either in part or in whole at any time and with or without notice to you.

37. No Third Party Beneficiaries. This Agreement shall not be construed to confer any rights or remedies upon any person not a party to this Agreement, whether as a third party beneficiary or otherwise, against you or us, their respective successors, assigns and affiliates.

38. Captions and Headings. The captions and headings contained in this Agreement are for convenience of reference only and shall not be used to limit the applicability or meaning of any provisions of this Agreement.

39. Entire Agreement. This Agreement, together with the Remote Deposit Capture Services Enrollment Form, constitutes the entire agreement between you and the Bank with respect to the subject matter in this Agreement and there are no understandings or agreements relative to this Agreement which are not fully expressed in this Agreement.

40. No Waiver. No delay or failure on the part of Bank in exercising any of Bank's rights under this Agreement shall constitute a waiver of such rights, and no exercise of any remedy hereunder by Bank shall constitute a waiver of its right to exercise the same or any other remedy hereunder. Except for changes made in accordance with this Agreement, no deviation, whether intentional or unintentional, will constitute an amendment of this Agreement or will constitute a waiver of any right or duty of either party.

41. Severability. In the event all or any part of any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal or unenforceable, in any respect, the remaining provisions or parts thereof shall be binding and enforceable as if any such invalid, illegal or unenforceable provision had never been contained herein.

42. Construction. This Agreement is an agreement between parties who are experienced in sophisticated and complex matters similar to the transactions contemplated by this Agreement, is entered into by both parties in reliance upon the economic and legal bargains contained herein, and shall be interpreted and construed in a fair and impartial manner, without regard to such factors as the party which prepared the instrument or drafted any provision thereof, the relative bargaining powers of the parties or the domicile of any party.

43. Termination. Refer to Master Agreement Article VIII. Termination.

44. Governing Law. This Agreement is governed by applicable federal laws and the laws of the State of New York (except to the extent this Agreement can and does vary such rules or laws), without regard to any conflicts of law rules which would require the application of the laws of any other jurisdiction.

45. Jurisdiction; Venue. All actions and proceedings arising out of or relating to this Agreement shall be heard and determined in any New York state or federal court sitting in Ontario or Monroe County, New York. In addition, each party hereby irrevocably waives, to the fullest extent permitted by the law, any objection which it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any judgment entered by any court in respect thereof brought in any state or federal court sitting in Ontario or Monroe County, New York and further irrevocably waives any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

46. Contacting Bank Via E-Mail. Sending an e-mail to the bank either directly to a bank employee designated for that purpose or through the On Line Banking system is one way to communicate with us. However, you agree and acknowledge that e-mail is not a secure method of communication. You should not send an electronic mail message if you need to communicate with us immediately. Do not use e-mail to send banking instructions or to request Services provided through the System.

Do not send account information or transaction information via e-mail. If you e-mail us or ask us to reply to you via e-mail you agree to hold us harmless from any consequences, including financial loss, resulting from any unauthorized use or disclosure of your account or personal information resulting from e-mail. Also, if you send us an electronic e-mail, it will be deemed to have been received on the following business day. The Bank will have reasonable time to act on your e-mail. We are not required to act on any e-mail received and we are not responsible for misdirected or lost e-mails.



DESKTOP REMOTE DEPOSIT CAPTURE SECURITY PROCEDURES

In addition to, and without limiting the generality of, provisions of the Master Agreement relating to security, the Company shall comply with the Desktop Remote Deposit Capture Security Procedure provisions set forth herein and Company acknowledges and agrees that the Desktop Remote Deposit Capture Security Procedure provisions constitute commercially reasonable Security Procedures under applicable law for the initiation of Remote Deposit Capture entries. In the event of a conflict between the security provisions of the Master Agreement and the Desktop Remote Deposit Capture Procedures, the terms of the Desktop Remote Deposit Capture Security Procedures will prevail with respect to Desktop Remote Deposit Capture.

Use of User ID and Password

The Security Procedures agreed upon by the parties for verifying the authenticity of Remote Capture Deposits is the use of a log-in identification code ("Login ID") and ("Password"). Except as otherwise provided herein, the Company agrees to use the Login ID and Password to authenticate all Remote Capture Deposits and related messages transmitted through The Bank's Desktop Remote Deposit Capture system.

The Bank shall provide the terms and procedures for using the User ID and Password including any other additional documents and correspondence relating to the User ID and Password only to an officer or other authorized person(s) of the Company as being authorized to use and receive the same ("Company Administrator"). The Company Administrator shall issue and disseminate the Remote Deposit Capture Banking Access only to those individuals who are authorized by the Company to initiate and transmit Remote Capture Deposits to the Bank on behalf of the Company ("Authorized User"). Each Company Administrator shall also be deemed to be an Authorized User.

The Company shall ensure that only Authorized Users who have been authorized by the Company may use the Remote Deposit Capture services. The Company shall be solely responsible for controlling and monitoring the use of the Password and User ID and maintaining the confidentiality of such procedures. The Company shall instruct all Company Administrators and Authorized Users to treat the Security Procedures with extreme care. The Company shall notify the Bank immediately of any unauthorized disclosure or use of the User ID and Password, including without limitation, if an Authorized User is no longer employed by the Company, by telephone at (585) 394-4260 with a confirmation followed in writing. The occurrence of unauthorized access will not affect any transfers the Bank makes in good faith prior to receipt of such notifications and within a reasonable time period to prevent unauthorized transfers.

The Company shall utilize the Company's User ID and Password to access the Remote Deposit Capture service to transmit Deposits. The Bank may act upon any Remote Capture Deposits upon verification of the Company's User ID and Password. The Company agrees that the use of these Security Procedures constitute commercially reasonable methods of providing security against unauthorized Remote Capture Deposits. The Bank will have no obligation to act upon any Remote Capture Deposits unless and until such Deposit is verified in accordance with the agreed upon Security Procedures, and the Company shall indemnify, defend, and hold the Bank harmless from any loss suffered or liability incurred by the Bank in refraining from executing any Remote Capture Deposit after all reasonable efforts to verify the same in accordance with the Security Procedures have failed or in delaying execution until such verification is obtained. A Remote Capture Deposit received by the Bank shall be effective upon the Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is sent using the Security Procedures set forth herein. If a Remote Capture Deposit received by the Bank was transmitted or authorized by the Company, the Company shall pay the Bank the amount of the Deposit, whether or not the Bank complied with the Security Procedures and whether or not that Deposit was erroneous in any respect or that error would have been detected if the Bank had complied with such procedures.

Risk Monitoring

- Only checks made payable to the Company may be scanned through CNBusiness Remote Deposit Capture system
- The Payee name on any Remote Capture Deposit must match the Company name
- Second party checks can only be placed through the CNBusiness Remote Deposit Capture system



- If the Company is a Medical Practice and The Payee is a Physician within the Medical Practice
 - If the Company has filed a DBA for the Entity
 - If a CNB Hold Harmless Indemnity form has been completed by the Company, notarized and on file
- Checks drawn on Banks outside of the United States cannot be scanned through the CNBusiness Remote Deposit Capture system
 - Foreign checks must be negotiated and deposited at a local CNB branch office
- Internet gambling checks¹ cannot be scanned through the CNBusiness Remote Deposit Capture system
- All scanner devices must be located in a secure or locked area at all times, including non-business hours

Remote Capture Scanned Checks

- Must be stored in a locked, secured area at all times
- Must be retained for a minimum of 45 calendar days
- Should be destroyed in a way that no data can be retrieved from any portion of the check

Company acknowledges that the Security Procedures are commercially reasonable in the context of the Company's operation, requirements and internal procedures.

The Security Procedures set forth above are approved by the Company. The Company agrees to be bound by any Remote Capture Deposit order (whether or not authorized) issued in its name and accepted by the Bank in compliance with these procedures.

¹ Per Regulation GG-transactions derived from illegal internet gambling are strictly prohibited

**WIRE TRANSFER (a "Service")**

Customer agrees that this Service Agreement sets forth the terms and conditions pursuant to which Bank will provide to Customer the Service outlined herein, and is entered into as a Service Agreement under the Business Online Banking and Master Cash Management Agreement ("Master Agreement"). Customer acknowledges receipt of and agrees to the terms of the Master Agreement. Terms not otherwise defined in this Service Agreement shall have the meaning ascribed to those terms in the Master Agreement. In the event of inconsistency between a provision of this Service Agreement, the Uniform Commercial Code (the "UCC"), the Master Agreement, and/or the Depository Agreement, the provisions of this Service Agreement shall prevail.

1. Designation of Administrator. Company must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Company authorizes to utilize the Wire Transfer service on its behalf. For the purposes of this Service Agreement, the term User shall also include the Administrator. The Bank shall be entitled to rely on the designations made by the Company's Administrator(s) and shall not be responsible for matching the names of the company Users designated by the Administrator(s) to names or titles listed in Company's banking resolutions. Company agrees that any such online Entries shall comply with Bank's Security Procedures, which are subject to change without notice to Company. Although Bank is only required to act upon the instructions of the Users(s), the Bank may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Company to sign checks on Company accounts. The signature cards establishing the authorized signatories for Company deposit accounts are hereby incorporated by reference and made a part hereof.

You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any Administrator shall change or be revoked.

2. Authorization to Accept Payment Orders. Bank is authorized to accept and/or execute "Payment Orders," as that term is defined in Article 4A of the Uniform Commercial Code issued by Customer, Administrators(s), User(s) Authorized Customer Representatives or Authorized Customer Agents, as those terms are defined herein.

2.1. Written or Oral Payment Orders. Customer hereby expressly agrees to be bound by any Payment Order, whether or not authorized, issued in its name and accepted by Bank in compliance with the Security Procedures, defined below. By one or more written resolutions acceptable to the Bank and certified by Customer. Customer shall designate those individuals (herein referred to as "Customer's Authorized Representative(s)") who shall be authorized to designate, in a form acceptable to Bank, one or more "Authorized Customer Agents" as the sole representatives of Customer authorized to transmit and verify funds transfer instructions hereunder on behalf of Customer, and shall indicate on such form the functions that each Authorized Customer Agent is authorized to conduct on behalf of Customer. Designation of Authorized Customer Agents may be altered or revoked from time to time upon written notice to the Bank from any of Customer's Authorized Representative, provided that the Bank may in its sole discretion act upon verbal notice of revocation which the Bank reasonably believes to be from any Customer's Authorized Representative(s), which revocation shall later be confirmed in writing by a Customer's Authorized Representative. Bank shall be entitled to deem any person having knowledge of any security codes required in order to initiate funds transfer instructions under this Service Agreement to be an Authorized Customer Agent. Customer may establish dollar limits and limits on daily number of Payment Orders for Authorized Customer Agents. Bank may establish dollar limits and limits on daily number of Payment Orders for Authorized Customer Agents.

3. Execution and Acceptance of Payment Orders. Bank is hereby authorized to honor, execute and accept each and every Payment Order received by it in the name of the Customer as sender or issued by an Authorized Customer Agent. If Bank elects to accept Payment Orders issued by Customer, Bank shall use reasonable efforts to comply with the Payment Order in paying the proceeds to the beneficiary, if Bank is also the beneficiary's bank, or in executing the Payment Order if Bank is not also the beneficiary's bank. Customer shall issue the Payment Order to Bank in a timely manner sufficient to allow Bank to ensure that payment is made to the beneficiary on the payment date. Bank shall be entitled to deem any person having knowledge of any security codes required in order to initiate Payment Orders under this Service Agreement to be an Authorized Customer Agent. Bank may, in all cases, rely on and accept Payment Orders issued on behalf of Customer by any individual(s) authorized by Customer to sign checks on any of Customer's depository accounts with Bank.



4. Settlement. The Bank is not obligated by this Service Agreement to honor, execute, or accept any Payment Order. If Bank elects to accept Payment Orders issued by Customer, Customer agrees to settle for all Payment Orders issued by Customer, Authorized Customer Agent(s) or Payment Orders otherwise made effective against Customer. Settlement shall be made by Customer to Bank in any manner specified by Bank. Notwithstanding the foregoing, Bank is hereby authorized to charge the account designated by Customer ("Authorized Account(s)") as settlement for Payment Orders issued by Customer. Customer shall designate the Authorized Account in Online Banking. Customer shall maintain sufficient collected funds in the Authorized Account to settle for the Payment Order at the time that the Payment Order is issued. Bank may, in its sole discretion, transfer funds from the Authorized Account in excess of the collected balance and thereby create an overdraft. In this event, Customer shall promptly reimburse the Bank upon demand in the amount of the overdraft together with any interest fees or charges which would otherwise be charged to Customer as a result of an overdrawn account based upon the Bank's account rules and pricing schedules. If Bank elects to pay Customer's account in the overdraft on any one or more occasions, it shall not be considered a waiver of the Bank's rights to refuse to do so at any other time nor shall it be an agreement by the Bank to pay checks or other items in the overdraft. Bank shall have the right to charge other accounts maintained by Customer with Bank that are not designated as an Authorized Account if Bank accepts the Payment Order and the designated Authorized Account does not have sufficient balances to settle for the Payment Order. Bank may process Payment Orders in any order convenient to Bank and Bank may charge items, including settlement for Payment Orders, in any order or sequence selected by Bank.

5. Method of Issuance of Payment Orders.

5.1. Issuance of Payment Orders. Customer may issue Payment Orders orally, by secure e-mail, by fax, or in writing. Payment Orders may only be executed on a "Business Day" which is Monday through Friday, excluding Federal holidays. Payment Orders received before the cut-off time established by Bank will be processed on the same Business Day. Payment Orders received on a non-Business Day or after the cut-off time on a Business Day will be treated as being received on the next Business Day. The funds transfer cut-off time is published by the Bank and available on its Website www.cnbank.com, and is subject to change. Customer acknowledges that the Bank shall have no obligation to ascertain the identity of the beneficiary or the beneficiary's bank and shall have the right to reject any Payment Order that does not identify the account number and address of the beneficiary and the identifying number of the beneficiary's bank. Customer further acknowledges that Bank is not responsible for detecting any Customer error contained in any Payment Order sent by the Customer to the Bank. Bank may, at its option, record electronically all telephonic instructions received by Bank from Customer without further notification and may retain such recordings for any period of time selected by Bank. Customer consents to the recording of such telephone conversations. The decision of whether to record a particular conversation is within the Bank's discretion, and the Bank has no liability for failure to record.

6. Errors in Payment Orders. Customer agrees that Bank shall have no obligation to discover errors in Payment Orders and shall not be liable to Customer for errors made by Customer, including but not limited to errors made in identifying the beneficiary, or an intermediary or beneficiary's bank, or for errors in the amount of the Payment Order. Bank shall likewise have no duty to discover and shall not be liable for duplicate Payment Orders issued by Customer. In the event that Customer makes an error or issues a duplicate Payment Order, Customer shall indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, incurred by Bank as the result of completion of the funds transfer.

7. Use of Account Numbers. The Customer is notified, and hereby acknowledges, that in executing or otherwise acting on a Payment Order the Bank shall rely solely and exclusively upon identifying account or identification numbers of a beneficiary, beneficiary's bank or intermediary bank and shall not rely on the name of the beneficiary. Likewise, acceptance of a Payment Order may be made by a beneficiary's bank on the basis of an identifying or Bank account number even if it identifies a person different from the named beneficiary. Customer is liable for and must settle with Bank for any funds transfer initiated by Customer that identifies the beneficiary by account or identifying number or by name and account or identifying number. The Bank shall have no duty to detect any inconsistency between the name and number contained in a Payment Order and the Customer shall be responsible for any inconsistencies. The Customer shall indemnify and hold the Bank harmless from and against any loss, liability, expense or damage that the Bank may incur as a result of such inconsistency, including, without limitation, attorneys' fees and expenses of litigation.



8. Amendments and Cancellations.

- 8.1.** A Payment Order may be canceled by the Customer, provided the cancellation instruction is received by the Bank, and verified pursuant to the Security Procedures in effect, at a time and in a manner affording the Bank a reasonable opportunity to act prior to the Bank's acceptance of the Payment Order.
- 8.2.** The Bank is not obligated to amend or cancel a Payment Order after acceptance, but if in Bank's sole discretion, it agrees with Customer to do so, it may condition such amendment or cancellation upon compliance with the Security Procedures. Any cancellation of a Payment Order by the Bank shall relieve the Bank of any obligation to act on such Payment Order and any amendment of a Payment Order by the Bank shall relieve the Bank of any obligation to act on such Payment Order in its un-amended form.
- 8.3.** Customer acknowledges and agrees that after a Payment Order has been accepted by the beneficiary's bank, return of such funds must be authorized by the beneficiary and Bank has no responsibility to procure the return of such funds. If Customer asks Bank to recover funds which Bank has already transferred, Bank shall be under no obligation to do so. If Customer deposits with Bank an amount reasonably determined in good faith by Bank to approximate the costs and expenses (including attorney's fees) which Bank may incur in attempting to recover the funds transferred, Bank may, in its sole discretion make an attempt to recover the funds. In lieu of such a deposit, Bank may request Customer to provide a bond or other assurance of payment reasonably satisfactory to Bank. Upon such deposit, or the supplying of such other assurance, Bank may take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any Bank that received such funds. In no event, however, shall the Bank be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred.

9. Rejection of Payment Order. Customer agrees that Bank has no obligation to accept a Payment Order and therefore may reject any Payment Order issued by Customer. Bank has no obligation to notify Customer of the rejection of the Payment Order issued by Customer but Bank may so notify at its option. Bank shall have no liability to Customer for rejection of a Payment Order and shall not be liable to pay interest to Customer even if the amount of Customer's Payment Order is fully covered by a withdrawable credit balance in an Authorized Account of Customer or the Bank has otherwise received full payment from Customer.

10. Use of Correspondents, Agents, and Systems.

- 10.1.** The Customer agrees that in executing any Payment Order the Bank may make use of such correspondents, agents and Payment Order and communication systems as it deems necessary or desirable to execute such Payment Order. To the fullest extent permitted by law (a) such correspondents, agents and systems shall be deemed to be agents of the Customer and the Bank shall not be liable for any errors, negligence, suspension, or default of any of them or for any failure to identify the beneficiary or any mistake in payment by any of them, and (b) the Bank shall not be liable for any errors, mutilations, mis-delivery, or failure of delivery in the transmission of any Payment Order by such correspondents, agents and Payment Order and communication systems or for any suspension of any means of communication or for any imposition of a censorship, exchange control or other restriction by such correspondents, agents and Payment Order and communication systems, all such risk being borne by the Customer.
- 10.2.** Each Payment Order, amendment or cancellation thereof, carried out through a funds transfer system will be governed by all applicable funds transfer system rules, whether or not the Bank is a member of the system. Any Payment Order or cancellation thereof may be transmitted by any Bank by use of the funds transfer system of the Federal Reserve Bank ("Fedwire"). The rights and obligations of the Bank and the Customer with respect to any Payment Order, any part of which is carried out through the use of the Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve System, and the operating circulars of the Federal Reserve Bank. The Customer acknowledges the Bank's right to reserve, adjust, stop payment, or delay posting of an executed Payment Order is subject to the laws, regulations, circulars, and rules described in this Section 10.2.

11. Compliance with Laws. Customer agrees to comply with all applicable laws, rules, procedures and regulations with respect to the use of its accounts at the Bank and its use of the service described in this Service Agreement. The Bank will comply with regulations issued by the U.S. Treasury's Office of Foreign Assets Control ("OFAC"). It shall be the



responsibility of Customer to obtain information regarding such OFAC regulations. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from OFAC's home page site at www.ustreas.gov/ofac). If any Payment Order is to a person or entity listed on OFAC's list of Specially Designated Nationals and Blocked Persons, by law the Bank shall not complete the transfer and shall "block" the funds until such time that OFAC issues a written release to the Bank.

12. Indemnification. In addition to, and without limiting the generality of, the indemnification provisions of the Master Agreement, Customer shall be liable to the Bank for and shall indemnify and hold the Bank and its affiliates and their respective officers, directors, employees and agents harmless from and against any and all claims, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses arising or resulting from acts or omissions of Customer, or from the provision of invalid or inaccurate data by Customer or by any other person or entity acting on Customer's behalf, including without limitation (a) a breach by Customer of any provision of this Service Agreement; (b) the Bank's debiting or crediting of the account of any person or entity as requested by Customer; and (c) the failure to act or the delay of any Bank other than the Bank.

13. Limitation of Liability. In addition to, and without limiting the generality of, the limitation of liability provisions of the Master Agreement:

13.1. The Bank shall be responsible only for performing the funds transfer services described in this Service Agreement and shall be liable only for its own gross negligence or willful misconduct in performing these Services. The Bank shall not be liable for acts or omission by Customer or any other person or entity, including without limitation any funds transfer systems, any Federal Reserve Bank, any beneficiary's bank and any beneficiary, none of which shall be deemed the Bank's agent. In addition to the "Force Majeure" provisions of the Master Agreement, the Bank shall be excused from delaying or failing to execute a funds transfer due to any changes in the rules, regulations and policies of the Federal Reserve Board that affect the Bank's ability to send or receive funds at any time, for any reason, if the funds transfer would result in the Bank's exceeding any limitation on its intra-day net funds position established through Federal Reserve guidelines or if the funds transfer would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of any other governmental regulatory authorities.

13.2. Except as otherwise required by applicable law, the Bank shall not be liable for any loss or liability arising from (a) any inaccuracy or failure to act on the part of any person not within the Bank's reasonable control, including but not limited to the failure of any other Bank(s) to provide accurate or timely information to the Bank or the Customer, (b) the failure of other Banks to accept payment orders, (c) Customer's negligence, wrongful act or breach of this Service Agreement, or (d) any ambiguity or inaccuracy in any instruction given to the Bank by Customer.

13.3. ANY LIABILITY OF THE BANK FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED USING A RATE EQUAL TO THE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. PAYMENT WILL BE MADE BY CREDITING THE APPROPRIATE ACCOUNT AT THE BANK INVOLVED IN THE FUNDS TRANSFER. THE BANK SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S ATTORNEYS' FEES.

14. International Payment Orders. Fund transfers to beneficiaries outside of the United States are made by a correspondent banking entity and may be paid to the beneficiary in the foreign currency of the country to which the funds are transferred. It is the responsibility of Customer to notify the beneficiary that the funds originated in U.S. dollars may be paid to the beneficiary in the currency of the country to which the funds are transferred at the Bank's buying rate of exchange for funds transfers.

15. Customer Cooperation. In the event that the Bank is entitled under the law governing mistake and restitution to recover from any beneficiary all or any part of a funds transfer made to such beneficiary hereunder, Customer shall upon the Bank's request but without expense to the Bank testify in any legal proceedings and otherwise take any action necessary to assist or enable Bank to recover from such beneficiary. Customer hereby consents to the Bank's disclosure to government authorities of information concerning the Customer and transactions under this Service Agreement that the Bank believes to be appropriate or necessary to fulfill legal recordkeeping and reporting requirements.



16. Furnishing Information. Upon request the Customer will provide the Bank with any transaction information necessary for the Bank to handle inquiries and tracing, or otherwise to comply with applicable laws and regulations relating to Payment Orders, including but not limited to, dollar amounts, account(s) affected, dates and names of beneficiaries and third parties involved in the transfer.

17. Transactions with Banks. If the Customer is a Bank (as defined in UCC 4A), and under applicable law the Customer is not deemed the originator of the order to which a Payment Order relates, the Customer agrees to indemnify and hold the Bank harmless for any loss or liability owed to such originator to the extent that such loss or liability would not have been incurred if the Customer had been an originator.

18. Entire Agreement. The Business Account Agreement governing Customer's account (the "Account Agreement"), the Master Agreement, and this Service Agreement (a) constitute the entire agreement between the Bank and Customer regarding the use of the Bank's funds transfer service; (b) supersede any prior agreements between the Bank and Customer regarding funds transfers and (c) shall be binding upon and enforceable against Customer's successors and assigns. If any inconsistency exists between the Account Agreement and this Service Agreement, the terms of this Service Agreement shall control. If any part of this Service Agreement is found to be invalid, illegal or unenforceable, the remaining provisions shall remain in effect.

19. Amendments. Refer to Master Agreement Article IX. Changes in Terms and Other Amendments.

20. Payment for Services. Refer to Master Agreement section 6.1.6 Payment for Services.

21. Contact Information, Notices, Instructions, Etc. Refer to Master Agreement section 10.5 Contact Information, Notices, Instructions, Etc.

22. Termination. Refer to Master Agreement Article VIII. Termination.



WIRE FUNDS TRANSFER SECURITY PROCEDURES

In addition to, and without limiting the generality of, provisions of the Master Agreement relating to security, the Company shall comply with the Wire Funds Transfer Security Procedure provisions set forth herein and Company acknowledges and agrees that the Wire Funds Transfer Security Procedure provisions constitute commercially reasonable Security Procedures under applicable law for the initiation of Payment Orders. In the event of a conflict between the security provisions of the Master Agreement and the Wire Funds Transfer Security Procedures, the terms of the Wire Funds Transfer Security Procedures will prevail with respect to Wire Funds Transfer.

Use of User ID and Password

The Security Procedures agreed upon by the parties for verifying the authenticity of Wire Transfers is the use of a log-in identification code ("User ID"), unique authentication code(s) ("Password") and Secure Access Code. Except as otherwise provided herein, the Company agrees to use the User ID, Password and Secure Access Code to authenticate all Transfers and related messages transmitted through The Bank's Online Banking.

The Bank shall provide the terms and procedures for using the User ID, Password and Secure Access Code including any other additional documents and correspondence relating to the User ID and Password (collectively referred to as "Online Banking Access") only to an officer or other authorized person(s) of the Company as being authorized to use and receive the same ("Company Administrator"). The Company Administrator shall issue and disseminate the Online Banking Access only to those individuals who are authorized by the Company to initiate and transmit Entries to the Bank on behalf of the Company ("Authorized User"). Each Company Administrator shall also be deemed to be an Authorized User.

The Company shall ensure that only Authorized Users who have been authorized by the Company may use the Wire Transfer services. The Company shall be solely responsible for controlling and monitoring the use of the Password and User ID and maintaining the confidentiality of such procedures and any other Online Banking Access and documentation. The Company shall instruct all Company Administrators and Authorized Users to treat the Security Procedures with extreme care. The Company shall notify the Bank immediately of any unauthorized disclosure or use of the User ID and Password, including without limitation, if an Authorized User is no longer employed by the Company, by telephone at (585) 394-4260 with a confirmation followed in writing. The occurrence of unauthorized access will not affect any transfers the Bank makes in good faith prior to receipt of such notifications and within a reasonable time period thereafter to prevent unauthorized transfers.

The Company shall utilize the Company's User ID and Password to access the Online Banking service to transmit Wire Transfers. The Bank may act upon any Transfer upon verification of the Company's User ID and Password. The Company agrees that the use of these Security Procedures constitute commercially reasonable methods of providing security against unauthorized Transfers. The Bank will have no obligation to act upon any Transfer unless and until such Transfer is verified in accordance with the agreed upon Security Procedures, and the Company shall indemnify, defend, and hold the Bank harmless from any loss suffered or liability incurred by the Bank in refraining from executing any Transfer after all reasonable efforts to verify the same in accordance with the Security Procedures have failed or in delaying execution until such verification is obtained. A Wire Transfer received by the Bank shall be effective upon the Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is sent using the Security Procedures set forth herein. If a Wire Transfer entry (Transfer) received by the Bank was transmitted or authorized by the Company, the Company shall pay the Bank the amount of the Transfer, whether or not the Bank complied with the Security Procedures and whether or not that Transfer was erroneous in any respect or that error would have been detected if the Bank had complied with such procedures.

Verification of Payment Orders

Test Codes

- Each Transfer request must include a test code specifically issued to the Company from the Banking Operations department. Test codes are unique identifiers and serve as additional Company identification and authentication. Test codes are required for online and offline wire transfer requests. Company is responsible for maintaining the security of test codes.



Call Back Verification

- Wire Transfer requests originated offline must be delivered to the Banking Operations department by phone, facsimile transmission or email and appropriate test codes utilized.
- All offline Wire requests will be verified by phone with the initiator via contact information provided by the Company in the Online Banking agreement.

Transaction Authorization Codes (TAC's)

- TAC's are required for all online wire transfer requests. TAC's may be delivered via mobile text message or verbal telephone receipt.

Telephonic, Facsimile and Other Written Instructions

A Company providing the Bank a telephonic, facsimile transmission or by any other writing shall transmit the Wire Transfer order to the Bank at the telephone or fax number or location designated from time to time by the Bank for that purpose. The person shall represent herself or himself as an Authorized User by supplying the Bank the name and signature of an Authorized User on the facsimile or written instruction.

The Bank shall then:

1. Obtain from that person the Code assigned to that Authorized User
2. Obtain the wire transfer order from the Authorized User
3. Place a telephone call to the Authorized User at the telephone number designated by the Company for such person
4. Request to speak to the Authorized User
5. Obtain the Code assigned to that Authorized User from the person purporting to be the Authorized User and then confirm the wire transfer order by obtaining from that person data regarding the amount of the wire transfer, the beneficiary and beneficiary's account.
6. Any other measures as we may deem appropriate or necessary

Initiation of Wire Transfers through one of our branch offices by telephone is permitted; however we reserve the right, in our sole discretion, to refuse to accept any wire transfer instructions you submit to us by those means.

The Company agrees to be bound by any payment order (whether or not authorized) issued in its name and accepted by the Bank in compliance with these Security Procedures.

Company acknowledges that the Security Procedures are commercially reasonable in the context of the Company's operation, requirements and internal procedures. The Security Procedures set forth herein are approved by the Company.

Procedures to Change Company Administrator(s)

The Company agrees to notify the Bank of any change in the Company Administrator(s) by submitting the *Business Online Banking Administrator Change* form signed by an officer or official of the Company setting forth the changes to be made (including the name, signature, mailing and e-mail address and telephone number of each Company Administrator to be changed). No such change will be effective until the Bank has received such new certification and has had a reasonable opportunity to act upon such certification. The Bank may act upon the written instructions of an individual purporting to be an authorized officer or official of the Company instructing the Bank to add or delete Company Administrators (including those received by facsimile transmissions), the Bank's obligations being limited to taking reasonable care to determine that the signature reasonably resembles the specimen signature provided to the Bank.

The Company agrees that the Bank is not responsible for faulty transmissions or any failure to receive facsimile transmissions. An instruction received by the Bank shall be effective upon Company, whether or not authorized and regardless of the actual identity of the transmitter thereof, if such instruction is accepted by the Bank in good faith and in accordance with the foregoing procedures.

Unauthorized use of any Online Banking Access or other component of the Security Procedures shall be solely the responsibility of the Company.