



(For internal use only)

**Treasury Management Master Agreement  
FOR  
GLASSBORO BOARD OF EDUCATION**

This Master Agreement for Banking Services (the "Master Agreement") is entered into as of this [redacted] day of [redacted], [redacted] by and between Republic First Bank dba Republic Bank and its affiliates ("Bank") and GLASSBORO BOARD OF EDUCATION ("Customer").

**Background**

Bank provides a broad range of Treasury Management products and services to, among others, Government and Not-For-Profit entities as well as for profit Corporate businesses ("Treasury Management Services"). The Customer wishes to obtain from Bank and Bank desires to provide the Customer the services selected by checking the boxes below:

- Republic Treasury Direct (Appendix I)
- Automated Clearing House (ACH) (Appendix II)
- Account Reconciliation (Appendix III)
- Deposit Reconciliation (Appendix III-A)
- Controlled Disbursement (Appendix IV)
- Escrow Service (Appendix V)
- Lockbox (Appendix VI)
- Money Room Service (Appendix VII)
- Positive Pay (Appendix VIII)
- ACH Positive Pay (Appendix IX)

Selections required below for either/both Positive Pay services:

- Pay All – If exception items are not decisioned by 2:00PM items will be paid
- Return All - If exception items are not decisioned by 2:00PM items will be returned
- Decline Service

**\*\*\* AFTER REVIEW OF SECTION 12 HEREIN, CUSTOMER DECLINES POSITIVE PAY AND/OR ACH POSITIVE PAY SERVICE\*\*\*  
(Customer must accept or decline the Positive Pay Service)**

- Wire Transfer (Appendix X)
- Zero Balance Accounts (Appendix XI)
- Data Transmission (Appendix XII)
- Investment Sweep (Appendix XIII)
- Line of Credit Sweep (Appendix XIV)
- Remote Deposit (Appendix XV)
- Smart Safe Service (Appendix XVI)

(Each of the services selected above, individually, from time to time, a "Service" and collectively, the "Services").

NOW THEREFORE, Bank and Customer hereby agree as follows:

This Master Agreement sets forth the terms and conditions applicable to the provision of the Treasury Management Services to the Customer by Bank. This Master Agreement is to be read in conjunction with the rules and procedures applicable to each Service (collectively, the "Rules"). The Rules are contained in the Appendices to this Master Agreement, which Rules are hereby incorporated in and made a part of this Master Agreement. In the event of any conflict between this Master Agreement and the Rules, this Master Agreement shall govern, but only to extent reasonably necessary to resolve such conflict.

**1. Definitions.**

- 1.1 "Account" means an Account as defined in the account opening documentation maintained by the Customer at Bank or other documents governing Customer's Account each as may be amended from time to time ("Account Agreement"). If Customer has more than one account at Bank, Customer must designate such accounts on the Set-Up Documentation as defined. Such accounts must have one common owner and one Authorized Signer as defined herein. Such accounts will be linked.
- 1.2 "Administrator" means any person or individual(s) designated in the Set-Up Documentation to perform administrative functions and have complete access to all Account(s) and Service(s). Administrator shall select Authorized Representative(s)
- 1.3 "Appendix" or "Appendices" means the detailed description of each Service selected by Customer and incorporated herein and made a part of this Master Agreement.
- 1.4 "Authorized Representative" means any person(s) or individuals designated and authorized by the Customer or Administrator to act on its behalf and/or authorized to utilize the Services either (i) by course of dealing or otherwise and/or (ii) by any other evidence of authority requested by Bank, including any set up documentation Bank might require from time to time ("Set-Up Documentation"). However, Administrator shall select and designate Authorized Representative.
- 1.5 "Authorized Signer" means the person(s) authorized to sign on an Account pursuant to Account Agreement.
- 1.6 "Business Day" means every day other than Saturday, Sunday or one of the Federal Holidays.
- 1.7 "User" means Authorized Representative.

**2. Compensation.** Customer agrees to compensate Bank for Services. Bank may amend its fee in the aggregate or individually at any time. Customer shall be solely responsible for the payment of all fees, charges and other expenses, which may be imposed as a result of its use of and access to the Services. Following termination of this Master Agreement, Customer agrees to pay Bank for Services provided by Bank prior to termination (if any). Customer authorizes Bank to charge any Account for all applicable charges and fees. If balance of available funds in an Account is insufficient to cover fees, Bank may charge such fees to any account of Customer at Bank even one not subject to this Master Agreement. This paragraph shall survive the termination of the Master Agreement.

**3. Periodic Statements.** In connection with the Services, Customer shall receive periodic statements from Bank regarding Account activity taking place during the statement period. The periodic account statement will contain a record of all transactions completed during the statement period. Periodic account statements must be utilized to identify discrepancies and inaccuracies. Unless set forth otherwise in any Appendix specific as to any Service, all concerns or errors regarding periodic account statements or on-line Account access, must be addressed to Bank in writing within thirty (30) days. Customer's failure to report promptly within this specified time period any claims

or losses arising from such errors shall preclude Customer from asserting such claim, and transaction shall be deemed to have been properly authorized and executed.

#### **4. Covenants, Representations and Warranties.**

- 4.1** Customer represents and warrants that the individual(s) executing the Master Agreement has/have been authorized by all necessary Customer action to sign such agreements and to issue such instructions as may be necessary to carry out the purpose and intent of the Master Agreement and to enable Customer to receive each selected Service. In compliance with applicable law relating to Customer identification, Customer agrees to provide Bank such information, including but not limited to, copies of formation agreements, certificates of existence and good standing, resolutions, in forms acceptable to Bank.
- 4.2** Customer represents and warrants that each Authorized Representative is authorized to access and use the Services and has been duly authorized by all necessary action on the part of the Customer to (a) access the Account(s) and use the Services; (b) access any information related to any Account(s) to which the Authorized Representative has access and; (c) engage in any transaction relating to any Account(s) to which Authorized Representative has access. Bank is entitled to rely upon any written list of Authorized Representatives supplied by Customer until revoked or modified by Customer in writing. Customer shall return to Bank any Access Device as defined herein of any Authorized Representative whose authority has been revoked. Customer agrees that Bank may refuse to comply with requests from any individual until Bank receives the necessary documentation.
- 4.3** Bank may unconditionally rely on the validity and accuracy of any communication or transaction made, or purported to be made, by an Authorized Representative.
- 4.4** The Customer shall take all reasonable measures and exercise all reasonable precautions to prevent the unauthorized disclosure or use of all codes, passwords, PINs, tokens, user identification technology, layered security or any or any other method of identification or authentication used in connection with a security procedure (collectively "Access Devices") as directed by Bank and associated with or necessary for, Customer's use of the Services ("Security Procedure"). Additionally, the Customer shall take all reasonable measures with respect to, and shall be strictly responsible for, the maintenance and protection of Customer's Customer Facilities (as defined herein) system to guard against various types of spyware or malware designed to steal, gain access to or breach the security of Access Devices.
- 4.5** The Customer is not a "consumer" as such term is defined in the regulations promulgated pursuant to the Gramm-Leach-Bliley Act, 15 U.S.C. 6801 *et seq.*, nor a legal representative of a "consumer".
- 4.6** The Customer shall use the Services only for its own lawful business purposes and not engage in any illegal activity or violate any applicable law, rule or regulation, and shall not use the Services for personal, family or household purposes, or any other purpose not contemplated by this Master Agreement. Furthermore, Customer shall not engage in (i) internet or online gambling transactions, whether such activity is legal in any applicable jurisdiction; and (ii) any activity or business that is a "money service business" as defined in the Financial Institutional Secrecy Act. The Customer shall take all reasonable measures and exercise all reasonable precautions to ensure that Customer officers, employees or representatives do not use the Services for personal, family or household purposes, or any other purpose not contemplated by the Master Agreement.
- 4.7** Customer shall transmit data and other information in the format and media required in an Appendix. Customer shall be solely responsible for the accuracy of the data

transmitted. Bank shall not be responsible for examining the data or detecting errors or failure to process if data not in format specified or in accordance with this Master Agreement and any applicable Appendix or operational directive from Bank.

- 4.8** The Customer and Bank shall comply with (i) all applicable laws, regulations, rules and orders; (ii) the Deposit Account Rules, Regulations, Disclosure and Privacy Notice; (iii) all applicable National Automated Clearing House Association (“NACHA”) rules and regulations; (iv) Article 4A of the Uniform Commercial Code; and (v) Office of Foreign Asset Control (“OFAC”) sanctions.

- 5. Third Parties.** The Customer acknowledges that certain third parties provide services to Bank (“Third Party Services”) in connection with Bank’s provision of the Services to the Customer and that accordingly, Bank’s ability to provide the Services hereunder may be contingent upon the continuing ability of certain services from such third parties. Third party Services may involve the processing and/or transmission of the Customer’s data, instructions (oral or written) and funds. In addition, the Customer agrees that Bank may disclose the Customer’s financial information to third parties (i) where it is necessary to complete the Services requested; (ii) in order to comply with laws, government agency rules or orders, court orders, subpoenas or other legal process or in order to give information to any government agency or official having legal authority to request such information; (iii) when the Customer gives its written permission; or (iv) in accordance with Bank’s privacy policy.

**6. The Services.**

- 6.1** The Customer, through its Authorized Representative, may use the Services solely in accordance with the terms and conditions of this Master Agreement and the Rules.
- 6.2** With the exception of scheduled off peak downtime periods, Bank shall make all reasonable efforts to make the Services available to the Customer each Business Day. However, certain of the Services are subject to processing cut-off times on a Business Day.
- 6.3** Access to on line Services will be denied if invalid Access Devices are used or if the user exceeds the number of invalid attempts allowed by Bank.
- 6.4** The Customer is authorized to use the Services only for the purposes and in the manner contemplated by this Master Agreement. Bank has no obligation to monitor use of the Services for any impermissible uses.
- 6.5** The Customer agrees to cooperate with Bank, as Bank may reasonably request in conjunction with the performance of the Services.
- 6.6** The Customer agrees to comply with the Rules, as they may be reasonably amended from time to time by Bank.

**7. Customer Facility and Software.**

- 7.1** Customer at its own expense must provide and maintain a computer, all software, telephone lines, Internet or other connections, equipment and facilities as necessary to access the Services as well as provide support for a minimum 128-bit SSL encryption or other security measures Bank may require (collectively “Customer Facilities”). Customer

is responsible to install and maintain virus protection software. Bank is not responsible for any malfunctions of the Customer Facilities or Customer Facilities viruses or related problems associated with access to or use of the Customer Facilities or any losses or delays in transmission of information from Customer through the use of any Internet or other service provider providing Customer's connection to Internet or any Customer software.

- 7.2** Bank may supply Customer with certain software owned or licensed to Bank only to be used by Customer in the delivery of Services. Customer acknowledges such software is sole property of Bank and agrees to comply with terms and conditions of any such license agreement. Customer shall be responsible for costs and installation of software and selection, installation, maintenance and repair of all hardware necessary for operation of software.

## **8. Security**

- 8.1** Customer acknowledges and agrees that a Security Procedure is not designed for the detection of errors in the content received from Customer. Any such errors in instruction from Customer or Customer's Authorized Representative shall be Customer's sole responsibility. Customer agrees that all Security Procedures described in this Master Agreement and any applicable Appendix are commercially reasonable security procedures under applicable law for initiation of Services, including but not limited to, transfers and access to any information, and Bank may charge the Account for any instruction Bank executed in good faith and in conformity with security procedures, whether in fact the transfer was authorized by Customer.
- 8.2** Customer agrees that it is solely responsible for ensuring compliance with any Security Procedures established by Bank and as may be changed or modified by Bank. Bank shall have no liability for losses sustained by Customer as a result of breach of Security Procedures if Bank has complied with the Security Procedures. Customer will notify Bank immediately if any Access Device or Security Procedure has been stolen or compromised or any transaction is unauthorized or in error. Bank reserves the right to (i) modify, amend, supplement, or cancel a Security Procedure; (ii) cancel, disable or replace any Access Device. In the event Bank determines to cancel or make any change in a Security Procedure, Bank will endeavor to provide reasonable notice; provided that Bank may make any change in a Security Device without advance notice if in Bank's sole judgment and discretion, Bank believes such change to be necessary to protect against any potential breach of security. Customer's continued implementation of any changed Security Procedure or Access Device shall constitute Customer's agreement to the change and agreement that such changed Security Procedure is commercially reasonable and adequate. In any event, Bank shall not be liable for any delay in taking such actions.
- 8.3** Customer agrees to (i) internally adopt and implement commercially reasonable policies and procedures to secure information being transmitted, received, stored and destroyed to prevent loss, theft or unauthorized access to data or information ("Data Breaches"); (ii) monitor its systems regularly for intrusion; (iii) promptly investigate any Data Breaches; (iv) provide immediate and accurate notification to Bank of any Data Breaches when known or reasonably suspected; and (v) implement reasonable measures including retention of appropriate professionals to investigate the Data Breaches and provide such information to Bank.

**8.4** CUSTOMER ACKNOWLEDGES THAT BANK'S SECURITY PROCEDURES ARE STRICTLY CONFIDENTIAL. CUSTOMER SHALL BE SOLELY RESPONSIBLE TO (I) ESTABLISH AND MAINTAIN PROCEDURES THAT SAFEGUARD ACCESS DEVICES AND SECURITY PROCEDURES AND MAKE THEM AVAILABLE TO DESIGNATED AND AUTHORIZED INDIVIDUALS ONLY; (II) INSTRUCT THOSE INDIVIDUALS THAT THEY ARE TO PROTECT THE ACCESS DEVICES AND SECURITY PROCEDURES FROM UNAUTHORIZED INDIVIDUALS. CUSTOMER AGREES TO INDEMNIFY, DEFEND, AND HOLD BANK HARMLESS FROM ANY LOSS, DAMAGES OR EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEY FESS, CAUSED BY CUSTOMER, OR ITS EMPLOYEES, OR AGENTS FAILURE TO KEEP ACCESS DEVICES OR SECURITY PROCEDURE CONFIDENTIAL AND SECURE.

## **9. Liability**

**9.1** Bank shall use reasonable care to provide accurate, complete and current financial information relating to the Account(s) maintained by Customer at Bank and that may be accessed by the Customer through Services. Notwithstanding the foregoing, Bank makes no representation or warranty that information provided by the Customer or any third party that may be accessed by the Customer through the Services is accurate, complete or current.

**9.2** The Customer agrees that the Services are being provided by Bank for conduct of proper, authorized Customer business only. Unless due to Bank's gross negligence or willful misconduct, Bank shall have no liability to Customer (a) if the Services are utilized by Customer, Customer's employee(s), independent contractor(s) or other third party for a purpose or in a manner not contemplated or allowed by this Master Agreement or the Rules, or (b) for any losses, costs, expenses, claims or other liabilities suffered or incurred by the Customer as a result of any theft, unauthorized access to or unauthorized disclosure or use of an Access Device or unauthorized access to Customer's computer system. Bank reserves right to decline to execute any transaction that Bank believes violates the terms of this Master Agreement.

**9.3** Bank shall not be responsible for any occurrence, act or omission not within Bank's reasonable control, including, without limitation, the inoperability or malfunction of any communications, computer or payment system, power outages, acts of God, war, labor difficulties, or actions of any government either in its sovereign or contractual capacity.

**9.4** Bank is not responsible for any errors or malfunctions of Customer's computer or any computer virus or other problems related to Customer's computer equipment, browser, Internet service provider, software, or any equipment Customer uses to communicate with the Services.

**9.5** Bank shall have no liability to any third party on account of the performance of the Services hereunder and the parties specifically agree that there are no intended or incidental third party beneficiaries of the Services.

**9.6** In the event Bank is adjudged liable to the Customer, the amount of damages recoverable by the Customer shall not exceed Customer's actual damages, and in no event shall Bank be liable for any special, incidental, punitive, indirect or consequential damages of any kind, including lost profits whether or not Bank has been advised of the possibility of such loss or damage. Except as otherwise stated herein or required by

applicable law or rule, this paragraph 9.6 states Bank's entire liability to the Customer with respect to the Services provided under this Master Agreement. This Paragraph shall survive any termination of this Master Agreement.

**9.7** In the event the Customer is adjudged liable to Bank, the amount of damages recoverable by Bank shall not exceed Bank's actual damages, and in no event shall the Customer be liable for any special, incidental, punitive, indirect or consequential damages of any kind, including lost profits whether or not the Customer has been advised of the possibility of such loss or damage. Except as otherwise stated herein including but not limited to, paragraph 8.4 or as required by applicable law or rule, this paragraph 9.7 states the Customer's entire liability to Bank with respect to the Services provided under this Master Agreement. This Paragraph shall survive any termination or expiration of this Master Agreement.

**9.8** Disclaimer of Warranties. CUSTOMER EXPRESSLY AGREES THAT USE OF THE SERVICES IS AT CUSTOMER'S SOLE RISK, AND THE SERVICE IS PROVIDED "AS IS," AND BANK AND ITS SERVICE PROVIDERS AND AGENTS DO NOT MAKE, AND EXPRESSLY DISCLAIM ANY, WARRANTIES, EITHER EXPRESSED OR IMPLIED, WITH RESPECT TO THE SERVICES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NON-INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE, WITHOUT BREACHES OF SECURITY OR WITHOUT DELAYS. IN THOSE STATES THAT DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY, THE LIABILITY OF BANK AND ITS SERVICE PROVIDERS AND AGENTS IS LIMITED TO THE FULLEST POSSIBLE EXTENT PERMITTED BY LAW.

## **10. Indemnification.**

**10.1** The Customer shall indemnify and hold harmless Bank from and against any and all losses, liabilities, penalties, damages, expenses or other harm or injury which Bank may incur or suffer or which may be asserted by any person or entity, including reasonable attorney's fees (whether or not such attorneys are employees of Bank or any affiliated company) and court costs (the "Losses") resulting directly from, (i) any failure by the Customer to observe and perform properly in any material respect each and every covenant of this Master Agreement or any other wrongdoing of the Customer; (ii) any action taken or omitted to be taken by Bank in reasonable reliance upon information provided to Bank by the Customer; provided, however, the Customer shall not be required to indemnify and hold harmless Bank from any Losses which are caused by Bank's gross negligence or willful misconduct as determined by a court of competent jurisdiction. The provisions of this paragraph shall survive the termination of this Master Agreement.

## **11. Termination.**

**11.1** This Master Agreement or any individual Service shall continue in full force and effect unless either party terminates this Master Agreement or an individual Service by giving the other party not less than thirty (30) calendar days notice thereof.

**11.2** Notwithstanding paragraph 11.1 above, Bank may terminate this Master Agreement and/or any Service immediately if, at any time, (i) the Customer's Accounts with Bank

are closed; (ii) if either Bank or the Customer is hereafter prohibited by law from performing any Service hereunder; (iii) the Customer fails to comply with any of its material obligations hereunder; (iv) the Customer is in default under any material obligation; (v) the Customer is utilizing the Services for a purpose or in a manner not contemplated by this Master Agreement; or (vi) if Bank reasonably determines that the Customer has failed to maintain a financial condition deemed reasonably satisfactory to Bank.

- 11.3** Notwithstanding paragraph 11.1 above, the Customer may terminate this Master Agreement and/or any Service immediately if, at any time, (i) either Bank or the Customer is hereafter prohibited by law from performing any Service hereunder; (ii) Bank fails to comply with any of its material obligations hereunder; (iii) Bank is in default under any material obligation, or (iv) the Customer reasonably determines that Bank has failed to maintain a financial condition such that Bank can continue to meet its obligations to the Customer and satisfactorily perform the Services.

## **12. Fraud Detection.**

- 12.1** Bank may make available from time to time certain products and services that are designed to assist in the detection and deterrence of fraud. Although no product or service is completely effective, if Bank identifies such a product or service to Customer and Customer fails to implement any of these products or services, or fails to follow these and other precautions reasonable for Customer's situation, Customer will be precluded from asserting any claims against Bank for paying such unauthorized, fraudulent, altered or counterfeit item.
- 12.2** Customer acknowledges that Positive Pay is a Service that, when used in conjunction with other safeguards, will reduce the likelihood that certain types of fraudulent items will post against Customer Accounts. Should Customer choose not to select this Service, the Customer will be precluded from asserting any claims against Bank for paying any unauthorized, altered, counterfeit or other fraudulent item that would have been intercepted by using this Service, and Bank will not be required to re-credit Customer's account or otherwise have liability for paying such items.
- 12.3** Customer should at all times monitor all Services provided by Bank and notify Bank as soon as reasonably possible after Bank has made such report available including on-line Account access of any error. Customer should at all times (i) safeguard Account materials and information such as Account numbers, checkbooks, Access Devices, Security Procedures; (ii) review carefully all Account materials including checks, checkbooks, statements and on-line access for unauthorized activity; (iii) be vigilant against computer viruses, electronic and email fraud and other internet schemes, including but not limited to, "phishing" or "pharming" and train employees and Authorized Representatives to avoid such risks; (iv) maintain control over facsimile signatures; (v) be vigilant with regards to discussing Account information on telephones; and (vi) issue checks with care to avoid alterations and forgeries.

- 13. Documentation.** The parties acknowledge and agree that all documents evidencing, relating to or arising from the parties' relationship may be scanned or otherwise imaged and electronically stored and the originals (including manually signed originals) destroyed. The parties agree to treat such imaged documents as original documents and further agree that such reproductions and copies



may be used and introduced as evidence at any legal proceedings including, without limitation, trials and arbitrations, relating to or arising under this Agreement.

**14. Notice.**

**14.1** Except as otherwise stated, notices given in connection with this Master Agreement must be given in writing to the address set forth on the signature page of this Master Agreement by first class mail, postage prepaid. All notices shall be effective upon receipt.

**14.2** In addition, Customer authorizes and agrees that Bank may send notice as required under this Master Agreement to Customer's business email address as may be on file with Bank, or electronically by posting on Bank's website, on an Account statement, or by facsimile. Such notice or communication shall be effective and deemed delivered when provided to Customer in such manner.

**15. Assignment.** The Customer agrees that neither the Services to be performed hereunder nor this Master Agreement may be assigned or transferred by the Customer to any third party without Bank's prior written consent. Bank reserves the right to assign this Master Agreement, or its performance hereunder, to any entity. Bank shall provide prior written notice to the Customer of any such assignment.

**16. Entire Agreement.** The parties acknowledge that each has read this Master Agreement, understands it, and agrees to be bound by it. This Master Agreement, together with the Rules, states the entire understanding between the Customer and Bank concerning the Services. In the event of a conflict between the terms of the Master Agreement and the Rules, or between the terms of the Master Agreement and the terms of any other document pertaining to the Services, this Master Agreement shall prevail.

**17. Amendments.** The Master Agreement, Rules and any applicable Appendix may be amended by Bank at any time on notice to Customer so long as the amendment is generally applicable to those customers obtaining substantially the same Services and/or maintaining substantially the same type of Account agreement as the Customer. Customer's continued use of Services shall constitute Customer's agreement to such amendment.

**18. Relationship of Bank and Customer.** In providing Services hereunder, Bank shall be acting solely as an independent contractor and not as the agent, partner or joint venture of the Customer or any other party

**19. Waiver.** No waiver of any right or obligation hereunder shall be deemed to imply any waiver of any other present or future right or obligation hereunder whether similar or dissimilar.

**20. Provisions Severable.** If any provision of this Master Agreement is held to be invalid or otherwise unenforceable by a court of competent jurisdiction or any governmental regulatory agency, then this Master Agreement shall be deemed to be amended to the extent necessary to bring it into accordance with any such requirement, and all remaining provisions hereof shall continue in full force and effect.

**21. Governing Law.** This Master Agreement shall be governed and construed in accordance with the laws of the State in which the Account has been opened and is maintained, without regard to conflict of law principles applied in such state.

- 22. Compliance with Law.** Bank shall comply with any and all applicable federal, state and local laws, rules and regulations, including those relating to conflicts of interest, discrimination and confidentiality, in connection with the performance of its obligations under this Master Agreement.
- 23. Commercially Reasonable.** Customer acknowledges and agrees that the security procedures outlined herein as well as in each Appendix to the Rules and any related or associated documents related to a particular Service are commercially reasonable methods of providing security, including but not limited to, against unauthorized entries, wires or payment orders.
- 24. Jury Trial Waiver.** BANK AND CUSTOMER EACH AGREE THAT NEITHER BANK NOR CUSTOMER SHALL (I) SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM, OR ANY OTHER ACTION BASED UPON, OR ARISING OUT OF, THIS AGREEMENT OR ANY ACCOUNT OR THE DEALINGS OF THE RELATIONSHIP BETWEEN BANK AND CUSTOMER, OR (II) SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANOTHER IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS PARAGRAPH SHALL BE SUBJECT TO NO EXCEPTIONS. NEITHER BANK NOR CUSTOMER HAS AGREED WITH OR REPRESENTED TO THE OTHER THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. BANK AND CUSTOMER EACH ACKNOWLEDGE THAT THIS WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE. THE PROVISIONS OF THIS PARAGRAPH 22 SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

[Remainder of this page intentionally left blank]

[signatures on the following page]

**By signing this Master Agreement where indicated below, Customer acknowledges it has received the Appendices for the Services selected on Page 1 of this Master Agreement.**

IN WITNESS THEREOF, and intending to be legally bound, the parties hereto have executed this Master Agreement as from the date first-above written.

**Republic First Bank dba Republic Bank**  
50 S. 16<sup>th</sup> Street  
Suite 2400  
Philadelphia, PA 19102

**Customer Name:**  
**GLASSBORO BOARD OF EDUCATION**  
**560 JOSEPH BOWE BLVD**  
**GLASSBORO NJ 08028**

By: \_\_\_\_\_  
Authorized Signer

By: \_\_\_\_\_  
Authorized Signer

Ryan Kruc  
Print or Type Name

\_\_\_\_\_  
Print or Type Name

Director Of Treasury Management Sales  
Title

\_\_\_\_\_



## APPENDIX I

### REPUBLIC TREASURY DIRECT – DIGITAL BANKING SERVICE

This Appendix is incorporated by reference into the parties' Master Agreement. All capitalized terms not otherwise defined have the meanings assigned to them in the Master Agreement. Except as otherwise expressly provided in this Appendix, to the extent this Appendix is inconsistent with the provisions of the Master Agreement, this Appendix and any amendment hereto from time to time shall control, but only to the extent necessary to resolve such conflict.

1. **Republic Treasury Direct.** Republic Treasury Direct Banking Service ("Republic Treasury Direct") is Bank's premier internet based electronic information delivery and transaction initiation system. The Service involves a variety of products, with ongoing enhancements to existing, and the addition of, new service modules.

- 1.1 By subscribing to this Service, the Customer will have the option of receiving the basic module consisting of Balance and Transaction Reporting, Internal Transfers, and online Stop Payments.
- 1.2 Bank also offers additional modules and services via Republic Treasury Direct which can be selected by the Customer. These include but are not limited to: ACH Services, Positive Pay, and Wire Transfers. Product specific rules and applicable product procedures regarding these modules are incorporated into the associated product Service Appendices.
- 1.3 Subscription to the basic module of Republic Treasury Direct consisting of Balance and Transaction Reporting, Internal Transfers, and online Stop Payments is necessary in order for Customer to subscribe to and access ACH Services, Positive Pay, and Wire Transfers.
- 1.4 Equipment and Facilities and Security Procedures below apply to all modules of Republic Treasury Direct.

2. **Bank Services.**

- 2.1 **Reporting.** Reporting allows the Customer to review the balances and transaction history in Customer's checking and savings Account(s) for a period of three hundred sixty-five (365) rolling days. Customer may also view images of deposit tickets, items in the deposit, and paid checks during this timeframe. The history period commences only as of the implementation of Republic Treasury Direct and transactional history and check images may not be viewed for pre-implementation time periods.
- 2.2 **Book Transfers.** Internal Transfers allows the Customer to make intrabank fund transfers between checking and savings accounts. The Customer may initiate book transfers up to fourteen (14) days in advance. All such transfers are subject to the Deposit Account Rules, Regulations, Disclosure and Privacy Notice. The amounts of transfers are limited to the available balance in the Account. There are no limits on the number of transfers to or from checking accounts. Transfers performed by 9:00 P.M. Eastern Time on a Business Day will be posted to the Account as of that Business Day. The Customer is solely responsible

for the review of the previous day's transaction report to ensure that the transaction was processed. Only book transfers initiated through Republic Treasury Direct will be displayed on the Republic Treasury Direct Internal Transfer reports.

- 2.3 Account Status.** The Account Status feature allows the Customer to view information for the most recent posted date available.
- 2.4 Account Summary.** The Account Summary feature displays a list of all accounts, and certain account information including: current ledger balance, collected balance, and available balance. Customer also has the ability to view a detail report for the current day, including same day inbound Wire Transfer activity and selected ACH activity.
- 2.5 Bill Pay.** The Customer may initiate payments to its vendors and other payees through the Bill Pay service. Payments will be sent on a scheduled payment date selected by the Customer. The earliest possible scheduled payment date is typically within four (4) Business Days from the date on which the payment is initiated. Customer must initiate each payment individually. By selecting the Bill Pay service, Customer automatically agrees to the Terms and Conditions established by the Bank's service provider for the Bill Payment Service, which are posted on the Republic Treasury Direct website. Said terms and conditions are incorporated herein by reference, and the limitations of liability applicable to the "Service" in such terms and conditions shall apply equally to the Bank.
- 2.6 Stop Payment Orders.** The Customer may initiate stop payment orders for an individual check or range of checks. Bank shall have no responsibility for losses resulting from any delay in Bank's receipt of Stop Payment Orders transmitted by means of Republic Treasury Direct or for Customer failing to verify that the stop payment order was successful. Customer must provide Bank with the **EXACT CHECK NUMBER OR RANGE OF CHECK NUMBERS**. Additionally, Customer must provide the **EXACT AMOUNT OF THE CHECK**, the **NAME OF THE PAYEE(S)**, the **ISSUE DATE OF THE CHECK(S)** and the **REASON** for the stop payment. If the check number is incorrect in any way or the amount of the check is inaccurate by one cent or more in the stop payment order, payment will not be stopped and the Bank will not be responsible for resulting losses. All other information must be reasonably accurate. Requests entered on the current day may not be effective until one Business Day after receipt. Requests made after 9:00 P.M. Eastern Time on a Business Day or on Saturday, Sunday or Federal holidays are entered on the next Business Day but may not be effective until the second Business Day after receipt. Stop payments using this Service are effective for one hundred eighty (180) days unless renewed before the end of the 180 day period. Except as otherwise provided by applicable law or rule, Customer shall not have the right to stop payment or recall any payment order or transfer request given hereunder after it has been transmitted to the Bank. Only Stop Payment Orders initiated or recalled through Republic Treasury Direct will be displayed on the Republic Treasury Direct Stop Payment Reporting tab. Stop payment orders that are not initiated through Republic Treasury Direct may not be recalled through Republic Treasury Direct.
- 2.7 Mobile Deposit.** The Customer may complete single item deposits to a Deposit Account electronically by using a supported mobile device with a camera to create an image of a

paper Check and transmitting the Check image and related Deposit Account data (“Mobile Deposit”) to the Bank via the Bank’s mobile application. Mobile Deposits are subject to all limitations and terms set forth in the relevant Deposit Account Documentation, as amended from time to time, including, but not limited to, those related to deposit acceptance, crediting, collection, endorsement, processing order and errors. The Bank reserves the right to change the qualifications of the Mobile Deposit Service at any time without giving prior notice. The Bank has the right to reject any Check or Item transmitted using the Mobile Deposit Service without any liability. The Bank is not liable for any Checks or Items it does not receive or for any check images that are not readable. Republic Bank shall have no liability for any alterations to the Checks or Items after they have been transmitted. Customer agrees to create an image of and transmit only Checks that are permissible under the Mobile Deposit Service or such other items as the Bank, in its sole discretion, elects to include under the Mobile Deposit Service. Customer agrees that the image of the Check transmitted shall be deemed an “Item” within the meaning of Articles 3 and 4 of the applicable Uniform Commercial Code. If the Bank receives a Mobile Deposit on or before 6:00 p.m. Eastern Standard Time on a Business Day that we are open, the Bank will consider that day to be the “Deposit Date”. If the Bank receives a Mobile Deposit after 6:00 p.m. Eastern Standard Time or on a day we are not opened, the next Business Day will be the Deposit Date. Customer must not deposit any Checks that are payable to any other person or entity; checks containing an alteration to any of the fields on the front of the check or which you know or suspect (or should know or suspect) are fraudulent or otherwise not authorized by the owner of the account on which the Check or item is drawn; Checks that contain a duplicate, missing, invalid or inaccurate MICR line, Checks previously converted to a substitute check; Checks drawn on a financial institution outside the United States; Checks not payable in United States Currency; Checks dated more than six (6) months prior to the date of deposit; Checks on which a stop payment order has been issued or for which there are insufficient funds; or Checks that are postdated.

3. **Equipment and Facilities.** The Republic Treasury Direct Service involves the transmission of Customer data to and from the Bank via the Internet. Customer must provide its own internet access. Customer must provide and maintain its Customer’s Facilities necessary to access the Republic Treasury Direct Services. Customer’s Facilities must be capable of secure transmission and it is the obligation of Customer to engage in best practices in maintaining its security. The security specifications and capability of Customer’s Facilities are the responsibility of the Customer.

4. **Security Procedures.**

4.1 **Designation of Republic Treasury Direct System Administrator.** Customer shall designate, in writing within the Republic Treasury Direct Set-Up Forms, one or more individuals as its Republic Treasury Direct System Administrator (each an “Administrator”). The Administrator will perform administrative functions with respect to the Republic Treasury Direct Service and have complete access to all of the Customer’s Accounts (**including the Customer’s commercial credit card account**) and Services on the Customer’s Republic Treasury Direct set-up. The Administrator functions include: granting and deleting personnel access for users and other Administrators, assigning permissions,

transaction review, transaction initiation rights, and managing credit card limits and credit card accounts for Customer's authorized cardholders.

- 4.2 User I.D., Password and Access Devices.** Administrator will receive instructions from Bank for Administrator's initial access to Republic Treasury Direct. Upon Administrator's initial access to the Republic Treasury Direct Services, the Administrator will implement new users ("Authorized Representative") through the administrative functions in Republic Treasury Direct, ensuring completion of the required information. Administrator will then create each Authorized Representative a temporary User I.D. and User Password to access Republic Treasury Direct Services. The Customer may select additional administrators with equal or lesser authority. The Administrator will assign additional Authorized Representative (including additional Administrators) to the system.
- 4.3 Authentication Security Device.** A RSA Authentication security device ("Device") will be issued to the Administrator(s) and any Authorized Representative authorized to initiate and/or approve ACH and/or Wire Transfer transactions, Physical device security is the sole responsibility of the Customer. When an Authorized Representative leaves Customer's employ, his or her User ID must be deleted and if a Device had been issued to such Authorized Representative, Bank must be promptly notified to deactivate such Authorized Representative's Device. Any additional Authorized Representative requiring a Device must be authorized, in writing, by the Customer and such authorization delivered to the Bank in order for the Device creation and deployment. If applicable, fees may be assessed for additional Devices. Unused Devices must be returned to the Bank. Cancellation of the Service would also require that Devices be returned to Bank.
- 4.4 Responsibility for Security.** The Customer is solely responsible for selecting and implementing internal security procedures and agrees to engage in best practices to maintain its security. Customer's failure to keep confidential all codes, passwords and PINs, and Customer's failure to keep Tokens secure, may cause Customer to suffer losses. Customer agrees to comply with any operating and security procedures established by Bank. The Bank may block access to Republic Treasury Direct if it reasonably believes that Customer's codes, passwords or PINs have been compromised. The Bank will promptly inform Customer of such circumstances which come to Bank's attention.
- 4.5 Multi-Factor Authentication.** Bank may utilize and may recommend a multi-factor authentication security procedure for Customer. Customer acknowledges and agrees that all wire transfers and ACH transactions requires utilization of dual control or separation of duties. With this additional security feature, one Authorized Representative and/or Administrator will initiate, create, edit, cancel, delete or restore ACH batches or wire order but a second different Authorized Representative with his/her own unique Device, User ID, or password will be required to approve.

**5. Effectiveness.** Customer agrees to all the terms and conditions of this Appendix. The liability of Bank under this Appendix shall in all cases be subject to the provisions of the Master Agreement, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank. This Appendix replaces and supersedes all prior agreements on file with

respect to the Services and shall remain in full force and effect until termination or such time as a different or amended Appendix is accepted in writing by Bank or the Master Agreement is terminated.

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Received By: \_\_\_\_\_

Date: \_\_\_\_\_





## Appendix II

### AUTOMATED CLEARING HOUSE SERVICE (ACH)

This Appendix is incorporated by reference into the parties' Master Agreement. All capitalized terms not otherwise defined have the meanings assigned to them in the Master Agreement. Except as otherwise expressly provided in this Appendix, to the extent this Appendix is inconsistent with the provisions of the Master Agreement, this Appendix and any amendment hereto from time to time shall control, but only to the extent necessary to resolve such conflict.

1. **ACH Services.** The ACH is a funds transfer system which provides for the interbank clearing of electronic entries for participating financial institutions. The ACH system is governed by the Operating Rules of the National Automated Clearing House Association (the "NACHA Rules"). Capitalized terms used in this Appendix II and not otherwise defined in the Master Agreement shall have the meanings given them in the NACHA Rules.

2. **Compliance with Rules and Instructions.** The Customer, Bank, and any other Originator for whom the Customer initiates ACH transactions shall comply and shall cause their respective officials, employees, Authorized Representative(s) and Administrator(s), to comply, with (i) the NACHA Rules as from time to time amended by NACHA; and (ii) specifications, advisories, and instructions issued, from time to time, by Bank, NACHA, and any federal or state regulatory authorities related to ACH transactions, including Office of Foreign Assets Control ("OFAC"). It is Customer's direct responsibility to obtain information regarding such OFAC enforced sanctions (it may be obtained from OFAC Compliance Hotline at 800-540-OFAC on [www.ustreas.gov/ofac](http://www.ustreas.gov/ofac)). ACH transactions are subject to all the Regulations governing electronic transactions, including but not limited to Article 4A of the Uniform Commercial Code. Bank reserves the right to audit the compliance of the Customer and any other Originator for whom the Customer originates ACH transactions, with this Agreement and the NACHA Rules. The complete set of annual ACH Operating Rules and Guidelines – Corporate Edition is available for purchase from NACHA at <https://www.NACHA.org>. Purchase of this printed material also allows online Access to the Rules. Alternatively, you may visit <http://www.achrules.org/> to view options for free and paid online-only access.

3. **Liability for Fines.** The Customer shall be liable for (i) fines incurred by Bank which are attributable to the Customer or any other Originator for whom the Customer initiates ACH transactions failing to comply with the NACHA Rules and all federal and state laws, regulations and orders; and (ii) taxes, tariffs, duties that may arise in connection with the Services.

4. **Bank's Transmittal and Obligation.** Bank will transmit credit and debit entries initiated by the Customer to the ACH system as provided in the NACHA Rules as in effect from time to time, and pursuant to the terms of this Agreement.

5. **File Specifications.** The Customer may elect to transmit an ACH File directly to Bank. In such case, the Customer shall provide Bank with computer readable information and with an ACH file consistent with current NACHA file specifications. The file shall be delivered to Bank in accordance with an agreed upon processing schedule as defined in this Appendix II or use the Republic Treasury Direct software file specifications.

6. **Proper Authorization.** The Customer and any other Originator for whom the Customer initiates ACH transactions shall obtain authorizations for all Entries in accordance with NACHA Rules and all applicable state and federal law. The origination of ACH transactions by the Customer must comply with state and federal law. This includes, but is not limited to sanctions enforced by OFAC; and any laws, regulations and orders administered by FinCEN. Bank may take recourse against any party involved in the process of transmission who fails to obtain proper authorization, including charging Customer with any penalties imposed.

7. **Retention of Records.** The Customer will retain the original of each authorization it obtains as required by the Rules, and any changes thereto, for a period of not less than (i) two (2) years after termination or revocation of such authorization, (ii) the period specified by the NACHA Rules as amended from time to time, or (iii) any period required by applicable law, whichever is longest. The Customer shall be responsible for providing Bank with a copy of such authorization upon request. Failure to provide such copy shall indicate that the authorization never existed, thus allowing the reversal of disputed transactions.

8. **Pre-Notifications.** The Customer may send pre-notifications at least six (6) Business Days prior to initiating an authorized Entry to a particular account in a format and medium as approved by NACHA Rules. The Customer may also initiate a new pre-notification when any changes are made to an account number, financial institution, individual identification number, or as otherwise stated in NACHA Rules. If the Customer receives notice that any such notification has been rejected by a Receiving Depository Financial Institution (RDFI), or that a RDFI will not receive entries without having first received a copy of the authorization signed by its customer, the Customer will not initiate any Entry to such customers, except after providing the RDFI with such authorization within the time limits provided in NACHA Rules or except after the problem is resolved and a subsequent pre-notification has been accepted as provided in NACHA Rules. Failure of the Customer to perform pre-notifications may result in transactions being rejected by the RDFI.

9. **Originator Account Authorization.** The Customer shall designate the specific Bank Account(s) for ACH settlement (each an "Originator Account"). An Originator Account shall be an Account for purposes of the Master Agreement. Customer shall authorize Bank to debit and/or credit the applicable Originator Account on the Settlement Date in the amount of each Entry. For the purposes of Pre-Fund Customers as defined below, Bank may restrict the Customer's access to funds in an Originator Account in amounts equal to the amount that the Customer desires to be debited from such Originator Account and transferred to a Receiver account(s). Customer agrees to maintain available balances sufficient to offset any entries submitted and against which any rejected or returned entries may be credited or debited.

10. **Representation of Good Funds.** The Customer represents and warrants to Bank that it shall maintain in the Originator Account collected and immediately available funds in an amount equal to the dollar amount the Customer desires to be credited to each Receiver account (i) on each Settlement Date, or (ii), if Bank restricts access to such funds in accordance with the terms set forth herein, from and including the date the Customer submits to Bank ACH Entry instructions through and including the Settlement Date. If Bank in good faith believes that the initiation of any ACH Entry may create a risk of financial loss to Bank, Bank may (a) debit or place a hold on the Originator Account in the amount of such ACH Entry after such ACH entries are received by Bank or (b) require the Customer to deposit additional funds with Bank, as collateral for such ACH entries, before initiating such ACH entries (pre-payments). Customer will promptly provide immediately available funds and collected funds to indemnify Bank if any Debit Entry is rejected

after Bank has permitted the Customer to withdraw immediately available funds in the amount thereof or if any adjustment memorandum that relates to such Entry is received by Bank.

**11. Financial Information and Audit.** Upon request by Bank, Customer authorizes Bank to enter upon Customer's premises and perform an audit of Customer's operational controls, risk management policies and practices, staffing and need for support and infrastructure. Customer agrees (i) that Bank may mandate specific internal controls and (ii) to promptly provide to Bank such information pertaining to Customer's financial condition as Bank may reasonably request, including but not limited to, request the name(s) of other financial institutions Customer is using to originate transactions.

**12. Pre-Payment/Pre-Fund.** Bank reserves the right in its sole and exclusive discretion and at any time, to require ACH pre-funding of entries. If pre-funding is required, Customer shall provide immediately available and collected funds sufficient to pay all entries as required by Bank. For those Customers that are required by Bank to deposit additional funds with Bank as collateral for ACH entries (Pre-Fund Customers), if Bank elects to place a hold on the Originator Account in accordance with the terms set forth above, such hold may be effective for a period of two (2) Business Days prior to the Effective Entry Date through one (1) Business Day after the Effective Entry Date. On Settlement Date, Bank will post a transaction for the total dollar amount contained on the transaction file. Bank reserves the right to reject or delete any file or Entry if there are insufficient funds in the Originator Account to cover the amount of the file or Entry. Bank shall endeavor in good faith to notify the Customer of such rejection or deletion. Additionally, Pre-Fund Customers acknowledge that transaction files will not be processed if the account balance in the Originator Account is less than the full amount of the transaction file that has been approved by the customer. Bank shall not be liable for any costs or damages incurred by Customer related to the processing of a partial transaction file.

**13. Warranties.**

**13.1** The Customer warrants to Bank all warranties the Customer is deemed by NACHA Rules to make with respect to ACH entries originated by the Customer for itself or on behalf of any other Originator for whom the Customer initiates ACH transactions. Without limiting the foregoing, the Customer, for itself or as an Originator for whom the Customer initiates ACH transactions warrants and agrees that (i) each Entry shall be accurate, timely, authorized by the party whose account will be affected and such authorization has not been revoked or terminated by that party or by operation of law, and such Entry otherwise complies with the NACHA Rules; (ii) each Debit Entry is for a sum which, on the Settlement Date, will be owing to the Customer from the party whose account will be debited, is for a sum specified by such party to be paid to the Customer, or is a correction of a previously transmitted erroneous Credit Entry; (iii) each Credit Entry is for a sum, which on the Settlement Date, will be debited from the Customer to the party whose account will be credited, or for a sum specified by such party to be credited by the Customer, or is a correction of a previously transmitted erroneous Debit Entry; (iv) the Customer will comply with all pre-notification requirements of NACHA Rules; (v) the Customer will comply with the terms of the Electronic Funds Transfer Act, Uniform Commercial Code Article 4A and other applicable law; (vi) the Customer will retain the original or copy of the customer authorization as required by NACHA Rules and any ACH related documents and will promptly provide to Bank any information necessary for Bank to comply with any NACHA reporting requirements; (vii) as to Internet-initiated ACH Entries, that (a) the Customer employs commercially reasonable detection systems to minimize risk of fraud related to Internet-initiated payments, (b) the Customer employs commercially reasonable procedures to verify validity of routing numbers, (c) the

Customer employs commercially reasonable security technology that at a minimum is equivalent to 128-bit encryption technology, and (d) where required by ACH related documents and/or Bank, the Customer conducts annual audits as to its security practices and procedures; (viii) it will adopt and implement commercially reasonable policies, procedures and systems to provide security as to the information being transmitted and to receive, store, transmit and destroy data or information in a secure manner to prevent loss, theft, or unauthorized access to data or information ("Data Breaches"), including but not limited to, Consumer-Level ACH Data; (ix) Customer will provide timely and accurate notification to ACH Origination Customer Service; Phone Number 1-888-875-2265 of any Data Breaches when known or reasonably suspected by Customer, including but not limited to, Data Breaches to Consumer-Level ACH Data.

**13.2** Customer acknowledges that NACHA 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, Customer hereby warrants to Bank that for each ACH Entry submitted for processing (i) obtained all authorizations required by the Rules, Regulation E or other applicable law and this Appendix; (ii) makes 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 Customer. Customer hereby indemnifies and holds Bank harmless from any liability arising out of Customer's breach of these warranties.

**14. Reliance upon the Accuracy and Validity of the Customer's Instructions.** Bank shall provide to the Customer certain confidential Devices and/or shall implement other security procedures ("Security Procedure") which Bank deems necessary to facilitate the security of the ACH entries. The Customer shall be responsible for complying with, and maintaining the confidentiality of, any such Security Procedure. The Customer acknowledges that the purpose of such Security Procedure is for verification of authenticity and not to detect an error in the transmission or content of any ACH entries. Bank may rely upon the accuracy and validity of any ACH entries provided, or purported to be provided, by the Customer and/or the Customer's agents to Bank. Bank shall not be liable for any costs of damages incurred by the Customer or the Originator for whom the Customer initiates ACH transactions in connection with any unauthorized ACH entries. Customer will employ commercially reasonable policies and is strictly responsible to maintain and establish Security Procedure as to the information being transmitted and received to prevent loss or unauthorized access to data or information.

**15. Unauthorized Access.** If Customer believes or suspects that any Access Devices have become known to or accessed by unauthorized persons, Customer agrees to notify Bank immediately followed by written confirmation. Bank will have no liability for any transfers resulting from unauthorized access, and Bank shall have a reasonable opportunity to act on Customer's written notification.

**16. ACH Risk Credit Limit.** Bank, in its sole discretion, may reject or suspend processing of any ACH Entry instructions if such ACH entries (i) exceed the Customer's ACH Credit Risk Exposure Limit (as hereinafter defined) or (ii) when aggregated with other not yet settled transactions issued by the Customer through any ACH application with Bank, exceed the Customer's ACH Credit Risk Exposure Limit. Bank shall endeavor in good faith to notify the Customer of such rejection or suspension. Bank in its sole discretion may establish a "Credit Exposure Limit" (collectively "ACH Credit Risk Exposure Limit"). The term ACH Credit Risk Exposure Limit means such dollar amount as determined solely by Bank, based on the Customer's anticipated or historical level of ACH Entry Instructions with Bank. The Customer shall promptly notify Bank if the Customer anticipates a significant increase or decrease in the dollar amount of

any of its ACH transactions. Bank may, from time to time, in its sole discretion, change the amount of the Customer's ACH Credit Risk Exposure Limit.

**17. No Lending Obligation.** Customer acknowledges that nothing in this Appendix or any course of dealing between Customer and Bank constitutes (i) a commitment of Bank to lend money to Customer; (ii) obligates Bank to lend money, extend credit or advance funds to Customer; and (iii) a modification of the NACHA Rules or the Security Procedure outlined herein, or as set forth in the Cash Management Agreement or any Appendix.

**18. Banks Unable to Accept ACH Transactions.** If the Customer submits to Bank ACH Entries relating to a RDFI which is not a participant in an ACH association, or an Entry which has a same day settlement except as may be provided herein and in conformance with Bank policy, each such ACH Entry may be rejected and Bank shall use reasonable efforts to notify the Customer thereof OR Bank shall offset the Originator Account upon receiving a return transaction from the ACH Operator and notify the Customer of such transaction.

**19. Entry Reversal.** Upon receipt of the Customer's request to reverse an Entry or file, Bank shall initiate a reversal of an ACH Entry or file in accordance with NACHA Rules then in effect. The Customer shall promptly provide Bank with any information necessary for Bank to initiate such a reversal. If the Entry is to provide a credit to the Originator Account, Bank may, at its sole option, provisionally credit the Originator Account in an amount equal to the ACH Entry instruction to be reversed. The Customer shall not withdraw from the Originator Account any funds deposited therein as a result of such provisional credit until such credit becomes final. The Customer understands and acknowledges that certain RDFI's may not or cannot comply with such reversal, in which event Bank shall debit the Originator Account in the amount of such provisional credit. Under no circumstances shall Bank be liable for interest or related losses if requested reversal is not effected. Customer shall reimburse Bank for any expenses, losses or damages it incurs in effecting or attempting to effect Customer's request for reversal of Entry.

**20. On-Us Entries.** Except as otherwise provided herein, in the case of an Entry received for credit or debit to an account maintained by Bank (an "On-Us Entry"), Bank will credit or debit the Receiver's account in the amount of such Entry on the Settlement Date, provided the requirements set forth herein are otherwise met. If those requirements are not met, Bank will use reasonable efforts to credit or debit the Receiver's account in the amount of such Entry on the next Banking Day following the date the Entry was received by Bank. Bank will have the right to reject an On-Us Entry as described herein. In the case of an On-Us Entry, Bank will have all rights of an RDFI including, without limitation, the rights set forth in NACHA Rules.

**21. Returned or Rejected Entries.** Bank may reject any Entry which does not comply with the requirements set forth herein, including Security Procedure, or which contains an Effective Entry Date more than 14 days after the Business Day such Entry is received by Bank. Bank may reject an On-Us Entry for any reason for which an Entry may be returned under the Rules. Bank may reject any Entry if Company has failed to comply with its account balance obligations as set forth herein. Bank may reject any Entry if Company does not adhere to Security Procedures as described herein. Bank shall notify Company by phone of such rejection no later than the Business Day such Entry would otherwise have been transmitted by Bank to the ACH Operator or, in the case of an On-Us Entry, its effective Entry Date. Notices of rejection shall be effective when given.

Bank shall have no liability to Company by reason of rejection of any such Entry or the fact that such notice is not given at an earlier time than that provided for herein.

**22. Provisional Until Final.** The Customer acknowledges that NACHA Rules make provisional any credit given for any Entry until final settlement. If the RDFI does not receive final settlement, it is entitled to a refund from the Receiver and the Customer shall not be deemed to have paid the party.

**23. Cancellation; Amendment.** The Customer shall have no right to cancel or amend any Entry/file after its receipt by Bank, but prior to Bank's release to the ACH Operator. However, Bank shall use all reasonable efforts to act on a request by the Customer to cancel an Entry or file before transmitting it. Bank shall have no liability if it fails to affect the cancellation in such situation.

**24. Inaccurate Identification.** The Customer acknowledges that if any Entry describes the Receiver inconsistently by name and account number, payment of the Entry may be made on the basis of the account number even if it identifies a person different than the name of the Receiver and Customer's obligation to pay the amount of the Entry to Bank is not excused in such circumstances.

**25. Record Retention.** The Customer shall retain data on file adequate to permit remaking of entries for five (5) business days following the date of the Customer's transmittal to Bank as provided herein and shall provide such data to Bank as Bank requests.

**26. Third Party Service Providers.**

**26.1** Customer is a Third Party Service Provider: If the Customer is acting as a Third Party Service Provider between Bank and the Originator (as defined in the NACHA Rules), the Third Party Service Provider must have a written contractual arrangement between themselves and the Originator, binding Originators to the NACHA rules and the provisions as set forth in this Appendix II. Bank shall take directions from the Customer with the understanding that the Customer has obtained appropriate authorizations from the Originator, and in no event shall Customer act on behalf of an Originator without proper authorizations. Third Party Service Provider must execute and deliver to Bank any agreements or documents required by Bank including but not limited to Bank's Third Party Service Provider Agreement. Further, Bank may take recourse against any party involved in the processing of the transaction, should it deem appropriate to do so.

**26.2** Customer retains Third Party Service Provider: Subject to Bank's approval, Customer may select a Third Party Service Provider to act as Customer's agent for purposes of the Service provided hereunder and Customer agrees that Third Party Service Provider is acting as Customer's agent and Customer assumes full responsibility for Third Party Service Provider's failure to comply with the Rules. Customer and Third Party Service Provider must execute all documents required by Bank, including but not limited to Bank's Third Party Service Provider Agreement before Bank provides this Service. Bank must receive written notices of termination ninety (90) Business Days before such termination is effective. Customer must provide a true and exact copy of any agreement it signs with a Third Party Service Provider. Customer agrees to indemnify and hold Bank harmless for

any losses, damages, fines, assessments, costs and expenses arising from Customer's use of Third Party Service Provider.

**27. Initiation of Transaction.** The Customer may elect to initiate transactions through Bank in one of two options:

**27.1** Customer may transmit a NACHA formatted file directly to Bank via Secure File Transfer Protocol (SFTP). Connectivity between Bank and the Customer must be established and tested prior to live transactions. The deadline for direct file transmission for same day processing is 5:00 P.M. Eastern Time. Files will be accepted until 8:00 P.M. Eastern Time, and may be processed same day if file is valid, however same day processing is not guaranteed for files received after 5:00 P.M. Eastern Time. NACHA files should contain final settlement at least one (1) business day in advance, with preference for two (2) business days. Customer may submit a NACHA formatted file fourteen (14) days in advance of settlement date.

**27.2** In regard to Republic Treasury Direct, ACH transfers initiated and approved by 8:00 P.M. Eastern Time on a Business Day will be processed that same day; transfers initiated and approved after 8:00 P.M. Eastern Standard Time may or may not be processed the same Business Day. ACH files received by 8:00 P.M. Eastern Standard Time on a Business Day will only be processed same day if file is valid. If the ACH file must be suspended for any reason, then the ACH file will not be processed until the next Business Day. ACH transactions may be "warehoused" fourteen (14) days in advance. Republic Treasury Direct requires the Customer to engage in a two-step process by which Authorized Representative Users initiate and approve the transactions.

**27.3 Additional Recommended Security Procedure.** In addition to the Security Procedure(s) set forth in the Master Agreement, Appendix I and this Appendix, Bank requires use of dual control as an additional security measure. Dual control requires that there be two (2) different Authorized Representatives, i.e. one who is authorized to initiate the transaction and one who is authorized to approve the transaction ("ACH Transfer Security Procedure"). In the event Customer does not employ the ACH Transfer Security Procedure recommended and permits the same Authorized Representative to initiate and approve an ACH transaction, Bank shall have no liability whatsoever to Customer, or to any third party, regarding any losses arising from Customer's failure to employ dual control or Company and/or employee comprised credentials.

**28. Electronic Data Interchange (EDI).** Customer may transmit directly to Bank an ACH file with ACH Addenda, which conform to NACHA Rules. Bank will process and forward addenda information along with financial transaction through the ACH network.

**29. Corporate Payment Notification.** Should the Customer receive addenda information or remittance details through the ACH system, Bank can provide translated EDI data via e-mail or facsimile each Business Day upon receipt of the information.

**30. LIMITATION OF LIABILITY.**

- 30.1** In addition to and without limiting the generality of, the limitation of liability provisions of the Master Agreement, Bank shall be entitled to rely solely on the information, representations, and warranties provided by Customer pursuant to this Appendix, 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 Appendix, and shall be liable only for its gross negligence or willful misconduct in performing those services. Bank shall not be responsible for Customer's acts or omissions (including, without Limitation, the amount, accuracy, timeliness of transmittal or authorization of any Entry received from Customer) 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. Customer 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 Customer or any other person described in this Section 30.1.
- 30.2** 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.
- 30.3** 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.

**31. Same Day Entries.** In regard to Credit Entries, this Section 31 was effective as of September 23, 2016. However, as to Debit Entries, this Section 31 shall not be effective until on or after September 15, 2017. A Credit or Debit Entry with an Effective Entry Date of the date of or a date prior to the date of transmission of the Entry or File to Bank and received by Bank prior to the applicable cut-off time set by Bank shall be considered to be a Same Day Entry. International ACH Transactions ("IAT") and Entries above \$25,000.00 are not eligible for Same Day ACH processing. In addition to any other fees the Customer is obligated to pay Bank, Customer agrees to pay Bank the Same Day Entry fee set by Bank from time to time.

**32. International ACH Transactions.** Bank may not offer this Service and in the event Bank does so offer this Service, Customer cannot initiate IAT Entries without Bank's prior approval and only in accordance with the following provisions: (i) IAT Entries will be transmitted in U.S. dollars and converted to local currency at exchange rate determined by Bank's processor and on date determined by Bank's processor. All risk of fluctuation in the exchange rate is to be borne by Customer and Customer agrees that Bank shall



not be liable to Customer for any loss or charge as the result of the application of any foreign currency exchange criteria imposed by any institution or agency located outside the United States; (ii) as to returned IAT Entries, consumer payments will be credited to Customer at the originated U.S. dollar amount and corporate payment shall be credited to Customer at the exchange rate determined by Bank's processor at time of return; (iii) Customer agrees it shall be liable for any losses caused by and a direct or indirect result from an error in an Entry or duplicate Entry; (iv) Customer must originate with an IAT SEC code and agrees to abide by all Rules related to IAT Entries; (v) Customer agrees that in the case of a non-consumer Account, Customer will enter into an agreement with the Receiver whereby the Receiver agrees to abide by the Rules; (vi) Customer has reviewed and understands provisions of the Rules dealing with exceptions for outbound IAT Entries and 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 and that these rules, laws and regulations differ from the Rules; (vii) Customer agrees that any assistance by Bank does not obligate Bank for the accuracy or enforceability of the Entry in any country outside the United States; (viii) Customer bears the risk of loss caused by any delay, tax, cost, tariff, fee or other charge incurred on account of the Entry in any country; (ix) if 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; (x) IAT Entries must be authorized as provided in the Rules; however, the form and content of the authorization, including whether such authorization may be oral, electronic, or written, shall be governed by the laws and payment system rules of the receiving country; (xi) Customer hereby indemnifies Bank from and against any and all resulting claims, demands, losses, liabilities, or expenses, including attorney's fees and costs, resulting directly or indirectly from Customer's origination of an IAT Entry.

**33. Effectiveness.** Customer agrees to all the terms and conditions of this Appendix. The liability of Bank under this Appendix shall in all cases be subject to the provisions of the Master Agreement, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank. This Appendix replaces and supersedes all prior agreements on file with respect to the Services and shall remain in full force and effect until termination or such time as a different or amended Appendix is accepted in writing by Bank or the Master Agreement is terminated.

Received By: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX VIII

### POSITIVE PAY

This Appendix is incorporated by reference into the parties' Master Agreement. All capitalized terms not otherwise defined have the meanings assigned to them in the Master Agreement. Except as otherwise expressly provided in this Appendix, to the extent this Appendix is inconsistent with the provisions of the Master Agreement, this Appendix and any amendment hereto from time to time shall control, but only to the extent necessary to resolve such conflict.

1. **Positive Pay.** Positive Pay is a fraud detection service provided in connection with checking Accounts. Customer is required to transmit check issuance information to Bank whenever checks are disbursed and Bank will report check presentments (check drawn on an Account presented to Bank for payment "Presented Check") that do not match the check issuance information ("Issuance File") to Customer via Republic Treasury Direct. Customer will make individual pay/no pay decisions on each exception presented and Bank will pay or return such checks in accordance with Customer's decision(s). In addition, checks presented at the Bank's stores for encashment, will be compared against the Customer's check issuance information. Checks that cannot be verified at the store are subject to dishonor.

2. **Check Issuance Files.**

2.1 The Service requires the electronic transmission of an Issuance File to the Bank whenever checks are disbursed either directly from the Customer or from a third party processor used by the Customer ("Customer Processor"). Transmissions of check Issuance Information to the Bank are to be made no later than 4:00 P.M. Eastern Time the Business Day prior to the release of the applicable issued checks.

2.2 Bank will provide file specifications for the Issuance File to be provided by Customer and Customer must comply with such specifications. Transmission may occur via SFTP or via Republic Treasury Direct. Bank and Customer will test connectivity and validity of the file before Service begins. The initial step requires a file of all then outstanding issues on existing Accounts using the Positive Pay Services. All outstanding items MUST be presented to the Bank prior to activation of the Positive pay Service. Depending on frequency with which Customer issues checks, Bank reserves right to require Customer to submit one or more additional list(s).

3. **Manual Updates to Check Issuance Files.** Reporting of manual checks issuances, stop payment orders, voided, cancelled and deleted checks must be reported to the Bank via Republic Treasury Direct by 4:00 P.M. Eastern Time for same day updates to the outstanding Issuance File.

4. **Processing and Reporting.**

4.1 Bank matches paid check information to outstanding check issuance records and provides the Customer with a daily exception list via the Positive Pay module on Republic Treasury Direct. Bank shall pay a Presented Check only if it matches the check number and dollar amount in Issuance file ("Matched Check").

- 4.2 Under the payee name verification option, a Matched Check will also include the payee name and must be identical to how it appears on the check stock. Bank will provide Customer with check specifications for payee name verification. Payee name verification service is not integrated with Bank's branch teller system and is only applicable for checks presented for payment by other financial institutions.
- 4.3 Customer agrees that this Service applies only to magnetic ink character recognition ("MICR"), encoded paper checks and documents and does not apply to electronic funds transfer ("EFT"), Automated Clearing House ("ACH") transaction or check that has been converted to an ACH transaction and does not contain a serial number.

5. **Decisioning.**

- 5.1 Customer must respond to Bank by 2:00 P.M. Eastern Time on the same Business Day with check payment approval or return instructions on each exception item reported. These decisions must be reported via the Republic Treasury Direct Positive Pay module.
- 5.2 If the Customer has not responded to item disposition by 2:00 P.M. Eastern Time, items will be handled in accordance with the default procedure outlined in the Master Agreement and the Set-up Forms. The default procedure will be designated by Customer as either "Pay All Items" or "Return All Items".
- 5.3 Bank is entitled to rely on any communication purported to have been sent by, or authorized by Customer. Bank is not liable for payment of an unauthorized or fraudulent check if the check is included in an exception report and paid in accordance with the Customer's daily instruction, or, in absence of a daily instruction, in accordance with the Default Procedure.

6. **Check Cashing at Bank Branch.** Checks that are presented to the Bank's branch teller and are not contained on the Issuance File are subject to dishonor. Bank may attempt to contact the Customer for payment approval, but Bank shall have no obligation to do so. Bank may in its sole and absolute discretion return to the person presenting a check drawn on for payment over the counter at one of Bank's branches and such check does not appear on an Issuance File. Customer acknowledges and agrees that Bank shall have no obligations to inform Customer that any such check had been presented for payment at a Bank branch and Bank shall have no liability to Customer for wrongful dishonor with respect to any such check.

7. **Stop Payment and Return Decisions.**

- 7.1 Service shall not be used as a substitute for Bank's stop payment service.

8. **Remedies and Liabilities.**

- 8.1 To extent applicable, the liability provisions of Uniform Commercial Code ("UCC") Articles 3 and 4 shall govern this Appendix, except as modified herein. To extent permitted by UCC Articles 3 and 4, the liability of Bank shall be subject to the provisions of Master Agreement, including, without limitation, any provision thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank.

**8.2** Each Presented Check which Bank pays in accordance with this Appendix will be deemed to be properly payable. Each Matching Check or other check authorized by Customer in accordance with this Appendix will be paid without Bank performing its check verification procedures and Bank shall have no liability for paying a check if its serial number or amount is altered, or it is counterfeit, bears a forged or unauthorized signature or was otherwise not validly issued. Each check which is not a Matching Check and which Bank returns pursuant to this Appendix will be deemed not to be properly payable.

**9.** **Effectiveness.** Customer agrees to all the terms and conditions of this Appendix. The liability of Bank under this Appendix shall in all cases be subject to the provisions of the Master Agreement, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank. This Appendix replaces and supersedes all prior agreements on file with respect to the Services and shall remain in full force and effect until termination or such time as a different or amended Appendix is accepted in writing by Bank or the Master Agreement is terminated.

Received By: \_\_\_\_\_

Date: \_\_\_\_\_



## Appendix X

### WIRE TRANSFER

This Appendix is incorporated by reference into the parties' Master Agreement. All capitalized terms not otherwise defined have the meanings assigned to them in the Master Agreement. Except as otherwise expressly provided in this Appendix, to the extent this Appendix is inconsistent with the provisions of the Master Agreement, this Appendix and any amendment hereto from time to time shall control, but only to the extent necessary to resolve such conflict.

1. **Wire Transfers.** The Bank's Wire Transfer Service allows Customer to transfer funds from specific Accounts with Bank to other accounts as directed (the "Recipient Account"). The Recipient Accounts may be customer accounts or third-party accounts, and may be with Bank or with domestic or foreign third-party financial institutions. Customer may create one-time wire transfer transactions, or may build wire templates to store routing information for future wire transfers. Wire Transfers can be initiated through Republic Treasury Direct or in person at the Customer's assigned Bank branch. An Authorized Representative of Customer must direct Bank to execute funds transfers on behalf of the customer. In addition, capitalized terms if not defined in the Master Agreement are those defined in the Uniform Commercial Code ("Code") applicable and in effect, including Article 4A of the Code.

2. **Republic Treasury Direct Wire Transfer Module.** Republic Treasury Direct Wire Transfer Module offers the Customer the ability to initiate and approve Wire Transfers. In addition to any other Security Procedures, **Bank requires use of dual control, that there be two different Authorized Representative Users, i.e., one who is authorized to initiate the transaction and one who is authorized to approve the transaction ("Wire Transfer Security Procedure"). Bank shall have no liability to Customer or to any third party for losses arising from security breaches or unauthorized transfers in the event Customer does not employ the recommended Wire Transfer Security Procedure and permits the same Authorized Representative User to initiate and approve any Wire Transfer transaction.**

3. **Execution of Wire Transfers.**

- 3.1 Customer shall be responsible for the creation of all templates. Bank shall not be liable for any error in the set-up or creation of any template and Customer agrees to release and hold Bank harmless from any loss or liability due to Customer error.
- 3.2 Customer may warehouse Wire Transfers up to fourteen (14) days in advance of settlement date.
- 3.3 Domestic Wire Transfers initiated and approved by 5:00 P.M. Eastern Time and International Wire Transfers initiated and approved by 3:30 P.M. Eastern Time on a Business Day will be processed that same day if that day is also a Business Day for Bank's correspondent facility and the recipient bank; transfers initiated and approved after the respective Wire Transfer cut-off times will be processed the next Business Day if that day is also a Business Day for Bank's correspondent facility and the recipient Bank. Confirmation of wire transfer is available via Republic Treasury Direct.

- 3.4** Domestic and International Wire Transfers may be requested in person at the Customer's designated Bank branch. Domestic Wire Transfers at a Bank branch can be initiated until 5:00 P.M. Eastern Time on a Business Day and will be processed that same day if that day is also a Business Day for Bank's correspondent facility and the recipient bank; transfers requested after 5:00 P.M. Eastern Time will be processed the next Business Day if that day is also a Business Day for Bank's correspondent facility and the recipient bank.
- 3.5** International Wire Transfer of foreign currency initiated and approved by 3:30 P.M. Eastern Time on a Business Day and an International Wire Transfer of U.S. currency initiated and approved by 3:30 P.M. Eastern Time on a Business Day will be processed within the industry standard delivery time (in most, but not all cases, two (2) business days). Foreign transfers may be subject to delays based on time-zone issues; the remote location of the recipient bank; cultural differences with respect to holidays and times of observation, etc.; and incorrect information being supplied by Customer.
- 3.6** Bank will validate that funds are available prior to wire being released for payment and Bank will check the Office of Foreign Asset Control (OFAC) list.
- 3.7** The Bank has no obligation to honor transfer requests exceeding the Customer's available balance. In the event Bank establishes an overdraft in completing a transfer, Customer agrees to repay Bank upon demand unless prior overdraft arrangements have been made.
- 3.8** The Bank shall have no liability for Wire Transfers sent as directed which cannot be completed or which are returned due to incorrect information furnished by the Customer. Customer is required to fully complete beneficiary name, and address, as beneficiary bank may elect to return an otherwise valid wire for incomplete beneficiary information and each wire transfer must include (i) account number from which the funds are to be withdrawn; (ii) amount to be transferred; (iii) name and ABA routing number of the payee's bank; and (iv) account name, address and account number of the payee. In the event the wire transfer describes an account number for the payee that is in a name other than designated payee, Bank may execute the wire transfer to account number so designated, notwithstanding such inconsistency, Bank has no duty to detect any inconsistency between name and account number. Customer shall indemnify Bank and hold harmless against any loss, liability, expense or damage that Bank may incur as a result of such inconsistency, including, without limitation. Attorneys' fees and expenses of litigation.
- 3.9** Bank may handle wire transfer received from Customer in any order convenient to Bank, regardless of the order in which they are received.

**4. Cancellation or Amendment of a Wire Transfer.** If the Customer wishes to either cancel or amend an outgoing wire transfer, the Customer must notify Bank immediately pursuant to Security Procedure in effect. If a cancellation or amendment request is received by Bank prior to execution of the Customer's wire transfer request, and Bank has a reasonable opportunity to cancel or amend the original wire transfer before execution, Bank will make a good faith effort to cancel or amend the original wire transfer before execution. In the event the Customer's cancellation or amendment request is received after

execution of the Customer's wire transfer request, Bank will initiate either a Wire Transfer Service Message requesting an amendment or a wire reversal as instructed by the Customer. The Wire Transfer Service Message is an administrative wire that will be executed by Bank in accordance with existing Federal Reserve System rules and regulations. The Bank's execution of a Wire Transfer Service Message does not constitute Bank's acceptance of the Customer's cancellation request. Under no circumstances will Bank be liable to the Customer for cancellations or amendments acted upon by Bank after execution of the Customer's original wire transfer request.

5. **Additional Terms.** Bank shall be entitled to rely in good faith on communications it receives as being given or sent by an Authorized Representative in conformity with all Security Procedures as being genuine and correct. Bank shall not be liable to Customer for the consequences of such reliance.

6. **THE BANK MAY TAKE SUCH ADDITIONAL STEPS AND IMPLEMENT SUCH OTHER PROCEDURES AS IT MAY DEEM APPROPRIATE TO VERIFY THE AUTHENTICITY OF ANY TRANSFER REQUEST. THE BANK MAY DELAY THE EXECUTION OF ANY TRANSFER PENDING COMPLETION OF A CALL-BACK, OR RECEIPT OF ANOTHER FORM OF VERIFICATION WHICH IS SATISFACTORY TO BANK. IF BANK IS UNABLE TO OBTAIN SATISFACTORY VERIFICATION, BANK, IN ITS SOLE DISCRETION, MAY REFUSE TO EXECUTE ANY TRANSFER.** In no event shall Bank be liable for any delay in executing a transfer or for failure to execute a transfer due to the absence of satisfactory verification.

7. The Bank may electronically record any telephone conversations between Bank personnel and Customer. Bank shall provide to Customer notice of incoming Wire Transfers. Customer may view both incoming and outgoing wire activity on Republic Treasury Direct.

8. Wire transfer transactions are subject to all the foregoing Rules and all regulations governing electronic transactions, including but not limited to, Article 4A of the Code.

9. **Use of Correspondents, Agents, and Systems.**

9.1 The Customer agrees that in executing any Payment Order as defined in Article 4A of the Code, 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 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) 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.

9.2 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 Bank is a member of the system. Any Payment Order or cancellation thereof may be transmitted by any financial institution by use of the funds transfer system of the Federal Reserve Bank

("Fedwire"). The rights and obligations of 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 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. Indemnification.** In addition to, and without limiting the generality of, the indemnification provisions of the Master Agreement, Customer shall be liable to Bank for and shall indemnify and hold 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 Appendix; (b) 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 financial institution other than Bank.

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

**11.1** Bank shall be responsible only for performing the funds transfer services described in this Appendix and shall be liable only for its own gross negligence or willful misconduct in performing these Services. Bank shall be entitled to rely solely on the information, representations and warranties provided by Customer pursuant to this Appendix, and shall not be completeness thereof. 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 financial institution and any beneficiary, none of which shall be deemed Bank's agent. In addition to the "Force Majeure" provisions of the Master Agreement, 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 Bank's ability to send or receive funds at any time, for any reason, if the funds transfer would result in 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.

**11.2** Except as otherwise required by applicable law, 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 Bank's reasonable control, including but not limited to the failure of any other financial institution(s) to provide accurate or timely information to Bank or the Customer, (b) the failure of other financial institutions to accept payment orders, (c) Customer's negligence, wrongful act or breach of this Appendix, or (d) any ambiguity or inaccuracy in any instruction given to Bank by Customer.

**11.3** ANY LIABILITY OF 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 BANK INVOLVED IN THE FUNDS TRANSFER. BANK SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S ATTORNEYS' FEES.

12. **Customer Cooperation.** In the event that 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 Bank's request but without expense to 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 Bank's disclosure to government authorities of information concerning the Customer and transactions under this Appendix that Bank believes to be appropriate or necessary to fulfill legal recordkeeping and reporting requirements.
13. **Effectiveness.** Customer agrees to all the terms and conditions of this Appendix. The liability of Bank under this Appendix shall in all cases be subject to the provisions of the Master Agreement, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank. This Appendix replaces and supersedes all prior agreements on file with respect to the Services and shall remain in full force and effect until termination or such time as a different or amended Appendix is accepted in writing by Bank or the Master Agreement is terminated.

Received By: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX XV

### REMOTE DEPOSIT

This Appendix is incorporated by reference into the parties' Master Agreement. All capitalized terms not otherwise defined have the meanings assigned to them in the Master Agreement. Except as otherwise expressly provided in this Appendix, to the extent this Appendix is inconsistent with the provisions of the Master Agreement, this Appendix and any amendment hereto from time to time shall control, but only to the extent necessary to resolve such conflict.

1. **Remote Deposit.** Remote Deposit is an internet based system designed to expedite check deposit services. Customer must use check conversion technology to submit to Bank electronic check images and associated information in lieu of the original checks for deposit in Customer's Account. This product is provided in accordance with the *Check Clearing for the 21<sup>st</sup> Century Act* ("Check 21").

2. **Equipment Requirements.**

- 2.1 The Remote Deposit Service involves the transmission of Customer data via the Internet. Customer must have Internet access in order to utilize Republic Remote Deposit. Additionally, the use of Remote Deposit necessitates specific system requirements. Bank will notify Customer of these system requirements prior to Customer's selection of the Republic Remote Deposit Service. Bank will notify Customer of any future changes to system requirements via banner messages on Republic Treasury Direct. Customer must provide and maintain the equipment, hardware, software and telecommunications services and facilities ("Customer's Facilities") necessary to access the Remote Deposit Services.
- 2.2 Customer may use check or scanning equipment offered through Bank in order to use this Service ("Bank Equipment"). Customer may use its own check scanning equipment if in Bank's sole discretion, Customer agrees that (i) it will not use check scanning equipment provided by Bank in connection with any remote deposit service offered by any financial institution other than Bank; (ii) Bank will retain ownership of Bank Equipment and Customer will do nothing inconsistent with that ownership; and (iii) its solely for the use of Customer in accordance with any documentation or manual provided by Bank.
- 2.3 Customer acknowledges that Bank did not manufacture Bank Equipment and has provided it to Customer "AS IS" and warrants only that, upon delivery, Bank Equipment will conform to Bank's then requirements for use of the Service. Bank Equipment is provided to Customer with a standard manufacturer's warranty and Customer shall be responsible for purchasing any and all additional warranties beyond the standard and complying with all recommendations as to preventive maintenance, or repairing or replacing Bank Equipment.
- 2.4 Upon termination of the Remote Deposit Service, Customer shall either return the check scanning equipment to Bank or provide a Bank representative access to Customer's premises to retrieve the equipment within ten (10) Business Days of the termination of the

service. If Customer fails to return or enable Bank to retrieve the scanning equipment, Customer shall be liable to Bank for the full price paid by Bank to purchase the equipment.

- 2.5** Customer shall bear the entire risk of theft, damage or loss of the check scanning equipment. Such loss, damage or destruction of Bank Equipment shall not relieve Customer of the obligation to make payments or comply with any other obligation under this Appendix. Customer's Facilities must be capable of secure transmission. The security specifications and capability of Customer's Facilities are the responsibility of Customer.

**3. Image Replacement Documents via Remote Deposit.**

- 3.1** Customer may submit paper checks through Bank issued scanning hardware and Bank internet site to capture the image of the original check ("Image"). Documents imaged may include: consumer, business, drafts, third party and obligations of financial institutions (travelers checks, cashier checks, official checks, money orders). Certain check types are not eligible for use and Bank cannot process checks (i) drawn on banking institutions outside the United States or in currencies other than US Dollars; (ii) payable to a third party (rather than to Customer); (iii) remotely created; (iv) irregular (e.g., where numerical and written amounts are different; (v) payable to cash; (vi) previously returned checks; (vii) exceeding any Customer transaction or file limits; (viii) postdated or more than 6 months old. The images will be concatenated into one file for transmission at 8:00 P.M. Eastern Time each Business Day for subsequent processing through Bank's Check Processing Facility.
- 3.2** The Customer is responsible for entering the information into Remote Deposit, imaging the front and the back of each paper check. The Customer is responsible for reviewing each Image for clarity to insure that the item can be reproduced as an Image Replacement Document ("IRD"). The Customer is responsible for reviewing the Remote Deposit reports on the Remote Deposit website to confirm deposit processing. Bank will indicate acceptance of the transactions and any rejected transactions must be removed from the electronic deposit on the Republic Treasury Direct website in order for the batch to process. The Customer is responsible for processing any rejected transactions as paper checks through the normal paper check deposit process.
- 3.3** The Customer is responsible for entering the total amount of deposit and volume. Customer agrees that in transmitting the IRD transaction ("Transaction") will insure that the Image shall be of such a quality that the following can be clearly read and understood by sight review of each check: (i) amount; (ii) payee; (iii) signature of drawer; (iv) date; (v) check number; (vi) information identifying the drawer and paying financial institution including MICR line (routing transit number; account number; when encoded the amount of the check and the auxiliary on-us field and process control field of check); (vii) any other information placed on the check prior to the time an image of the check is captured, such as identification written on the front of the check and any indorsements applied to the back of the check. Remote Deposit provides for reports and exporting of information entered, as well as a transmission to the Customer of detailed transaction information as pre-established.

- 3.4 Return items will be handled in the same manner as check deposits in accordance with the Account Agreement. However, Bank may return the item to Customer by delivery of a Substitute Check or the check image with all return information. Customer acknowledges that Transactions may be returned by the receiving institution for insufficient funds or other reasons. In addition, Check 21 and other applicable law may permit the Transactions to be returned for reason of alleged lack of authorization. Any credit or consideration given by Bank to Customer with respect to any Transactions shall be deemed provisional and Bank shall be entitled to revoke same without prior notice in the event one or more Transactions are rejected or returned to Bank.
- 3.5 All files of checks received and processed by the 8:00 P.M. Eastern Time deadline, will become available funds with next Business Day credit, subject to the Deposit Account Rules, Regulations, Disclosures and Privacy Notice.

#### 4. Security Procedures.

- 4.1 The Administrator will perform the administrative functions with respect to the Remote Deposit Service and have complete access to all of the Customer's Accounts and Services on Customer's Remote Deposit set-up. One or more individuals shall be the Customer's Administrator of the Remote Deposit Service and shall be designated within the Republic Remote Deposit Set-up Form. The Administrator functions include: granting and deleting personnel access, assigning permissions, transaction review, initiation and reporting rights. Customer accepts as its sole responsibility an Administrator's designation of other Administrators and Authorized Representative.
- 4.2 Upon Administrator's initial access to Remote Deposit Services, the Administrator will assign appropriate functionality to each Authorized Representative who is authorized by the Customer to access the Remote Deposit Services. The Customer may select a second administrator with equal or lesser authority. Bank shall deliver access instructions to the Administrator and provide the Administrator with a user I.D. and User Password to access the Remote Deposit Services. The Customer has exclusive control over the designation of the Authorized Representatives and the access that each Authorized Representative will have to the Account(s) and Remote Deposit Services. The Administrator will assign additional Authorized Representatives (including additional Administrators) to the system.
- 4.3 **Bank recommends Customer utilize dual control whereby one Authorized Representative does the creation, editing or deleting. Customer recognizes this recommendation is commercially reasonable.**
- 4.4 The Customer is solely responsible for selecting and implementing internal security procedures. Customer's failure to keep confidential all codes, passwords and PINs may cause Customer to suffer losses. Bank may block access to the Remote Deposit Service if it reasonably believes that Customer's codes, passwords or PINs have been compromised.

- 4.5** Bank will promptly inform Customer of such compromises which come to Bank's attention. The Customer shall maintain a secure environment for the operation of Remote Deposit, including but not limited to, utilizing protective software and virus scans. It shall be the Customer's responsibility to ensure that imaged checks are securely stored and disposed of in a timely and secure manner, and as set forth in the Rules.
- 4.6** Original checks, including original checks used as source documents for ARC and BOC Entries, must be shredded and disposed of properly by Customer within sixty (60) days of settlement of the transaction to which the check relates, so as to prevent the checks from being presented for payment, deposited, negotiated or used to steal confidential customer information. Upon Bank's request, Customer shall provide commercially reasonable evidence to Bank that it has destroyed original checks in compliance with these Rules, such as certificates from shredding companies or signoff on crosscut or dual shredding. Prior to destruction and disposal of checks, Customer shall store checks in a secured environment with limited access by Customer Representatives and shall make such checks available to Bank for inspection in the event of disputes regarding the checks. Bank reserves the right to conduct periodic site visits to Customer's place of business to ensure compliance with the security procedures outlined herein.

**5. Representations and Warranties of Customer.** Customer represents and warrants to Bank that: (i) Transactions initiated by Customer using Remote Deposit and authorization, preparation and presentment of the Transactions comply with the applicable terms and conditions set forth herein and in the Master Agreement; (ii) the digital image of the check transmitted to Bank is a sufficient copy that is a true and correct image of the original paper check and has not been altered in any manner by Customer or any third party acting on behalf of Customer; (iii) Customer, or any third party acting on behalf of Customer, has reviewed and confirmed that the MICR line information provided on the digital image of the check transmitted to Bank is identical in all respects to the original paper checks and that the encoded check amount is accurate; (iv) the original paper check has not previously been deposited for collection with Bank or any other financial institution; (v) Customer will use reasonable efforts to safeguard any checks until they are destroyed; (vi) Customer understands that in the event that a maker of a check asserts that the Transaction is unauthorized, the processing of the item may be subject to dishonor; (vii) Customer has no knowledge or notice of information to indicate that the transaction is fraudulent or not authorized by the maker of the check; and (viii) Customer will not create any duplicate images; (ix) no checks or files contain any computer viruses or other harmful, intrusive or invasive codes; (x) Bank is the exclusive provider of the Remote Deposit Service provided in accordance with this Appendix.

**6. Limitation of Liability.**

- 6.1** In addition to but not in lieu of the limitations of liability and related provisions contained in the parties' Cash Management Master Agreement, Bank shall have no liability for any error or delay in performing the Services and shall have no liability for not affecting a check image, if: (i) Bank receives actual notice or has reason to believe that Customer has filed or commenced a petition or proceeding for relief under any bankruptcy or similar law; (ii) The ownership of funds involving a check image or Customer's Authorized Representative's authority to transmit a check image is in question; (iii) Bank suspects a breach of the security procedures; (iv) Bank suspects that Customer's Account has been

used for illegal or fraudulent purposes; or (v) Bank reasonably believes that a check image is prohibited by federal law or regulation, or otherwise so provided in the Appendix.

**6.2** Further, Bank will not be liable to Customer for any unauthorized actions or fraud initiated or caused by Customer or its employees or agents. Customer assumes full responsibility for any agent Customer has retained for purposes of the Service provided hereunder ("Agent") and Agent's failure to comply with the Rules. Customer agrees to indemnify and hold Bank harmless for any losses, damages, fines, assessments, costs and expenses arising from Agent's conduct. Bank will also be excused from failing to transmit or delay in transmitting a check image if such transmittal would result in it exceeding any limitation imposed on it by any governmental or regulatory body.

**7.** **Effectiveness.** Customer agrees to all the terms and conditions of this Appendix. The liability of Bank under this Appendix shall in all cases be subject to the provisions of the Master Agreement, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to or remedies available from Bank. This Appendix replaces and supersedes all prior agreements on file with respect to the Services and shall remain in full force and effect until termination or such time as a different or amended Appendix is accepted in writing by Bank or the Master Agreement is terminated.

Received By: \_\_\_\_\_

Date: \_\_\_\_\_



Dual Control Waiver

This Dual Control Waiver ("Waiver") is executed this [redacted] day of [redacted], [redacted] by GLASSBORO BOARD OF EDUCATION ("Customer"). Capitalized terms not otherwise defined have the meanings assigned to them in the Cash Management Master Agreement and its Appendices entered into between Bank and Customer on [redacted].

Whereas, Bank has recommended and in certain instances, such as ACH and Wire Services, required Customer to employ "dual control" as a security procedure;

Whereas, dual control requires one Authorized Representative and/or Administrator to initiate, create, edit, cancel, delete, or restore ACH batches or wire order but a second different Authorized Representative with his/her own unique Device, User ID or password to approve ("Dual Control");

Whereas, Customer wishes not to use Dual Control as a security procedure and instead choses to have the same Authorized Representative and/or Administrator to initiate and approve the ACH or wire;

Therefore, Customer hereby acknowledges as follows:

- 1. It understands the meaning of Dual Control as set forth herein.
2. Bank has offered and recommended Dual Control to Customer as a security procedure and that such security procedure is commercially reasonable.
3. Customer does not wish to utilize Dual Control and that as to Customer, it has determined its waiver of use of Dual Control is commercially reasonable. Customer choses to have the same Authorized Representative and/or Administrator to initiate and approve the ACH or wire.
4. Customer agrees to be bound by any Payment Order or Entry, whether or not authorized that is issued in its name and accepted by Bank in accordance and in compliance with the security procedure Customer has chosen.

Customer Name:
GLASSBORO BOARD OF EDUCATION

By: [redacted]
Authorized Signer

Print or Type Name

Title