#4

FINANCE DEPARTMENT

Memo

May 17, 2022

Mr. Rob Brule

First Selectman

Town of Waterford

15 Rope Ferry Road

Waterford, CT 06385

Re: Bid Award – BID#22-110 Comprehensive Banking Services

Dear Mr. Brule,

On March 29, 2022, Maryellen McConnell, Joe Mancini and I opened bids for the above-mentioned Request for Proposals, with the attached results.

The Purchasing Agent in conjunction with the Finance Director recommends the contract for these services be awarded to the most qualified bidder Peoples United Bank, in accordance with their submission dated March 29, 2022 and the rates therein.

Sincerely,

Rawle Dummett
Purchasing Agent,
Town of Waterford

Tabulation Sheet Bid#22-110 Comprehensive Banking Services

Bid Opening 03/29/2022 11:00 a.m.

Vendor/Entity	Notes
Chelsea Groton Bank	Rates Provided
Liberty Bank	Rates Provided
T.D. Bank	Rates Provided
Citizens Bank	Rates Provided
Peoples United Bank	Rates Provided
J.P. Morgan Chase	Rates Provided

ADDITIONAL SERVICES		Annual Volume	Price Per Unit
Online Banking	Info Reporting Premier (2 accounts)	12	$50.00
	Info Reporting Addt'l accounts	60	$12.50
	Info Rpt Details 0-500	6000	$0.06
	Info Rpt Details 501+	5350	$0.08
Account Recon/Positive Pay	Payee Positive Pay	n/a	$20.00
	Full Recon w/Positive Pay	12	$85.00
	Full Reconciliation	12	$75.00
	Full Recon Issued Items	7928	$0.08
	Full Recon Issue Files	163	$7.50
	ACH Positive Pay	24	$19.00
	ACH Positive Pay Exception Items	14	$5.00
ZBA	ZBA Concentration	12	$40.00
	ZBA Sub Account	12	$25.00
Wires	Wire Module	12	$35.00
	Incoming Wire Activity Report	16	$1.50
Lockbox Services			
	Web Research	12	$5.00
	Extract File	12	$5.00
	Retail Monthly Maintenance	12	$13.00
	Web Exceptions	12	$5.00
	Lockbox Delivery Preparation Charge	12	$2.50
	Monthly Transmission Maintenance	12	$4.00
	Lockbox Deposit	3	$0.60
	Retail Lockbox Per Item Processed	1058	$0.18
	LBX Reject OCR-MICR Repair	9	$0.05
	Archived Images	1925	$0.03
	Unprocessable/Correspondence		$0.50
	Retail Lockbox Item Reject	67	$0.25
	Courier Service	3	$50.00
	Lockbox Deposit On Us & Local	867	$0.15
	UPS Package Return	1	At Cost
Earnings Credit Rate: 0.75%			

Town of Waterford

Bid#22-110

Request for Proposal

Comprehensive Banking Services

Proposal Due Date
2/4/2022
By: 11:00 am EST

Town of Waterford REQUEST FOR PROPOSAL ("RFP")
FOR
COMPREHENSIVE BANKING SERVICES

Table of Contents

A detailed description and graphical representation of the current account structure is in Appendix C. Proposals may include alternate account structures that offer improved efficiency and economy.

A. SCHEDULE OF PROPOSAL

Issue RFP	**1/07/2022**
Written Clarifications Due	**1/21/2022**
Responses to Questions	**1/28/2022**
Proposals Due	**2/4/2022**
Bid Reviews /Evaluations	**2/11/2022**
Award bid-Selection (Board of Selectmen Meeting)	**TBD**
Implementation/Go-live	**TBD**

G. **EFFECTIVE PERIOD OF PROPOSALS**

Proposals must state the period for which the proposal shall remain in effect (i.e. how much time does the Town have to accept or reject the proposal under the terms proposed). Such period shall not be less than 180 days from the proposal date.

H. **BID RESERVATIONS**

Notwithstanding any other provisions of this RFP, the Town reserves the right to award this contract to the financial institution that best meets the requirements of the RFP and not necessarily to the lowest cost proposer. Further, the Town reserves the right to reject any or all bids, to award in whole or in part, and to waive minor immaterial defects in bids. The Town may consider, at its sole discretion, any alternative bid.

I. **CONTRACT NEGOTIATIONS**

Negotiations may include all aspects of services and fees. After a review of the proposals, and potentially in-person presentations, the Town intends to enter into contract negotiations with the selected financial institution. If a contract with the selected financial institution is not finalized within 90 days, the Town reserves the right to open negotiations with another financial institution.

J. **AWARD OF CONTRACT**

The selected financial institution shall be required to enter into a written contract with the Town in a form approved by legal counsel for the Town. This RFP and the proposal, or any part thereof,may be incorporated into and made a part of the final contract. The Town reserves the right to negotiate the terms and conditions of the contract with the selected proposer.

K. **CONTRACT TERM**

It is the intent to award the contract for an initial 5-year period with the option to renew it for an additional 5-year period. The decision to renew the contract will be at the sole discretion of the Town.

Proposers must agree to fix contract fees for the first three (3) years. If the proposer intends to revise its fee schedule after the initial period, it must give written notice to the Town 90 days in advance of any fee change. Fees may be changed only on the contract anniversary date. These fees are subject to negotiation and approval by the Town and may not exceed the annual consumer price index-urban (CPI-U) for the most recently available 12-month trailing period.

L. **DISPOSITION OF PROPOSALS**

All proposals submitted become the property of the Town and will not be returned to the bidder.

M. **COST INCURRED IN RESPONDING**

This solicitation does not commit the Town to pay any costs incurred in the preparation and submission of proposals or in making necessary studies for the preparation thereof, nor to procure or contract for services.

N. **ASSIGNMENT**

The successful proposer shall not assign, transfer, convey or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, firm, or corporation without the previous consent in writing by the Town.

III. Scope of Services

A. **GENERAL REQUIREMENTS**

The Town prefers that the financial institution have a local branch network in order to meet the organization's cash management needs and to serve its employees.

B. **DEPOSIT SERVICES**

The Town deposits approximately ----- checks per month using Remote Deposit Capture and deposits an average of $--------in currency and coin per month. Currency and coin deposits are delivered to the financial institution by a Town employee and Public Safety Officer.

Required services include:

- Process deposits of approximately ------checks per month using RDC,
- Process foreign and domestic wires received and sent by the Town,
- Image deposited items,
- Provide online access for deposit reconciliation including images of deposited items.

C. **DISBURSEMENT SERVICES**

The Town currently disburses approximately 600 checks per month. Positive pay services are currently used on disbursement accounts.

Required services include:

- Provide payee positive pay services with online transmission of check details,
- Provide positive pay exception item review and correction online,
- Provide online stop payment services,
- Provide electronic archival of cleared checks (images of front and back), and
- Provide online access to cashed check images.

D. **ELECTRONIC FUNDSTRANSFER**

The Town processes approximately 50 ACH Credits and 50 ACH Debits each month.Required services include:

- Accept and send ACH transactions,
- Provide ACH debit blockingservices,
- Provide a secure electronic method to initiate intra-bank transfers, and
- Provide a secure electronic method for authorization for wiring funds.

E. **COIN/CURRENCY ORDERING SERVICES**

The Town places approximately 800 coin/currency change orders totaling on average $210,000.00 permonth

Required services include:

- Process approximately $_______ in change orders per month for branch pick up.

F. **REPORTING**

The Town requires access to daily reports of balances and transaction information. Prior day reporting must include ledger balance, available balance, and summary and details of credits/debits posted. Current day reporting requirements include wire transfer activity and ACH receipts.

Financial Institution

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

Financial Institution Holding Company

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

5. Discuss the firm's current capital structure, adequacy, and coverage. If applicable, provide the firm's risk-based capital classification (Well Capitalized, Adequately Capitalized, Under Capitalized, Significantly Undercapitalized).
6. Include and electronic copy of the most recent audited financial statement and the latest 10-k report with the proposal.
7. Provide the bank's Community Reinvestment Act (CRA) rating.

B. PERSONNEL

1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account.
2. Describe your firm's policy on changing the primary contact person on an account.
3. *Name the individuals who will work with the Town on a day-to-day basis. Information* should include:
   a. Experience working with other Towns and Municipalities
   b. Proposed role with regard to the Town's account
   c. Number of years of experience in this field
   d. Number of years with your firm
   e. Describe the level of local decision-making authority these individuals have to handle emergency needs of the Town as they arise.
4. Will a specific customer service representative or a customer service department be assigned to handle day-to-day transactions for the Town?
   a. Describe the responsibilities of the customer service personnel, including the chain of command for problem resolutions.
   b. Is local customer service support available at the bank's local branches?
   c. What are the hours of operation of each customer service unit involved in supporting the proposed services?
   d. If an error is discovered by the Town, how would you propose to resolve it (i.e. who should the Town contact first, etc.)?
5. IT Resources: Will the bank provide dedicated IT liaison(s) to work on set-up, file transfer, testing and troubleshooting/issue resolution? During what hours is technical support available?

item being returned?

5. Availability of Deposits
   a. How does the financial institution determine and calculate availability of deposited items?
   b. Does the financial institution give immediately availability for on-us items?
   c. Does the financial institution calculate availability by item or formula?
   d. Is the availability assignment made continuously as checks are released for collection, or is assignment made at specific times during the day?
   e. Provide a copy of the availability schedules the financial institution proposes to use. Is this the best schedule offered to any customer? If not, quantify the difference and explain how the Town may obtain the financial institution's best availability schedule. Describe the extra charge, if any, for obtaining the financial institution's best availability schedule.
   f. List your cutoff times for giving same-day value on EFTs (e.g. wire, ACH/bulk) received. How soon after the bank receives incoming funds (e.g. wire, ACH/bulk), or notification of incoming funds, does the Town receive good value in its account?
   g. What is the float period assigned to foreign items?

6. Positive Pay
   a. Does the financial institution offer Positive Pay and Payee Positive Pay?
   b. How would the Town transmit check issuance information to the financial institution?
   c. What is the deadline for the transmission of check issuance files to the financial institution?
   d. How frequently can transmission files be uploaded to the financial institution for the issuance of additional checks, and/or recently voided items? Is there a limit to the number of files per day?
   e. Does the financial institution offer the ability to manually enter one-time check disbursements issued during the day? Please describe.
   f. What controls are in place to protect against lost files and duplications of transmissions? If duplicates are sent, is there a penalty or potential issue?
   g. How will the Town be notified of exception items? What time will the Town receive the information on exception items? What time does the Town have tonotify if an exception should be accepted or rejected? Does the financial institution offer a "do not pay" default for exception items?
   h. Will stale dated checks be reported as exception items?
   i. Is Positive Pay required for all demand deposit accounts, even on accounts with no check writing functionality? Can accounts be designated as "post no checks" to prevent potential fraud? Is there a cost to make this account designation?
   j. Is Teller Positive Pay available? How frequently is check issuance information updated and available to tellers?
   k. Are there any other fraud protection services that the financial institution provides and/or recommends?

7. Stop Payments
   a. How are stop payment orders placed? Can stop payments be placed on line?
   b. Are stop payment requests effective immediately? If not, how long does it take for a stop payment request to be effective?
   c. Will the system verify if a check has been paid before processing the stop

c. What is the cutoff time for same-day intra-bank account transfers?

11. Statements and Documents

a. How soon after the cutoff date are the following items ready?

	Online
Bank statements	
Full reconciliation information	
Account analysis statements	

b. Are electronic images stored on the financial institution's online reporting system?

c. How long are electronic images for deposited and disbursement items stored on the reporting system and available for customer access?

d. How does your image system capture and report images for damaged checks?

e. If online access only, how long after the termination of a contract will the financial institution allow the Town to access historical images on the reporting site? Can historical data be downloaded?

12. Online Reporting

a. Describe the different reporting solutions and methods by which the institution makes deposit and balance information available.

b. How will the Town access the reporting system?

c. What levels of authorization (e.g. accounts viewed, transaction capabilities, etc.) can be permitted or turned off for individual users? Is there a limit on the number of users that can access the online services?

d. What current day reporting is available through the reporting system (e.g. beginning and ending ledger balances, collected balances, available balances, and float assignment)?

e. Are there differences in information available for current day and previous day reporting? If yes, please describe.

f. What time is previous day information available?

g. In what file formats can data be downloaded?

h. Can electronic reports be customized? Is there an additional charge?

i. How many business days of balance history are stored on the reporting system for previous day reporting? If there are differences in information available for current day and previous day reporting, how many business days of balance history are stored on the reporting system for current day reporting?

j. List all other transaction types that can be initiated using the online system.

13. Reconciliation Services

a. Does the bank offer Account Reconciliation Program (ARP) services? Please discuss options, provide sample reports and file specifications for reconciliation services.

b. Are the systems integrated for check, ACH and wire transfers? If so, describe. If not, describe any plans to do so.

c. Describe how reconciliation data is transmitted to the Town.

14. File Transfer

a. How are file transfers initiated? In what formats is the information available for retrieval?

b. Do the means to connect to the financial institution's systems vary by

22. Is an audit trail report available, showing all activity, by whom and when, for each system?

23. Describe the types of insurance and bonding carried.

24. Include a copy of the financial institution's most recent reports issued in accordance with the Statement on Standards for Attestation Engagements (SSAE 16) for any processes or systems relevant to the services under this RFP.

25. If not already covered in the SSAE 16 report, describe the disaster recovery plans for each proposed service for short- and long-term disaster and power failure recovery.

26. Describe any additional security measures available to the Town to minimize the risk of unauthorized transactions in its accounts.

D. **IMPLEMENTATION/CONVERSION**

1. Provide a conversion plan for transitioning each of the proposed services to your financial institution.

2. Who will be responsible for coordinating the transition for each of the proposed services? If a conversion team is used, how with the Town's account be transitioned to the ongoing client service team?

3. Indicate the financial institution's plans for initial and ongoing educating and training Town employees in the use of your systems.

4. Will the Town be allotted a fixed number of hours of training?

E. **NEW SERVICES AND IDEAS**

1. Describe any new services or ideas that will enhance the Town's utilization of financial institution services described.

2. Please provide any additional information that your financial institution believes to be pertinent, but not specifically requested elsewhere in the RFP.

F. **REFERENCES**

1. Provide at least three references, if possible, including client name, contact person, address, phone number, services provided, and the length of time your financial institution has worked for the entity.

2. How many clients has the proposed relationship manager gained and lost in the last five years?

G. **SAMPLE CONTRACT**

1. Provide a sample of the proposed contract for your financial institution's services. Please also provide samples of all other documents which will need to be signed/entered into

V. Evaluation and Award Criteria

This RFP seeks financial institutions to provide comprehensive banking services to the Town. A preliminary evaluation will be conducted identifying the financial institutions deemed fully qualified and best suited among those submitting proposals on the basis of the evaluation factors listed below (not in priority order):

Criteria
Operational Requirements • Understanding the needs and operation requirements of the Town • *Financial institution and branch locations* • Scope of services offered, including degree of automation
Experience • Experience, resources, and qualifications of the financial institution and individuals assigned to this account • Relevant experience managing similar account relationships with Towns and Municipalities • Quality and responsiveness of customer service • *Local decision-making authority to handle emergency needs*
Financial Strength • Financial strength of proposing institution • Adequacy of financial controls and protection against loss
Transition • Quality and scope of implementation/conversion plan • Value of any new product or service suggestions or other new ideas and enhancements
Compliance with the requirements of this RFP and quality of proposal
Fees • Proposed fees, compensation and other quantitative measures (although fees and compensation will be an important factor in the evaluation of proposals, the Town is not required to choose the lowest cost proposer)

Appendix B: Expected Volume Levels

Service Description	Annual Volume
Maint. Fee	
Checks Written	
Stop Payments	
Electronic Debits (Withdraws)	
Electronic Credits (Deposits)	
Deposits	
On Us items	
Transit Items	
Charge Back Items	
Incoming Wires	
Outgoing Wires	
ACH Origination Maint.	
ACH Origination Batches	
ACH Origination Items	
ACH Notification of Change	
ACH Returns	
Remote Deposit Maint	
Remote Deposits	
Remote Deposit Items	
Positive Pay	
Positive Pay Exceptions	
Positive Pay Stops	
Average Monthly Balance	

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886

Town of Waterford

PHONE: 860-442-0553
www.waterfordct.org

TO: Rawle Dummet, Purchasing Agent

FROM: Kim Allen, Director of Finance

COPY: Abbas Danesh, Treasurer
Ginny Bielucki, Accountant II
Joseph Mancini, BOE
Karen Kopec, BOE

RE: Contract Award Notification (Bid#22-110 COMPREHENSIVE BANKING SERVICES)

DATE: May 13, 2022

Abbas Danesh, Ginny Bielucki, Karen Kopec and myself reviewed all proposals for banking services that were received in response to Bid #22-110 Comprehensive Banking Services. After reviewing all the proposals, fees for current services, and earning credit percentages it is our recommendation to award the contract for the Town of Waterford banking services to People's United Bank.

People's rates earning credit is proposed at .75% and they have agreed to hold their rates for 5 years. None of the other proposals match Peoples in fees/rates or earning credits. People's also will be providing equipment at no charge that will allow the town to begin using remote check capture technology to allow bank deposits remotely.

Respectfully,

Kimberly Allen

People's United
A division of M&T Bank

850 Main Street, RC 579
Bridgeport, CT 06604
Phone: (203) 338-3191
Fax: (844) 227-8979
david.weber@peoples.com

May 26, 2022

Kimberly Allen
Director of Finance
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385

RE: Town of Waterford Bid #22-110 Request for Proposal Comprehensive Banking Services

Dear Ms. Allen:

By signing this correspondence, the parties hereto confirm that the Town of Waterford (the "Town") has awarded Bid #22-110, Request for Proposal Comprehensive Banking Services (the "RFP") to People's United, a Division of M&T Bank (the "Bank"), upon the terms and conditions of the following agreements (attached hereto):

Treasury Management Service Master Agreement
Remote Deposit Capture Service Appendix
Appendix B: Expected Volume Levels

As provided in the Bank's cover letter submitted with its response to the RFP, the Bank further agrees to provide the following to the Town:

- A $2,500 dollar retention credit to offset costs of depository supplies
- Up to two (2) free RDC check scanners
- Payment of the Town's courier service
- A Money Market rate of 0.12% to be reviewed on a quarterly basis

The Bank also agrees to fix its fees provided in Appendix B: Expected Volume Levels for the initial five (5) year term of its engagement with the Town. If the Bank intends to revise its fee schedule after the initial five (5) year term of its engagement, the Bank will provide written notice to the Town at least 90 days in advance. The Bank's fees are subject to negotiation and approval by the Town, and will not exceed the annual consumer price index-urban (CPI-U) for the most recently available 12-month trailing period.

The initial term of the Bank's contract with the Town is five (5) years, and the Town has the option to renew the term for an additional 5-year period.

If you have any questions, please feel free to contact me.

CONFIRMED AND AGREED TO:

PEOPLE'S UNITED, A DISION OF M&T BANK

By: David F. Weber
Vice President & Relationship Manager

THE TOWN OF WATERFORD

By: Kimberly Allen
Director of Finance

	Liberty	**Chelsea Groton**	**People's**	**Citizens**
Tier 1 ratio	12.07%	13.87%	12.58%	9.90%
Earning Credit	0.30%	0.20%	0.75%	0.18%
Avg Ledger Bal	$4,000,000	$4,150,000	$4,000,000	$5,000,000
Annual fees after Credit	$19,895		$24,512*	$30,744
			* Included Brinks	
June		$1,600	$713	
July		$2,248	$1,901	
Aug		$2,022	$1,224	
Waive fees	3 months			
Honored for	3 Years	1 Year	5 Years	3 Years
References	Simsbury, East Haddam	New London, Monthville		
	Bloomfield	*North Stonington,*		
		Franklin, Bolton		

Town of Waterford - People's United Bank, N/A		
Appendix B: Expected Volume Levels		
Service Description	**Annual Volume**	**Price Per Unit**
Maintenance Fee	72	$20
Checks Written	7880	$0
Stop Payments	20	$30
Electronic Debits (Withdraws)	610	$0
Electronic Credits (Deposits)	1244	$0
Deposits Ticket	854	$0
On Us Items	3344	$0
Transit Items Local	40890	$0
Charge Back Items	79	$8
Incoming Wire	16	$12
Outgoing Wires	24	$12
ACH Origination Maint.	12	$35
ACH Origination Batches	59	$5
ACH Origination Items	16637	$0
ACH Notification of Change	7	$4
ACH Returns	2	$5
Remote Deposit Maint (Monthly)	n/a	$60
Remote Deposits	n/a	$1
Remote Deposit Items	n/a	$0
Positive Pay	n/a	$50
Positive Pay Exceptions	14	$2
Positive Pay Stops	29	$0
Average monthy balance		$4,000,000

ADDITIONAL SERVICES		Annual Volume	Price Per Unit
Online Banking	Info Reporting Premier (2 accounts)	12	$50
	Info Reporting Addt'l accounts	60	$13
	Info Rpt Details 0-500	6000	$0
	Info Rpt Details 501+	5350	$0
Account Recon/Positive Pay	Payee Positive Pay	n/a	$20
	Full Recon w/Positive Pay	12	$85
	Full Reconciliation	12	$75
	Full Recon Issued Items	7928	$0
	Full Recon Issue Files	163	$8
	ACH Positive Pay	24	$19
	ACH Positive Pay Exception Items	14	$5
ZBA	ZBA Concentration	12	$40
	ZBA Sub Account	12	$25
Wires	Wire Module	12	$35
	Incoming Wire Activity Report	16	$2
Lockbox Services			
	Web Research	12	$5
	Extract File	12	$5
	Retail Monthly Maintenance	12	$13
	Web Exceptions	12	$5
	Lockbox Delivery Preparation Charge	12	$3
	Monthly Transmission Maintenance	12	$4
	Lockbox Deposit	3	$1
	Retail Lockbox Per Item Processed	1058	$0
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	Unprocessable/Correspondence		$1
	Retail Lockbox Item Reject	67	$0
	Courier Service	3	$50
	Lockbox Deposit On Us & Local	867	$0
	UPS Package Return	1	At Cost

Interest Rate: 0.12%
Earnings Credit Rate: 0.75%

This Treasury Management Services Master Agreement (this "**Agreement**") is by and between People's United Bank, National Association ("**Bank**") and the customer executing this Agreement below ("**Customer**"). From time to time Customer may request and Bank may agree to provide to Customer certain Services, as defined below, offered by Bank. Bank and Customer agree that the Services provided by Bank to Customer will be governed by the terms and conditions of this Agreement and all Service Agreements entered into by Bank and Customer from time to time with respect to specific Services requested by Customer.

Customer hereby certifies that the governing body of Customer has taken all necessary actions in accordance with its governing documents and all applicable laws to appoint and authorize the individual(s) set out in TABLE 1 as the person(s) who are Customer's Authorized Officer(s) with the full power and authority to act in the name, and on behalf, of Customer with respect to this Agreement, including without limitation, the power to: (i) execute this Agreement, (ii) select treasury management Services and enter into Service Agreements, (iii) delegate their powers to one or more Administrators, including if so desired, their authority to enter into Service Agreements, and (iv) designate User(s), their transaction authority and corresponding applicable limits.

Customer further certifies that it has appointed the individual(s) named as Administrator(s) set out in TABLE 2 with the full power and authority to manage and administer Customer's receipt of Services under this Agreement or any Service Agreement identified in Exhibit A, including without limitation, the power to: (i) determine the individual Users who will be authorized to use Services on Customer's behalf, or otherwise issue instructions to Bank, (ii) establish limits on each such User's authority to access information and conduct transactions, and (iii) if so delegated by Customer, the power to execute and deliver to Bank in the name, and on behalf of Customer, any Service Agreement in connection with the receipt of Services. If Customer so designates, an Administrator may also be a User.

Customer agrees that the designated appointment(s), authorization(s), representations, warranties, and certifications will remain in effect and Bank will be able to rely on said authorization(s) until such time as Customer has notified Bank in writing and Bank has had a reasonable opportunity to act on such notice. Customer further agrees to hold Bank harmless for any losses Customer may suffer arising from Bank's relying on the appointments and authorizations set out herein.

1. Definitions.

As used in this Agreement, including any Service Agreement (unless provided otherwise), the following terms shall have the following meanings:

"**Account**" means one or more deposit account(s) maintained at Bank and used in connection with any Service.

"**Administrator**" means an individual Customer who has been granted the full power and authority by an Authorized Officer of Customer to manage and administer Customer's receipt of Services under this Agreement or any Service Agreement, as so specified in Table 2.

"**Affiliate(s)**" means the parent, any affiliate and any one or more direct or indirect subsidiaries of Bank or Customer and their respective successors and assigns, if applicable.

"**Authorized Officer**" means a person with the power and authority to enter into this Agreement and any Service Agreement in the name, and on behalf, of Customer, as so specified in Table 1. Each Authorized Officer has the authority to designate one or more Administrator(s) on behalf of Customer or otherwise delegate their authority to other individuals. If requested by Bank, in addition to completing Table 1, Customer agrees to provide Bank with satisfactory evidence of each Authorized Officer's authority. An Authorized Officer may also be an Administrator and/or User.

"**Bank**" means People's United Bank, National Association including its successors and assigns.

"**BDAC**" means Bank's Business Deposit Account Contract, as currently in effect and as may be amended from time to time.

"**Business Day**" means any day except Saturdays, Sundays, and federal banking holidays on which Bank is required or permitted to be closed.

"**Customer**" means the entity executing this Agreement and, to the extent that any such entity executes this Agreement on behalf of other entities, such as Affiliates, the term Customer shall include such other entities as well.

"**eTreasury+ Agreement**" means the Service Agreement governing access to Bank's Website.

"**Master Authorization**" means evidence in form satisfactory to Bank that each of Customer's Authorized Officers are duly authorized and empowered to, in the name, and on behalf, of Customer, enter into this Agreement, each Service Agreement, and all other agreements related to the provision of Services by Bank, including the power to appoint and authorize Administrator(s).

"**NACHA**" means the National Automated Clearing House Association, and "**NACHA Rules**" means the Operating Rules and Guidelines of NACHA as in effect, and as the same may be amended from time to time.

"**Primary Account**" means the Account designated by Customer to which fees due Bank hereunder or under any Service Agreement may be charged in accordance herewith or any applicable fee schedule. Unless otherwise agreed upon in writing by Bank, the address for Customer associated with the Primary Account shall be the address to which all notices and other communications concerning Services may be sent by Bank.

"**Services**" means the cash and treasury management services provided by Bank to Customer pursuant to this Agreement, the Service Agreements, and any Service or User guides, manuals, terms of use, procedures, fee schedules, software licenses, or other documents made available to Customer from time to time.

"**Service Agreement**" means a written agreement describing the terms and conditions which govern a specific Service. Each such Service Agreement is incorporated herein by reference and made a part hereof. A Service Agreement includes any schedules, addenda, set-up forms, user manuals, or other documents provided to Customer in connection with a selected Service. Service Agreements may be amended or updated from time to time, in whole or in part, and with respect to any amended Service Agreement which does not revoke an existing Service Agreement in its entirety. The term Service Agreement shall refer to both the existing and updated Service Agreement.

"**User**" means a person authorized by Customer's Administrator to have access and issue instructions to Bank.

"**Website**" means Bank's online business banking platform.

2. Customer Authority, Representations and Warranties.

2.1 Customer Representations and Warranties. Customer hereby represents and warrants to the Bank that:
(i) It has full right, authority, and power to enter into this Agreement;
(ii) The execution and entering into of this Agreement and all Service Agreement(s) have been duly authorized;
(iii) It is validly existing and in good standing in the jurisdiction in which it is organized and any consent or authorization of any governmental authority or third party required to be obtained by Customer in connection with this Agreement or any Service used or performed has been obtained; and
(iv) It is not a "consumer" within the meaning of the Electronic Funds Transfer Act or similar statutes or regulations.

2.2. Customer Designation of Accounts. Customer shall designate in writing the Primary Account and the Account(s) at Bank to which Customer wishes each Service to apply. Customer shall provide written notice to Bank of any changes to its selection(s) or designation(s). Any such notice will only become effective after Bank has had a reasonable time to act upon any such notice. The Account(s) with Bank affected by this Agreement shall continue to be governed by the BDAC, except to the extent it may be inconsistent with the terms of this Agreement or any Service Agreement.

2.3. Customer Designation of Administrator(s). Customer's Authorized Officer(s) (Ref Table 1) shall designate one or more Administrators for the Services (Ref Table 2). Customer authorizes its designated Administrator(s) to establish, manage, and administer one or more Services on behalf of Customer and to designate Users of the Service(s). Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by Customer's designated Administrator(s). Customer will provide reasonable prior notice of any change in its Administrator(s) to Bank and any such change shall not be effective until Bank has had a reasonable opportunity to act on such notice.

2.4. Customer To Provide Updated Notice. Customer shall provide written notice to Bank of any changes to the information previously provided by Customer to Bank, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals or owners, the form of business organization, type of goods and services provided, and method of conducting sales. Such notice must be received by Bank within five (5) Business Days of the change. Customer shall provide any additional information requested by Bank within five (5) Business Days of such request.

3. Treasury Management Services.

3.1 Service Selection. Upon acceptance of this Agreement by Bank, Customer may request that Bank provide it Services by submitting to Bank one or more Service Agreements acknowledged by an Authorized Officer or designated Administrator. Customer's initial selection of Services are evidenced by the Service Agreements included as addenda to this Agreement. By submitting a Service Agreement and all related documents and information Bank requires in order to properly provide the requested Service(s), Customer: (i) authorizes Bank to provide to Customer the specified Service(s) in accordance with the specifications and instructions set forth therein, and (ii) agrees to be bound by the additional terms and conditions in any such Service Agreement and related documentation. Customer represents and warrants that the Service(s) it receives pursuant to any Service Agreement will be used by Customer solely for business or commercial purposes and not for personal, family, or household purposes. Bank may make changes to this Agreement and to any Service Agreement at any time upon notice to Customer in accordance with the section of this Agreement entitled "Notice, Changes, and Amendments." Customer may begin to use a Service when Bank has approved such use and has received all required properly executed Service Agreement(s) and other forms. Bank shall have no obligation to deliver or render a Service until Bank has approved such use and received all required and properly completed and/or executed forms. Any instruction provided by Customer to Bank, which may be communicated within the terms and conditions of the Service, by online screen instructions or other forms of written notice permitted by this Agreement, are made a part hereof. Some of the Services require Customer to complete and provide to Bank information or documentation in, or as part of, Service Agreement schedules, set-up forms, input forms or other documents required in connection with the Service(s). Customer's use or continued use of each such Services will be conditioned on, and subject to, Customer entering into, or completing and providing to Bank, the foregoing when Bank so requests. The effective date of the terms of a Service shall be the date upon which Bank approves Customer's use of the Service or the date on which the Service is first made available to Customer. Customer acknowledges that Bank has the right to restrict the availability of certain Services in certain market areas. In the event of a dispute between Bank and Customer regarding the Service(s) subscribed, and provided, to Customer by Bank, absent manifest error, the information contained in the books and records of Bank shall control. Customer further acknowledges that at Bank's option, Bank may engage a third-party service provider to provide some or all of the Services. Therefore, as used in this Agreement or any Service Agreement, the term "Bank" shall include any third-party service provider utilized by Bank in providing Service(s).

3.2 Online Services. Bank offers a number of Services through Bank's Website. Access and use of the Bank's Website is governed by the eTreasury+ Agreement. In order to receive certain Services through the Website, Customer may be required to execute and deliver (in addition to the eTreasury+ Agreement) Service Agreement(s) governing such Services. The eTreasury+ Agreement together with this Agreement, all applicable Service Agreements, the BDAC, and all required set-up forms, user guides and other related documentation, all as amended from time to time, represent the entire understanding of the parties with respect to accessing Bank's Website and receipt of the Services available thereon.

3.3. Agreement to Conduct Business Electronically. Customer agrees to conduct business with Bank electronically and consents to the giving and receiving of notices, instructions, including without limitation, acknowledgements, and to be contractually bound electronically or by electronic means and not in paper or nonelectronic form. Customer further agrees that evidence of its or Bank's consent to be contractually bound may be given by electronic means without necessity of a signature to be effective and that electronic copies of notices, instructions, or agreements such as facsimile or electronic copies shall be as effective as if originals were exchanged between the parties.

3.4. Required Software. Bank may supply Customer with certain software owned by or licensed to Bank to be used by Customer in connection with certain Services. Customer agrees that all such software is and shall remain the sole property of Bank and/or the vendor of such software. Customer shall not transfer, copy, alter, modify, reverse engineer, reproduce, or convey in any manner, in whole or in part, any such software. Customer agrees to execute and deliver to Bank such license agreements and other documents as Bank and/or the vendor(s) of such software may require in order for Customer to use such software, and Customer agrees to comply with all of the terms and conditions of all such license agreements and other documents to which Customer agrees to be bound. Customer shall return or destroy any hardware/software as directed by the Bank, promptly upon request or at termination of the applicable Service Agreement or this Agreement, and shall be responsible for any damages to any such materials other than normal wear and tear. Customer shall indemnify, defend, and hold harmless Bank from and against any loss, damage, or other claim or liability attributable to any unauthorized distribution or disclosure of any software provided with the Service(s) or any other breach by Customer of any software license. The provisions of this paragraph shall survive termination of this Agreement. Customer acknowledges that any breach or threatened breach of this paragraph will cause immediate irreparable injury to Bank and therefore, Customer agrees that injunctive relief, including preliminary injunctive relief and specific performance should be rewarded as appropriate to remedy such breach without limiting Bank's right to other remedies available in the case of such a breach. Bank may apply to a court for preliminary injunctive relief, permanent injunctive relief and specific performance but such application shall not abrogate Bank's right to proceed with an action in a court of competent jurisdiction in order to resolve the underlying dispute.

Unless otherwise agreed in writing between the Bank and Customer, Customer shall be responsible for the payment of all costs of installation of any software provided to Customer in connection with the Service(s), as well as for selection, installation, maintenance and repair of all hardware required on Customer's premises for the successful operation of the software. Customer is responsible for maintaining its computer and equipment (including those provided by Bank for use with the Service(s)) in good working order. Customer shall ensure that its computers and other equipment have the necessary compatibility and format to interface with Bank's systems, including without limitation the ability to support the Bank's security procedures. Customer agrees to install upgrades and other systems enhancements within a reasonable time after being requested by Bank to do so.

4. Deposit Account Terms and Conditions; Fees and Charges.

4.1. Business Deposit Account Contract (BDAC). Most Services require that Customer maintain one or more Business Deposit Accounts with Bank. Bank and Customer agree that any Account established by Customer in connection with Service(s) offered by Bank shall be governed by the then current BDAC, including one or more fee schedules issued by Bank for the Account. If there is any conflict between the terms and provisions of this Agreement and the BDAC, the terms and provisions of this Agreement shall govern, but only to the extent reasonably necessary to resolve such conflict. Customer acknowledges that it has received and executed (where necessary) all agreements, resolutions, signature cards and forms governing the Account(s) required to receive the Service(s) requested, and agrees to be bound by their terms. Customer also agrees to establish all Accounts that must be opened in order to receive each Service in the manner contemplated by the applicable Service Agreement.

4.2. Treasury Management Services Fees and Charges. Customer agrees to compensate Bank for all Services that Customer receives pursuant to this Agreement, including each Service Agreement, in accordance with the applicable fee schedules or written agreements between Bank and Customer in effect from time to time that apply to the Service(s). The fee schedule for each Service shall be deemed accepted by Customer upon provision of the Service to Customer.

Customer authorizes Bank to charge the Primary Account for all applicable charges and fees to the extent that such charges and fees are not offset by earnings credits or allowances for Customer's Account(s). If the balance of available funds in the Primary Account is not sufficient to cover such fees, Customer hereby authorizes Bank to charge such fees to any other deposit account maintained by Customer with Bank, except as restricted by applicable law. Bank also may, at its option, include fees arising from this Agreement or from any Service Agreement in an analysis statement of Customer's Account relationship or bill Customer for any fees. If at any time there are not sufficient collected funds in any Account to cover all outstanding transactions and other payment obligations of Customer in respect to Service(s) received, Customer agrees to immediately pay Bank, on demand, the amount of any deficiency in such outstanding transactions and obligations. All other account agreements and all fees and charges relating to any accounts of Customer remain applicable to the Account(s) and Bank's remedies set forth in those agreements are cumulative.

Customer also agrees to pay all sales, use, or other taxes (other than taxes based upon Bank's net income) applicable to the Service(s) provided by Bank hereunder. Bank will charge a service charge for account research requested by Customer in accordance with the published schedule of charges for such research.

4.4. Other Customer Charges. Customer shall be responsible for the costs associated with establishing and maintaining a connection between Customer's computer systems and the internet and any costs associated with transmitting data over the internet to Bank, as may be required for the performance of any Service.

5. Customer Data.

5.1. Customer Provided Data. Customer shall transmit or deliver data and other information in the format and on the media as provided for in each Service Agreement or in the applicable Service user guide or other instructions, or as otherwise required by Bank in conjunction with providing the Service(s) selected by Customer. Customer shall have the sole responsibility of ensuring the accuracy and correctness of all data so transmitted. Customer acknowledges and agrees that Bank will not be examining the data for correctness, and Bank shall not have any responsibility for detecting errors in any data transmitted by Customer. The data transmitted by Customer must be legible, correct, and complete. Bank shall not process, and Bank shall not be liable to Customer for failure to process, data if the data is not in the format specified by Bank or if the data is incomplete. Bank shall not be liable for errors or omissions caused by data rejected as the result of Customer's failure to provide data in accordance with the standards specified in the applicable Service Agreement, user guide(s) or other instructions.

5.2. Data Delivery Deadlines. Customer shall deliver or transmit all data or information to Bank by the deadline(s) specified in the applicable Service Agreement or as otherwise communicated to Customer from time to time. Bank shall have no obligation to process data or perform a Service if data required by Bank to provide such Service is not received by Bank by the specified deadline.

6. Customer Security Procedures.

6.1. Customer Designated Administrator and Users. Customer shall be solely responsible for the actions of its Administrator(s) in designating Users allowed to access any of the Services. User access to the Services will be controlled through the use of Service specific security procedures such as User IDs, personal identification numbers, passwords, digital certificates/signatures, or other security devices. Bank shall be entitled to rely on any written list of Users provided to Bank by Customer's Administrator(s) until a User's authorization is revoked or modified by Customer in writing and Bank has had a reasonable period of time to act on any such notice. Customer agrees that Bank may refuse to comply with requests from any individual until Bank receives documentation reasonably satisfactory to it confirming the individual's authority. Bank shall be entitled to rely on any notice or other writing believed by it in good faith to be genuine and correct and to have been signed by the individual purporting to have signed such notice or other writing. Bank may also accept instructions from any person if such instructions are submitted in conformity with agreed upon security procedures and Bank's only responsibility is to substantially comply with its obligations under any such security procedures. Bank may, but shall have no obligation to, request additional confirmation, written or verbal, of an instruction received in conformity with agreed upon security procedures at any time or for any reason whatsoever prior to executing the instruction. Customer understands and agrees, and Customer shall advise each User that Bank may, at Bank's option, record telephone conversations regarding instructions received from Users.

6.2. Security Procedures. Customer agrees that it shall be solely responsible for ensuring compliance with any security procedures established by Bank and agreed upon by Customer in connection with the Service(s), as such may be amended from time to time, and that Bank shall have no liability for any losses sustained by Customer as a result of a breach of security procedures if Bank has substantially complied with the security procedures. If any security procedures are violated, Customer agrees to notify Bank promptly upon becoming aware of any such breach. In its sole discretion, Bank reserves the right to discontinue providing Service(s) for security reasons, including suspected breaches or risk of loss to either Bank or Customer. Customer agrees to be bound by any instruction, whether or not authorized, issued in its name and accepted by Bank in compliance with the applicable security procedures. Customer acknowledges that agreed upon security procedures will be deemed commercially reasonable, even if such security procedures are not commercially reasonable, to the extent that other commercially reasonable security procedures were offered but rejected by Customer. Customer acknowledges and agrees that the security procedures maintained by Bank are not intended to detect errors in the content of an instruction received from Customer or Customer's User. Any errors in an instruction from Customer or Customer's User shall be Customer's sole responsibility.

BANK'S SECURITY PROCEDURES ARE STRICTLY CONFIDENTIAL AND SHOULD BE DISCLOSED ONLY TO THOSE INDIVIDUALS WHO ARE REQUIRED TO KNOW THEM. IF A SECURITY PROCEDURE INVOLVES THE USE OF SECURITY CODES, PERSONAL IDENTIFICATION NUMBERS (PINs), CHECK STOCK, OR OTHER SECURITY DEVICES, CUSTOMER SHALL BE RESPONSIBLE TO SAFEGUARD THESE SECURITY CODES OR DEVICES AND MAKE THEM AVAILABLE ONLY TO AUTHORIZED INDIVIDUALS. CUSTOMER HAS THE SOLE RESPONSIBILITY TO INSTRUCT THOSE INDIVIDUALS THAT THEY MUST NOT DISCLOSE OR OTHERWISE MAKE AVAILABLE TO UNAUTHORIZED PERSONS THE SECURITY PROCEDURE, CODES, PINs, CHECK STOCK, OR OTHER SECURITY DEVICES TO ANYONE. CUSTOMER HAS THE SOLE RESPONSIBILITY TO ESTABLISH AND MAINTAIN PROCEDURES TO ASSURE THE CONFIDENTIALITY OF CUSTOMER INFORMATION.

Customer acknowledges that Customer is aware of the risks inherent in using computer systems connected to the Internet to store and transmit important business and financial information. In light of such risks, Customer agrees to install and maintain, throughout the term of this Agreement, up-to-date and commercially reasonable protective software, such as firewalls, antivirus, spyware, and monitoring software, to detect and prevent unauthorized access to the computer systems Customer may use to access the Service(s). Customer agrees to maintain a vigilant watch to defeat and avoid phishing, pharming, or other online attacks or fraudulent schemes that could compromise the security of Customer's access to any Service. Customer further agrees that absent Bank's intentional misconduct, it shall be solely liable for any losses it may suffer as a result of the infiltration, takeover, or other breach of Customer's computer and data systems.

7. Duty to Inspect.

Customer is responsible for monitoring all Services provided by Bank, including each individual transaction processed by Bank. Customer acknowledges that in addition to providing Customer with periodic statements of Account activity, Bank communicates and makes available to Customer transactional information and Account activity reports in multiple ways and formats, which may vary in type and form depending on the Service(s) Customer subscribes to. With respect to Account activity and transaction information that is communicated or made available to Customer pursuant to these other channels and methods, including any Account or Service fees, Customer agrees to review such information promptly and notify Bank of any errors or other problems within ten (10) calendar days (or such other period as may be required by applicable law) after Bank has made available to Customer any such report, statement, or other material containing a description of the transaction which Customer believes to be erroneous, including any account analysis statement or online account information or notices. Except to the extent required by law, failure to notify Bank of an error or problem within such timeframe will relieve Bank of any and all liability for interest upon correction of the error or problem (and for any loss from any subsequent transaction involving the same error or problem). In the event Customer fails to report such error or problem within thirty (30) days after Bank made available such report, statement or online account information or notices, the transaction shall be deemed to have been properly authorized and executed and Bank shall have no liability with respect to any error or problem, even if such information subsequently appears on a periodic statement of Account activity and Customer reports the error within the timeframe set out in the BDAC. Customer agrees that its sole remedy in the event of an error by Bank in the implementation or execution of any selection, request or order from Customer shall be to have the Bank correct the error within a reasonable period of time after discovering the error or receiving notice of the error from Customer.

8. Service and Customer Transaction Limits.

Customer agrees that Bank may establish limits or restrictions on Services provided by Bank and that Bank may establish and amend those limits. The limits or restrictions may apply to transaction amounts, types of accounts that are eligible for the Service(s), the frequency of the transactions, or any other limits or restrictions that Bank deems necessary. In the event that providing the Services to Customer results in unacceptable credit exposure or other risk to Bank, or will cause Bank to violate any law, regulation, rule, or order to which it is subject, Bank may, without prior notice, limit Customer's transaction volume or dollar amount and refuse to execute transactions that exceed any such limit, or Bank may suspend or terminate any Service then being provided to Customer. Customer shall, upon request by Bank, provide Bank with such financial information and statements and such other documentation as Bank reasonably determines to be necessary or appropriate showing Customer's financial condition, assets, liabilities, stockholder's equity, current income and surplus, and such other information regarding the financial condition of the Customer as Bank may reasonably request to enable Bank to evaluate its exposure or risk. Any limits established by Bank hereunder shall be made in Bank's sole discretion.

Customer agrees to abide by and honor the limits or restrictions established by Bank. Customer also agrees that Bank shall have no liability to Customer for refusal to process any transaction or to act on any request by Customer that exceeds any limit or restriction. Customer acknowledges and agrees that Bank shall have the right in its sole discretion to change any limit established by Bank. Customer and Bank may from time to time agree to temporary increases in Bank assigned limits for ACH, Remote Deposit Capture, or Wire Services by signing, either physically or electronically, a temporary increase approval form.

9. Financial Information and Audit.

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

10. Notices, Changes, and Amendments.

10.1. Notices. All written notices to Bank shall be delivered or mailed to the address designated by Bank from time to time. Notices and communications from Bank to the Customer regarding any Service, Service Agreement or any change to this Agreement may be made orally, in writing, postage prepaid by first class mail, or hand-delivered, or may be delivered electronically, by facsimile or email, or via the Website. Customer agrees that Bank's notice to any agent, signer on any Account, Administrator, or User is notice to Customer.

Customer agrees that Bank may send notifications regarding changes in the terms of this Agreement and other notifications regarding any applicable Service to Customer in electronic form, either by posting such information, disclosures, and notices at Bank's Website or by transmitting them, or notice of the availability thereof at the Website, to any email address that Customer has provided in connection with its use of any Service. Customer shall be deemed to have received electronic notices one (1) Business Day after Bank posts them at the Website or transmits them, or notice of the availability thereof at the Website, to Customer's email address, as applicable, whether or not Customer has retrieved them by that time. Customer agrees to frequently and regularly retrieve its email and review posted messages and information at the Website to ensure that Customer is aware of current terms, conditions, and information relating to the Services. Bank reserves the right at any time, in its discretion, to mail to the address of Customer that appears in its records, or otherwise transmit to Customer pursuant to any other method to which Customer has agreed in connection with Customer's Account(s), paper copies of any information, disclosures, or notices relating to the Services in lieu of or in addition to electronic versions thereof. Customer agrees that it will be deemed to have chosen to, accept the changes by continuing or declined the changes by discontinuing, the Services to which such changes relate. Customer is responsible for ensuring all information on file for Services is complete and accurate and is responsible for monitoring changes in information. Customer agrees to notify Bank of any unauthorized changes to information on file promptly. Customer agrees to notify Bank promptly of any changes to contact information. If Customer does not notify Bank, Customer agrees to hold Bank harmless from any consequences, including financial loss, resulting from its failure to notify Bank of the change in Customer's mailing, email address, phone number(s), or other contact information. If the Customer rejects any such change, in writing, then the affected Service shall automatically terminate.

10.2. Amendments. Unless applicable law provides otherwise, Bank may at any time, with or without notice, amend this Agreement including replacing this Agreement in its entirety with a new agreement. Bank may amend any fee schedules at any time and will give written notice to Customer of any changes in such fee schedules, to the extent that such changes adversely affect Customer, no later than thirty (30) Business Days before such changes go into effect.

10.3. Automatic Amendment to Comply with Applicable Law. No representation or statement not expressly contained in this Agreement or in any Service Agreement shall be binding upon Bank or Customer. In the event the performance of any Services provided herein in accordance with the terms of this Agreement or any Service Agreement would result in a violation of any present or future statute, regulations or government policy to which Bank is subject, and which governs or affects the transactions contemplated by this Agreement or a Service Agreement, then this Agreement or such Service Agreement (as applicable) shall be deemed amended to the extent necessary to comply with such statute, regulation, or policy, and Bank shall incur no liability to Customer as a result of such violation or amendment.

10.4. Practice or Course of Dealing. Any practices or course of dealings between Bank and Customer, or any procedures or operational alternatives used by them, shall not constitute a modification of this Agreement or Service Agreement, nor shall they be construed as an amendment to this Agreement or a Service Agreement.

11. Overdraft; Right of Set-Off.

Bank may, but shall not be obligated to, complete any transaction in connection with providing the Services if there are insufficient funds in Customer's Account(s) to complete the transaction. In the event any actions by Customer results in an overdraft in any Customer Account, including but not limited to the Customer failure to maintain sufficient balances in any Account, Customer shall be responsible for repaying any overdrafts immediately without notice or demand. To secure the payment and performance of Customer's obligations set forth herein, Customer grants to Bank a security interest in and pledges and assigns to Bank all of Customer's right, title, and interest in the following described property, whether now owned or hereafter existing or acquired and wherever located: (i) all Accounts, monies, instruments, savings, checking, and other accounts of Customer (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties if so assigned) that are now or in the future in Bank's custody or control; (ii) any other collateral described in any security instrument securing the obligations of Customer to Bank under this Agreement or any other obligation of Customer to Bank; and (iii) all proceeds and products of the property as well as any replacements, accessions, substitutions, and additions to any of the above. Customer hereby acknowledges and agrees that Bank shall have a right of setoff and may offset and charge against any and all of Customer's accounts, any liability, obligation, or indebtedness of Customer to Bank, including, without limitation, any line of credit, loan, or other extension of credit made by Bank to Customer and the amount of any fees, returns, refunds, and other charges owed by Customer to Bank.

12. Service Availability.

Access to certain Services, including those Services only accessible via Bank's Website, may be unavailable without notice at certain times for the following reasons:

(i) Scheduled Maintenance. There will necessarily be periods when the systems supporting certain Services require maintenance or upgrades, resulting in certain Services becoming unavailable. These typically occur from 7:00 pm to 3:00 am (Eastern Time), but may occur at other times, as well. Customer may be able to access Account information during such maintenance periods; however, Customer will only be able to view Customer's information. Customer will not be able to schedule payments or transfers, or change information or settings, including Users, user names, passwords, or personal identification numbers, during such maintenance periods.

(ii) *Unscheduled Maintenance. A Service may be unavailable when unforeseen maintenance is necessary.* This can happen at any time.

(iii) System Outages. Major unforeseen events, such as earthquakes, fires, floods, computer failures, interruptions in telephone service, or electrical outages may interrupt Service availability.

13. Bank Liability.

13.1. Except to the extent required by law, the liability of Bank in connection with the Services will be limited to actual damages sustained by Customer and only to the extent such damages are a direct result of Bank's gross negligence, willful misconduct, or bad faith. Under no circumstances shall Bank be liable for any incidental, consequential, special or punitive damages, including but not limited to attorneys' fees, even if it had been advised *of the possibility of such damages. Bank's aggregate liability to Customer for all losses, damages, and expenses* in connection with any single claim shall not exceed THE LESSER OF (1) CUSTOMER'S ACTUAL DAMAGES OR (2) THE TOTAL AVERAGE MONTHLY BILLING ACTUALLY PAID BY CUSTOMER AND RECEIVED BY BANK FOR THE SERVICE FOR WHICH A CLAIM IS MADE DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED (OR SUCH FEWER NUMBER OF PRECEDING MONTHS AS THIS AGREEMENT OR SERVICE AGREEMENT HAS BEEN IN EFFECT), WHICH SHALL BE DETERMINED BY THE EARLIER OF THE DATE WHEN CUSTOMER FIRST BECAME AWARE OF THE CLAIM OR THE DATE WHEN, THOUGH THE EXERCISE OF REASONABLE CARE, CUSTOMER REASONABLY SHOULD HAVE BECOME AWARE OF THE CLAIM. This Agreement is only between Bank and Customer, and Bank shall have no liability hereunder to any third party.

Bank shall have no liability or responsibility to Customer with regard to any other matter, including, without limitation, its failure to honor a transaction if an Account has insufficient available funds, its negligence, or breach of contract (unless it constitutes gross negligence or willful misconduct), any act or omission of any third party including any automated clearinghouse, any other financial institution, including a Federal Reserve Bank, SWIFT, and NACHA. Customer agrees that Bank, its employees, agents, Affiliates, attorneys, or contractors (collectively the "**Bank Parties**") shall not be liable for any loss, damage or injury caused by the any failure of the hardware or software utilized by a third party to provide Services to Customer. Bank shall have no liability to Customer for any nonperformance, damages, or losses due to strike, breakdowns (including mechanical and electrical), non-functioning of equipment, impossibility of performance, incompatible software or hardware, electronic data corruption, action or inaction of governmental, civil or military authority, fire, strike, lockout or other labor disputes, flood, hurricane, war, riot, theft, earthquake, natural disaster, default of common carriers or vendors or third-party networks, suspension in payments by another financial institution, or other causes or circumstances beyond Bank's reasonable control, sometimes known as Force Majeure.

13.2. Bank will not be liable for: (i) the failure of Customer to maintain the security of its systems or any security procedure, (ii) Customer's acts or omissions (including, without limitation, the amount, accuracy, timeliness of transmittal, or due authorization of any instruction received from Customer, (iii) nonperformance, malfunction, or incompatibility of Customer's hardware or software, or the malfunction of the information reporting system beyond Bank's reasonable control, (iv) any cause except the gross negligence or willful misconduct of Bank, (v) acts and omissions of transferee institutions and their personnel, (vi) Bank's inability to confirm to its satisfaction the ability of any person to act on Customer's behalf, or (vii) any and all claims or damages resulting from, or related to, any computer virus, unauthorized intrusion or related problems that may be associated with using electronic mail, the Internet, or Customer's equipment.

13.3. THE BANK PARTIES WILL NEVER BE LIABLE OR RESPONSIBLE FOR CONSEQUENTIAL, EXEMPLARY, PUNITIVE, SPECIAL, OR INCIDENTAL DAMAGES OR LOSSES, INCLUDING, ATTORNEYS' FEES, LOST EARNINGS, OR PROFITS (WHETHER THE CLAIM IS IN CONTRACT, TORT, OR OTHERWISE, AND WHETHER OR NOT ANY OF THE BANK PARTIES WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES) AND INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM BANK'S ACTS OR OMISSIONS PURSUANT TO THIS AGREEMENT.

13.4. Any claim, action or proceeding against Bank for losses or damages arising from a Service, must be brought within one (1) year from the date of the act or omission by Bank.

13.5. Survival. This section shall survive the termination of this Agreement and any Service Agreement.

14. Customer Liability.

14.1. Customer shall be responsible for compliance with all rules and regulations of any local, state, or federal entity, NACHA Rules, and with all operating procedures of Bank which are communicated to Customer to the extent the same are applicable to Customer. Customer may utilize a courier, armored or otherwise, to deliver or receive banking transactions, and in so doing, agrees at all times and in all respects that: (i) all couriers are the agent of Customer and not of Bank, (ii) Bank makes no representation or warranty regarding, and assumes no responsibility with respect to, any services performed or promised by any courier, and (iii) Customer assumes all risk of loss (including loss or theft by third parties or employees of Customer or a courier) prior to Bank's acceptance of deliveries from a courier and subsequent to courier's acceptance of deliveries from Bank. Customer agrees it and courier will be responsible for all loss recovery procedures and processes, although Bank will undertake reasonable efforts to facilitate loss recovery.

14.2. CUSTOMER WILL INDEMNIFY AND HOLD THE BANK PARTIES HARMLESS FROM ANY CLAIM, LOSS, PENALTY, ASSESSMENT, COST OR DAMAGE, WHETHER IN CONTRACT OR IN TORT (INCLUDING REASONABLE ATTORNEYS' FEES), AND ARISING OUT OF ANY ERRORS, NEGLIGENCE, ACTION, NON-ACTION, OR INVOLVEMENT BY CUSTOMER OR THE BANK PARTIES, OR THEIR RESPECTIVE OFFICERS (INCLUDING INDIVIDUALS PORTRAYING THEMSELVES AS OFFICERS), EMPLOYEES, AGENTS, AFFILIATES, CONTRACTORS, AND ATTORNEYS, UNDER THIS AGREEMENT OR IN CONNECTION WITH THE SERVICE(S) PROVIDED BY BANK OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THOSE ASSERTED BY THIRD PARTIES FOR REIMBURSEMENT OR DAMAGES, THOSE RESULTING FROM A BREACH OR NONCOMPLIANCE OF SUCH RULES, REGULATIONS, OR OPERATING PROCEDURES BY CUSTOMER, THOSE RESULTING FROM THE DELAY OF ANY CLEARINGHOUSE OR ANY FINANCIAL INSTITUTION OTHER THAN BANK IN CREDITING, OR THE FAILURE OF SUCH INSTITUTION TO CREDIT THE AMOUNT OF ANY TRANSACTION, AND THOSE WHICH ARISE OUT OF OR UNDER THE ELECTRONIC FUNDS TRANSFER ACT, ANY APPLICABLE STATE ELECTRONIC FUND TRANSFER RULES OR REGULATIONS, THE NACHA RULES, OR ANY RULES OR GUIDELINES OF ANY AUTOMATED CLEARINGHOUSE, except that such indemnification by Customer of the Bank Parties shall not apply to those losses caused solely by Bank's gross negligence or willful misconduct. Customer agrees to hold the Bank Parties harmless from any and all losses, costs, suits, expenses, liabilities, damages, and attorneys' fees arising from or related to Bank acting in good faith in accordance with instructions or information if it has followed received in substantial conformity with agreed upon security procedures, and agrees that Bank assumes no responsibility beyond its duty to exercise ordinary care. Customer shall indemnify Bank for any loss or liability from the breach of any of the warranties of an originating bank caused by Customer for any entries initiated by Customer. Customer agrees to hold the Bank Parties harmless for all damages resulting from Customer's failure to follow all of its or Bank's security procedures and the terms of this Agreement.

14.3. Survival. This section shall survive the termination of this Agreement and any applicable Service Agreement.

15. No Representations or Warranties by Bank.

EXCEPT AS REQUIRED BY LAW, SERVICES ARE PROVIDED FOR CUSTOMER'S BENEFIT "AS IS" AND "WHERE IS," AND BANK MAKES NO REPRESENTATIONS, WARRANTIES, AGREEMENTS, OR GUARANTEES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE INCLUDING, WITHOUT LIMITATION (1) ANY REPRESENTATIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS TO ANY ITEMS OR SERVICES PROVIDED BY BANK TO CUSTOMER, (2) ANY WARRANTIES ARISING UNDER THE UNIFORM COMMERCIAL CODE, (3) ANY WARRANTIES WITH RESPECT TO COMPLIANCE WITH THE ELECTRONIC FUNDS TRANSFER ACT OR REGULATION E OF THE CONSUMER FINANCIAL PROTECTION BOARD, (4) THE NACHA RULES OR ANY RULE OR REGULATION OF ANY AUTOMATED CLEARINGHOUSE SYSTEM, OR (5) ANY STATE ELECTRONIC FUNDS TRANSFER STATUTE OR REGULATIONS INCLUDING.

THE UNIFORM COMMERCIAL CODE. NO DESCRIPTIONS OR SPECIFICATIONS OF THE SERVICES SHALL CONSTITUTE REPRESENTATIONS OR WARRANTIES OF ANY KIND.

ACCOUNT BALANCES ARE SUBJECT TO CHANGE PERIODICALLY THROUGHOUT EACH BUSINESS DAY DUE TO THE TIMING OF TRANSFERS AND OTHER BANKING TRANSACTIONS. BANK MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF ANY INFORMATION CUSTOMER RECEIVES WHEN ACCESSING INFORMATION ABOUT ITS ACCOUNT(S). BANK DOES NOT GUARANTEE THE TIMELINESS, SEQUENCE, ACCURACY, ADEQUACY, OR COMPLETENESS OF ANY SUCH INFORMATION. BANK GIVES NO EXPRESS OR IMPLIED WARRANTIES (INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE) WITH RESPECT TO THE INFORMATION OR SERVICES.

16. Related Companies; Information Sharing.

16.1. Customer agrees Bank may share information with Affiliates about Accounts or Services for regulatory compliance, credit decision-making, marketing of Bank or Affiliate products and services, administrative, and other banking purposes.

16.2. In the event Customer requests Bank to provide Services to an Affiliate, Customer agrees it will, and will require its Affiliate(s) to, enter into such additional agreement(s) with Bank as Bank requests in order to insure Customer's Affiliate(s) are subject to the terms of this Agreement and that Customer shall be jointly and severally liable for such Affiliate's obligations under this Agreement. Customer hereby represents and warrants to Bank that any and all transfers and commingling of funds between Customer and its Affiliate(s) as may be required or permitted by any Service or requested by Customer or its Affiliate(s), and all other aspects of the performance hereby by Bank, Customer and its Affiliate(s), have been duly authorized by all necessary parties, including, without limitation, the owner of each Account. Customer has obtained and shall maintain in its regular business records and make available to Bank upon reasonable demand, for a period of seven (7) years after termination of the applicable Service, adequate documentary evidence of such authorization from the owner of each Account, executed by the duly authorized officer(s) of each owner, and Customer further represents and warrants that each transfer or commingling of funds between Customer and its Affiliate(s) authorized hereunder are not in violation of any agreement, by law or board resolution of Customer or any of its Affiliates, nor is it in violation of any applicable federal, state, local law, regulation, of any decree, judgment, order of any judicial or administrative authority. Each representation and warranty contained in this Agreement shall be continuing and shall be deemed to be repeated upon Bank's performing each transfer and commingling of funds authorized hereunder.

17. Prohibited Transactions.

Customer agrees not to use or attempt to use any Service(s) (i) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (ii) to breach any contract or agreement by which Customer is bound, (iii) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (iv) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. Customer acknowledges and agrees that Bank has no obligation to monitor Customer's use of any Service for transactions and activity that is impermissible or prohibited under the terms of this Agreement; provided, however, that Bank reserves the right to decline to execute any transaction or activity and/or shut down Service(s) if Bank believes such activity violates the terms of this Agreement or any applicable law, or puts the bank at risk of loss.

18. Confidentiality.

Customer data required to be submitted to Bank pursuant to the receipt of Services will be safeguarded by Bank, and no specific data regarding Customer's business shall be released to anyone other than Customer without express written permission unless Bank shall be required to do so by governmental authority. For all purposes related to this Agreement, the parties agree that Bank's duty of care and its obligation to Customer with respect to ordinary care or maintenance of any processing or other services performed by (or records retained by) Bank shall be satisfied so long as the Bank exercises the same standard of care with respect to Customer's records as the Bank uses in connection with its own sensitive information.

19. Relationship of Parties.

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

Customer acknowledges and agrees that Bank may arrange for any Services covered by this Agreement to be provided by unaffiliated third parties or by Bank Affiliates. Customer further agrees that any unaffiliated third party or any Bank Affiliate is a third-party beneficiary of this Agreement, and as such is entitled to rely on and avail itself of, the provisions of this Agreement, including, without limitation, the limitations on liability and the indemnities described in this Agreement and any applicable Service Agreement. Bank's ability to provide certain Services may be dependent upon Bank's ability to obtain or provide access to third-party networks. In the event that any third-party network is unavailable or Bank determines in its sole discretion, that Bank cannot continue providing any third-party network access, Bank may discontinue the related Service or may provide the Service through an alternate third-party network. In such situations, Bank shall have no liability for the unavailability or delay of access.

20. Termination.

20.1. This Agreement will continue in full force and effect until terminated by either party upon thirty (30) Business Days prior written notice to the other party, provided that Customer may terminate this Agreement or any Service Agreement immediately upon receipt of notice from Bank of a change in the provisions of this Agreement or any Service Agreement that is not acceptable to Customer, provided that any such termination shall not be effective until Bank has received it and had a reasonable opportunity to act on it. If Customer elects to terminate a given Service, this Agreement and all other Service Agreements in place shall remain in full force and effect. Notice of a party's intent to terminate this Agreement shall also constitute notice of termination with respect to all Service Agreements in place between the parties.

Except for a termination due to Customer's rejection of a change in the provisions of this Agreement or Service Agreement, if Customer provides notice to Bank of its intention to terminate this Agreement or a Service Agreement, such termination shall not be effective until it is actually received by and acknowledged by Bank. Since a Service cancellation request can take several business days to process, Customer should cancel all outstanding payment or transfer orders or other pending transactions, in addition to notifying Bank of its desire to terminate this Agreement or a Service Agreement. Bank will not be liable for payments, transfers, or other transactions not cancelled or payments, transfers or transactions made due to the lack of proper notification by Customer of the Service termination or discontinuance for any reason. All provisions relating to the obligation to pay fees for Services performed prior to termination, indemnification, limitations of liability, and confidential information will survive termination. Even if this Agreement or any or all of the Services are terminated under this subsection, this Agreement shall continue in full force and effect as to all transactions that Bank began processing before such termination.

20.2. Notwithstanding the foregoing, Bank may, without prior written notice, terminate this Agreement or suspend any Service(s) provided to Customer if:

- (i) Customer or Bank closes all Accounts or with respect to a Service, any Account established in connection with such Service, Customer fails to maintain adequate available balances in its Account(s), or Customer fails to pay an overdraft of any kind (other than an overdraft created solely by Bank error);
- (ii) Customer has failed to maintain a financial condition deemed reasonably satisfactory to Bank to minimize any credit or other risks to Bank in providing Services to Customer, including the commencement of a voluntary or involuntary bankruptcy or relief of debtors;
- (iii) There is an event of material breach, default in the performance or observance of any term, breach of any representation or warranty contained in this Agreement or any Service Agreement by Customer, or if any certification or statement of fact made by Customer or any Authorized Officer of Customer shall prove to be incorrect or misleading as of the date made in any respect deemed material by Bank;
- (iv) There is an event of a default by Customer in any other agreement with Bank or any Bank Affiliate;
- (v) There has been a seizure, attachment, or garnishment of Customer's deposit accounts, assets, or other properties;

(vi) Bank reasonably believes that the continued provision of Services in accordance with the terms of this Agreement or any Service Agreement would violate federal, state, or local laws or regulations, or would subject Bank to unacceptable risk of loss.

In the event of any termination hereunder, all fees due to Bank under this Agreement, any Service Agreement, or fee schedule, as of the time of termination, shall become immediately due and payable.

20.3. In order to protect the Customer or the Bank from financial loss, Bank may suspend or terminate Customer's access to and its ability to receive any Service at any time, effective immediately upon Bank's determination that such termination or suspension is warranted. Bank shall use reasonable efforts to give notice of any such suspension or termination to Customer promptly, and will then provide written confirmation of the suspension or termination if the initial notice of suspension or termination was not communicated in writing. If Bank suspends a Service pursuant to this provision, Customer agrees to work with Bank to alleviate the risk(s) Bank has identified.

20.4. Upon termination of any or all of the Services by Bank or Customer under this Agreement, all computer software licenses, if any, granted by Bank to Customer with respect to all terminated Services shall automatically terminate. Customer shall immediately return to Bank the original and all copies made of all computer software programs licensed by Bank to Customer and all other documentation or materials provided to Customer by Bank in connection with the terminated Service(s). All sums or fees Customer owes to Bank for any Service shall be due and payable in full immediately upon the termination of the Services.

20.5. This Agreement shall be binding upon and inure to the benefit of Bank and Customer and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against Customer or Bank under this Agreement including any Service Agreements.

21. Governing Law.

This Agreement and each Service Agreement shall be construed and enforced in accordance with and governed by the laws of the state, including the Uniform Commercial Code, where the Primary Account is held by Bank, except to the extent the Federal law is controlling or provides greater rights or remedies to Bank. ACH services shall also be governed by all applicable state or federal laws, rules, and regulations affecting the use of checks, drafts, and ACH transactions, including, but not limited to, rules and procedural guidelines established by the Federal Trade Commission, the NACHA Rules and the rules of any other clearing house organization. These laws, procedures, rules, regulations, and definitions shall be incorporated in this Agreement by reference. For any dispute regarding any Service, this designation of governing law will prevail over any other designation of governing law that may be contained in other agreements or on Bank's Website applicable to the Services.

22. Compliance.

Customer shall comply with all existing and future operating procedures used by Bank for processing of transactions initiated using any Service. Customer further agrees to comply with all applicable laws, regulations, rules, and orders to which it is subject, including, without limitation, rules and regulations promulgated by any money transfer systems or clearing houses used by Bank in providing Services to Customer. It shall be the responsibility of Customer to ensure that each ACH transaction, wire transfer, Remote Deposit Capture transaction, and check conversion complies with all applicable laws, rules, and regulations. This includes, but is not limited to, the Expedited Funds Availability Act and its implementing Regulation CC, Check Clearing for the 21st Century Act, all Operating Circulars promulgated by the Board of Governors of the Federal Reserve System and regulations and sanctions enforced by the Office of Foreign Assets Control ("**OFAC**"). Customer agrees that it will not transmit to, from, or on behalf of any party subject to OFAC sanctions. Customer acknowledges and agrees that Bank is subject to OFAC rules involving the movement of funds. Customer agrees to hold Bank harmless and that Bank shall have no liability to Customer or any third party for any loss, liability, or expense resulting from Bank's delay in processing a transaction due to OFAC sanctions screening. Bank undertakes no obligation to make any payment under or otherwise implement or process any instruction or transfer of funds if there is any involvement by or nexus to an OFAC sanctioned party, whether directly or indirectly. Further information regarding OFAC sanctions is available on the OFAC website.

23. Attorneys' Fees.

In the event of any conflict pertaining to the subject matter of this Agreement in addition to any remedies provided in this Agreement or by applicable law, the prevailing party shall be entitled to recover all costs and expenses incurred by the prevailing party in defending itself or in enforcing its rights, including, without limitation, court costs, fees of consultants, and reasonable attorneys' fees.

24. Jury Trial Waiver and Participation in a Class Action.

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, a Service Agreement, or any Account or the dealings of the relationship between Bank and Customer, (ii) seek to consolidate any such action with another in which a jury trial cannot be or has not been waived, or (iii) participate in a class action in any lawsuit, proceeding, counterclaim, or any other action based upon, or arising out of, this Agreement, a Service Agreement, or any Account or the dealings of the relationship between Bank and Customer. The provisions of this section shall be subject to no exceptions. Neither Bank nor Customer has agreed with or represented to the other that the provisions of this section will not be fully enforced in all instances. Bank and Customer each acknowledge that this waiver has been knowingly and voluntarily made.

25. Arbitration.

(a) Any dispute or difference between the parties (such parties being referred to individually as a "**Disputing Party**," and, together, as the "**Disputing Parties**") arising out of this Agreement or any Service Agreement or other agreement between the parties, which the parties are unable to resolve themselves, shall be submitted to and resolved by arbitration as hereby provided. Any Disputing Party may request the American Arbitration Association ("**AAA**") to designate one arbitrator, who shall be qualified as an arbitrator under the standards of the AAA, who shall be a retired or former judge or any appellate or trial court, any United States appellate court or United States District Court, who is, in any such case, not affiliated with any party in interest to such arbitration, and who has substantial professional experience with regard to commercial legal matters.

(b) The arbitrator shall consider the dispute at issue in the city which is the headquarters of People's United Bank, N.A., Bridgeport, Connecticut at a mutually agreed upon time within 60 days (or such longer period as may be acceptable to the Disputing Parties or as directed by the arbitrator) of the designation of the arbitrator. The arbitration proceedings shall be held in accordance with the rules for commercial arbitration of the AAA in effect on the date of the initial request by the Disputing Party, that gave rise to the dispute being arbitrated (as such rules are modified by this Agreement or any Service Agreement or as each may be further modified) and shall include an opportunity for the parties to conduct discovery in advance of the proceedings. Notwithstanding the foregoing, the Disputing Parties shall agree that they will attempt, and they intend that they and the arbitrator should use commercially reasonable efforts in that attempt, to conclude the arbitration proceedings and have a final decision from the arbitrator within 120 days from the date of selection of the arbitrator; provided, however, that the arbitrator shall be entitled to extend such 120-day period for a total of two 120-day periods. The arbitrator shall deliver a written award with respect to each dispute to each of the parties, who shall promptly act in accordance therewith. Each Disputing Party to such arbitration agrees that any award of the arbitrator shall be final, conclusive and binding and that they will not contest any action by any other party thereto in accordance with any award of the arbitrator. It is specifically understood and agreed that any party may enforce any award rendered pursuant to the arbitration provision of this paragraph by bringing suit in a court of competent jurisdiction.

(c) All costs and expenses attributable to the arbitrator shall be allocated among the parties to the arbitration in such manner as the arbitrator shall determine to be appropriate under the circumstances. Except as provided in the preceding sentence or as ordered by the arbitrator, each party to the arbitration shall bear its own costs and expenses.

(d) In the event that more than one dispute is submitted to arbitration involving the Disputing Parties to this Agreement or any Service Agreement, all such matters shall be consolidated into a single arbitration proceeding so as to avoid, to the extent possible, more than one simultaneous arbitration proceeding between the same Disputing Parties.

(e) The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relieve warranted by that party's individual claim. CUSTOMER AND BANK AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN THEIR INDIVIDUAL CAPACITY AND NOT AS PLAINTIFF OR CLASS ACTION MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless both Customer and Bank agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceedings.

26. Miscellaneous Provisions.

26.1. Headings. The headings and captions contained herein are included only for convenience of reference and do not define, limit, explain, or modify this Agreement or its interpretation, construction, or meaning.

26.2. Severability. Should any provision of this Agreement, or any Addenda hereto including any Service Agreement, contravene or conflict with any applicable present or future law or regulation of any regulatory agency, or should any provision be held invalid or unenforceable by a court or regulatory body of competent jurisdiction, then each such provision shall be void. This Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation, or policy and all other provisions of this Agreement, or any Service Agreement, shall remain in full force and effect. Bank shall not incur any liability to Customer as a result of such violation or amendment.

26.3. Waiver. No waiver by Bank (whether or not in writing) of any term, condition, or obligation of Customer shall bind Bank to waive the same term, condition, or obligation again, nor shall any other provision, condition, term, or obligation hereof be affected by such a waiver.

26.4. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the successors, trustees, and permitted assigns of the parties hereto.

26.5. Incorporation by Reference. The Master Authorization and each Service Agreement, or on-screen instructions (including the Services) which are referred to herein or, whether delivered or accessed in physical or electronic format, as amended from time to time pursuant to the provisions hereof, shall be deemed incorporated herein by reference thereto and shall become a part of this Agreement as if fully set forth herein.

26.6. Entire Agreement. This Agreement, all Service Agreements, fee schedules, user guides, and other agreements related to the Services constitute the entire agreement between the parties hereto concerning the subject matter hereof and thereof. All contemporaneous written agreements or understandings concerning the subject matter hereof are merged into this Agreement.

26.7. Transfers and Assignments. Customer cannot transfer or assign any rights or obligations under this Agreement without Bank's written consent. Bank may assign its rights and delegate its duties under this Agreement to an Affiliate or to a third party.

26.8. Cooperation in Loss Recovery Efforts. In the event of any damages for which Bank or Customer may be liable to each other or to a third party pursuant to the Services provided under this Agreement or any Service Agreement, Bank and Customer will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party. Customer will promptly furnish written proof of loss to Bank and notify Bank if it becomes aware of any third-party claim related to a Service.

26.9. Tapes and Records. All Entries, security procedures and related records used by Bank for transactions contemplated by this Agreement shall be and remain Bank's property. Bank may, in its sole discretion, make available such information upon Customer's request. Any expenses incurred by Bank in making such information available to Customer shall be paid by Customer.

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

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

26.12. Order of Precedence. If there is a conflict between the terms of this Agreement, and any Service Agreement, the documents will govern in the following order unless expressly stated otherwise; the applicable Service Agreement, this Agreement, and then any updates thereafter.

26.13. Further Assurances. The parties agree to execute and deliver all additional documents and give all further assurances reasonably necessary to carry out the intent of the parties with respect to this Agreement and the Services.

26.14. Continuing Obligations. *Notwithstanding other survival provisions, the following obligations shall* survive the expiration or termination hereof: (i) any and all limitations of liability and indemnities granted by either party herein, (ii) any covenant granted herein for the purpose of protecting the intellectual property rights of either party or any remedy for breach thereof, and (iii) the payment of taxes, duties, or any money to either party hereunder.

People's United Bank®

DESIGNATIONS AND AUTHORIZATIONS:
EFFECTIVE DATE 05/18/2022

CUSTOMER INFORMATION			
Customer (Company) Name	TOWN OF WATERFORD		
Tax ID Number	06-6002121		
Address	15 ROPE FERRY RD		
City	WATERFORD	*State* CT	*ZIP* 06385
Phone	860 444-5840	*Fax*	860-440-0579
Email	kallen@waterfordct.org	*Website*	www.waterfordct.org

TABLE 1 – Authorized Officer(s)

Customer's Authorized Officer(s) with the full power and authority to act in the name, and on behalf, of Customer with respect to this Agreement each Service Addendum identified in Exhibit A, and execute and deliver additional Treasury Management Service Agreements to Bank.

Officer 1 Information

Name (First/MI/Last) Abbas Danesh (Town Treasurer) *DOB* 07/05/1961

☒ *Information already on file*

Home Address ____

City ____ *STATE* ____ *ZIP* ____

Signature ____

Officer 2 Information

Name (First/MI/Last) Kimberly Allen (Director of Finance) *DOB* 05/26/1968

☐ *Information already on file*

Home Address 44 Prospect Avenue

City Niantic *STATE* CT *ZIP* 06357

Signature ____

Officer 3 Information

Name (First/MI/Last) Virginia Bielucki *DOB* ____

☒ *Information already on file*

Home Address ____

City ____ *STATE* ____ *ZIP* ____

Signature ____

Officer 4 Information

Name (First/MI/Last) ____ *DOB* ____

☐ *Information already on file*

Home Address ____

City ____ *STATE* ____ *ZIP* ____

Signature ____

TABLE 2 – Customer Administrator(s)

Individual(s) named and appointed as Administrators by an Authorized Officer are granted full power and authority to manage and administer Customer's receipt of Services under this Agreement, each Service Addendum identified in Exhibit A, and execute and deliver additional Treasury Management Service Agreements to Bank in the name, and on behalf, of Customer.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means is that, Bank will require Customer or its Administrator(s) to provide details and supporting documentation about each Administrator including name, address, date of birth and other information that will allow Bank to identify and verify each Administrator. Bank reserves the right, in its sole discretion, to establish from time to time the types of documents which will be deemed acceptable identification for Administrators' appointment and other purposes. For requests listing more than 4 Administrators, an additional Table 2 may be completed and submitted.

Administrator 1 Information

Name (First/MI/Last) Abbas Danesh (Town Treasurer) *DOB* 07/05/1961

☒ *Information already on file*

Home Address ______

City ______ *STATE* ______ *ZIP* ______

Signature ______

Administrator 2 Information

Name (First/MI/Last) Kimberly Allen (Director of Finance) *DOB* 05/26/1968

☐ *Information already on file*

Home Address 44 Prospect Avenue

City Niantic *STATE* CT *ZIP* 06357

Signature ______

Administrator 3 Information

Name (First/MI/Last) Virginia Bieluki (Town Accountant) *DOB* ______

☒ *Information already on file*

Home Address ______

City ______ *STATE* ______ *ZIP* ______

Signature ______

Administrator 4 Information

Name (First/MI/Last) ______ *DOB* ______

☐ *Information already on file*

Home Address ______

City ______ *STATE* ______ *ZIP* ______

Signature ______

Affiliates

☐ **Check Box if Applicable –** Customer wishes to enter into this Agreement with Bank and its Affiliates listed below.

If documented in TABLE 3, Customer wishes to enter into this Agreement with each of Customer's Affiliates identified below (each a "**Designated Affiliate**" and collectively "**Designated Affiliates**") each of which also wish to receive Services from Bank, then in connection with its Designated Affiliates, Customer and each of its Designated Affiliates on a joint and several basis make the following representations and warranties to, and covenants with, Bank:

(a) All of the entities listed in Table 3 are Affiliates of Customer.

(b) Customer is authorized on behalf of its Designated Affiliates to open Accounts and subscribe to Services with Bank in the name of, and for the benefit of, said Designated Affiliates.

(c) Customer has obtained and shall maintain in its regular business records and make available to Bank upon reasonable demand, for a period of seven (7) years after termination of this Agreement, adequate documentary evidence of such authorization from each Designated Affiliate.

(d) The officer of Customer executing this Agreement has been duly cross elected or otherwise been granted all requisite power and authority to contractually bind each Designated Affiliate.

(e) If requested by Bank, will require its Designated Affiliates to enter into additional agreement(s) with Bank in order to insure its Designated Affiliates are subject to the terms of this Agreement and any applicable Service Agreement.

(f) Customer and its Designated Affiliates shall be jointly and severally liable to Bank for Customer's and each Designated Affiliate's obligations under this Agreement and all Service Agreements pursuant to which Services are provided.

(g) Any and all transfers and commingling of funds between Customer and its Designated Affiliates as may be required or permitted by this Agreement or delivery of Services or as requested by Customer or any one of its Designated Affiliates, and all other aspects of the performance by Bank, have been duly authorized by all necessary parties.

(h) Customer further represents and warrants that each transfer or commingling of funds between Customer and its Designated Affiliates are not in violation of any agreement, by law or board resolution of Customer or any of its Designated Affiliates, nor is it in violation of any applicable federal, state, local law, regulation, of any decree, judgment, order of any judicial or administrative authority.

(i) Unless Bank is informed otherwise in writing, (i) each officer, employee, or other representative of Customer and its Designated Affiliates has the power and authority to issue instructions to Bank with respect to all of Customer and its Designated Affiliates, (ii) Bank shall be permitted to rely on the apparent authority of each officer, employee, or other representative of Customer and its Designated Affiliates, and (iii) Customer and its Designated Affiliates shall hold Bank harmless for acting on instructions of any such officer, employee, agent, or other representative.

(j) Each representation and warranty set out (a) through (i) above shall be continuing and shall be deemed to be repeated to Bank each time Customer or a Designated Affiliate issues an instruction to Bank.

TABLE 3

NAME OF DESIGNATED AFFILIATE	Tax ID#

Authorization - By signing this Agreement, the undersigned acknowledge that they have read and accept the terms and conditions of this Agreement, and all service agreements appended as identified in Exhibit A and agree to be bound by their terms. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but such counterparts together shall constitute one instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart hereof.

Customer Authorized Officer – MUST BE DESIGNATED IN TABLE 1 - If a person executing this agreement is the sole named Authorized Officer in Table 1, this document should be countersigned by another Officer of Customer.	
Printed Name	Abbas Danesh
Signature	

Countersignature - If Needed	
Printed Name	Kimberly Allen
Signature	

People's United Bank Representative Name	Rashiya Ferguson
Title	TMSO, VP
Signature	

EXHIBIT A

SERVICES INCLUDED WITH THIS MASTER AGREEMENT. All agreements and forms indicated for the selected services must be appended to this document as an all-inclusive package. At least one selection is required.

PRIMARY ACCOUNT NUMBER for billing of services 1377000007

SELECT APPLICABLE SERVICES AND COMPLETE APPLICABLE ADDENDA

	Service Type	**Service Description**
☐	ACH	ACH Origination
☐	ACH DEBIT BLOCK	ACH Debit Block
☐	ACH EDI	ACH Electronic Data Interchange (EDI)
☐	ACH POS PAY	ACH Positive Pay
☐	ACH UPIC	ACH Universal Payment Identification Code (UPIC)
☐	ARPPA	Account Reconciliation and (Check) Positive Pay
☐	CASH VAULT	Cash Vault
☐	DATA EXCHANGE	Data Exchange Services
☐	eTreasury +	eTreasury + Service (Business Online Banking)
☐	ICL	Image Cash Letter Service
☐	LOAN MANAGEMENT SWEEP	Loan Management Sweep
☐	LOCKBOX	Lockbox Service – (Wholesale/Retail/eLockbox)
☒	RDC	Remote Deposit Capture Service
☐	WIRE	Wire Origination/Funds Transfer

Reference is hereby made to that certain Treasury Management Master Services Agreement ("**Master Agreement**") entered into between People's United Bank, N.A. ("**Bank**") and the ("**Customer**") named therein. *This Remote Deposit Capture Service Addendum ("**Addendum**") governs Customer's receipt of Remote Deposit* Capture Services ("**RDC Services**" or "**Services**"). This Addendum is a Service Addendum and therefore, is to be read and interpreted in conjunction with the Master Agreement, the terms of which are hereby incorporated by reference. In the event of a conflict between the terms of this Addendum and the Master Agreement, the terms of this Addendum shall govern, but only to the extent necessary to resolve any such conflict. Capitalized terms employed herein and not otherwise defined shall have the respective meanings ascribed to such terms in the Master Agreement.

RDC Services are accessed through Bank's Website and as access and use of Bank's Website is governed by the eTreasury+ Service Agreement, it is recommended that Customer read the eTreasury+ Service Agreement thoroughly as it contains important terms that apply to Customer receipt of RDC Services.

Definitions. Throughout this Addendum the following definitions will apply:

"**Check 21**" means the Federal Check Clearing for the 21st Century Act or any successor legislation.

"**Cutoff Hour**" means 6:30 p.m. (Eastern Time) on each Business Day.

"**Deposit File**" means an electronic file which includes images (front and back) of eligible paper Items transmitted electronically to Bank.

"**Implementation Documents**" means all setup forms and documents, instructions, testing parameters, or other requirements specified by Bank for usage of RDC Services including mutually agreed upon Customer specific requirements.

"**IRD**" means Image Replacement Document which is an electronic image of an Item intended to be a replacement or substitute for the original paper Item.

"**MICR**" means magnetic ink character recognition which meets the American National Standard Specifications ANSI X9 format, as may be amended from time to time and can therefore be machine read.

"**MICR Line**" means the MICR Line which includes Item information such as a bank routing number and transit number, account number, Item number, Item amount, and other auxiliary information such as a Customer's location or division, that are printed near the bottom of an Item in MICR.

"**Mobile Device**" means a portable computing device.

"**RDC**" means Remote Deposit Capture and refers to the process of creating a digital image of an Item for submission to a financial institution for processing and deposit.

"**RDC Limit**" means the maximum amount of exposure with respect to Customer (as measured in the aggregate face amount of Items contained in all Deposit Files submitted by Customer each Business Day) that Bank is willing to sustain at any one time.

"**Schedule A**" means a schedule in the form of Schedule A attached to this Addendum by which Customer selects which Account(s) it wishes the Items to be deposited; if Customer wishes to change its elections it can submit a revised Schedule A without the need to re-execute this Addendum and Customer agrees that the most recently dated Schedule A as shown in Bank's books and records shall evidence Customer's then current RDC Services preferences.

"**System**" means both the RDC software, scanning equipment, and systems which Customer used to scan Items, compile them in a Deposit File, and transmit the Deposit File to Bank for deposit to an Account as well as the RDC software, web portal and systems Bank uses to receive Deposit Files, create IRD's of each Item and process the IRD's for deposit to Customer's Account(s).

Description of RDC Services. RDC Service allows customers to electronically scan and image paper-based Items and capture deposit data electronically using a desktop check scanner or mobile device software, and transmit the images via an internet connection to Bank, for processing and deposit. For purposes of this Addendum, Items shall not include checks, drafts, or other negotiable instruments drawn on non-U.S. banks or denominated in a currency other than U.S. dollars. When a Deposit File is submitted to Bank for processing, each Item in the Deposit File will be classified as an IRD. Each IRD will then be processed by either: (i) putting it into collection for forwarding on to the financial institution on which it was drawn or, (ii) if the IRD was drawn on Bank, debiting the maker's account with Bank.

Compliance with Laws. Customer agrees to comply with all applicable laws, rules, and regulations relating to the submission of Items in digital format to Bank, including without limitation, Check 21. As Items after conversion to an IRD may be processed as an ACH transaction through an automated clearing house, Customer further agrees that all such ACH transactions will be subject to all applicable NACHA rules and guidelines.

Creation of Deposit Files. All Deposit Files submitted to Bank must be in an agreed upon format and comply with the requirements set out in this Addendum, including any applicable schedules or user guides. A Deposit File can contain the digital image of a single Item, and there is no limitation on the number of images which can be placed in a single Deposit File. Customer can submit more than one Deposit File to Bank on a given Business Day. Bank retains the right to refuse to process a Deposit File or any Item(s) in a Deposit File if doing so would result in Bank exceeding Customer's RDC Limit.

Customer agrees to purchase, install, and maintain such hardware and software as Bank may reasonably specify from time to time for the purpose of capturing Item images and transmitting electronic deposits of Items to Bank. Customer agrees to maintain equipment and software that is compatible with Bank's System. Customer agrees to use its scanner and other equipment in a manner consistent with the terms of this Addendum. Customer shall be solely responsible for the operation, maintenance, and accuracy of all such hardware and software. Bank shall have no liability or responsibility for any theft, damage, losses, non-performance, claims, or causes of action experienced by Customer as a result of any hardware or software used in conjunction with RDC Services and Customer's sole recourse with respect to any claims relating to equipment or software shall be to the manufacturer or developer of such equipment or software.

Image Quality. Customer agrees to assure acceptable and accurate scanned images (front and bank) of Items including amount and payee's indorsement. In addition, Customer agrees to place on each Item a restrictive endorsement placed on the back of the Item indicating that the Item is "for remote deposit only" or words of similar import to indicate the Item has been deposited electronically to People's United Bank and Customer will indemnify Bank for any losses Bank suffers as a result of Customer's failure to do so. Customer acknowledges that images that do not meet ANSI Specifications are not allowed to be transmitted into the check clearing system, and agrees that Bank may reject and return to Customer any and all imaged Items that fail to meet established industry standards without any liability for such rejection and/or return. It is the sole responsibility of Customer to correct and resubmit any rejected images. Customer will not submit an electronic Item with respect to any client of Customer without first being in possession of an eligible Item which is made payable to Customer.

Transmission to Bank. Customer agrees to maintain at all times sufficient standards of internet connectivity to allow for successful transmission of Deposit Files to Bank. Customer will be responsible for all Internet connectivity related costs as well as the costs of any equipment or supplies necessary to access Bank's System. Customer will be responsible for any electrical outlets, surge protectors, extension cords, splitters, or any other special equipment necessary for operating any equipment or software necessary to receive RDC Services. Bank shall have no liability or responsibility for any charges incurred by Customer resulting from changes Customer makes to its hardware or software configuration necessary to maintain a minimum standard of connectivity.

Customer agrees that the scanning and transmitting of Items does not constitute receipt by Bank. No duplicate Deposit Files or Items will be processed. Customer agrees to transmit Deposit Files to Bank as early as feasible to facilitate any necessary error resolution. All incoming Items will be processed on the same Business Day if received and acknowledged by Bank before the Cutoff Hour and once processed, provisional credit in respect of all Items will be credited to the designated Account(s). Once submitted to Bank for processing, Customer agrees it shall not attempt to recall, cancel, or otherwise delete any Item and Customer agrees to indemnify and hold Bank harmless for any losses arising from Bank's failure to act upon any reversal or cancellation instruction received from Customer.

Security Procedures and Notification. In order to submit a Deposit File to Bank via the Website, the User submitting the Deposit File must first log onto the Website in conformity with the Website's log on security procedures. Customer agrees that it will be responsible for the accuracy of all Item data contained in a Deposit File, whether or not authorized or accurate, submitted in its name via the Website. Customer acknowledges that the purpose of such security procedures is for verification of authenticity and not to detect an error in the transmission or description of an Item. **Therefore, Customer acknowledges and agrees that Bank is NOT responsible for detecting any Customer errors contained in any image of an Item or Deposit File created and transmitted to Bank.**

Processing of Deposit Files. Upon receipt of a Deposit File from Customer, Bank will subject each Item to an initial screening to determine if each Item is eligible for submission to the clearing system (for example, Bank will not accept Items denominated in a foreign currency) and meets minimum image quality standards. Customer acknowledges and agrees that a failure on its part to submit Deposit Files to Bank in compliance with applicable guidelines may result in processing delays or the rejection of certain Items and/or entire Deposit Files. IRD's will be subject to further screening to ensure image quality and compliance with all technical specifications and other requirements for substitute checks under the provisions of Check 21. After this second screening, Bank will put the IRD's into the collection process. The manner in which Items are cleared or presented for payment shall be determined by Bank, in its sole discretion, but Bank will use its best efforts to process all Items in the most expedient manner available.

Upon submission of a Deposit File to Bank via the Website, the System will generate a notification to Customer that the Deposit File has been received. Notwithstanding the receipt of any such submission receipt notification, Customer acknowledges and agrees that each Deposit File and every Item image in a Deposit File is subject to screening, and therefore receipt of a submission receipt notification does not constitute an acknowledgment by Bank that the transmission of a Deposit File or Item image(s) in a Deposit File are free from any errors. Deposit Files and Images which contain errors will result in delays in processing and while Bank will attempt to rectify any errors it identifies, Bank reserves the right to reject a Deposit File or Item image. If Bank determines it cannot process a Deposit File or an Item image, it will contact Customer to inform Customer of the error(s) preventing processing and Customer will be required to re-submit an error-free Deposit File. All Deposit Files received on a Business Day which are scanned and deemed fully conforming by the Cutoff Hour will be processed that day. Commencement of processing of any Deposit File received after the Cutoff Hour or during a non-Business Day will be the next Business Day.

Bank will post provisional credit in respect of all Items submitted into the check clearing system to the applicable Account(s) of Customer and provide availability in accordance with the funds availability terms set out in the BDAC.

Limitation of Liability. In addition to any other limits on Banks liability contained herein or in the Master Agreement, Customer acknowledges and agrees that Bank shall not be liable to Customer for a failure to process an Item for deposit in any of the following circumstances: (i) if Customer deposits an Item drawn on a restricted account that does not allow debits, (ii) if the account on which an Item is drawn is closed or frozen, (iii) if processing an Item would exceed the RDC Limit, (iv) if Customer or anyone authorized by Customer commits any fraud or violates any applicable law, rule, or regulation, (v) if any electronic device, telecommunication device, or any part of the RDC System is not working properly and Customer knew about the problem when Customer started submitting its Deposit File to Bank, (vi) if Customer has not provided Bank with correct Item capture information as required herein, or (vii) if Customer has not properly followed the instructions for accessing the System.

Provisional Credit. Customer acknowledges and agrees that all RDC credits are provisional and Bank may charge the applicable Account, as well as any other Customer's account with Bank, for the amount of any adjustment due to error, ineligible Items, returned Items, or rejected electronic debit Items. Customer authorizes Bank to debit its Account on the day a returned or rejected Item is received by Bank or thereafter.

Customer's Responsibilities after Submission of Deposit Files

Disposition of Paper. Customer agrees to maintain and secure original, paper Items for a period of at least fourteen (14) days in a manner that prevents the paper Items from being reprocessed and/or deposited more than once unless such reprocessing is necessary to correct an unreadable transmission previously submitted. The paper Items must be shredded or otherwise destroyed after thirty (30) Business Days. During the period that Customer maintains original Items, Customer understands and agrees that it must use a high degree of care to protect the original Items against security risks. These risks include, without limitation: (i) theft or reproduction of the original Items (including by employees) for purpose of presentment for deposit of these original Items (i.e., after IRD's of the original Items have already been presented for deposit via RDC), and (ii) unauthorized use of information (such as sensitive personal financial information) derived from the original Items. When Customer destroys and disposes of original Items pursuant to the requirements of this Addendum, Customer understands and agrees that it must use a high degree of care when selecting and implementing destruction and disposal procedures.

Electronic Record Retention. Customer assumes all responsibility for the security of all Item images and electronic files and will indemnify and hold Bank harmless from any breach of security of Customer's records. Bank recommends that all electronic images and data be deleted within one (1) Business Day after transmission.

Location and notification of change. Customer will provide Bank, with not less than fifteen (15) days' prior written notice to the address below, of any change in location of Customer's scanner(s) and or software installed at Customer's site(s), or any new locations from which RDC Services will be accessed by Customer. Customer may not move scanner(s) and or software to another site without the prior written consent of Bank which consent shall not be unreasonably withheld.

People's United Bank, N.A.
Treasury Management Services
RC9487
PO Box 820
Burlington, Vermont 05402-0820

Policies, Procedures and Audit Practices. Customer agrees that it will maintain policies, procedures, security, and audit practices to ensure that Item images captured and transmitted to and through Bank meet all of the requirements of this Addendum and other applicable rules such as Check 21 and will maintain operating procedures to ensure that original Items and substitute Item images transmitted to Bank are: (i) properly endorsed, (ii) stored securely, and (iii) destroyed in a timely manner to prevent the re-presentment of an Item that a financial institution, drawee, drawer, or endorser has already paid. These procedures must be designed to ensure that original Items are not accessed by unauthorized person(s) during the destruction and disposal process and, once destroyed, the original Items are no longer readable or capable of being reconstructed (e.g., through the use of competent shredding equipment).

Customer agrees that Bank or its representative(s) may physically visit Customer's location(s) to review agreed upon security policies and procedures prior to installing RDC Services and to perform periodic site audits of Customer, at such times as are mutually convenient for both Customer and Bank. Customer agrees to train all employees with access to the RDC Services on proper security procedures required to access Bank's System, including, without limitation, the Customer Education Document (which forms part of the Implementation Documents) in acquiring paper Items.

Daily Item Balancing. Customer agrees to verify transactions transmitted from the previous Business Day and promptly notify Bank of any error(s) discovered. Bank will make every effort to assist Customer in resolving any transmission errors.

Returned Items. Customer shall pay Bank for the amount of any returned Item or any claims for adjustments received by Bank for any Item which Bank has previously credited to Customer's Account. Such amounts shall be charged as returns to Customer's Account(s) and are immediately due and payable by Customer to Bank. Customer's obligations in this paragraph shall be in addition to any rights Bank may have under the BDAC or other applicable Bank agreement. Returned Items will appear on Customer's statements of Account activity to the extent agreed between Customer and Bank. Customer understands and agrees that a returned Item may be in the form of an electronic or paper re-production of the original Item or a substitute Item. If an Item Customer has included in a Deposit File is returned, Customer agrees not to re-deposit the original Item. Bank shall provide notice to Customer of returned Item(s) following its established procedures for the receipt of a returned Item.

Contingency Plan. Customer agrees that in the event that communications, equipment, or software outages prevent Customer from transmitting Deposit Files to Bank, Customer will make deposits of paper Items at a Bank branch location, by ATM, or by mail until such time that the outage can be identified and resolved. Customer will notify Bank immediately when such an outage occurs by calling Bank's service department at 866-831-5717 or such other number as Bank may communicate to Customer from time to time.

Governing Law. This Addendum is governed by the laws governing the Master Agreement.

This Service Agreement is an Addendum to the Master Agreement of which it forms a part. By executing and delivering this Agreement to Bank, Customer acknowledges that it has read and accepted the terms and conditions of this Service Agreement and agrees to be bound by its terms and conditions.

SCHEDULE A TO REMOTE DEPOSIT CAPTURE SERVICE ADDENDUM

This is Schedule A to the RDC Service Addendum entered into between People's United Bank, N.A. and the customer completing and delivering this Schedule ("**Customer**") to Bank. Capitalized terms used herein and not defined shall have the meanings ascribed to such terms in the Addendum.

AFFILIATES

☐ *Customer has requested Bank to include accounts of affiliate companies for receipt of RDC Services. Particulars of affiliates for which Customer wants Bank to provide RDC Services are to be included on the Master Agreement where Affiliates are identified in Table 3.

CUSTOMER INFORMATION	
Customer Name	TOWN OF WATERFORD
Customer Daily Limit	$300,000.00
Billing Account	1377000007

Account Number	*Account Name*	**Affiliate Name (if Applicable)*

☐	*Check if an additional accounts page is to be included with this Addendum.*
☐	*Check if Guarantor(s) are required and a TM Guarantor form is to be included with this Addendum.*