



Milford City Hall Council Chambers 201 South Walnut Street Milford DE 19963

CITY COUNCIL AGENDA Monday, November 14, 2022

Per the Limited Public Health Emergency Declaration issued by Governor John Carney on March 1, 2022, and the virtual meeting provisions provided in Senate Bill 94, Milford City Council Meetings and Workshops will be held in the Council Chambers at City Hall. Attendees are welcome to participate virtually as well. Public Comments are encouraged on the agenda items designated with a ®. Virtual attendees may alert the City Clerk that they wish to speak by submitting their name, address, and agenda item via the Zoom Q&A function or by using the Raise Your Hand function during the meeting. Those attending in person may comment when the floor is opened for that purpose.

All written public comments received prior to the meeting will be read into the record.

This meeting is available for viewing by the public by accessing the following link:

<https://zoom.us/j/99156131279>

or

<http://www.cityofmilford.com/553/Watch-Public-Meetings>

Members of the public may also dial in by phone using the following number:

Call 301 715 8592 Webinar ID: 991 5613 1279

6:00 PM

15-Minute Public Comment Period*

Virtual attendees must register prior to start time of meeting by calling 302-422-1111 Extension 1300 or 1303, or by sending an email to cityclerk@milford-de.gov and providing your name, address, phone number, and the specific agenda item you wish to comment on.

COUNCIL MEETING

Call to Order – Mayor Arthur J. Campbell

Invocation

Pledge of Allegiance

Roll Call

Approval of Previous Minutes

Recognition

Introduction/New City Employees

Proclamation 2022-22/Lung Cancer Awareness Month

Proclamation 2022-23/World Pancreatic Cancer Day

Proclamation 2022-24/Small Business Saturday

Staff Reports

Monthly Police Report

City Clerk

Monthly City Manager Report:

Public Works Department

Electric Department

Planning & Zoning Department

Parks & Recreation Department

Human Resources

Economic Development & Community Engagement

IT Department

Finance Department

Communications & Correspondence

Unfinished Business

None

New Business

Milford Food Bank/Impact Fee Wavers

Authorization Funding Source/Caulk Water Tower/Gillespie Precast LLC/Valve & Altitude Valve

Authorize Ratification/Banking Agreements/Loan Proceeds Account

Authorize Ratification/Banking Agreements/MPD Asset Forfeiture Account

Bid Award/Refuse Truck Replacement

Contract Award/Sewer CCTV Project

Introduction/Ordinance 2022-41

Application of 27 South Walnut QOZB, LLC on behalf of Avery Properties, LLC

0.15 +/- acres of land located at the northeast corner of SE Front Street & S Walnut Street

Address: 27 S. Walnut Street

Comprehensive Plan Designation: Commercial

Zoning District: C-2 (Central Business District)

Present Use: Retail – Single Occupancy Proposed Use: Commercial – Multiple Occupancy

Tax Parcel: 3-30-6.20-002.00

Introduction/Ordinance 2022-42

Application of 1st State Self Storage OZ, LLC for a Preliminary Conditional Use

9.0 +/- acres of land

located along the east side of S Dupont Boulevard approximately 350 feet south of Route 14 intersection

Comprehensive Plan Designation: Commercial

Zoning District: C-3 (Highway/Commercial District)

Present use: Vacant Proposed Use: Self Storage

Tax Parcel: MD-16-183.09-01-58.00

Introduction/Ordinance 2022-43
Electric Tariff Amendment
Appendix B of the City of Milford Code
Section 24-13 Net Metering Service

Adjournment

All items on the Council Meeting Agenda are subject to a potential vote.

**SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC
FORMAT NO LATER THAN ONE WEEK PRIOR TO MEETING.
NO PAPER DOCUMENTS WILL BE ACCEPTED OR DISTRIBUTED
AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.**

© Designated Items only; Public Comment, up to three minutes per person will be accepted.

*Comments restricted to same date's Council agenda items.
The time limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers.

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CITY OF MILFORD
COUNCIL MEETING MINUTES
October 10, 2022

The City Council of the City of Milford met in Regular Session on Monday, October 10, 2022.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Brian Baer, Nirmala Samaroo, Jason James Sr., and Katrina Wilson

STAFF: City Manager Mark Whitfield, Acting Chief Edward Huey, and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

Per the Limited Public Health Emergency Declaration issued by Governor John Carney on March 1, 2022, and the virtual meeting provisions provided in Senate Bill 94, Milford City Council Meetings and Workshops are held in the Council Chambers at City Hall with attendees able to participate remotely as well.

CALL TO ORDER

Mayor Campbell called the meeting to order at 6:04 p.m. noting that everyone was in attendance.

INVOCATION AND PLEDGE

The invocation was given by Councilmember Wilson, followed by the Pledge of Allegiance.

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the August 31, 2022 and September 28, 2022 Council Workshops, and September 12, 2022 and September 26, 2022 Council Meetings. Motion to approve made by Councilmember Wilson, seconded by Councilmember Culotta. Motion carried.

RECOGNITION

New Employees

Finance Director Lou Vitola introduced Dawn Rowe who was hired in the Customer Service Department as a Billing Clerk II. Ms. Rowe comes to the City with more than fifteen years' experience in customer service and accounting, started on October 3, 2022.

Acting Police Chief Huey introduced his newest fulltime Police Dispatcher Ashley Treco who previously worked in lost prevention services in retail.

Proclamation 2022-26/Cybersecurity Awareness Month

Mayor Campbell acknowledged our IT Director Bill Pettigrew and his staff for keeping Milford safe, then proclaimed October as Cybersecurity Awareness Month.

NATIONAL CYBERSECURITY AWARENESS MONTH

WHEREAS, the City of Milford recognizes the vital role technology has in our daily lives and the future of our Nation and State, whereby today many critical infrastructure sectors are increasingly reliant on information systems to support financial services, energy, telecommunications, transportation, utilities, healthcare, and emergency response systems; and

WHEREAS, internet users, citizens, and information infrastructure face an increasing threat of malicious cyber-attack, significant financial and personal privacy losses due to identity theft and fraud; and

WHEREAS, throughout October, in recognition of Cybersecurity Awareness Month, the Department of Homeland Security is committed to raising awareness about ways to combat the constant and ever-increasing danger from cyber threat actors; and

WHEREAS, Milford's IT Director Bill Pettigrew and IT Experts Denham Dodd and Paul Beebe, maintain the security of cyberspace is a shared responsibility in which all of us have a critical role; and

WHEREAS, by integrating cybersecurity into the overall cultures and operations of the City of Milford, the Department leads by example; and

WHEREAS, the Cybersecurity and Infrastructure Security Agency (CISA) a division of the U.S. Department of Homeland Security, and its Cybersecurity Advisor, and State of Delaware Coordinator Ariella Baine, along with the Delaware Department of Technology and Information have declared October as National Cyber Security Awareness Month.

NOW THEREFORE, BE IT RESOLVED, that I, Arthur J. Campbell, Mayor of the City of Milford, do hereby proclaim that all residents and businesses within the City of Milford support October 2022 as Cybersecurity Awareness Month; and

AND BE IT FURTHER PROCLAIMED, that as part of the month-long awareness campaign, the City of Milford, on this 10th day of October 2022, joins the Delaware Department of Technology and Information, along with its partners, who have developed month-long activities for all ages to bring awareness of cyber threats, protection methods, and response actions.

Director Pettigrew was in attendance and thanked Mayor Campbell for the recognition. He also acknowledged the partnership with State Cybersecurity Coordinator Ariella Baine, who was unable to attend this evening.

Proclamation 2022-21/Milford Goes Purple Month

October was also declared Milford Goes Purple Month by Mayor Campbell:

MILFORD GOES PURPLE MONTH

WHEREAS, Delaware Goes Purple is a statewide initiative led by the Sussex County Health Coalition (SCHC) based out of Georgetown Delaware; and

WHEREAS, in 2018, SCHC led the effort to reduce the stigma of addictions, inspired by The Herren Project™ Go Purple campaign; and

WHEREAS, the purpose of Going Purple is to raise awareness and reduce the number of Delawareans suffering with drug and alcohol addiction and to share that recovery is possible; and

WHEREAS, those struggling need to know that their disease is not one they should be ashamed of, or keep hidden; and

WHEREAS, this year's project stresses the importance of educating people, especially parents and children, about how the path to addiction most often begins with prescription medications; and

WHEREAS, nearly every day, someone in Delaware loses their battle with heroin, prescription painkillers and other addictive drugs; and

WHEREAS, Delaware Goes Purple empowers each community to stand up to erase the stigma and to support those individuals who need it the most through informed conversations about alcohol dependence, prescription pills and drug addiction.

NOW, THEREFORE, I, Arthur J. Campbell, by virtue of the authority vested in me as Mayor of the City of Milford, do hereby declare October 2022 as:

Milford Goes Purple Month

in hopes of making an impact and to assist in turning the tide of this epidemic by challenging community leaders, residents, teachers, students, businesses, and their employees to work together to become part of the solution.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Milford to be affixed this 10th day of October, Two Thousand Twenty-Two.

POLICE DEPARTMENT REPORT

Acting Chief Huey provided a few updates from his monthly report. He also spoke about K9-2 who recently underwent surgery and provided a quick analysis of the criminal arrests that were made in September.

Motion made by Councilmember Fulton, seconded by Councilmember James, to accept the monthly Police Report. Motion carried.

CITY CLERK REPORT

City Clerk Hudson then provide a synopsis of her report that included upcoming community events, discussed a current ordinance regarding park closures, and the possibility of reinstating a memorial brick project due to several repair opportunities that are scheduled to occur in the City.

Councilmember Fulton moved to accept the City Clerk's report, seconded by Councilmember Wilson. Motion carried.

CITY MANAGER REPORT

City Manager Whitfield presented his report, stating that at the most recent DEMEC meeting, the discussion surrounded the Indian River substation 'must run' PJM decision. The board approved a rate increase and encouraged Council to communicate with State Representatives about accelerating the construction of the transmission line between Vienna, MD and Indian River to prevent paying the additional costs.

He also commended the Public Works, Electric, and Police employees for their work related to the aftermath of Hurricane/Tropical Storm Ian.

Public Works Director Mike Svaby, Electric Director Tony Chipola, Planning & Zoning Director Rob Pierce, Parks & Recreation Director Brad Dennehy, Human Resources Director Jamesha Williams, Economic Development & Community Engagement Administrator Sara Bluhm, IT Director Bill Pettigrew, and Finance Director Lou Vitola provided monthly updates. A few items were clarified by Council, though the complete reports are included in the packet.

Councilmember James moved to accept the City Manager and departmental reports are accepted, seconded by Councilmember Fulton. Motion carried.

COMMUNICATIONS & CORRESPONDENCE

Councilmember Marabello commended the volunteers who were involved in the Big Draw Event sponsored by the Mispillion Art League and the wonderful children's play at Second Street Players, which he thought was the best performance in their history.

UNFINISHED BUSINESS

WIIN Update

Danielle Swallow of Delaware Sea Grant, also representing RASCL, the Resilient and Sustainable Communities League, is present on behalf of WIIN (Waterways Infrastructure and Investment Network).

Tonight, is her third time to update Council on the WIIN program that is part of a two-year, Federal grant that is now in the throes of developing the final product from this grant, which is a nature-based investment strategy. Both the City of Milford and Slaughter Beach, which are the focus of this project, are centered around their natural resources, like the Mispillion River. WIIN is interested in communicating, protecting, and enhancing their value for future generations through investments that are eco-friendly and help foster long-term sustainability and resilience in the community.

The investment strategies are a collection of ideas that have been gathered from elected officials and WIIN's various partners, some of whom include the Delaware Nature Society, DNREC, University of Maryland, Environmental Finance Center, and Southern Delaware Tourism, as examples.

Ms. Swallow then outlined some of the chapters that will be in the investment plan which should be finalized over the winter. The plan will provide an overview of State and Federal initiatives that are important to consider in the context of an investment strategy. This may include the Army Corp of Engineers and any investment plans they have in the region, or what is happening along the bay shore in the byway.

Also undertaken is an assessment of risks to natural hazards, particularly flooding and sea level rise. Also considered are land use changes, and how that could impact the area going forward.

She shared they are also drawing from a report that she briefed Council on many months ago, regarding an economic valuation of the existing natural resources in terms of the value they derive from recreation and tourism activities.

The next piece of the plan will dive into the actual investment ideas that were collected from those in attendance today, various members of community from different sectors and WIIN's partners. Some funding and financing initiatives will then be identified.

This past summer, there were several focus group sessions that met over two days totaling fifty members of the community. She then spoke about the idea that were generated from those sessions that cover four or five themes.

The first theme is connectivity, and the idea of this theme is expanding and fostering linkages. That could be with bike trails or greenways, recreational paths, as well as wayfinding.

In Slaughter Beach a desire was expressed to honor linkages between their community and Milford, in that Milford residents may utilize their beach for recreation. In turn, Slaughter Beach often utilizes Milford for commercial activities like shopping.

Foremost was a desire to see an extension of the riverwalk and to continue the work the City is doing to increase bike loops around Milford that connect to the natural amenities and the riverwalk.

Another idea was to incorporate more signage to support wayfinding and exploring better integration with the byways, by using the Mispillion River like a blueway that integrates into that byway.

The Slaughter Beach residents also suggested identifying more of the value of the ecosystem services that are generated from the natural resources.

Another category of input relates to access and the safety of access. Promoting more access points between the Mispillion and Slaughter Beach and improving the overall safety of that. Such as the bike paths going into Slaughter Beach and making sure there is more shoulders designated, and more contiguous bike paths to support recreation, but also safety of that recreation.

Presently, if someone sets off from Milford and are headed to mouth of the bay, there is a high possibility of encountering currents and tides, and there is really no access or egress point midway if suddenly unable to continue.

They are looking for ways to identify access points for non-motorized boats and so forth.

More public restrooms, both in the riverwalk area, as well as in Slaughter Beach, was also discussed. Also, more information and signage about tides and currents, and more platforms for birding, for fishing and wildlife, and in general, watching sunsets. There was an emphasis on promoting the north end of Slaughter Beach as a four-season rest stop area. Coming from Milford on a bike is a long journey, and presently there are no water, refreshment stations or anything similar there.

Another theme was playing up the sense of place of both Milford and Slaughter Beach to foster the identity of both communities, and the brand that Ben Muldrow will talk about. That includes investing in the arts in the heritage of the area, particularly the maritime heritage of this community. Putting up more signage and visual markers that draw people to the area but also explain the history and the natural resources and their importance.

Efforts are underway to beautify Milford came up in conversations as well. So did the idea there is an important story to tell about the marsh. The bay is important, and the beach is important, but the marsh also has a story to tell. It has four seasons and is a nursery for wildlife. It represents one of the most pristine natural areas left in this country.

The next to last theme is capacity in relation to the increase of civic facilities and organizations and processes that support the social capital of each community. Ideas came up about covering the library amphitheater, reimagining the old police station as a resource center, or as a home to civic groups.

Volunteerism came up as an ongoing need in the community, which can be a lifeblood for a community in the long run. Improving coordination at the civic level, through the creation of an arts council or a cultural council that merges the arts with heritage.

Playing up discovery tours and the traditional economic factors such as hotels and motels. From Slaughter Beach, one of the important things that came up was the need to bring more State and Federal resources and investments to that area.

The final topic was resilience and sustainability to hazards and land use changes, which reduces exposure and vulnerability to those hazards, as well as ensuring the resources are around for future generations.

People talked about the need to invest in resilient design practices that integrate living shorelines, rain gardens and wildflower gardens into the urban setting, including along the river walk. Also adopting higher standards for floodplain management, promoting conservation projects to reduce pollution, improve water quality, and protect habitats,

Slaughter Beach has an ongoing need for beach nourishment and to better understand the condition of the deteriorating jetty at the mouth of the Mispillion. Just north of that, there is erosion taking place which might create another cut for the river. The goal is to better assess how that will impact future flooding and the health and resilience of the overall watershed.

She concluded by stating these are some of the ideas that were received and will be seen in the investment plan.

Councilmember Fulton suggested a machine at Slaughter Beach that dispenses water or sodas be considered initially.

Ben Muldrow, partner at Arnett Muldrow, a City Planning and Place Branding Firm then referenced his presentation included in the Council packet. He stated he is a citizen of Milford. He commended Suzannah Frederick, and her customer service staff who contacted them to inform them there was a constant flow on his meter, after which he investigated and found a failed frost free spicket that was leaking two and a half gallons an hour and was able to fix it the same day thanks to the phone call from City Staff.

He informed Council they were called in to play a part of the branding process of the Mispillion and Cedar Creek Watersheds and provided some highlights.

They always like to look at overall economic impact. When looking at the geography of these combined watersheds, the retail market they represent is in the range of \$650 million dollars in retail sales. This is a place where commerce is happening, and there is a unique relationship between Slaughter Beach and Milford with Milford being the retail hub and one of the truly unique dynamics. Slaughter Beach does not want to be the retail hub and instead loves the sibling

relationship with Milford and that they can get their goods and services here. A great relationship has been created as a result.

He helped to facilitate the input meetings and had good turnouts in both communities. They wanted to make sure that anything done coincided with the Bayshore Byway, which has really grown some legs since the brand was launched for that several years ago. In fact, DelDOT is exploring the expansion of the byway program through a blueway network by extending it to include blueways.

They wanted to figure out a way of telling the story or dig into the identity of the Mispillion and he loves to write a brand statement, which he read into the record:

Deep in a hardwood forest, three small creeks converge. The woods that surround us make our waters dark and rich, nearly invisible, naturally unnoticed. Together they grow.

Through mill ponds, the waters become one flowing through gris mills, and past many a spillway, to form the story of our agricultural past. We then become lakes—Griffith, Haven, and Silver. From eagles nesting behind historic homes to fishermen in the shadow of Ice Cream Island, many experience the reflective beauty of life on the water.

On we pass into the heart of Delaware's shipbuilding legacy. It was here that our ancestors built the ships that kept America safe. It was here that our economy and nature intertwined.

Our trip is not done. We passed island hiking trails, kayak launches, and an old school drawbridge, as we reach the pristine beauty of our tidal marsh. Here, nature truly surrounds us. Wildlife refuges and protected wetlands shield this place where salt water and fresh come together, where tides shape our shores, and where the quiet and beauty of Delaware is evident in every angle.

As we reach the mouth of the river, the horizon opens up. We arrive at the bay, and a beach community that truly values the stewardship of nature. A place that can simply be described as a sanctuary.

We have been called by so many names yet are still unknown to so many. Creeks, ponds, rivers, lakes, marshes, harbors, and beaches. We are all the best of where land meets water---we are the Mispillion, Delaware's hidden river.

Mr. Muldrow explained that going back to 2010 when they helped Milford develop their brand—River Town, Art Town, Home Town, he always knew that the role of the river, the story that it carried, and the fact that we literally have a river that runs through the heart of our community, dividing two counties and creating this unique place, was the conduit of our uniqueness. It really fueled the opportunity for continued growth, so everything from continued private sector investment alongside our rivers, to the overall growth, conservation, and preservation of our ecosystem, to ensure this asset is going to be there for generations to come. That is everything they are looking for.

He concluded by stating he would love for everyone to explore the additional components of the plan. That is everything from making sure Milford understands how to truly position themselves as Delaware's River Town. There is no other community in the State that has declared their connection to the river the way that Milford can.

That includes looking at implementation and a multi organizational approach at building brand equity around this identity.

Mr. Muldrow said they are really excited about how the process has gone. They will be wrapping up their toolkit in the coming weeks, and will make that available far and wide, both governments and organizations in both communities. Access to that is free and unfettered.

They will need partners throughout all communities to deploy it and build value behind it.

Councilmember Baer suggested some of the designs be incorporated into the Riverwalk signage. Mr. Muldrow will convey that suggestion to the Downtown Milford design group.

Council commended Mr. Muldrow on the work for designs and ideas for the project.

Council Retreat Date Reminder

The Annual Council Retreat will be held this Saturday, October 15th at Etta's Catering on Rehoboth Boulevard. It will also be live streamed for public view.

FY2021 Audit Update

Finance Director Vitola referenced the late update to the packet relative to the most recent FY21 audit. He asked the auditors to turnaround their final review in seven days for an issuance date of Monday, October 17th. This will allow him to update the packet with the auditor's materials. That would provide sufficient time to share with Council for approval on Monday, October 24th.

The auditors have items they want to complete for the report and their CPA needs to review. The partner on the engagement also needs a final review. A concurring, independent partner will review it, after which the report will run through the quality control, which includes footing, spelling, grammar, page numbering, and agreement.

The auditors will then provide a finding and once completed, Director Vitola will respond.

He shared there is a note in the management analysis that will address the lateness, as expected, but this will provide him a formal opportunity to respond.

The drafts dated March 22nd, June 22nd, August 31st, September 12th, September 13th, September 26th, and the October 10th were discussed by the Director. He believes at this point, the auditors have finally run through their review and come to a level of acceptance with the report. One item the auditors had some issues of comfort with how the FY20's tied between the fund financial statements and the government-wide financial statements.

It appears there was an understatement related to payables for which the walk through from the fund financials to the government-wide financials in which the sign was reversed. It was six figures, but below materiality threshold. But for something in the \$170,000-\$180,000 range of non-current other liabilities for the sign to get flipped, was causing trouble to foot FY21. That piece was solved by that independent concurrent partner, which had already done a review, but walked back through it to find it.

That got past last year's auditors and Director Vitola's financials. With that solved, it is a clean set of financials.

He believes the statements are better for it and will improve going forward.

Director Vitola commended the auditing firm, noting they have done a great job, especially for their first year and taking their time sorting through every number over the past two years.

Between the June 27th and the current draft of the report, revenue is 1.4% lower and expenses are 2% lower than reported. The results in a change of 1.7% higher than initially reported. Assets are within 0.3%, liabilities are 0.5% lower, and the ending net position for FY21 is a 0.5% difference.

When asked at what point Council will have it to review, considering the June 24th acceptance date; Director Vitola pointed out Council currently has the final draft of the financials. The audit pages will be uploaded to the packet as soon as they're available, which he expects within a couple of days of Monday, October 17th.

Councilmember James asked that it be provided in advance of the weekend, to prevent forcing Council to review it over the weekend. Director Vitola understands emphasizing that as soon as he receives the materials they will be emailed.

The Councilmember also confirmed that some correspondence will be sent by the City Clerk or the Finance Director that the information is available for review.

For clarification purposes, Councilmember James pointed out that because there has been a very small change since the original draft, does not mean something is wrong. Instead, it means the audit is being properly presented and the numbers are accurate. If numbers are found to go in different directions percentage wise, the auditors must sort through them accumulatively. A 0.5% on a \$48 million budget is very minor, but that has since been reconciled.

NEW BUSINESS

Milford Corporate Center Concept Plan Update

Planning Director Pierce discussed the affiliation with Emery Hill, Tsonias Management, and Becker Morgan Group whose firms were hired to assist in the development and planning process of the Milford Corporate Center.

Becker Morgan Senior Associate Chad Carter and Vice President Mike Riemann were in attendance.

Mr. Riemann shared that since the last meeting, he has submitted the project to Office of State Planning PLUS. They attended the August PLUS meeting where feedback from various agencies was received. Several meetings have been held with DeIDOT regarding access, traffic, offsite improvements, etc. A community workshop was held on September 27th at the Public Works building. Approximately thirty people attended and were provided a brief presentation and received some good feedback.

No feedback was received that would materially change the overall design of the project. The most important and shared comment from residents was a desire not to have an entrance on Church Hill Road.

There were also some concerns about the buffers from neighboring residential properties. An established minimum one-hundred-foot buffer is to be provided between those properties, which would widen out to where the stormwater pond is located and beyond.

Mr. Riemann recalled talking at the last council meeting about the pedestrian pathway that loops the entire property. That provides connected walkways along Route 14, Route 15, and Church Hill Road which would circumvent the entire property.

They received feedback from some of the neighbors about the location of the sidewalks, and not wanting them adjacent to their property line, with suggestions to install them on the other side of the buffer, the other side of the stormwater pond. This plan accommodates those requests.

Additional comments related to drainage. The next step will be surveying and geo technical borings which will solve a lot of that.

The depth of the lots along Route 14 were reduced as they were somewhat deeper than needed for an office use. Because of the frontage and visibility from Routes 14 and 15, an office use was being targeted, and that reduction will be a little more commensurate with the BP zoning district line.

The next steps involve the Municipal Tax Increment Finance (TIF) process and site readiness. A DeIDOT formal scoping meeting on a traffic analysis is scheduled on October 24th. A TIF pre-meeting will be held prior to the November 16th meeting.

He then provided a quick review of various renderings of the concept plan.

Councilmembers provided various comments regarding attendance at the community workshop, access points, design, road, and traffic impact.

Councilmember Baer asked about the roundabouts and the ability of eighteen wheelers to maneuver around them and in anticipation of improvements to Airport Road going out to Route 1 east for the truckers to get items delivered as easily as possible.

Mr. Riemann stated that the roundabouts will accommodate those trucks. These roundabouts are not uncommon, and one was just designed and recently constructed at Beebe Hospital on Route 24 and Warrington Road.

The design for Airport Road that is proposed does not make some improvements to Airport Road, but not the entire way. It will connect to the roundabout with tapering and widening.

There was a concern expressed by Councilmember Fulton that the southbound trucks will exit Route 1 near the Hertrich Car Dealerships, drive up Church Hill Road which needs major upgrades to support the heavier traffic. He emphasized that is the fastest roadway from Route 1 to this business park.

Several people were speaking but were unable to be heard.

City Manager Whitfield pointed out that Church Hill Road has a truck restriction.

Mr. Riemann again shared that the meeting with DelDOT on September 24th which will scope the details of the area. The answers to these questions will be addressed at that time.

Councilwoman Wilson stressed the need and that the City consider adding sidewalks to Airport Road though she has asked that for decades. Because this project will be ongoing down this roadway, perhaps it can be accomplished when this work is done.

Bid Award/Becker Morgan Group/Milford Corporate Center Agreement

Two professional contracts for engineering services from Becker Morgan Group were presented. The first contract in the amount of \$210,000 is for the design and permitting of anticipated DelDOT road and right-of-way improvements. The second contract in the amount of \$313,000 is for the design and permitting of the onsite construction improvements based on the final concept plan.

The TIF was submitted to assist with road improvements for this project. If awarded the \$210,000 design contract could be offset and reimbursed.

When asked if Solicitor Rutt reviewed and provided his blessing with the two proposals, he stated this is the initial contract and rates charged, hourly overruns, change orders, etc. He read through it while he was in the meeting. Councilmember James pointed out the importance of getting the Solicitor's authorization because Council has not reviewed the packets.

Councilmember Fulton authorizes the two engineering contracts be executed in the amount of the \$210,000 and \$313,000 for the Milford Corporate Center design and permitting, to be funded with general fund reserves and economic development funds. Grant funds received will reimburse the general fund reserves and any remaining funding incorporated into the improved cost of the corporate center and reimbursed on a pro rata basis from all funding sources contributing to the development of marketable infrastructure ready lots. Councilmember Culotta seconded the motion that carried unanimously.

City Manager Whitfield introduced the following four ordinances, after which Planning Director Pierce read a quick synopsis of each heading:

Introduction/Ordinance 2022-36

Application of Buccaneer Carwash

Revised Conditional Use

0.989 +/- acres of land located along the east side of N. Dupont Boulevard

and the west side of N. Walnut Street

Comprehensive Plan Designation: Commercial

Zoning District: C-3 (Highway Commercial District)

Present use: Carwash Proposed Use: Carwash

Tax Parcel: MD-16-174.14-01-16.00

Introduction/Ordinance 2022-37

Application of Knight Crossing -- Amended Conditional Use-- Planned Unit Development
25.80 +/- acres of land located south of Cedar Beach Road,
east of Beaver Dam Road and west of Route 1
Comprehensive Plan Designation: Moderate Density Residential
Zoning District: R-3 (Garden Apartment & Townhouse)
Present use: Vacant Proposed Use: Planned Unit Development
Tax Parcel: 3-30-7.00-035.00, 036.00 & 037.00 (portion)

Introduction/Ordinance 2022-38
Application of Knight Crossing -- Phase 2A for a Final Major Subdivision
25.80 +/- acres of land located south of Cedar Beach Road,
east of Beaver Dam Road and west of Route 1
Comprehensive Plan Designation: Moderate Density Residential
Zoning District: R-3 (Garden Apartment & Townhouse)
Present use: Vacant Proposed Use: Planned Unit Development
Tax Parcel: 3-30-7.00-035.00, 036.00 & 037.00 (portion)

Introduction/Ordinance 2022-39
Application of Becker Morgan Group, Inc.-- Red Cedar Farms, Inc
Preliminary Major Subdivision
101.42 +/- acres of land located along the east side of Bucks Road and north of Cedar Neck Road
Comprehensive Plan Designation: Low Density Residential
Zoning District: R-2 (low density residential)
Present Use: Vacant Proposed Use: 200-unit Single-family Detached Dwelling Subdivision
Tax Parcel: 3-30-11.00-068.00

All four ordinances will be back before Council at the October 24, 2022, for a final public hearing and determination.

Introduction/Ordinance 2022-40/Chapter 197 Streets, Sidewalks, Storm Sewers, and Other Public Places Article I General Provisions Section 197-5 Pedestrian Safety

City Manager Whitfield introduced Ordinance 2022-40, stating it amends the Streets, Sidewalks, and Storm Sewers and Other Public Places Code, noting that it was discussed at the previous workshop.

EXECUTIVE SESSION

Councilmember Fulton moved to go into Executive Session reference the below statutes, seconded by Councilmember James:

Property Sale/Lease:

Pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements, or sales or leases of real property

Legal:

Pursuant to 29 Del. C. §10004(b)(4) Strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation

Motion carried.

Mayor Campbell recessed the Council Meeting at 7:53 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

Return to Open Session

Councilmember Fulton moved to return to open session, seconded by Councilmember Wilson. Motion carried.

Council returned to Open Session at 8:43 p.m.

Personnel Issue

Councilmember Fulton moved to extend Timothy J. Webb's compensation for ninety days or until his disability retirement approval occurs, whichever comes first, seconded by Councilmember James. Motion carried with no one opposed.

ADJOURNMENT

Councilmember James moved to adjourn the meeting, seconded by Councilmember Culotta. Motion carried.

The Council Meeting adjourned at 8:47 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

CITY OF MILFORD
COUNCIL MEETING MINUTES
November 7, 2022

The City Council of the City of Milford met in a Special Session on Monday, November 7, 2022 in the Council Chamber at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Brian Baer, Nirmala Samaroo, Jason James Sr., and Katrina Wilson

STAFF: City Manager Mark Whitfield and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

Per the Limited Public Health Emergency Declaration issued by Governor John Carney on March 1, 2022, and the virtual meeting provisions provided in Senate Bill 94, Milford City Council Meetings and Workshops are held in the Council Chambers at City Hall with attendees able to participate remotely as well.

CALL TO ORDER

Mayor Campbell called the meeting to order at 6:17 p.m. noting that everyone was in attendance.

EXECUTIVE SESSION

Councilmember Fulton moved to go into Executive Session reference the below statutes, seconded by Councilmember Culotta:

Personnel-Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed

Motion carried.

Mayor Campbell recessed the Council Meeting at 6:18 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

It was recommended and IT directed to stop recording the executive session, as was done.

At 8:41 p.m., Councilmember Marabello moved to return to Open Session, seconded by Councilmember Wilson. Motion carried.

ADJOURNMENT

Councilmember Fulton moved to adjourn the meeting, seconded by Councilmember Boyle. Motion carried.

The Council Meeting adjourned at 8:46 p.m.

Respectfully submitted,
Terri K. Hudson, MMC
City Clerk/Recorder



PROCLAMATION 2022-22
LUNG CANCER AWARENESS MONTH

WHEREAS, lung cancer is the leading cause of cancer death among men and women in the United States and in 2021, accounted for more deaths than colon cancer, breast cancer, and prostate cancer combined; and

WHEREAS, the five year survival rate for localized lung cancer is about 60%, yet only about 18% of lung cancers are diagnosed at this stage; and

WHEREAS, funding for lung cancer research trails far behind funding for research of many other cancers, and additional research is needed in early diagnosis, screening, and treatment for lung cancer as well as in lung cancer affecting women and lung cancer health disparities; and

WHEREAS, lung cancer incidence is decreasing twice as fast in men as it is in women, each year more women die from lung cancer than breast cancer and by 2035, more women will die from lung cancer than men; and

WHEREAS, African Americans have the highest lung cancer incidence and mortality of all races, and disparities in lung cancer screening, diagnosis, treatment, and mortality are well characterized among African Americans and other racial minorities; and

WHEREAS, lung cancer in never smokers is the 7th leading cause of cancer-related death and accounts for 17,000-26,000 deaths in the United States every year, 60-70% of never smokers diagnosed with lung cancer are women, and the proportion of lung cancers diagnosed in never smokers is increasing in the United States; and

WHEREAS, organizations such as the American Lung Cancer Screening Initiative and Women's Lung Cancer Forum are committed to educating people about lung cancer and lung cancer screening and working to increase lung cancer screening rates in this country.

Now Therefore, I, Arthur J. Campbell, Mayor of the City of Milford, do hereby proclaim the month of November 2022, as "Lung Cancer Awareness Month" in the City of Milford and encourage all citizens to learn about lung cancer and early detection through lung cancer screening.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Milford to be affixed this 14th day of November Two Thousand and Twenty-Two.

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



PROCLAMATION 2022-23
DECLARING NOVEMBER 17, 2022
AS WORLD PANCREATIC CANCER DAY

WHEREAS, in 2022 an estimated 62,210 Americans will be diagnosed with pancreatic cancer in the U.S., and more than 49,830 will die from the disease;

WHEREAS, pancreatic cancer is the 11th most commonly diagnosed cancer and the third leading cause of cancer-related death in the United States;

WHEREAS, pancreatic cancer is the world's toughest cancer, with a five-year survival rate of just 11% and even for the small percentage (13%) of people diagnosed with local disease, the 5-year survival rate is only 42%;

WHEREAS, the good health and well-being of the residents of the City of Milford are enhanced as a direct result of increased awareness about pancreatic cancer and research into early detection, causes and effective treatments.

NOW, THEREFORE, BE IT RESOLVED, that I, Arthur J. Campbell, Mayor of the City of Milford, on behalf of the residents and City Council, do hereby proclaim the 17th day of November 2022 as "World Pancreatic Cancer Day" in the City of Milford and take this opportunity to shine a light on this disease, to elevate our voices to raise awareness and invite others to answer our call-to-action.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of this great City to be affixed hereto this 14th day of November 2022.

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



PROCLAMATION 2022-24

Small Business Saturday

WHEREAS, the government of the City of Milford, Delaware, celebrates our local small businesses and the support of our local economy and community; and

WHEREAS, small businesses were responsible for creating 62 percent of new jobs since 1995; and small shops and stores with 50 or fewer employees make up 98 percent of all U.S. retailers, according to the U.S. Bureau of Labor Statistics.; and

WHEREAS, to honor their commitment, 58 percent of American consumers reported that they shopped at an independently owned retailer on Small Business Saturday in 2021; and

WHEREAS, a nearly equal number – about 54 percent – said that they had dined or ordered take-out from a small restaurant, bar, or café on that day; and

WHEREAS, that patronage on Small Business Saturday resulted in business amounting to receipts of a record \$23.3 billion for small businesses and restaurants, according to the 2021 Small Business Saturday Consumer Insights Survey conducted by American Express; and

WHEREAS, the Mayor and City Council of the City of Milford, Delaware take this opportunity to commend our local businesses who contribute to their communities by employing nearly 40 percent of all retail workers and reinvesting more of their profits into local economies than big-box chain stores.

NOW, THEREFORE, I, Arthur J. Campbell, by virtue of the authority vested in me as Mayor of the City of Milford, do hereby declare the November 26, 2022 as:

SMALL BUSINESS SATURDAY

and urge the residents of our community, and communities across the country, to shop or eat at small, independently owned businesses not just on Small Business Saturday and throughout the holiday season, but all year long.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Milford to be affixed this 14th day of October in the Year of Our Lord, Two Thousand Twenty-Two.

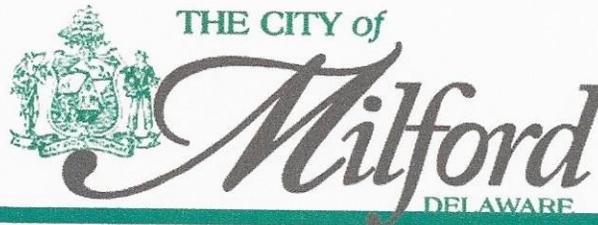
Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



POLICE DEPARTMENT
400 NE Front Street
Milford DE 19963



Phone 302.422.8081
Fax 302-424.2330
www.milfordpolicede.org

TO: Mayor and Members of City Council
FROM: Edward A. Huey, Captain *EAH*
DATE: November 7, 2022
RE: Activity Report/October 2022

Monthly Stats:

A total of 500 arrests were made by the Milford Police Department during October 2022. Of these arrests, 154 were for criminal offenses and 346 for traffic violations. Criminal offenses consisted of 27 felony and 127 misdemeanors. Traffic violations consisted of 82 Special Duty Radar, 10 Drunk-Driving charges, 254 others.

Police officers investigated 73 accidents during the month and issued 85 written reprimands. In addition, they responded to 1290 various complaints including city requests and other agency assistance.

Monthly Activities:

Throughout the month of October, participated in numerous conference calls and virtual meetings including the monthly State Chiefs meeting, City Council and Workshop meetings, bi-weekly City Manager’s meeting with Department Heads, and PD Staff meetings. Also, **numerous** working meetings throughout the month for the new CAD build and go live.

Made repairs to three Mobile Data Terminals including screen replacement, keyboard replacement and one hard drive replacement. Also addressed an issue with a frequent disconnect of the rear camera in one of our patrol vehicles.

The Police Department went LIVE on the new Computer Aided Dispatch (CAD) and Law Enforcement Records Management System (LERMS) on October 4, 2022. That involved building a Training center in our classroom by expanding our DELJIS Network to make six (6) computers available to train and build our software on prior to the go-live date. The build of that network and loading of software on the machines was somewhat time consuming as each machine had to be individually programed, Cat five (5) cables to join each machine to a network switch, installation of that switch, and a cable run from the modem to the switch in our downstairs room.

During this transition to the new system, we were tasked with mapping entries from our legacy system to their proper place of entry into the new system. This was also a very time consuming. We had purchased two interfaces for the software that interact with the Delaware Justice Information System

to import crash reports and crime reports into our Law Enforcement Records System. When those two interfaces went live, we were tasked with checking on errored entries, entering validation sets and alternates into the software to make the interfaces work correctly. They seemed to be doing well until we happened onto an error that Tyler/New World couldn't immediately diagnose. It turns out that their conversion team (the team that we did the Mapping assignment for) had entered a value into a field for name suffix (such as Jr or Sr. etc.) that 1. would not allow names within the crash reports to match to existing names in the system and 2. added the names multiple times, (some, more than 200 times) Once discovered by us and Smyrna PD, we were tasked with cleaning that up. This involved locating and deleting nearly 3000 entries for Milford alone. We are still working on that project with a team of three people including myself. I have ordered Tyler/New World to create a SQL Script to delete the name suffix entries that read "Converted" from the legacy system and leave it blank to allow the new entry to match up to existing entries if they exist or creating only one new entry if it is an individual that we have never had contact with in the past. They are re-evaluating the interface to understand why it created so many duplicate entries.

They have also advised us that they are upgrading the software on Monday, November 14, 2022, beginning at 6 a.m. which will involve deleting the software from all client machines and re-loading the new version on those machines for both Computer Aided Dispatch and Law Enforcement Records Management Systems (CAD and LERMS) during a four hour down time.

We have one more deliverable from this project which will go-live on December 5, 2022, which also involves some build-out on our end. This is a query software which helps us to better plan initiatives to help address problem areas and times of occurrence for more evidence based policing initiatives.

Hopefully with the corrections to the problems with the interfaces, a smooth transition for the upgrades Monday morning, and the completion of the last deliverable, we will have this project under our belt, and the IT portion of my job can transition to whomever the new hire for that IT position is, allowing me to have some normalcy to my schedule as these extra duties have included many weekends, nights and substantial portions of the days under deadlines to meet.

Attended Kent County Police Chief's Association meeting held in Camden on October 4, 2022.

Attended School Safety Patrol Induction Ceremony held at Milford High School on October 12, 2022.

Attended the City of Milford Service Awards Ceremony held at Parks & Recreations on October 14, 2022.

Weapons at Bridgeville Range on October 17, 2022.

Attended Sussex County Police Chief's Association meeting held in Georgetown on October 18, 2022.

Attended Take Care Delaware meeting held via Zoom on October 18, 2022

Attended Sussex Tech Advisory Board meeting held at Sussex Tech on October 18, 2022

Monitored Police Operations during the Annual City of Milford Halloween Parade held on October 19, 2022.

Attended the Elks Lodge Special Olympics held on October 27, 2022.

Training –

Two officers attended Legal Updates course held at the Dover Police Academy on October 3, 2022.

Two officers attended Crisis Intervention Team training held in Dover on October 24 – October 28, 2022.

CI Unit and Evidence Technician attend 2022 DSP Homicide Conference held in Rehoboth Beach from October 17 – October 21, 2022.

Public Information/Social Media Update –

October statistics are as follows: Our Nextdoor made 1742 impressions during the month. Nextdoor reaches 1754 households in 15 neighborhoods according to statistics provided by the website. Our Facebook page has 12,042 followers. Posts during the month reached 29,561 people with 9,800 people engaging in our posts. On Twitter our Tweets made 2597 impressions and our followers are at 1379. Our Instagram account has 1745 followers and posts during the month reached 1245 users.

SRO –

Sgt. Masten and S/Cpl. Bloodsworth conducted an intruder training for the staff at Mispillion Elementary School.

Sgt. Masten, with the assistance of the Drug Enforcement Agency, conducted a drug take back event at the Milford Police Department. Also, during this event the Delaware Bridge Clinic attended to hand out drug overdose resources. As a result of our drug collection efforts, 223.9 lbs. will be turned over to the DEA for destruction.

Captain Huey and Sgt. Masten attended the Sussex Technical High School Criminal Justice Advisory Board meeting. At this meeting the CJ Advisory Board were shown plans for the Criminal Justice education area in the new high school. The board was asked for input about the area, so it best prepares the students for a career in the criminal justice field.

S/Cpl. Bloodsworth attended that annual Trunk or Treat hosted by Carlisle Fire Company.

S/Cpl. Bloodsworth organized the annual AAA Safety Patrol swearing in ceremony for our new safety patrol members from Benjamin Banneker, Lulu Ross, and Mispillion Elementary schools.

S/Cpl. Bloodsworth coordinated a safety day at Lulu Ross where area first responders set up displays and spoke to students about a variety of emergency related topics.

S/Cpl. Bloodsworth attended the Special Olympics of Delaware event at the Elks Lodge.

K9 Unit –

For the month of October 2022, the Milford Police Department K9 Unit had the following stats:

K9-1 (Mason):

- CP/Demo 3
- Foot Patrols 2
- Assist Other Agency 2
- Money Scan 1

Seized Items **Amount**

- Currency \$400.00

* K9 Mason was utilized to perform a scan on USC, ultimately resulting in the seizure of approximately \$400 of suspected drug proceeds.

K9-2 (Raven)

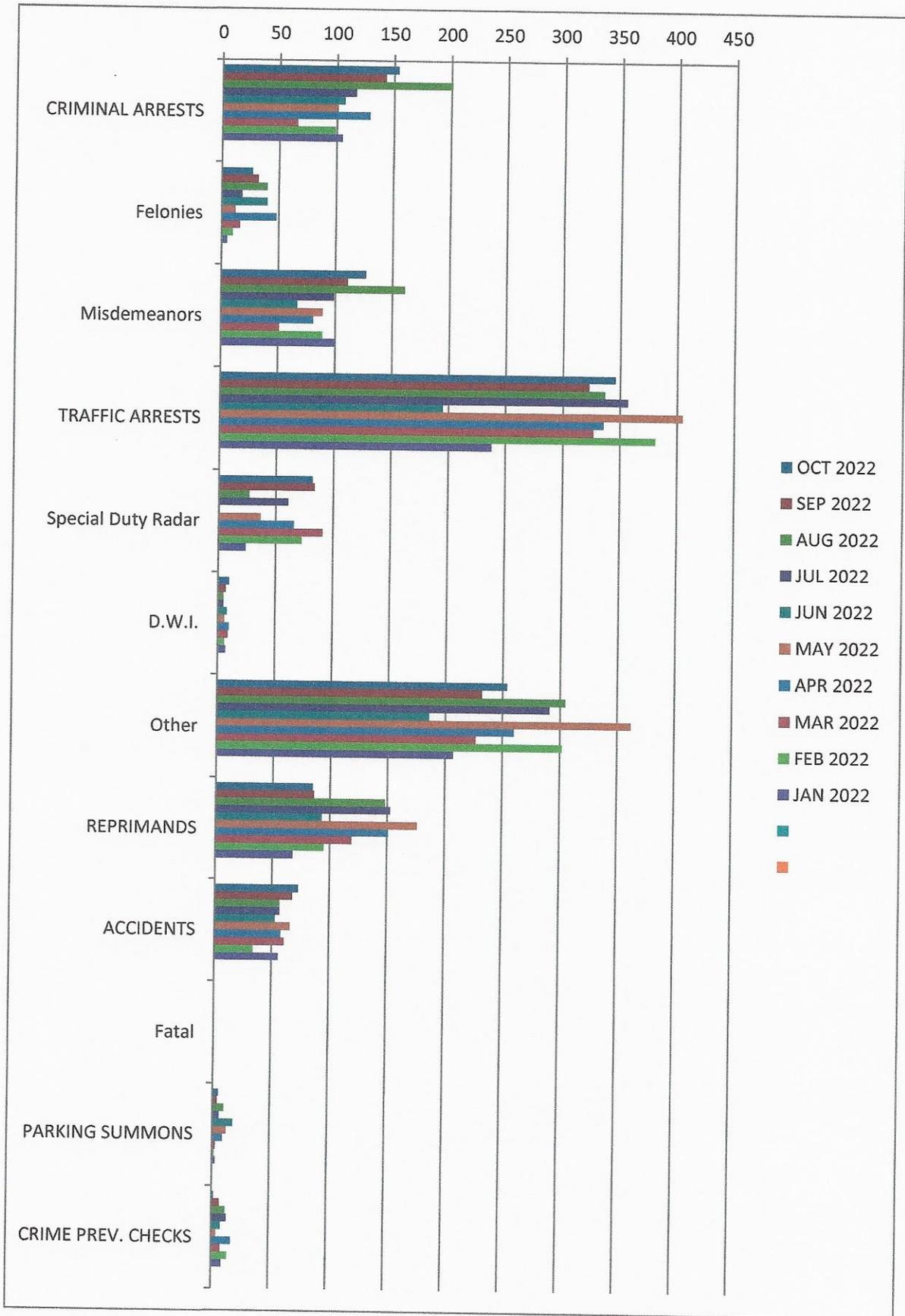
- CP/Demo 5
- Building Search 1
- Track 1
- Assist Other Agency 4
- No Bite Apprehension 2
- Drug Sniff 2

Seized Items **Amount**

- Heroin .469 grams
- Currency \$2,851.00
- Weapons 1 AR15 Style Assault Rifle
 1 Revolver Handgun

OCTOBER 2022 ACTIVITY REPORT

	OCT 2022	TOTAL 2022	OCT 2021	TOTAL 2021
COMPLAINTS	1290	11867	1294	11480
CRIMINAL ARRESTS	154	1222	119	1009
Felonies	27	248	27	180
Misdemeanors	127	975	92	829
TRAFFIC ARRESTS	346	3245	423	3253
Special Duty Radar	82	546	60	641
D.W.I.	10	73	12	79
Other	254	2626	351	2533
REPRIMANDS	85	1174	95	928
ACCIDENTS	73	583	57	497
Fatal	0	0	0	1
PARKING SUMMONS	5	72	1	25
CRIME PREV. CHECKS	2	94	6	160
FINES RECEIVED	\$7,231.92	\$ 61,296.20	\$7,097.07	\$48,540.81



Dates	Hours Worked	Meetings Attended/Hosted	Trainings/Events Attended	# of NEW Contacts	New Contact Notes	# of Diversions from Arrest	# of Diversions from ER	# of Follow-Up's
October 3- October 9, 2022	58	1. Rural Subcommittee Meeting 2. HMA Grant - Year 2 Meeting	1. Elderly Services and Their Unique Needs	9	Referrals to Services: Check the Welfare Public Assistance Disorderly 10-81	0	1	9
October 10- October 16, 2022	56	1. Delaware Rural Communities Opioid Response Program Meeting 2. Sun Behavioral Health Meeting	1. Understanding the Modern Opioid Epidemic	11	Referrals to Services: 10-81 Assist Other Agency Disorderly Victim Services	1	1	7
October 17- October 23, 2022	60	N/A	1. Milford Halloween Parade 2. LEO Wellness and How to Support It	10	Referrals to Services: 10-81 Public Assistance Check the Welfare Assist Other Agency	1	0	8
October 24- October 30, 2022	60	1. Statewide Behavioral Health Stakeholders Meeting 2. Mental Health Clinician Huddle	1. Crisis Intervention Team (CIT) Scenarios	8	Referrals to Services: 10-81 Public Assistance Check the Welfare Disorderly	1	0	9
Totals:	234			38		3	2	33
Overall Totals:	3260.6			689		54	73	677

Milford Police Department - October 2022 BHU Statistics
Jenna Haines, LMSW, MSW, DE-CMHHS
Gregory Bisset, LCSW, C-AADC
Danielle Blackwell, LMSW



OFFICE of the City Clerk
201 South Walnut Street
Milford, DE 19963

Teresa K. Hudson, MMC
O 302.422.1111 | F 302.424.3558
www.cityofmilford.com

DATE: November 1, 2022
TO: Mayor and Members of City Council
FROM: Terri Hudson, City Clerk
RE: October 2022

Special event activities are beginning to taper off as we approach the holiday season and end of the year. Several exciting fall events are occurring over the next couple months, and these organizers are working hard to make them very special.

A quick reminder of upcoming events in which permits have been issued:

ORGANIZER	EVENT	DATE
Mispiration Art League	Run for the Arts	11/05/2-22
DMI	Saturday Farmer’s Market	Ending 11/05/2022
Chamber of Commerce	Holiday Auction & Tastes of Milford	11/17/2022
City	Holiday Caroling & Tree Lighting	11/26/2022
DMI	The After Market	Ending 12/17/2022
DMI	Holiday Stroll & Christmas Market	12/03/2022

During the month, we have continued to help our residents with State Election information. Requests for assistance involve registrations for new residents, as well as time and poll locations. Though municipal elections are not included at the time state and federal elections are held, because we have decided to use the same voter registration logs, we are more than happy to accommodate these voters as best as we can, particularly because several voting sites were moved this year that have impacted local voters.

We also supplied information on early voting and provided information on when and where Sussex and Kent County voters could cast their votes. These voters have been very appreciative of our support and seemed very pleased to be talking with a ‘live’ person when they call.

FOIA education has become a focus of the Attorney General’s Office since 2014. Over the past several years, the Attorney General is required to publish biennially a manual for FOIA coordinators. The Attorney General shall, at a minimum, include the following in the manual:

An explanation of the duties and responsibilities of the FOIA coordinator;

An explanation of the time frames included within the statute, how to calculate these time frames, and the circumstances in which any of these time frames are tolled;

An explanation of the power of the public body to charge fees for requests for public records;

An explanation of the reasons for calling an executive session closed to the public pursuant to purposes listed in § 10004(b) of this title, including an explanation of the strategy session exception; and

A summary of Delaware judicial opinions, Attorney General opinions, and other legal opinions issued in the preceding 2 years related to this chapter.

The Attorney General must also hold annually a training seminar for FOIA coordinators, which both Katrina and I attend each year. The half day training include:

Topics included in the manual pursuant to specific FOIA topics such as public bodies, requests and responses, executive session protocol, and so forth.

A discussion of best practices for responding to requests for public records; and

A question-and-answer session.

The Attorney General shall also include a thorough review of each of the Attorney General opinions from the past two years. That means any FOIA complaints, investigations and findings are presented.

Not only is this training extremely beneficial but being apprised of any amendments that have been made or are being considered to the statute, and/or any related court cases that may have a potential impact on how we handle future requests for information.

Deputy White continues to work very hard towards her next professional certification. In October, she:

was chosen by the City's HR Director to attend the annual Delaware Municipal Supervisory Management Academy. The 12-week session is held at Wilmington University and four half-day sessions were held in October;

volunteered at the Milford Food Bank in early October;

took part in several Employee Appreciation Committee meetings to plan and prepare for various awards and events, the most recent being the Employee Service Awards presented at the Employee Picnic;

attended International Institute of Municipal Clerks (IIMC) Training session entitled Listen to Your Body! Navigating Stress in the Workplace;

attended the Employee Rewards and Recognition Meeting on October 20th.

I want to add how proud I am of her commitment to education as she continues to grow her expertise in leadership/supervision, government transparency, and especially parliamentary procedures. This dedication is preparing her to meet the demand needed to perform all those complex municipal duties, as our world as we know it, continues to change.

I participated in the review and selection of three scholarships presented by the Delaware Municipal Clerks Association to provide training opportunities at the upcoming IIMC Region II Conference in Frederick, Maryland in January 2023 and the IIMC International Conference in Minneapolis, MN in May 2023.

As Co-Chair of the IIMC Research and Resource Committee, we are currently preparing and finalizing the latest position and salary survey that will be going out to the more than 5,000 members representing towns, small municipalities, and large urban jurisdictions of several million people.

A great deal of time this month has been spent with our IT team working on several technical issues this past month. While it has been almost a daily occurrence and aware there is always some sense of urgency in our office, they always respond promptly, pleasantly, and always willing to do whatever is necessary to get us up and operating again. So, a big shout out to Bill, Denham, and Paul.

All this coordination made recognizing their team especially rewarding with the Cyber Security Awareness Month proclamation.

Daily activities include, but are not limited to:

- University of Delaware Virtual & Hybrid Meetings
- Participation in IIMC Professional Development Program
- Coordinated SCAT Dinner registrations and payments (7)
- Coordinated SCAT Breakfast registrations and payments (3)
- Coordinated DLLG September Dinner registrations and payments (6)
- Work continues final details to re-establish the Pennsylvania Municipal Clerks Institute
- Recognition was provided to Municipal Clerks across the country upon completion of their International Certification Designation
- Assisted several Delaware Municipalities with procedural and ordinance items
- Record requests/assistance from City Departments (7)
- FOIA requests continue to increase with an all-time high of 111 for the Year
- Created/revised/reloaded 10/10 Council Meeting Agenda (11)
- Created/revised/reloaded 10/10 Council Meeting Packet (13)
- Created/revised/reloaded 10/24 Council Meeting Agenda (10)
- Created/revised/reloaded 10/24 Council Meeting Packet (10)
- Created/revised/reloaded 10/15 Council Retreat Agenda (1)
- Created/revised/reloaded 10/15 Council Retreat Packet (1)
- Created/revised/reloaded Planning Commission Notices (4)
- Created/revised/reloaded Planning Commission Agenda (1)
- Created/revised/reloaded Board of Adjustment Notices (3)
- Created/revised/reloaded Board of Adjustment Agenda (1)
- Provided Notary Public Services for Residents & City (15)

- Transcribed and proofread Minutes from City Council Meetings (4)
- Transcribed and Proofread Minutes from Board of Adjustment (1)
- Transcribed and proofread Minutes from Planning Commission (1)
- Created/revised/reloaded Milford Community Cemetery Agenda (1)
- Created/revised/reloaded Milford Community Cemetery Packet (1)
- Distributed recordings of Council Meetings to various media outlets and communicated with reporters
- Proclamations Created, Signed, Sealed, and Distributed (5)
- Resolutions Created, Signed, Sealed, and Distributed (3)
- Bid Announcements Created/Recreated and Published (3)
- Special Event Permits Requested to Date (43)
- Ongoing Research Continues on Records Management & Storage Contractor
- Coordinated and Communicated with Various Individuals on behalf of Mayor Campbell



MARK A. WHITFIELD, CITY MANAGER
201 South Walnut Street
Milford, DE 19963

PHONE 302.422.1111
FAX 302.424.3553
www.cityofmilford.com

To: City Council and Mayor
From: Mark A. Whitfield, City Manager
Subject: October Monthly Report
Date: November 10, 2022

- Tony, Lou and I attended a DEMEC meeting regarding legislative changes to net metering for solar customers.
- Mike, James and I met with DELDOT regarding the future paving of South Walnut Street
- Melody and I met with Bill McGown and Chase Barnes of UD IPA regarding the council retreat.
- Mayor Campbell, Councilman James and I attended the SCAT breakfast in Seaford and toured their riverwalk improvements as well as other improvements in the downtown area.
- The phone/email survey to residents regarding the Broadband/WiFi Feasibility Study will began this month.
- We received word that Sean O'Neill, one of our Water Operators, received the Water Operator of the Year award from Delaware Rural Water Association.
- Rob and I met with the prospective owner of the Rookery. He plans to continue to operate the parcel as a golf course and has no plans or interest in developing the overall property as a housing development.
- Rob and I also met with the prospective owner of the old Food Bank Building on Mattlind Way in the Business Park. He plans to lease the building back to the Food Bank at no charge until the new Food Bank building is completed.
- I attended DELDOT's Utility Coordination Council meeting as DEMEC's representative on the Council.
- I met with Lillian Harrison regarding improvements to the Armory.
- I met with Fire Chief Ryan Knowles regarding the relocation of sirens and gave him a prepared license agreement.
- I attended DEMEC's monthly Executive Board meeting.
- I attended the APWA Board meeting.
- Mayor Campbell, Vice Mayor James and I attended the Chamber of Commerce Annual meeting.
- Mayor Campbell, Councilman Baer, and I attended the quarterly meeting of the Milford Community Cemetery.
- Tony Chipola and I attended a DELDOT meeting on the Build America, Buy America rules for federally funded projects.
- We received word we will receive \$1 million toward the Milford Corporate Center development project from the State's Site Readiness Fund.
- Councilman James, Fire Chief Knowles, and I met with Milford School District administration about the creation of an EMT training program in the school.
- Mayor Campbell, Rob and I met with Food Bank administrators regarding impact fees for their new facility.
- Rob and I met with a residential property owner regarding the potential purchase of her property within the Milford Corporate Center project.

TO: Mayor and City Council

THRU: Mark Whitfield, City Manager

FROM: Michael Svaby, Director, Public Works

DATE: November 10th, 2022

RE: October 2022 - Public Works Department Staff Report

The following input represents a high-level list of activities and accomplishments for the month of October 2022.

Directors Office

- Worked with finance and performed final cost analysis on the City's Waste Management program
- Attended Kent County Sewer Advisory Board meeting
- Joined Water Colleagues region-wide in attending a briefing on the Drinking Water State Revolving Fund (DWSRF) Program conducted by Sandi Spiegel, Public Health Treatment Administrator at the Division of Public Health's Office of Drinking Water.
- Held Kickoff meeting for Hydro Corp's support of the Backflow Prevention Program
- Supported Interviews of three (3) Public Works Equipment Operators
- Conducted Walnut Street Bridge Deck kickoff meeting
- Attended monthly APWA Meeting
- Gave Safety presentation on snow preparation at the monthly meeting of the Delea Founders Insurance Trust (DFIT)
- Held opening meetings with Centruy Engineer's Chad Carter on the Downtown Restroom Design and the Landscape Re-Design of the Seabury Water Plant location.
- Attended Milford's monthly safety meeting
- Joined City Engineer in discussion with EPA Regional official on the City's efforts toward lead and copper line removal
- Met with PD on curbside parking challenges along Lakeview Drive

Facilities/Waste Management

- Repaired Elevator Phone at City Hall
- Updated Fire Evacuation Signs at Public Works
- Received and setup new shelving for IT department

- Repaired front door and alarm at City Hall
- Over saw contractual replacement of HVAC at Parks and Recreation

Public Services Division

Sewer/Water

- Submitted nomination application for Water/Wastewater Tech Shawn O’Neil as Delaware Rural Water Association (DRWA’s) *Operator of the Year*. Shawn was awarded this recognition and received the follow up recognition from Council in October as well.
- Performed Check valve replacement on the Water Main of well #5.
- Restored chlorine injector at Kenton’s Water Treatment Plant (wells 4 & 5) to full operation
- Oversaw and worked with Contractor *Hill’s Electric* to clean, repair and restore full operations of Fisher Sanitary Pump Station – Pump #3. Debris clogging this pump is pictured below.



Streets/ Utilities/Solid Waste- Charles Nordberg

- Conducted 5 hydrant flow tests.
- Managed the following Festivals:
 - *Big Draw* festival preparation:
 - Dumped sand (5 tons) beforehand on Park Ave and full clean-up after.
 - Closed and reopened road with barriers
 - *Halloween Parade*
 - Performed street sweeping and assisted with trash removal
- Began preparation of the Fleet’s heavy equipment for snow removal
- Performed valve repair on east liberty way to ensure full operation of adjacent fire hydrant

Operations/Administration

- Attended Fire Hydrant training
- Sought and received training on the upcoming Lead and Copper Rule implement
- Represented the City of Milford at the University of Delaware-hosted CDL round table to discussion on self-training options

- Continued to serve as lead contact for Public Works on the ongoing ERP configuration and implementation meetings

Engineering

- Continued to work on scheduling and preparation issues for topcoat at Brookstone Trace, phases I and II.
- Along with owners/developers, met with prospective buyers of the remaining undeveloped portion of Milford Ponds and conducted walkthrough
- Assisted Finance in final close out of Altitude Valve at Caulk Tower
- Worked on resolution of catch basin issue at Walnut Village with Shea Concrete
- Issued notice to proceed on test well work for Northwest well (s) and Tower locations
- Held discussion with developers of West Shores regarding overall construction scheduling
- Led IT and GIS sections in repair and update of GIS Enterprise Software and server

New Employee Starts

- The first new Full-Time employees to start in the Waste Management area for over two years are listed below:
 - a. **Mikki Tolson** started work with Public Works on Monday, October 31st, 2022, as an Equipment Operator in the Waste Management section.
 - b. **Terri White** started work with Public Works on Monday, November 7th, 2022, as an Equipment Operator in the Waste Management section.

Both are scheduled to appear for introductions at the Council meeting of Monday, November 14th, 2022, at 6:00 PM.



PUBLIC WORKS FACILITY

180 Vickers Drive
Milford, DE 19963
www.cityofmilford.com

Anthony J. Chipola III, Electric Director

PHONE 302.422.1110, Ext 1137

achipola@milford-de.gov

To: Mayor and City Council
From: Anthony Chipola, Electric Director
Subject: October 2022 Electric Dept Staff Report
Date: November 9, 2022

Director's Office

- DEMEC
 - Submitted Milford Energy Forecast
 - Ramping up Energy Projections outside 5 years due to anticipated development of Business Center
 - Attended DEMEC Board Mtg
 - DEMEC Mtg RE: Energy Storage for Municipal Power
- Net Metering Policy Changes - Discussion w/ DEMEC, Whitfield, Vitola, Fredricks, Bluhm, Zeveney
- Participated in mtg w/ HR & DE Dept of Labor RE: Approved Apprenticeship Program for Line workers
 - Drafted exception request regarding Journeyman to Apprentice Ratio
- Met w/ IT to discuss SCADA Network and Equipment
 - Discussed immediate and short-term needs
 - Future discussions to be held, identifying Long Term goals
- Participated in Capital Projects Update Mtg
- Held Dept Wide Safety Mtg
- Met w/ Assurance Media (Under/Comm) to discuss Fiber Repair Services and emergency response support
 - Reviewed against existing leased fiber agreements
- New PD Construction Site
 - Provided service transformer and associated information to Electrical Contractor for their Power Study
- Mtg w/ Efficiency Smart & DEMEC to discuss program
- Issued RFP for Field Inventory Services of Electric Assets and development of a connected utility model within GIS environment
- Solicited quotes for Substation Electrical Testing of Delivery 1 (Main Substation)
- Chaired Promotion Committee for three COM Milford Line workers to be promoted
 - Coordination with COM and IBEW
- Developed outage tracking log and associated KPIs to better gauge customer impact and identify trends
 - Will allow for more thorough analysis and mitigation strategies
- Developed Voltage Investigation process
 - Formalized process for systematic investigations into customer reported issues
- Held mtg to review New Business Interconnection process
 - Identify customer / developer SPOC
 - Discussed hand offs for field reviews
- Met with Milsoft to discuss software offerings for Load Flow, GIS integration, and Outage Management Services

Electric Lines

- Monthly Substation Inspections completed – No Issues Noted
- Completed Installation of Downtown and Riverwalk LED Lighting
- Assisted SD Myers in oil sample collection
- Developed various estimates for new developments
- Participated in Promotion Committee
 - Promotions of Ryan Evans, Ben Lewis , and Jay Clark
- Responded to various outages

Technical Services

- Worked w/ Public Works on pump Station Controls and Standardization
- Met with various contractors to specify metering equipment and advise on installation.
- PD Site – Review needs for camera installation and operation
- Reviewed Solar interconnection requests

Electric Department -October 2022	October 2021	October 2022	FY22 YTD (07/01/21- 10/31/21)	FY23 YTD (07/01/22 -10/31/22)
Electric Division				
Trouble Service Call	11	19	85	80
Work Orders Completed	34	41	155	163
Outages	3	16	37	37
LED Street Lights Replaced	8	63	47	84
New Service Install	2	8	26	20
Poles Replaced	1	7	6	26
After Hours Calls	4	22	43	55
Trees Cut (Days)	2	0	6	19
Technical Services Division				
New Electric Service Installed/Meter Set	17	5	106	72
New Water Service Installed/Meter Set	2	3	35	15
Electric Meter Replacement	2	4	19	29
Water Meter Replacement	50	47	207	228
Work Orders Completed	557	642	2,152	2,634
After Hours Calls	1	14	14	24

TO: Mayor and City Council

FROM: Rob Pierce, AICP - Planning Director

DATE: November 1, 2022

RE: October 2022 – Planning Department Staff Report

- During the first ten months of the 2022 calendar year, the City has issued 30 new residential construction permits. The total construction investment in Milford through the end of October 2022 based on issued building permits was \$25,488,195.
- The City of Milford has seen 144 projects with a committed investment of over \$32.2 million within the Downtown Development District (DDD) area since September 2016 (based on permit valuations from submitted applications). The State of Delaware has committed or awarded over \$3.5 million in grant funds for both large and small commercial and residential projects in Milford. The City has waived over \$644,00 in permit fees and taxes associated with these projects in accordance with Chapter 19 Economic Development and Redevelopment and DDD program guidelines (click the below link to see project locations).
<https://milfordde.maps.arcgis.com/apps/MapSeries/index.html?appid=ab3ecb0d8cbc44d884b7c3063f75125c>
- The Planning Commission will review three applications at the November meeting, including the following: 1st State Self Storage Preliminary Conditional Use Site Plan, 27 South Walnut QOZB, LLC Conditional Use, and William Allen Property Management, LLC Final Site Plan.
- The Board of Adjustment will review one variance application at the November meeting for an accessory structure to be located in the front yard area for 702 N. Shore Drive known as Lands of Martha Timlin.
- The City received a resubmission for Knight Crossing Phase 2B Final Major Subdivision and is currently reviewing the project.
- The City received a final site plan submission for the PAM Milford project and provided plan review comments to the applicant.
- The City received a resubmission for 1st State Storage Preliminary Conditional Use Site Plan and provided plan review comments to the applicant. The application has been placed on the November Planning Commission and City Council agendas for review.
- The City received a final site plan resubmission for the Teal Creek Plaza Expansion project and is currently reviewing the plans.
- The City received a final site plan resubmission for the William Allen Property Management project and provided comments to the applicant. The application has been placed on the November Planning Commission agenda for review.
- The City received a Preliminary Conditional Use Site Plan for a project called Masten Circle, LLC and is currently reviewing the application.

- The City received a resubmission for Milford Ponds Phase III Final Major Subdivision and has provided review comments to the applicant. The application has been placed on the December Planning Commission and City Council agendas for review.
- Met with representatives from the Food Bank regarding their pending building permit submission and charges.
- Attended the DelDOT Traffic Impact Study (TIS) Scoping meeting for the Milford Corporate Center.
- Attended the Council on Development Finance meeting with Sara Bluhm for the review of the City's Site Readiness Level 2 application for the Milford Corporate Center.
- Attended the bi-monthly Builders & Remodelers Association of Delaware (BRAD) / City of Milford Nuts & Bolts Meeting.
- Attended the bi-monthly Dover/Kent County Metropolitan Planning Organization (MPO) Technical Advisory Committee (TAC) meeting.
- Met with Kent Economic Partnership and Sara Bluhm with the local rail operator to discuss potential industrial sites in Milford with rail access.
- Attended DelDOT's Corridor Capacity Preservation Program (CCPP) Stakeholder Meeting for public officials.
- Staff continue to work towards implementing the goals and objects of the 2018 Comprehensive Plan, SE Master Plan, Downtown Development District (DDD) application, Rivertown Rebirth Master Plan and Strategic Plan (see below links).
 - [2018 Comprehensive Plan & SE Master Plan \(Click Here to View\)](#)
 - [Downtown Development District Plan \(Click Here to View\)](#)
 - [Rivertown Rebirth Master Plan \(Click Here to View\)](#)
 - [Strategic Plan – Press Play: Vision 2023 \(Click Here to View\)](#)

Case Activity:

	Total
New Cases	5
Closed Cases	13
Open Cases at Start of Period	479
Open Cases at End of Period	471

*217 open cases are for tall grass, which stays open the entire growing season.

Violation Activity:

New Violations Cited	Total
Abandoned Vehicle	0
Dangerous Tree	0
Furniture Violation	0
Generic Violation	1
Property Maintenance Violation	2
Rubbish & Garbage	1
Weeds & Grass	0
Zoning Use Violation	1
Total	5

Rental Licenses Issued: 28

Vendor Licenses Issued: 1

Contractors Licenses Issued: 22

Business Licenses Issued: 6

Building Permits Issued:

Permits Issued by Type	Count
Commercial Demolition	0
Commercial Foundation	0
Commercial Building Permit	5
Construction Trailer	1
Residential Demolition	0
Residential Building New Construction	1
Residential Renovation/Accessory	6
Roof/Siding Permit	7
Sign Permit	2
Solar Panel Permit	1
Utility Permit	6
Total	29

Inspections Performed:

Inspections Performed by Type	Count
Footer	16
Foundation	7
Framing	20
Insulation	9
Final	32
Residential Rental	64
Total	148

PARKS & RECREATION DEPARTMENT
207 Franklin Street
Milford, DE 19963



PHONE 302.422.1104
FAX 302.422.0409
www.cityofmilford.com

TO: Mayor and City Council

FROM: Brad Dennehy-Parks and Recreation Director

DATE: November 7th, 2022

RE: October 2022 – Parks and Recreation Staff Report

Parks

- Weekly trash runs of all municipal trash cans continued.
- Continued to maintain grass on all City owned facilities, right of ways, and parklands.
- Park Staff began spreading wood chips on Goat Island trails, this will be an ongoing project.
- The entire Public Works yard was weed whacked.
- Soccer fields continued to be maintained by Parks staff while our soccer program continues.
- 7 members of the P&R staff volunteered for two hours at the local food bank.
- In preparation of the 2022 "Service Awards", Park staff performed a number of maintenance projects around the P&R office including cutting the grass, de-weeding, trimming bushes, cutting down the retention ponds, power washing and fixing the vinyl fence at Marvel Square, and installing a new flag behind the P&R office.
- Day of the "Service Awards", Park staff assisted with layout of the event, coordinating tent location, moving tables and chairs, placing cornhole boards out and arranging coolers with ice.
- Overall, the "Services Awards" were a successfully run event at the Parks and Recreation facility.
- Park staff replaced a trash can with a dual trash and recycle can on Walnut Street due to vandalism.
- The clock downtown on Walnut Street continues to be struck by lighting which causes the clock to stop and then display the wrong time. Park staff can make the necessary adjustments however we have been advised we will likely have to replace the clock soon.
- Park staff assisted with the Community parade by cutting everything that was on the parade route (City Hall, Museum, Customer Service Building, Walnut Street sidewalks, bump outs & Medians, Parking lots, The Armory, and Rehoboth Blvd. flower bed)
- Staff also contributed to the parade with lending tables and chairs, delivering the portable trailer stage and installing "do not cross" tape along the electric poles on Walnut Street in front of the Community Cemetery. Post event staff did a large trash run along the parade route.

- Park Superintendent attended both the Award and Recognition meeting and the Safety meeting.
- There were several days of rain towards the end of November, so this time was spent by park staff checking holiday lights in preparation for the installing the holiday lights in the downtown.

Arborist

- Trimmed several trees at City Hall, cleaned up debris and hauled away.
- Replace flags, ropes, and hardware at City hall that were damaged by weather.
- Trimmed trees at and around on Betty Street away from main three phase power lines.
- Trimmed dangerous overhanging trees on 5th Street that were hanging over the road causing traffic and pedestrian impedance.
- Both the Arborist and helper volunteered at the City sponsored food drive at the Food bank of Delaware.
- Performed mechanical and chemical vegetation control on Carpenters Pit road which was interfering with electric distribution lines. This included trimming a large amount of growth and vine control.
- Pruned Crepe Myrtle trees at public works facility for the winter.
- Removed two large dead Maple trees at Milford Little League that were threatening private property.
- Trimmed the remaining trees surrounding the removed trees at Milford Little League away from batting cages, private property, and blocking City easement.
- Removed a large dead and falling tree at the Front Street parking lot to prevent property damage.
- Trimmed Pine trees along the entrance to the Front Street parking lot that were growing into the power lines and blocking pedestrian traffic and were causing a line of sight issue to vehicles exiting the parking lot.
- With several days of rainy weather, staff performed routine equipment maintenance and cleaning, sharpening, etc.
- Installed new flags and hardware at Parks and Recreation building, trimmed bushes, and trees along Second Street at Marvel Square.
- Performed large mechanical vegetation control at Milford Little League parking lot entrance (two days), trimmed tree line as well away from the Electric 120v feeder for lights, and access.
- Trimmed evergreen bushes and Pine trees that were overgrown at the Pop Warner Fields.
- Trimmed bushes and trees at the Point on Walnut Street.
- Trimmed bushes and trees and removed vines out of the evergreens at the Route 113 sign.

Recreation

- During the initial week of October, we kicked off our marketing and promotion campaign for our upcoming Winter programs.
 - Programs include a variety of our legacy programs such as basketball, indoor soccer, and wrestling.
 - We are highlighting two new adult programs in Pickleball and Volleyball.
 - Registration for Winter programs was opened on October 10th.
- Fall sports programs finished up on Sunday the 30th.
 - A survey for Fall sports participants is being conducted and is currently collecting responses.
 - This survey will help our department to continue providing high quality programming focused on the communities improved health and overall wellness.
- We have reorganized our equipment inventory to better serve parks and recreation staff.
- While working closely with our Community Engagement Administrators our in-house video promo (commercial) highlighting our current programs is nearly complete and will be featured on various digital platforms.
 - This initiative is focused on our social outreach within the community and to continue to grow our program.
- Self Service features on our existing registration software program (Webtrac 10.3) platform were recalibrated.
 - New customers can now more easily enroll in programming.
- Our department is set to transition to a new more user-friendly recreation software program (Webtrac 3.1) on November 28th.
 - This upgrade will revamp our existing registration platform through the integration of a web-based system focused on efficiency and productivity.

Other

- Memorial park playground and pickleball project was successfully bid and awarded by Council. Contract documents were created and required signatures. Bonding requirements had to be obtained. As of 11/7 all requirements had been met. The contractor is scheduled to commence construction January 1st.
- The lighted handrail project is currently out to bid, however the bid had to be extended to 11/15. Due to the delay in getting electrical engineering approval, potential general contractors voiced concerns with not being able to get electrical contractor bids by the original due date. In consultation with the design professional it was deemed necessary to extend the bid.
- Director attended monthly WIIN meeting.

- Director met with a design consult to tour the entranceways into the City of Milford and discuss beautification efforts. This will result soon in a design proposal.







HUMAN RESOURCES
10 SE Second Street
Milford, DE 19963

PHONE 302.424.5142
FAX 302.424.5932
www.cityofmilford.com

TO: Mayor and City Council

FROM: Jamesha C. Williams, MBA, MSL- Human Resources Director

DATE: November 1, 2022

RE: October 2022 –Human Resources Department Staff Report

- Onboarded new hires for the following positions:
Information Technology Director –1 employee
Public Works Equipment Operator-Solid Waste-1 employee
Public Works Equipment Operator-Streets & Utilities-1 employee
- A Job offer was accepted for the position of Public Works Equipment Operator-Solid Waste with a start date of November 7, 2022
- Interviews were conducted for the positions of Technical Support Specialist I-Police and Network Technician. Onsite tours scheduled for two Technical Support Specialist I-Police candidates for November 4, 2022, and November 9, 2022.
- 2022 Service Awards was held at the Parks and Recreation Facility on Friday, October 14, 2022.

1 Year of Service:

Antron Adams
Sara Bluhm
Leah Brasure
Brandon Brown
Diante' Cannon
Frederick Coppock
Lucas David
Michael Demetrakis
Denham Dodd
Bradley Dryden
Ryan Evans
Jason Garcia
Jenna Haines
Katti Murphy
Jose Perez
Stephen Porter
Anthony Quiroz
Garrett Smith
Ashley Waller

5 Years of Service:

Kyle Breckner
Suzannah Frederick
Rhett Malone
Lawrence Simpkins
Rhiannon Slater
Howard Willis, Jr.

10 Years of Service:

Kirk Marino

15 Years of Service:

Timothy Webb, Jr.

20 Years of Service:

Robert Masten
Matthew Smith
Dwight Young

25 Years of Service:

David Wells
Steven Ellingsworth

30 Years of Service:

William Hughes

- Bilingual Pay Differential Allowance: Spanish Proficiency Police-1 employee, Customer Service-2 employees, Engineering-1 employee
- Promotions:
Shawn O'Neil, Water & Wastewater Technician I effective October 9, 2022
Jay Clark, Electric Line Technician, Third Class effective October 18, 2022
Benjamin Lewis, Electric Line Technician, Second Class effective October 23, 2022
Ryan Evans, Electric Line Technician, First Class effective November 6, 2022

2022 Cornhole Tournament Winners (1st Annual)-Tommy Henderson & JaQuian Parker



To: City Council and Mayor
From: Sara Bluhm, Economic Development & Community Engagement Administrator
Subject: October Monthly Report
Date: Nov. 9, 2022

Economic Development

- Met with KEP, Carload Express, Inc. and Planning Director regarding industrial zoning with rail access in Milford
- Attended the State Chamber's Developing Delaware Conference in Dover and heard several compelling topics, including a panel the Governor moderated on Ready in 6
- Met with Erin Steele from PACE Your LIFE and discussed Milford resources, utility bill inserts, and growing their program
- Attended quarterly DPP Partners meeting, which featured site selectors speaking on trends in Economic Development
- Reviewed TIIF application with DeIDOT representatives and made several adjustments to our application based off that meeting. Final approval will be decided 11/16.
- Attended CDF hearing with Planning Director for Site Readiness Application Level 2 review. Happy to report the City of Milford was awarded \$1M for MCC Site Readiness.
- Attended DeIDOT TIS Scoping Meeting with project engineers and Planning Director.
- Met with Surf Bagel management and Recreation Coordinators to identify Milford history and sports items for décor in their new restaurant.
- MCC Meetings: monthly check-in with project engineers and partners
- Reached out to Penney Square owners seeking a "why invest in Milford" video; aiming for the end of November

Community Engagement

- Attended 2022 Service Awards. Videography/Photography Intern took and edited photos of all present service award winners and cornhole tournament players, as well as filmed B roll for future HR videos. Photos were shared on social site and internally with staff.
- Published an Electric Dept. video on city website and social channels. Videography/Photography intern worked on this with the Electric Director and the final result is professional and educational.
- Asked staff to update all voicemail recordings to include name and title to better assist customers when they call
- Sent Public Wifi survey via email to all customers in our database
- Continued to deliver KKAD25 signs. To date: 73 sign requests; 64 approved requests (9 didn't qualify); 0 to be distributed. Ward breakdown: 9.4% - ward 1; 50% - ward 2; 25% - ward 3; 15.6% - ward 4

Meetings/Trainings

- Met with CGI Video sales rep to identify local businesses for hometown series
- Met with Efficiency Smart to review program, discuss EV Feasibility Study, and assess Key Account program

- Participated in Leadership Delaware Class of 2023 interviews
- Attended weekly Streets Update meetings with City Engineer and Project Manager
- Met with City Engineer, Customer Service Supervisor, and Finance Director to finalize new Net Metering changes
- Attended monthly DMI Economic Vitality meeting
- Met with Slaughter Beach Town Manager
- Attended quarterly builders assoc. meeting with Planning Director and City Engineer
- Attended quarterly check-in with KEP
- Attended monthly Kent County Tourism Board meeting
- Met with new City of Dover Planning Director and discussed DDD incentives
- Met with City Engineer, Public Works Director and EPA representative regarding our upcoming Lead Pipe Reduction project

Social Media/Website

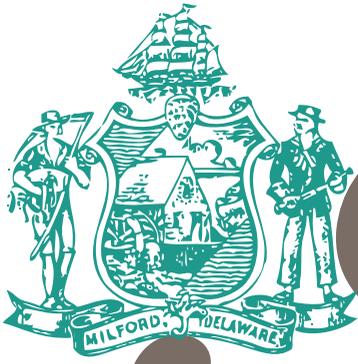
- Oct. 2022 Insights:
 - City of Milford Facebook: 15 new likes (total: 2,820); 5,772 reached (7,688 last month); 1,344 page visits (585 last month)
 - Parks & Rec Facebook: 27 new likes (total: 2,796); 4,150 reached (5,374 last month); 657 page visits (674 last month)
 - Instagram: 30 new likes (total: 1,064); 1,023 accounts reached (741 last month); 129 profile visits (67 last month)
 - Twitter: 1 tweet, 279 impressions, 198 profile visits, 2 mentions, 1,348 followers
 - COM Website: 9,534 users (10,463 last month); 14,181 sessions (15,207 last month); 30,050 pageviews (30,675 last month)
 - ED Website: 149 users (127 last month); 186 sessions (168 last month); 414 pageviews (430 last month)
 - ChatBot: 66 self-service resolutions; 61.7% self-service resolution rate; \$330 cost savings
 - MyMilford: 42 issues created; 33 issues closed; Average Days to Close: 4.2; 203 registered users
 - App Store: 52 downloads (737 all-time downloads)
 - Google Play: 15 downloads

Email Campaigns

- Oct. utility newsletter to full database (customers and business license holders) (4,786): 47% open
- Oct. business newsletter to business license holders (706): 41% open
- Public Wifi survey (4,772): 60% open

Press Releases & Coverage

- City of Milford Announces Upcoming Downtown Intersection Changes (10/20/22)
 - WBOC: Milford Announces Upcoming Downtown Intersection Changes (10/20/22)
 - DE State News: Changes coming soon to downtown Milford intersection (10/20/22)
 - MilfordLive: Changes coming to downtown intersections (10/17/22)
 - DE Public Media: City of Milford making downtown intersection changes (10/27/22)
 - WRDE: Milford Intersections to Become Four-Way Stops (10/19/22)
 - WGMD: Downtown Intersection Changes Coming to Milford (10/20/22)



Milford

River Town • Art Town • Home Town

DELAWARE

One-time Payments Accepted

Utility customers can now make a one-time credit card payment online without creating an account. This improved ease of use allows customers to pay online with only the account number on their utility bill. Access the payment portal through this website: <https://www.cityofmilford.com/163/Online-Utility-Payment-Instructions>

Upcoming Intersection Changes

Due to a weight restriction and upcoming improvements on the SW Front St. bridge, the City of Milford and DelDOT are working together to allow two-way traffic on SW Front St. to better service the business community. To accomplish this change, the traffic signals at SE/SW Front St. & S. Walnut St. and Causey Ave. & S. Walnut St. will change to flashing red with new stop signs to signalize a four-way stop at both intersections. These changes, also identified in the Rivertown Rebirth Plan 2025, will take effect in December.

In conjunction with these downtown intersection changes, the Milford Public Works Dept. is working to align all signalized intersections in the downtown area with DelDOT standards. These changes will not impact traffic patterns as most will be technology, ADA, and/or electrical upgrades. Once these upgrades are completed, the City of Milford will transfer ownership of all downtown traffic signals to DelDOT.

City Office Closures

City offices will be closed the following dates due to upcoming holidays:

Tuesday, November 8	Thursday, November 24
Thursday, November 10 (closing at 12pm)	Friday, November 25
Friday, November 11	Friday, December 23
	Monday, December 26

Trash, recycling, and yard waste may differ on these dates. Check the schedule online at <https://www.cityofmilford.com/87/Solid-Waste>

City Council Round-up: October

At the October 10 Council Meeting, staff presented monthly reports, Council heard updates from the Waterways Infrastructure and Investment Network (WIIN) and Becker Morgan Group, which presented community feedback from the Milford Corporate Center Open House and an updated concept plan. Council also awarded the Milford Corporate Center phase II agreement to Becker Morgan Group. At the October 15 Council Retreat, Council began planning the next five-year strategic plan with guidance from UD's Institute for Public Administration. At the October 24 Council Meeting, several ordinance public hearings were on the agenda and ultimately adopted: redistricting of wards, Buccaneer Car Wash revised conditional use, Knight Crossing amended conditional use, Knight Crossing Phase 2A final major subdivision, Red Cedar Farms preliminary major subdivision and amendments to Chapter 204 Senior Citizen Tax Relief. Ordinance 2022-40, an amendment to Chapter 197 regarding pedestrian safety was tabled for a future Council Workshop. Council also awarded a contract for test wells at the Milford Corporate Center and rejected bids for third-party solid waste container collection. All public meetings can be viewed live or recorded online at www.cityofmilford.com/553/Watch-Public-Meetings.

Curbside Leaf Collection

Leaf collection service is provided beginning late October through early January. Crews will inspect the entire City weekly for leaves placed out for collection. There is no need to call for scheduling. Each area will be collected once per week. Please ensure leaves are raked to the curb no later than 7:00 am Monday morning. Leaves must be free of debris and uncovered. Piles placed away from curb will not be collected. Due to the size of the City and collection equipment available, collection may take several days and will be subject to weather conditions and demand. Please be patient as our crews are working hard to provide this valuable service to the citizens of the City of Milford.

Public Utility Education

Public Works Employee Recognized For Excellence

The City of Milford Department of Public Works (DPW) is a water utility registered with DHSS Division of Public Health – Office of Drinking Water and the Public Utilities Commission. As such, its job is to provide and maintain a drinking water system that is safe for the public as well as compliant with the EPA and State of Delaware standards.

The City of Milford and DPW accomplishes this mission by retaining employees that have been trained and certified with the State - as Licensed Water Operators. The Delaware Rural Water Association (DRWA) is an active partner with the DPW in identifying and providing technical training, seeking and securing funding opportunities for the City's Water System as well as providing a network of valuable resources including people, equipment and relevant information necessary for the success of the utility. This partnership is critical to the success of the City's continued utility operation.

Shawn O'Neil, certified and licensed since August 2006, is a primary operative in ensuring the health and safety of the City's water system. During this 16-year time frame, Shawn has demonstrated commitment to excellence and superior value to the City and its residents.

This past month at the DRWA's Conference in Greenwood, DRWA recognized Shawn's performance, contribution and value by awarding him their highest organizational distinction – the "Water Operator of the Year" award.

If you see Shawn around, be sure to congratulate him on this great achievement!



left to right: Mike Svaby, Public Works Director, Shawn O'Neil, Water & Wastewater Technician I, Steve Ellingsworth, Public Services Superintendent

Employee Spotlight

Denham Dodd

Technical Support Specialist II

1. How long have you worked for the City of Milford? **18 months. I started in May 2021.**
2. Have you always worked in this role? **Yes.**
3. What is your favorite thing about working for the City? **The people, my co-workers, of the City.**
4. What do you enjoy doing in your free time? **Playing sports, music and reading.**



Denham is very well liked by the City's employees. He literally jumps on our customer's needs as soon as they come through our help desk system. By offering speedy and knowledgeable support, Denham allows the city's employees to get back to their job helping the citizens of Milford."

- Bill Pettigrew, IT Director

Did you get your Drive25 sign?

The City of Milford KEEP KIDS ALIVE DRIVE 25° campaign is still accepting sign orders. Residents who live on a 25-mph road within city limits can apply through MyMilford (<http://cityofmilford.com/535/MyMilford>) for a branded yard sign to be placed in their yard. Detailed ordering instructions can be found online at <https://www.cityofmilford.com/DocumentCenter/View/4538/Order-Instructions> or call 302.725.2068.



Do you have what it takes to be a public servant?

Join the City of Milford for a career that matters!

Now hiring the following positions:

Cash Operations Clerk II

\$37,398.44

Network Technician

Starting Salary: commensurate with experience

Technical Support Specialist I-Police

\$60,230.56

Water & Wastewater Technician

\$45,252.11

Executive Assistant – City Manager

\$49,777.32

Mechanic

\$54,755.06

Apply Online @ www.cityofmilford.com

Date: November 14th 2022
To: Mayor and City Council
From: Bill Pettigrew
Re: November 2022 Information Technology Department Staff Report

October was Cybersecurity month, IT sent out weekly emails and hung signage to help Milford employees be aware of the types of cyber threats out there. As soon as the month was over, we sent out an email phishing test using the credentials of a department head and an upcoming event similar to what a cybercriminal would do. Despite the email stating it was from an outside source a small number of employees still clicked on the link. When the test was done, we sent an email out with a scary headline stating that Milford was under a \$10 million dollar ransomware attack because an employee clicked on a malicious link, then we stated that this was an email we never want to have to send. We notified them of what to watch out for and I expect there to be considerably less clicks the next time we do these ongoing tests.

I was asked by DTI to join the State of Delaware's Cybersecurity Committee which is a prerequisite for Delaware to receive the cybersecurity grant from Homeland Security, this is part of the U.S. Infrastructure bill. My first meeting was last Thursday and this funding will help DE & Milford be even more secure in the future.

IT has assigned a dedicated staff member to be our ERP implementation specialist to maintain the legacy Central Square system while moving forward with the new Tyler Munis implementation. We have already identified with the Finance Department some necessary data projects months before they would become an issue.

When I first started this position, I was aware of some gaps in disaster recovery & business continuity, I was also made aware of the need for a better mobile workforce while still maintaining the functionality of call groups for certain departments. IT is currently considering a PBX in the cloud, which would give Milford DR, BC & maintain the call groups anywhere we need to work from. Currently we are at the mercy of a single PBX in a rack which could shut down all of our communications.

We are much closer to filling the 2 positions vacant in IT, and I want to thank Jamesha the HR Director for her diligence.



FINANCE DEPARTMENT
 10 SE Second Street
 Milford, DE 19963

PHONE 302.424.5140
 FAX 302.424.5932
 www.cityofmilford.com

To: Mayor and City Council
 From: Louis C. Vitola, Finance Director
 Date: November 12, 2022
 Re: October 2022 Finance Department Staff Report

- Monthly Financial Reporting
 - The Report for FY23 through September 2022 was distributed to Council and approved
- Staffing
 - The Cash Operations Clerk recruitment is currently open
- Training and Improvement Efforts
 - Sandra Peck hosted a Tyler implementation consultant on-site, and along with members of the implementation team, participated in:
 - ERP¹ Configuration Sessions: (1) Cash Management & Hub, (2) Capital Assets, & (3) ReadyForms
 - Various ERP Training Sessions / Work Sessions
 - The Customer Service Team participated in a collective total of 27 training hours in the areas of cyber security, FEMA, Customer Service, Net Metering, and the new payment system
- Police Facility Project Financing
 - USDA Officials have been participating in weekly project update meetings when available
 - Construction activity – “blind” summary:

Police Facility Project: Budget & Payment Activity		Through 10/31/2022
Construction & CM: Total Bid Awards	\$	13,650,954
Plus (Less) Change Orders		(5,674)
Construction & CM: Total Authorized Budget	\$	13,645,280
Expenses Incurred	\$	1,686,461
Less: Retainage Withheld		(80,899)
Less: Current Month Unpaid		(22,012)
Total Payments Made	\$	1,583,551

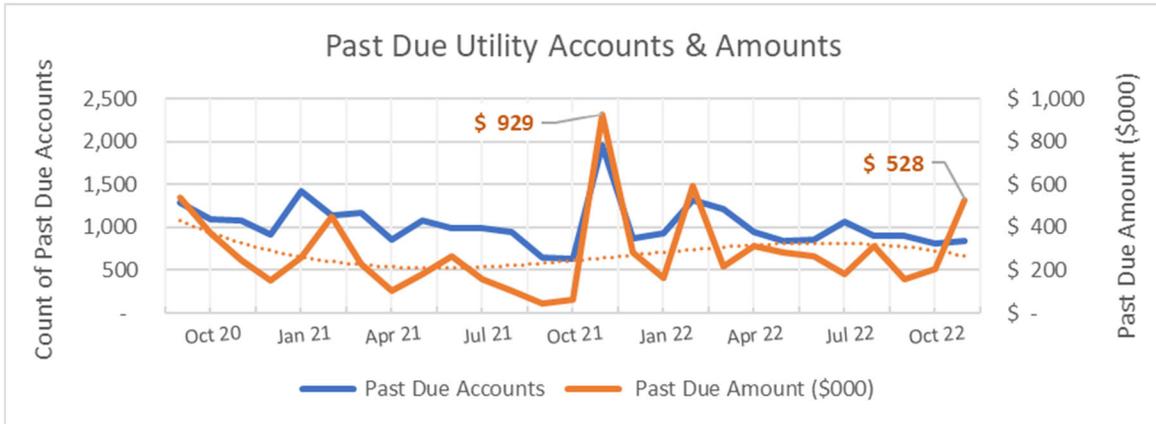
Project Stats & Progress		Through 10/31/2022
Total Contracts (including RYJ CM)		17
Contracts with Activity		13
Contracts with Activity this Month		3
Open Project with Most Progress:		
Steelwork: RC Fabricators		42.9%
Closed Contracts		-
Overall Progress (Billing-Based)		12.4%

- External Reporting Requirements
 - FY21 Audit: the financial statements and audit documentation are complete and undergoing final review by the audit team
 - Work on the FY22 audit and financial reporting continues; a contracting firm has been identified and will join the effort in November
- Investment Management RFP
 - Participation Options with the State were confirmed in October; the State Treasurer’s Office is coordinating contact with investment management and custodial firms on behalf of Milford
- Billing & Customer Service Department
 - The credit and debit card processing software upgrade was completed on October 6th, and troubleshooting continues for certain process upgrades and features. We’re thankful for the assistance we’re receiving from the IT team.

¹ Tyler Technologies Enterprise Resource Planning (ERP) System Conversion Project

- Billing & Customer Service Department, Continued

- Past due utility balances spiked in October due in part to reduced service interruption as the cash and credit card payment processing software was being upgraded
- This month's results compare well vs last October despite the jump in the past due amount



- The dollar amount past due (solid orange line) is almost double the average for graphed periods but only about half of the two-year-high set last October
 - The accounts with any amount past due (blue line) is 19% below the long-term average
- The graph formerly used to exhibit the number and dollar amount of automatic payments by type and period from 2020 through the quarter ended September 30, 2022 will be replaced in the coming months
 - The report data for October is skewed due to the payment processing software upgrade
 - A consultant with the new processing company advised most clients experience a 10% reduction in processing volume following an upgrade
 - Staff expects any reduction in enrollment and/or volume in October resulting from the implementation of the new card processing system to rebound after a post-implementation adjustment period

CELEBRATING THE 16TH ANNUAL

Holiday Auction and Tastes of Milford

BENEFITING THE CHAMBER OF COMMERCE FOR GREATER MILFORD AND THE
MILFORD MUSEUM

Thursday November 17th



DOORS OPEN AT 6PM

Local Food Vendors with Sweet and Savory samples!

Vote for Best Taste and Best Display

Over 100 Silent and Live Auction Items

Gift Card Surprise Table - Surprise Table of Cheer

TO PURCHASE TICKETS CALL 422-3344
TICKETS ARE \$20 IN ADVANCE - \$25 AT
THE DOOR (IF NOT SOLD OUT)
CASH, CHECK, AND CC ACCEPTED

A Chamber of Commerce for Greater Milford Event

CORPORATE SPONSORS



18951 ELKS LODGE RD, MILFORD DE 19963



Sussex County Association of Towns

37 The Circle, Georgetown, Delaware 19947

S.C.A.T. Dinner for Wednesday, December 7, 2022

Town of Bethany Beach

Town of Bethel

Town of Blades

Town of Bridgeville

Town of Dagsboro

Town of Delmar

Town of Dewey Beach

Town of Ellendale

Town of Fenwick Island

Town of Frankford

Town of Georgetown

Town of Greenwood

Town of Henlopen Acres

Town of Laurel

City of Lewes

City of Milford

Town of Millsboro

Town of Millville

Town of Milton

Town of Ocean View

City of Rehoboth Beach

City of Seaford

Town of Selbyville

Town of Slaughter Beach

Town of South Bethany

Sussex County Council

LOCATION: Victoria's Resturant
2 Olive Avenue
Rehoboth Beach, DE 1997

TIME: 6:00 pm – Cash Bar
6:30 pm – Dinner

HOST: City of Rehoboth Beach

SPEAKER: Holiday Party

COST: \$55.00 per person

MENU: See Below

For reservations, please contact Margaret Carson at
(302) 227.4641 or by email: mcarson@cityofrehoboth.com
no later than **December 2nd at 12 PM.**

Please make checks payable to City of Rehoboth Beach
Mail to: City of Rehoboth Beach
Attn: Margaret Carson
P.O. Box 1163
Rehoboth Beach, DE 19971



SUSSEX COUNTY ASSOCIATION OF TOWNS
DINNER MENU

\$55. Per Person

SALAD

Strawberry Spinach Salad
with goat cheese, candied pecans, balsamic dressing

ENTRÉE

“Holiday Duet”
Filet Mignon and Crab Cake

SERVED WITH

Mashed Potatoes
Haricot Verts with Roasted Red Peppers

DESSERT

Classic Bread Pudding
with Chantilly Cream



A community free of hunger
www.fbd.org

November 4, 2022

The Honorable Arthur J. Campbell
Mayor
City of Milford
201 S Walnut Street
Milford, DE 19963

Dear Mayor Campbell,

As you know, the Food Bank of Delaware has been working with the City of Milford over the past year regarding our new facility at 102 Delaware Veterans Boulevard (Parcel ID: MD-16-173.00-01-02.08-000) in the Independence Commons Business Park. In July of 2021, we purchased the 11.5-acre parcel from the City of Milford and since that time have contracted with The Whiting-Turner Contracting Company to provide construction management services and The Becker Morgan Group for engineering and architectural design of a new facility. We appreciate the numerous meetings that City officials have held with us, including the Planning Commission and City Council, in order to move forward on conditional use applications, zoning designations and site plan approvals. As we have now begun construction, we are looking forward to the next phase of our construction process.

Recently, we met with you, City Manager Mark Whitfield, and Planning Director Rob Pierce to discuss fees that would be paid to the City of Milford to obtain our building permit. It was our understanding that these fees amounted to over \$500,000 and we wanted to discuss the possibility of any of these fees being waived, given our non-profit status and unique mission of providing emergency food assistance in the State of Delaware. To date, we have paid approximately \$49,000 in permit and municipal fees, as well as fees collected for Carlisle Fire Company. During our meeting, we learned that City Council had the ability to waive the collection of some of these fees on our project. In particular, the city water and sewer impact fees, as well as the police department and fire company fees. Our understanding that these fees amount to approximately \$354,000. To that end, we are respectfully requesting that the City of Milford waive the collection of these fees for our current project.

This new facility is desperately needed in southern Delaware. In FY21, the Food Bank of Delaware distributed over 16.5 million pounds of food statewide, with Kent and Sussex counties accounting for 50% of that total. Since FY19, total poundage distributed in Kent and Sussex counties has increased 124%. This represents the incredible need that exists in our community. Since we completed our last major renovation of the Milford branch facility in FY14, food distribution downstate has increased 210%. The growth that our organization is experiencing is profound and our current Milford facility can no longer effectively serve the community.

Letter to The Honorable Arthur J. Campbell

Page 2

We know that our organization will continue to be called upon in the years ahead, as Delawareans recover from the pandemic and the economic impacts it has had on so many. This assistance from the City of Milford would represent your continued support in standing beside us in the important work of ending hunger and food insecurity in the First State.

We look forward further discussions and discussing this issue with City Council at an upcoming meeting. Should you have any questions, please feel free to contact me by phone at (302) 393-2010 or by e-mail at crobinson@fbd.org.

Thank you in advance – I hope we can count on you!

Sincerely,

A handwritten signature in black ink, appearing to read "Chad Robinson", written in a cursive style.

Chad Robinson
Director of External Affairs

CC: **Mr. Mark Whitfield, City Manager**
Mr. Rob Pierce, Planning Director



TO: City Council and Mayor
FROM: Rob Pierce, AICP - Planning Director
DATE: November 14, 2022
RE: Food Bank of Delaware – Permit Charge Waiver Request

The City received the enclosed letter from the Food Bank of Delaware dated November 4, 2022 requesting waivers from the following permit charges;

- City Sewer Impact Fee - \$1,756 per Equivalent Dwelling Unit (EDU)
- City Water Impact Fee - \$3,323 per EDU
- Police and General Government Facilities Enhancement Fund – 0.75% of Construction Costs
- Carlisle Fire Company Equipment and Facilities Enhancement Fund – 0.25% of Construction Costs

Chapter 19 of the City Code entitled Economic Development and Redevelopment establishes a Specific Economic Development Incentive Program (SEDIP) titled Citywide Job Creation and Capital Investment Program which provides City staff the ability to waive all or portions of the sewer and water impact fees based on projected capital investment amounts and full-time equivalent jobs created. These waivers and project details would be outlined in an Economic Incentive Agreement that would be executed between the Incentive Beneficiary and the City prior to the issuance of a building permit.

The Food Bank has indicated that their capital investment will be approximately \$25 million dollars, which based on Chapter 19-10, would result in the waiver of thirty (30) EDUs worth of City water and City sewer impact fees. The Food Bank has indicated they anticipate an EDU assessment of twenty-one (21) EDUs for the entire building based on the anticipated number of plumbing fixtures. The City waiver value of the twenty-one (21) EDUs is \$106,659.00.

The Police and General Government Facilities Enhancement Fund and the Carlisle Fire Company Equipment and Facilities Enhancement Fund are established by Chapter 26 of the City Code entitled Enhancement Funds. New construction projects, expansion projects or other building projects that increase building size are subject to these charges. The Police and General Government Facilities Enhancement Fund is calculated at a rate of 0.75% of the construction cost for the building, which would amount to approximately \$187,500 for the Food Bank project. The Carlisle Fire Company Equipment and Facilities Enhancement Fund is calculated at a rate of 0.25% of the construction cost for the building, which would amount to approximately \$62,500 for the Food Bank project.

Staff recommends executing an Economic Incentive Agreement based on Chapter 19-10 providing the appropriate Equivalent Dwelling Unit (EDU) waiver for City Sewer and City Water impact fees based on the actual capital investment made by the Food Bank.

City Council may want to consider a full or partial waiver of the Police and General Government Facilities Enhancement Fund.

The City recommends City Council table any action on the Carlisle Fire Company Equipment and Facilities Enhancement Fund waiver request until written approval of the waiver is provided to the City by the Carlisle Fire Company.

Date: November 12, 2022
To: Mayor and City Council
Through: Mark A. Whitfield, City Manager
From: Louis C. Vitola, Finance Director
Re: Budget Adjustment: Caulk Tower Altitude Valve Installation Project

EXECUTIVE SUMMARY

Staff recommend that City Council authorize an adjustment to the FY23 operating budget of \$5,050 to support the cost of materials, parts and fittings sourced through Dover Plumbing Supply to close out the Caulk Tower Altitude Valve installation. Sufficient reserves are available in the water fund.

BACKGROUND

- The Caulk Tower Altitude Valve Installation Project was initially approved in the FY2021-2025 CIP for \$75,000
- Council approved total costs of \$75,000 for the project to be funded with Water Reserves on September 13, 2021¹, including
 - a contract for the delivery of the primary component – the 7' x 13' custom vault – to Gillespie Precast in the amount of \$52,313.37
 - field installation, parts and supplies estimated in the amount of the budget balance
- Actual project costs are higher than initially expected due to inflationary pressures emerging after the initial estimates were produced
- The total cost of the project will not exceed \$80,050, requiring additional funding authorization of \$5,050

RECOMMENDATION

Staff recommend that City Council authorize an adjustment to the FY23 operating budget of \$5,050 from water fund reserves for materials, parts and fittings sourced through Dover Plumbing Supply Co. to close out the Caulk Tower Altitude Valve Installation Project.

¹ <https://www.cityofmilford.com/ArchiveCenter/ViewFile/Item/3419> p.78-79



Date: November 12, 2022
To: Mayor and City Council
Through: Mark A. Whitfield, City Manager
From: Louis C. Vitola, Finance Director
Re: Bond Anticipation Note (BAN) Checking Account

EXECUTIVE SUMMARY

A checking account is required for the administration of the Police Facility Bond Anticipation Note (BAN). A checking account tethered to the BAN will better serve certain contractors and vendors working on the construction of the new police facility. Staff recommend that Council authorize the ratification of the enclosed PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services. This action does not require any funding approval.

BACKGROUND

Resolution 2021-13 authorizing the debt financing for the construction of the new Police Facility delegated authority to the City Manager and Finance Director to undertake any and all measures necessary to secure the indebtedness and administer the project financing. This includes the deployment of funds to vendors and contractors during the design and construction phases of the project. Currently, the vendor payment process is handled through instructions to the BAN lender, PNC Bank, to execute an electronic payment directly to the vendor from BAN proceeds. This works for 16 of the 17 construction contractors, but one vendor prefers payment via check. Certain other non-construction vendors also prefer check remittance. However, PNC Bank's direct disbursements from loan accounts support electronic payments only. The ideal solution is to connect a new BAN checking account with the existing BAN loan disbursement account, pre-fund the checking account with electronic payments from BAN proceeds, and utilize the checking account to remit check payments to the vendors that prefer paper checks. The establishment of the checking account costs nothing upon establishment and is not expected to materially increase the cost of administering the BAN. More important, the account will be subject to the same internal controls as all other City checking accounts, starting with the existing trio of officials serving as account signers as the City's existing checking accounts: Mayor Archie Campbell, Vice Mayor Jason James, and City Manager Mark Whitfield (see enclosed PNC Bank signature cards). Finance Director Lou Vitola and Accountant Sandra Peck will be authorized to initiate transactions through electronic and telephone instructions to PNC Bank, similar to how the electronic transactions are currently handled through the BAN and through WSFS, the City's current commercial bank. No changes to the existing agreement with WSFS or any other commercial banking changes are recommended.

RECOMMENDATION

Staff recommend that City Council authorize the ratification of the enclosed PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services. See Appendix A for a roster of enclosed documents.

APPENDIX A: ROSTER OF ENCLOSED DOCUMENTS

- A. Master Resolution and Authorization for Depository Accounts and Treasury Management Services (p. 1-6)
- B. BAN Checking Account Signature Card (p. 7)
- C. Treasury Management Services Comprehensive Agreement (p.8-108)
- D. Signature Page, Treasury Management Services (p. 109)
- E. Account Agreement for Business Accounts (p. 110)
- F. Corporate Funds Availability Policy (p. 120)

Date: November 12, 2022
To: Mayor and City Council
Through: Mark A. Whitfield, City Manager
From: Louis C. Vitola, Finance Director
Re: Milford Police Department Asset Forfeiture Checking Account

EXECUTIVE SUMMARY

Pending approval of the PNC documents required to open the BAN checking account, a second checking account is recommended to improve the security and internal controls associated with the State of Delaware asset forfeiture process administered by the Milford Police Department in the ordinary course of police operations. Staff recommend that Council authorize the establishment of a commercial depository account with PNC Bank to serve the exclusive purpose of holding restricted cash associated with police activity. This action does not require any funding approval.

BACKGROUND

We recommend the establishment of a separate checking account for the maintenance and administration of cash arising from police operations that result in asset forfeiture pursuant to State of Delaware regulations. Currently, both cash and non-cash assets acquired through ordinary police operations are maintained through the evidence custody chain. Alternatively, the Police prefer to begin separating the cash and proceeds of forfeited assets from the non-cash chain of evidence. The Finance team support the creation of the account, which will reduce risk, improve internal controls, and standardize the process to match the processes in place for all other City of Milford cash holdings. Forfeited assets are typically retained through the adjudication of related court proceedings, at which point the cash is either remitted to the State of Delaware for aggregation into any of a series of grant funding pools or returned to the asset owner.

The establishment of the checking account has no up-front cost and is expected to be maintained at no cost. The account will be subject to the same internal controls as all other City checking accounts, starting with the existing trio of officials serving as account signers as the City's existing checking accounts: Mayor Archie Campbell, Vice Mayor Jason James, and City Manager Mark Whitfield (see enclosed PNC Bank signature card). Finance Director Lou Vitola and Accountant Sandra Peck will be authorized to initiate transactions through electronic and telephone instructions to PNC Bank, similar to how the electronic transactions are currently handled through the BAN and through WSFS, the City's current commercial bank. No changes to the existing agreement with WSFS or any other commercial banking changes are recommended.

RECOMMENDATION

Staff recommend that City Council authorize the establishment of a separate commercial checking account with PNC Bank, pending approval of the Master Resolution and Authorization for Depository Accounts and Treasury Management Services.

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

The undersigned certifies as follows to PNC Bank, National Association and to PNC Bank Canada Branch¹, if the undersigned has accounts there (collectively, the "Bank")

1. **Name of Client** CITY OF MILFORD ("Client")

Trade name(s), if applicable: _____

Taxpayer ID (United States) / CA Business Number (Canada): 51-6000177

2. **Type of Organization:** (check one)

- Corporation.** The Client is a corporation organized under the laws of the STATE of DELAWARE, and the undersigned Secretary of the Client certifies that the following is a true copy of resolutions adopted by the Board of Directors of the Client pursuant to a notice and the articles of incorporation and regulations or by-laws of the Client and at which a quorum was present, or adopted without a meeting by the written approval of the directors of the Client.
- Partnership.** The Client is a partnership and the undersigned general partners of such partnership certify that the following is a resolution adopted by all of the general partners of such partnership.
- Unincorporated Association.** The Client is an unincorporated association and the undersigned Secretary of the Client certifies that the following is a true copy of resolutions adopted by the Members, Trustees, Executive Committee, Board of Directors, etc. of the Client pursuant to, and in compliance with, its organizational documents.
- Limited Liability Company.** The Client is a limited liability company organized under the laws of the _____ of _____ and the undersigned members charged with managing the business affairs of the Client certify that the following is a resolution adopted by all members of such limited liability company.
- Manager Managed LLC**
- Member Managed LLC**
- Single Member LLC**
- Sole Proprietorship.** The Client is a sole proprietorship doing business under the name _____ and authorizes the following.
- Other. Municipality** _____.

3. **Resolutions:**

A. Authorization of Depository. Resolved, that the Bank is hereby designated a depository of the Client and is hereby authorized to accept monies, wire and other electronic fund transfers, checks, drafts, notes, acceptances or other evidences of indebtedness for deposit, or for collection by the Bank and deposit upon receipt of payment therefore by the Bank, (including deposits and collections of payments in such foreign currencies as the Bank may accept from time to time), to the credit of the Client in such account or accounts as the Client may have with the Bank, without the endorsement of the Client appearing thereon, and Client promises to pay the Bank for any Items that are returned for lack of endorsement. The persons so indicated on Part C of the Attachments, are authorized to open or close deposit accounts with the Bank, and to instruct the Bank as to the disposition of funds in any account to be closed, all by written instruction to the Bank, (electronically or otherwise), by any one such person. The depository accounts to which these resolutions and authorizations apply include existing depository accounts of the Client and all future depository accounts opened by the Client with the Bank pursuant to this Section 3A, and may include accounts denominated in one or more foreign currencies offered by the Bank from time to time.

B. Authorization to Sign Checks and Other Instruments and Withdrawal Orders and to Designate Other Persons Who Have Such Authority. Resolved, that any one of the persons so indicated on Part C of the Attachments is authorized to sign, execute, deliver and negotiate checks, drafts, bills of exchange, acceptances and other instruments or withdrawal orders from or drawn on the depository accounts of the Client with the Bank ("Items") and to designate other persons who are authorized to sign, execute, deliver and negotiate Items. The signatures of all authorized signers must appear on the account signature card for the applicable account. As confirmation of the authority of such persons, the account signature card shall be executed by an authorized person so indicated on Part C of the Attachments.

Authorization for Use of Facsimile Signature. If the Facsimile Signature section is completed on Part B of the Attachments, it authorizes the use of facsimile signatures in accordance with this Section 3B. Such facsimile signatures must be provided on account signature cards properly executed in accordance with these Resolutions.

¹ PNC Bank Canada Branch is a branch of PNC Bank, N.A.

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

Resolved, that if so indicated on Part B of the Attachments, the Bank is hereby requested, authorized and directed to honor any and all Items when bearing the facsimile signature made by machine or other mechanical device, or rubber stamp of any person whose facsimile signatures appear on signature cards given by Client to the Bank from time to time and executed in accordance with these Resolutions. The Client assumes full responsibility for all payments made by the Bank in good faith reliance upon such facsimile signature(s) of such person or persons and the Bank shall be entitled to pay and charge to the account of the Client any and all such Items, regardless of by whom or by what means such facsimile signature(s) thereon may have been affixed thereto.

The Bank is authorized to make payments from the funds of the Client on deposit with the Bank, upon and according to such Items and other written instructions, whether given by manual or facsimile signature, in each case regardless of whether payment is requested to be made to the order of or for the benefit of, or whether payment is to be deposited to the individual credit of or tendered in payment of the obligation to the Bank of, the person making the withdrawal or transfer or any person listed in Part C of the Attachments.

C. Authorization to Obtain Treasury Management Services and to Designate Other Persons Who Have Such Authority.

Resolved, that any one of the persons so indicated in Part C of the Attachments is authorized from time to time (1) to obtain for the Client from the Bank such treasury management services as he or she so elects in his or her sole discretion including, without limitation, services for the initiation or origination of transfers or withdrawals of funds from the accounts of Client with the Bank, either in United States dollars or in such foreign currencies as Bank may make available from time to time; (2) to accept, execute and/or deliver, including to electronically accept, execute and/or deliver, such agreements, instruments and documents as may be required by the Bank in its sole discretion in connection with the furnishing of such services or transactions; and (3) to designate, in writing, other persons who are authorized to obtain for the Client such treasury management services or to enter into such transactions or to give instructions to the Bank with respect to such services or transactions and to accept, execute and/or deliver, including to electronically accept, execute and/or deliver, such agreements, instruments and documents, all without further action by the Client.

D. Authorization to Conduct Foreign Exchange Transactions and to Designate Other Persons Who Have Such Authority.

{NOTE: This authorization is applicable to PNC Bank, National Association, only, and is not applicable to PNC Bank Canada Branch.} Resolved, that any one of the persons so indicated on Part C of the Attachments is also authorized from time to time (1) to obtain for the Client from the Bank services and products related to foreign exchange transactions (including spots, forwards, options and swaps or any other similar transaction) (2) to execute to and in favor of the Bank any and all agreements or documents, including amendments or modifications thereto, in connection with such foreign exchange transactions (3) to designate, in writing, any other person or persons to do any and all things which such person so indicated on Part C of the Attachments is authorized to do with respect to such foreign exchange transactions (4) to designate, in writing (in substantially the form attached hereto as Part D of the Attachments, or such other form acceptable to the Bank), those persons who are authorized to execute and/or confirm such transactions on behalf of the Client.

E. Authorization to Make Changes. Resolved, that any one of the persons so indicated on Part C of the Attachments is also authorized to (i) add or remove Subsidiaries from Part A of the Attachments and (ii) add or remove persons authorized to act hereunder from Part C of the Attachments; in each case as evidenced by written instructions executed by such authorized person and delivered to the Bank.

F. Requests Made by Facsimile or Other Means. Resolved, that the Bank is authorized, in its sole discretion, to take any action authorized hereunder based upon: (i) the telephone request of any person purporting to be a person authorized to act hereunder, (ii) the signature of any person authorized to act hereunder that is delivered to the Bank by facsimile transmission, or (iii) electronic mail that Bank reasonably believes is from any person authorized to act hereunder.

G. Authorization for Subsidiaries, Divisions and Trade Names. Resolved, as to each entity (other than the Client) listed in Part A of the Attachments, all of which are direct or indirect subsidiaries of the Client and whose activities are controlled by Client and 51% or more of whose voting stock is owned directly or indirectly by the Client or whose interests are owned 51% percent or more by the Client in the case of non-stock subsidiaries (each a "Subsidiary") that (i) the Client hereby (a) adopts all of the preceding and following resolutions on behalf of each Subsidiary, and (b) instructs each Subsidiary to cause these resolutions to be filed with its corporate records, and to adopt all of these resolutions on behalf of Subsidiaries all of whose voting interests are owned by each Subsidiary.

H. General. Resolved, that a certified copy of these resolutions be delivered to the Bank and that they and the authority vested in the persons specified herein will remain in full force and effect until a certified copy of a resolution of the Client revoking or modifying these resolutions and such authority has been filed with the Bank and the Bank has had a reasonable time to act on it. These resolutions supersede any prior resolution of Client provided to the Bank.

4. Incumbency and Specimen Signatures: Each of the persons listed in Part C of the Attachments holds the office, title or status with the Client and/or its Subsidiaries specified therein and the actual signature of each such person appears on Part C of the Attachments.

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

5. Organizational Documents: Copies of any organizational or other documents, including but not limited to the articles or certificate of incorporation, the by-laws or regulations, or other organizational documents of the Client or applicable Subsidiary, that the Client or any such Subsidiary may deliver to the Bank at the Bank's request with these Resolutions or from time to time, shall be, and the Bank shall be entitled to rely on such copies as, true, complete and correct copies thereof with all amendments thereto as in effect on the date of such delivery.

6. Additional Certifications of Secretary: These Master Resolutions and Authorizations now stand of record on the books of the Client, are in full force and effect and have not been modified or revoked in any manner whatsoever. Nothing in the foregoing resolutions violates the articles or certificate of incorporation, the by-laws or regulations, or other organizational documents of the Client or applicable Subsidiary. The undersigned has taken all actions and made such notification as are required under section 3F above with respect to each Subsidiary.

Note:
For Partnerships, all general partners must sign unless the partnership agreement outlines other signing authorities.
For Limited Liability Companies, all members must sign unless the operating agreement identifies one or more managers, in which case the managers must sign.
For Corporations, Unincorporated Associations and Other Organizations: the Secretary, as attesting officer must sign.
If the Secretary, as the attesting officer, is also granted authorization to act in Part C, then one other authorized representative must sign below.

DATE:
IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have hereunto set their hands and seals this _____ day of _____, _____.

ATTESTATION:

Signature
Finance Director

Title

Signature
Accountant

Title

Signature

Title

Signature

Title

Signature

Title

Signature

Title

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

ATTACHMENTS

PART A – ADDITIONAL SUBSIDIARIES, AFFILIATES AND TRADE NAMES TO WHICH RESOLUTIONS AND AUTHORIZATIONS APPLY

Name of Legal Entity	Trade Name if Applicable	Taxpayer ID/CA Business Number	State of Formation
1.			
2.			
3.			
4.			
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6.			
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17.			
18.			
19.			
20.			

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

PART B – AUTHORIZATION FOR USE OF FACSIMILE SIGNATURES

AUTHORIZATION FOR USE OF FACSIMILE SIGNATURE

If this box is checked, it authorizes the use of facsimile signatures in accordance with Section 3B. Such facsimile signatures must be provided on account signature cards properly executed in accordance with these Resolutions.

PART C – PERSONS AUTHORIZED TO ACT

If this box is checked, additional names of Persons Authorized to Act are set forth on the accompanying Continuation of Part C.

THE INDIVIDUALS LISTED BELOW ARE GRANTED ALL OF THE AUTHORITIES AS OUTLINED IN SECTION 3 OF THIS RESOLUTION INCLUDING THE AUTHORITY TO:

- OPEN AND CLOSE DEPOSIT ACCOUNTS
- SIGN CHECKS AND OTHER INSTRUMENTS AND WITHDRAWAL ORDERS AND DELEGATE SUCH AUTHORITY TO OTHERS
- OBTAIN TREASURY MANAGEMENT SERVICES AND DELEGATE SUCH AUTHORITY TO OTHERS
- OBTAIN SERVICES RELATED TO FOREIGN EXCHANGE TRANSACTIONS AND DELEGATE SUCH AUTHORITY TO OTHERS
- MAKE CHANGES TO ATTACHMENTS

	PRINT NAME	PRINT TITLE	SIGNATURE
1.	Louis Vitola	Finance Director	
2.	Sandra Peck	Accountant	
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Master Resolution and Authorization for Depository Accounts and Treasury Management Services

PART D – TRADE AND CONFIRMATION AUTHORIZATION LETTER FOR FOREIGN EXCHANGE TRANSACTIONS {NOTE: THIS PART D IS APPLICABLE TO PNC BANK, NATIONAL ASSOCIATION, ONLY, AND IS NOT APPLICABLE TO PNC BANK CANADA BRANCH.}

The undersigned (the “Designator”), a duly authorized representative of Client who is authorized to execute this authorization letter on behalf of Client, certifies as follows to PNC Bank, National Association (“Bank”):

The Designator, acting pursuant to the authority delegated to him/her by the Client resolutions delivered to the Bank (the “Resolutions”) authorizing the Designator to delegate to any other person or persons the authority to execute and/or confirm on behalf of Client, foreign exchange transactions, does hereby establish and confirm the authority of each of the person(s) whose names are set forth below to execute on behalf of Client foreign exchange transactions described in the Resolutions, and/or confirm on behalf of Client such executed foreign exchange transactions as such authority is set forth below.

Each person below has complete authority at all times to bind Client to the performance of any such transactions. Bank may rely on the authority vested in these individuals until the close of business on the second business day after Bank receives written notice from Client of any changes in such authority at its offices at the following address: PNC Bank, National Association, PNC Investment Operations, 116 Allegheny Center Mall, Pittsburgh, PA 15212 Attention: Derivative Operations, or any other address which has been provided by Bank to Client for such purpose.

Consent for E-mail Delivery: By signing below, the Designator acknowledges that Client has consented to receive confirmations for foreign exchange transactions via electronic mail.

PERSONS AUTHORIZED TO EXECUTE AND/OR CONFIRM FOREIGN EXCHANGE TRANSACTIONS Check applicable boxes to grant authorities to individuals.

PRINTED NAME, EMAIL AND TELEPHONE OF AUTHORIZED INDIVIDUAL	Authorized to EXECUTE	Authorized to CONFIRM	Authorized to EXECUTE AND CONFIRM the same transaction (Single person authorization)
Name: Email: Telephone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
Name: Email: Telephone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
Name: Email: Telephone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
Name: Email: Telephone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No
Name: Email: Telephone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Client Name:

By: _____

Name: _____

Title: _____

Authorized Representative per Part C of the Master Resolution

SIGNATURE CARD



PNC Bank, National Association

Date: October 27, 2022

Original Master Add Replacement Delete Depository Only

THE FOLLOWING SECTIONS TO BE COMPLETED BY CLIENT

ACCOUNT TITLE		SUBTITLE	
CITY OF MILFORD		BAN CHECKING ACCOUNT	
STREET ADDRESS	CITY	STATE / PROVINCE	ZIP CODE
10 SE 2ND ST	MILFORD	Delaware	19963

Check appropriate box for federal tax classification; check only one of the following seven boxes (required):

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate
 Limited Liability Company. Enter the tax classification (C = C Corporation, S = S Corporation, P = partnership) _____

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner

Other (See IRS Publications fw9/iw9 for Instructions at www.irs.gov) Municipality _____

COMPLETE EACH SECTION FOR ALL SIGNERS, INCLUDING THOSE USING FACSIMILE SIGNATURES:

PRINTED NAME	TITLE	SIGNATURE (not required for a Deletion)
1) Archie Campbell	Mayor	
2) Jason James	Councilman and Vice Mayor	
3) Mark Whitfield	City Manager	
4)		
5)		
6)		

By signing below, the depositor (1) acknowledges receipt of the Account Agreement for this account and, if applicable to this account, the funds availability policy, and the USA PATRIOT Act Notice; (2) agrees that such documents are part of PNC's agreement with, and shall be legally binding on, the depositor; (3) agrees that PNC will not monitor specifications requiring multiple signatures or dollar limitations on checks drawn on depositor's accounts and that any such specifications are for depositor's internal purposes, only; (4) confirms that the information on this signature card is correct; and (5) confirms that the persons whose signatures appear on this signature card as signers on this account are authorized signers in accordance with the depositor's resolution and that the signatures appearing above are true specimens of the signatures of the persons listed above.

Certification of Owner:

Under penalties of perjury, I certify that: (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. citizen or other U.S. person, and (4) The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

ACCOUNT NUMBER	TAX IDENTIFICATION NUMBER
5606275175	51-6000177

Printed Name: Louis Vitola

Printed Title: Finance Director

Authorized Signature _____

Authorized representative per Part 3B of the PNC Master Resolution or as authorized by the Resolution on file with the Bank.

PNC BANK, N.A.

TREASURY
MANAGEMENT

Treasury Management
Services Comprehensive
Agreement

Version January 2022



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GENERAL TERMS AND CONDITIONS

Agreement

This Treasury Management Services Comprehensive Agreement (“**Agreement**” or “**Comprehensive Agreement**”) contains the terms and conditions under which **PNC Bank, National Association (“PNC,” “we,” “our,” or “us”)** will provide certain Treasury Management Specific Services (each a “**Service**” and collectively, the “**Services**”) to you. As used in this Agreement, the terms “**you**”, “**your**” and “**yours**” refer collectively to the legal entities who are made parties to this Agreement on the Treasury Management Services Authorization and Agreement. Each such entity will be jointly and severally liable to us for the performance of the obligations of all such entities under this Agreement. You must notify us in writing before any other entity uses a Service and sign or otherwise provide to us, and cause such other entity to sign or otherwise provide to us, such authorizing resolutions or other documentation as we may reasonably require.

These General Terms and Conditions apply to all of the Services described in this Agreement. You shall use the Services solely to carry on your lawful business, and you shall not use any of the Services to process or facilitate transactions for or on behalf of any third party without obtaining our prior written consent.

The Terms and Conditions for each Specific Service is described in the specific Services section of this Agreement. All of the Services described in this Agreement may not be available at all times, or to all customers or to all markets. More detailed descriptions of certain Services and procedures for their use are contained in implementation documents (“**Documentation**”) which, if applicable to a Service, we will supply to you before you begin to use that Service. From time to time, you may change information you have provided to us in the Documentation. We may rely on the information previously supplied by you until we receive written notice of any change from your Authorized Person (defined in the Securities Procedures Section below) in such form as we may require and have had a reasonable opportunity to act on such notice.

If the Terms and Conditions for a specific Service are not described herein the applicable terms and conditions shall be provided in an attached Exhibit so specifically named, which shall be attached hereto and incorporated herein.

PNC Deposit Account(s)

Your deposit accounts with us that you use in connection with the Services are also subject to the Account Agreement for Business Accounts (“**Business Account Agreement**”) that has been separately provided to you. Your demand deposit or interest bearing checking accounts (if applicable) are also subject to our Funds Availability Policy.

The Documentation, the Business Account Agreement and the Funds Availability Policy as amended from time to time are incorporated herein by reference and made part of this Agreement. Should there be any inconsistency between the Terms and Conditions for Specific Services or the Documentation and the General Terms and Conditions or Business Account Agreement, the Terms and Conditions for Specific Services and the Documentation shall govern, but only to the extent of any inconsistency and only regarding that Specific Service.

This Agreement, including the Documentation, may be provided to you entirely or in part in paper form (including facsimile transmission) or electronically. Any part of this Agreement in electronic form shall be considered to be a “writing” or “in writing” and shall constitute an “original” both in electronic form and when printed from electronic files or records established or maintained in the normal course of business.

No Extension of Credit, Fund Transfer, Setoff

If a Service involves a debit to any of your deposit accounts with us, prior to initiating the debit, you shall have in your deposit account the required amount of available funds to enable us to make the debit. If you do not have sufficient available funds, as determined by us in accordance with our then current policies and procedures, we shall have no obligation to process your Instruction or other transaction. Nothing in this Agreement, nor any course of dealing between us, shall be deemed to constitute a commitment or offer by us to extend credit or grant overdraft privileges to you even if we have done so on one or more prior occasions.

If we credit your account for any Funds Transfer or other payment order, the credit we give you is provisional until we receive final settlement of the Funds Transfer or other payment order through a Federal Reserve Bank or other applicable payment system. If we do not receive final payment, you agree that you must refund to us the amount we credited to you for the Funds Transfer or other payment order, and we may charge any account you have with us for such amount.

In addition to, and not in lieu of any rights of setoff under the law, we shall have a contractual right of setoff against your deposits and other property now or in the future in our possession, or in the possession of our subsidiaries, affiliates, foreign branches and other offices, for your obligations to us under this Agreement. We may exercise our right of setoff without demand upon or notice to you and it shall be deemed to have been exercised immediately upon any default by you without any action by us, although we may enter the setoff on our books and records at a later time.

Foreign Currency Transactions

(a) In the event that a Service involves payment from or to you in a foreign currency, your account shall be debited or credited (as applicable) in U.S. dollars with conversion based on our then quoted rate for the applicable foreign currency, plus or minus our fees and expenses, as applicable; however, if your account is designated as a foreign currency account, all transactions in the account will be in the applicable foreign currency, subject to subsection (c) below. If you are making a payment to a beneficiary in a foreign country, we may deliver that payment in the applicable foreign currency, even if you have advised us to send it in U.S. dollars. In addition, certain charges for foreign exchange, or otherwise, may be deducted from the amount of the payment. Also, regardless of whether you provide specific direction regarding use of a specific intermediary bank, we may use any intermediary bank that we select to make payments. The effective date of any payment order initiated by you in a foreign currency will be subject to our cutoff times, holiday schedules (in the United States and internationally) and our obligations to comply with all applicable laws and regulations prior to executing the payment order. You acknowledge that foreign currency exchange rates are subject to change at any time. You agree to assume the risk of any change in exchange rate between the time you request a payment and the time the payment is completed, cancelled, rejected or returned.

(b) As to any Service involving payment from, or to, you in a foreign currency, you and we agree that, except as provided in subsection (c) below, a Currency Event will not have the effect of altering any term of, discharging or excusing performance under, or giving either of us the right to terminate or alter, this Agreement, any Documentation for such Service or any transaction under such Service. A **“Currency Event”** means (i) that a country has lawfully eliminated, converted, redenominated, revalued or exchanged its currency, or fixed its exchange rates, or (ii) that a relevant rate option or other price source for a national currency has disappeared or been replaced, or (iii) that an agreed sponsor (or a successor sponsor) has failed or exchanged its currency. You agree, however, at our request to compensate us for any loss, cost, expense or reduction in return that we reasonably determine we have incurred or sustained as a result of a Currency Event and that would not have been incurred or sustained but for the provision of a Service to you.

We will deliver to you a certificate setting forth our determination of the amount or amounts necessary to compensate us for any such loss, cost, expense or reduction in return, which certificate shall be conclusive absent manifest error.

(c) Unless otherwise agreed by the parties to a transaction, each currency with respect to a particular country will be deemed to include any lawful successor currency (the **“Successor Currency”**) of that country.

If, after the trade date and on or before the settlement date of a transaction, a country has lawfully eliminated, converted, redenominated, revalued or exchanged its currency that was in effect on such trade or any date between the trade date and settlement date, (the **“Original Currency”**), for a Successor Currency, then for purposes of calculating any amount of such currency pursuant to a transaction, and for purposes of effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency amount by multiplying the amount of the Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by such country for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place. If there is more than one such date, the date closest to the settlement date will be selected. Notwithstanding the foregoing provisions, and subject to anything agreed by the

parties to a transaction, with respect to any currency that is substituted or replaced by another currency, the consequences of such substitution or replacement will be determined in accordance with applicable law.

(d) You and we will use our reasonable efforts, at the time of or at any time following a Currency Event, to amend this Agreement or any Documentation for a Service in order to reflect such Currency Event as it affects any of the Services we provide and to place you and us in substantially the same position with respect to the settlement of payments in the Successor Currency as would have been the case with respect to the settlement of payments in the Original Currency that the Successor Currency replaced.

Instructions

▪ Reliance on Account or Other Identifying Number

You acknowledge that banks and other financial institutions (“**banks**”) routinely rely on account numbers in executing and accepting payment orders, including automated clearing house entries and wire transfers (“**Funds Transfers**”) and other transactions. Accordingly, if you, (or a bank you have authorized to initiate a draw-down Funds Transfer request or other debit against your account with us) issue an Instruction containing an identifying or bank account number of the beneficiary, we and all intermediary and beneficiary banks may rely on such number without having any liability to you and without verifying such number, even if the Instruction also contains a name or other information that is inconsistent with such number. You will be obligated to pay the amount specified in such Instruction if it is a Funds Transfer. We may rely, to the same extent and without having any liability to you, on the identifying or account number as the correct identification of the beneficiary when we receive incoming Funds Transfers.

If you issue an Instruction to us in which you identify a name and a number, and the name and number identify different banks or the number identifies a person other than a bank, we may rely solely upon the number in your Instruction as the correct designation of the bank. Accordingly, you agree to compensate us for any loss and expense incurred by us as a result of such reliance on such number in executing or attempting to execute your Instruction.

▪ Cancellation or Amendment

You understand that you are solely responsible for ensuring that your Instructions are accurate and that, unless we have specifically agreed with you to accept an Instruction for execution on a future date, we may execute your Instruction as soon as it is received. When you issue an Instruction, you will have no right to amend or cancel it.

▪ No Action on Instruction

We shall not be obligated to act upon any Instruction, or there may be delays in carrying out any Instruction: (a) which is not in accordance with our requirements, as in effect from time to time; (b) for which we are not able to obtain any necessary authentication; (c) which would result in a debit to any of your accounts with us exceeding the available funds in such account and any pre-established credit limit; (d) which is incomplete or ambiguous; (e) which, in our sole judgment, we are or may be unable to act on because of legal process, applicable law or regulation, or other government guidelines; (f) due to financial crimes compliance transaction screening; or (g) if, in our sole judgment, your financial condition is impaired or we suspect fraud or unlawful activity in connection with any Service. We will not be liable to you for any such delays or failure to act.

If we reject or do not act upon your Instruction in accordance with this section, we will notify you within a reasonable time by telephone or by any other method authorized for notices by this Agreement, but we shall have no liability to you (whether for interest or otherwise) or any other person by reason of any delay in providing, or any failure to provide, such notice.

You are responsible for verifying that we have received your Instruction. We will have no liability to you in connection with an Instruction you attempt to issue to us which we do not actually receive.

- **Instructions Received After Cut-Off Time**

If your Instruction is received by us after the cut-off time specified for the applicable Service or on a day that is not a Banking Day, then the Instruction shall be deemed to have been received on the next Banking Day. Our "**Banking Days**" are any Monday through Friday, federal holidays excluded, when we shall be open to conduct general banking business.

Statements, Notices, Confirmations

We shall provide you with periodic statements and notices and reports and, as applicable, transaction confirmations, for the Services you use. We also make information about your accounts and transactions available electronically. You agree that you will be deemed to have actual notice of such information on the date the information is deemed received in accordance with the notice provisions of this Agreement.

You agree to examine promptly all statements, transaction confirmations, reports and other notices that we or other banks send or make available to you. If there is a missing or unauthorized signature or endorsement or other unauthorized transaction, or discrepancy or other problem or error ("**Error**"), with respect to an invoice, or to a transaction that is contained in or shown on any statement, notice, report or transaction confirmation, you shall be entirely precluded from asserting the Error against us, and we shall have no liability to you of any kind for the Error, if you fail to notify us in writing of such Error within thirty (30) calendar days after you receive, or have notice of the information contained in, the first statement, notice, report or transaction confirmation reflecting the transaction to which the Error relates.

US Patriot Act and Other Laws

- In using and performing the Services, you and we agree respectively to comply with all applicable local, state and federal laws, rules and regulations (and the laws of foreign countries, if you direct us to make a payment to a beneficiary in a foreign country) as amended from time to time ("**laws**"), including without limitation the Bank Secrecy Act, the USA PATRIOT Act, the federal anti-money laundering statutes and any laws, regulations and Executive Orders that are enforced or administered by the Office of Foreign Assets Control ("**OFAC**"). You represent and warrant that you have all licenses that may be required by OFAC to make a payment or conduct any other transaction through us. We may delay, or refuse to process or carry out, any transaction initiated by you or involving one of your accounts with us if we believe in good faith that such action may be necessary in order to comply with laws. If there is a conflict between this Agreement and any law, then this Agreement shall vary such law to the fullest extent that the law allows.

- **Certification of Beneficial Owners and Other Additional Information**

If you are required to provide to us a Certification of Beneficial Owner(s) (individually and collectively, the "Certification of Beneficial Owners"), you agree the information in the Certification of Beneficial Owners executed and delivered to us in connection with implementing any of the Services, as updated from time to time in accordance with this Agreement, is true, complete and correct as of the date thereof and as of the date any such update is delivered to us. You agree to provide: (i) such information and documentation as may reasonably be requested by us from time to time for purposes of compliance by us with applicable laws (including without limitation the USA PATRIOT Act and other "know your customer" and anti-money laundering rules and regulations), and any policy or procedure implemented by us to comply therewith; and (ii) if you are required to deliver a Certification of Beneficial Owners to us: (a) confirmation of the accuracy of the information set forth in the most recent Certification of Beneficial Owners provided to us, as and when requested by us; and (b) a new Certification of Beneficial Owners in form and substance acceptable to us when the individual(s) identified as a controlling party and/or a direct or indirect individual owner on the most recent Certification of Beneficial Owners provided to us have changed.

Fees

We will charge you our standard fees for the Services unless we otherwise agree with you in writing. We will provide information regarding your standard fees upon request. We will give you prior written notice if the fees are going to change. We will perform a monthly analysis of your accounts with us to determine if your non-interest bearing, collected, demand deposit balances for the month (net of balances required to support account activity) are sufficient, as determined solely by us, to offset that month's fees. To the extent compensating balances are not sufficient, we will debit one of your accounts with us for the difference. Your monthly fees will be set forth on your monthly account analysis

statement. If you ask us to use the combined compensating balances of a legal entity to offset the fees incurred by a different legal entity, you represent and warrant to us that such use is authorized, has been properly disclosed to third parties if required by law, and will not violate any law, contract or any other obligation owed to any person, including any beneficial owner of the compensating balances or any customer of you or such other entity.

We will inform you separately if there are any fees that you may not pay by compensating balances. We will debit one of your accounts with us for such fees.

Security Procedures

If required for a Service, you must select a security procedure ("**Security Procedure**") from the options we offer and name one or more authorized representatives (each an "**Authorized Person**") to initiate transactions and act for you with respect to the Services. Security Procedures may include security codes, personal identification numbers ("**PINs**"), tokens, check stock, or other security devices. If we follow a Security Procedure that is commercially reasonable (as determined by law) in acting on any instruction, direction, payment order, Funds Transfer or other debit or credit order (each an "**Instruction**") issued in your name: (a) we shall be entitled to rely without investigation on such Instruction; and (b) you shall be bound by such Instruction, whether or not such Instruction is actually authorized by you. We shall be entitled to accept any information, instruction, direction or transaction from any person using your Security Procedures. You agree that the use of your Security Procedures will have the same effect as your signature authorizing any Instruction or transaction. You are responsible for all statements made and acts or omissions that occur while your Security Procedures are being used. Where you have authorized any other person to use your Security Procedures in any manner, your authorization shall be considered by us to be unlimited and will be effective until you revoke the authorization and change your Security Procedures.

Security Procedures are intended to confirm the authenticity of Instructions and not to detect errors in the content or transmission of Instructions, and we assume no responsibility for doing so. We also assume no responsibility to discover or audit for any unauthorized disclosure or use of the Security Procedure or other breach of security by your employees, agents or representatives, or any third party, and all losses resulting therefrom shall be solely your responsibility. You shall promptly notify us of any suspected breach of security, whether or not involving your employees, agents or representatives.

You acknowledge that you have been advised of the various Security Procedures employed by us, that you understand them, and that the Instructions you will issue to us under this Agreement will employ Security Procedures suitable to your particular circumstances.

We reserve the right to change the Security Procedures upon notice to you.

Our Security Procedures are strictly confidential and should be disclosed only to those individuals who need to know them. You shall safeguard the Security Procedures and make them available only to the individuals to whom they are issued. You must instruct those individuals that they should not disclose the Security Procedures or otherwise make them available to anyone. You must establish and maintain procedures to assure the confidentiality of and protect access to the Security Procedures.

Confidentiality

All information, including but not limited to technology, know-how, processes, software, databases, employee information, trade secrets, contracts, proprietary information, historical and projected financial information, business strategies, operating data and organizational and cost structures, product descriptions, pricing information, and customer information (including without limitation names, addresses, telephone numbers, account numbers, demographic, financial and transactional information or customer lists), whether received before or after the date hereof, provided by a party or its Representatives, as defined below, (the "**Disclosing Party**") to the other party (the "**Receiving Party**") in connection with this Agreement is confidential and is owned exclusively by the Disclosing Party or by the third parties from whom the Disclosing Party has secured the right to use such information (collectively, "**Confidential Information**"). The Receiving Party shall treat the Confidential Information as confidential and not copy

(except for back-up purposes), disclose or otherwise make the Confidential Information available in any form to any person or entity except to its employees, affiliates, agents, consultants or representatives (“**Representatives**”) on a need-to-know basis, to its applicable regulatory authorities and auditors or in connection with the exercise of any remedies or enforcement of rights under the Agreement or with any action or proceeding relating to the Agreement, provided that the Receiving Party shall not disclose PNC’s technology infrastructure and security reports (“**SOC Reports**”) to any third parties without PNC’s prior written consent. To the extent PNC authorizes the disclosure of such SOC Reports to Company’s Representatives or any other third parties, Company shall be liable for all acts or omissions of its Representative(s) and any other third parties to which it discloses the SOC Reports. The Receiving Party agrees to inform its Representatives of the confidential and valuable nature of the Confidential Information and of its obligations under this Agreement. The Receiving Party agrees to use reasonable controls (but in all events at least the same degree of care and controls that such party uses to protect its own confidential and proprietary information of similar importance) to prevent the unauthorized use, disclosure or availability of Confidential Information. In addition to the foregoing, you and we shall have appropriate policies and procedures to: (a) protect the security and confidentiality of the Confidential Information; (b) protect against any anticipated threats or hazards to the security or integrity of such Confidential Information; (c) protect against unauthorized access to or use of such Confidential Information that could result in harm or inconvenience to the other or to the other’s customers; and (d) ensure the proper disposal of such Confidential Information as may be required by applicable law. You and we will notify each other of any known unauthorized access to, disclosure of or use of the Confidential Information.

You also agree that we and our affiliates may share with each other information (including without limitation financial information) that we and any affiliate receive from you under this Agreement and under other lending and business relationships.

Upon termination of this Agreement, the Receiving Party shall return, or destroy, all Confidential Information belonging to the Disclosing Party; provided, however, that each party may retain such limited media and materials containing Confidential Information of the other party for customary archival and audit purposes (including with respect to regulatory compliance) only for reference with respect to the prior dealings between the parties and subject to the terms of this Agreement.

It is understood and agreed that no information shall be within the protection of this Agreement where such information: (a) is or becomes publicly available through no fault of the Receiving Party or its Representatives; (b) is released by the Disclosing Party to anyone without restriction; (c) is rightly obtained from third parties, who, to the best of the Receiving Party’s knowledge, are not under an obligation of confidentiality; (d) was known to the Receiving Party prior to its disclosure without any obligation to keep it confidential; or (e) is independently developed by the Receiving Party without reference to the Disclosing Party’s Confidential Information.

You and we agree that any breach of these confidentiality provisions may result in immediate and irreparable injury to the other party, and so you and we agree that each other shall be entitled, upon demonstration of the likelihood of breach of these confidentiality provisions by the other party, to seek equitable relief, including injunctive relief and specific performance, without necessity of posting bond, in addition to all other remedies available at law.

In addition to, and not by way of limitation on, such disclosures of Confidential Information as may be otherwise permitted under this Section, the Receiving Party may disclose Confidential Information if legally compelled to do so pursuant to a requirement or request of a governmental agency or pursuant to a court or administrative deposition, interrogatory, request for documents, subpoena, civil investigative demand or other similar legal process or requirement of law, or in defense of any claims or cause of action asserted against it; provided, however, that it shall: (a) first notify the Disclosing Party of such request or requirement, or use in defense of a claim; (b) attempt to obtain the Disclosing Party’s consent to such disclosure; and (c) in the event consent is not given, agree to permit a motion to quash, or other similar procedural step, to seek protection against the production or publication of information; provided that the Receiving Party shall not be required to act in accordance with (a), (b) or (c) above if to do so would be prohibited by statute, rule or court order. In making any disclosure under such legal process or requirement of law, you and we agree to use reasonable efforts to preserve the confidential nature of such information and to cooperate with the other in an effort to reasonably limit the

nature and scope of any required disclosure of Confidential Information. Nothing herein shall require either you or us to fail to honor a subpoena, court or administrative order, or a similar requirement or request, on a timely basis.

Our Recording of Calls, Monitoring of Use, Consent for Service Calls

On behalf of you and your employees, you agree that we may record and/or monitor any telephone conversations we have with you or them in connection with the Services. However, we will not be liable to you if we do not record or maintain a record of a conversation. We may monitor and record the activity of any person using a Service. Anyone using a Service consents to such monitoring and recording.

By providing telephone number(s) to us, now or at any later time, you authorize us and our affiliates and designees to contact you at any such numbers regarding your Accounts and Services with us and our affiliates, using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or by sending prerecorded messages or text messages, even if charges may be incurred for the calls or text messages.

Special Notice for Holders of Attorney Trust Accounts Regarding Compliance with State Rules

We offer accounts and services for use by attorneys to hold client funds, sometimes called “Attorney Trust Accounts” or “IOLTA Accounts” (designations vary by state). If you have such an account with us, you acknowledge that you are bound by your state’s rules and regulations governing attorneys’ conduct with respect to such accounts, and you agree that it is your responsibility, or your firm’s responsibility, to comply with those rules including, without limitation, any restrictions on the types of transactions that attorneys may conduct in these accounts. You further agree to release, hold harmless and indemnify us from any liability or claims made relating to any alleged violation of those rules.

Special ERISA Disclosure

If your Account is held on behalf of a “pension plan” within the meaning of section 3(2)(A) of the Employment Retirement Income Security Act of 1974, as amended (“ERISA”), you represent that: (a) you are a plan fiduciary within the meaning of ERISA and its regulations with respect to the plan; (b) you are authorized under the terms and conditions of the governing plan documents to enter into this Agreement and to retain us to perform the Services contemplated herein; (c) you have received and reviewed our ERISA section 408(b)(2) disclosure document (available at www.pnc.com/408b2) describing the services we provide and the compensation we receive with respect to this Agreement; (d) you have determined that the arrangement for Services and any fees paid to us are reasonable, and the Services provided by us pursuant to this Agreement are appropriate and helpful to the plan; and (e) you have received all necessary disclosures regarding such fees, as required by, and in accordance with, applicable regulations promulgated under ERISA section 408(b)(2).

Limitation of Liability

We shall be liable to you only for your actual, direct damages resulting from our failure to exercise ordinary care in performing each of the Services. Substantial compliance by us with our standard procedures for providing a Service shall be deemed to constitute the exercise of ordinary care.

You are responsible for selecting hardware, software and communications facilities which are compatible for use with the Services, and we shall have no liability to you for the selection, operation or maintenance of your equipment, software or communications facilities. We shall have no responsibility, and shall incur no liability, for any act or omission of yours, or for any error, omission or inaccuracy in the information contained in any Instruction.

Notwithstanding the foregoing, in no event shall we, any PNC affiliate or any of our subcontractors (or any other party with whom we may be claimed to be jointly liable) be liable for any loss of profits, data or goodwill or for any indirect, consequential, incidental, punitive, exemplary or special losses or damages, or expenses (including without limitation reasonable attorneys’ fees), which you may incur or suffer including, without limitation, any loss, damage or expense from subsequent dishonor or rejection of any transaction (such as dishonor of checks or other items), whether or not the possibility of such damage was known, foreseeable or contemplated by us or them. In no event shall we or any PNC affiliate or any of our subcontractors (or any other party with whom we may be claimed to be jointly liable) be liable to you for any claim or cause of action, whether based on contract, tort, strict liability or any other legal theory: (i) in the

case of a Funds Transfer, Instruction for the transfer of money or other payment that is misdirected, lost or otherwise paid to the wrong person as a result of our failure to comply with the terms of this Agreement or applicable law, for an amount in excess of the face amount of such Funds Transfer, Instruction or other payment; and (ii) in all other cases, for an amount in excess of twelve (12) times the fees you have paid us for the particular Service(s) to which the claim or cause of action relates during the month immediately prior to the month in which the act or omission giving rise to the claim occurred. **WE MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH ANY OF THE SERVICES OR ANY SOFTWARE OR EQUIPMENT WE MAY SUPPLY TO YOU, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

We offer certain products and Services, including without limitation, *Positive Pay for Checks and ACH Positive Pay*, which are designed to detect and/or deter check and other payment system fraud. Payment system and check fraud has increased dramatically in recent years due to a number of factors. While no product or service can eliminate fraud, these products and services can significantly reduce the likelihood that certain types of fraudulent transactions attempted against your Accounts will be successful. As a result, you agree that if you fail to implement any of these products or Services, you will be precluded from asserting any claims against us with respect to, and we shall have no liability to you for, any unauthorized, altered, counterfeit or other fraudulent transactions occurring in your Accounts that the product or Service was designed to detect or deter.

NO THIRD PARTY SHALL HAVE ANY RIGHTS OR CLAIMS AGAINST US UNDER THIS AGREEMENT.

Indemnification

You agree to indemnify us, all PNC affiliates and each of our and their respective shareholders, directors, officers, and employees (the "**Indemnified Parties**") and to hold each Indemnified Party harmless from and against any and all claims, damages, losses, liabilities and expenses (including all fees of counsel with whom any Indemnified Party may consult and all expenses of litigation or preparation therefor) which any Indemnified Party may incur, or which may be asserted against any Indemnified Party by any person, entity or governmental authority, in connection with or arising out of the matters referred to in this Agreement; provided, however, that the foregoing indemnity agreement shall not apply to any claims, damages, losses, liabilities and expenses solely attributable to an Indemnified Party's gross negligence or willful misconduct. You may participate at your expense in the defense of any such action or claim.

Your Agents

Any third party including, without limitation, any third-party processor, used by you to take any action in connection with a Service shall be deemed for all purposes under this Agreement to be your agent. All terms of this Agreement will apply to the acts and omissions of each such third party and you will be legally bound thereby.

Taxes

You are responsible for paying all applicable taxes, however designated, levied or based upon the Services, including federal, state and local property, privilege, sales, use, excise or similar taxes, but excluding taxes based upon our net income or assets.

Term and Termination

Either you or we may terminate this entire Agreement or any particular Service at any time upon not less than thirty (30) calendar days prior written notice. We may also terminate this entire Agreement or a particular Service immediately upon notice to you if one of the following occurs: (a) you fail to perform or comply with any of the terms or conditions of this Agreement (including, without limitation, any breach of Security Procedures); (b) you breach any other agreement between us including, without limitation, any agreement (i) relating to your indebtedness to us or (ii) relating to your Account(s) with us or (iii) which you execute as security for your obligations to us in connection with this Agreement; (c) you breach any of your representations and warranties in this Agreement; (d) your insolvency, receivership, or voluntary or involuntary bankruptcy, or the institution of any proceeding therefor, or any assignment for the benefit of your creditors; (e) in our sole judgment, your financial condition or business is impaired or we reasonably believe that you may not have sufficient available funds in your accounts with us at the time you are required to settle transactions

hereunder; (f) in our sole judgment, it is necessary or desirable to do so because of legal process, applicable law or regulation, or other government guidelines; or (g) we suspect fraud or unlawful activity in connection with any Service.

Notwithstanding any such termination, this Agreement shall continue in full force and effect as to all transactions for which we have commenced processing and as to all rights and liabilities arising prior to such termination.

- **Survival** - This Section, the joint and several liability provisions of the Section captioned "Agreement," and the following Sections shall survive termination of this Agreement: Confidentiality; Statements, Notices, Confirmations; No Extension of Credit, Fund Transfer Setoff; Foreign Currency Transactions; Limitation of Liability; Indemnification; Your Agents; Taxes; Force Majeure; Governing Law and Venue; Notices; Severability; Entire Agreement and Waiver of Jury Trial.
- **Customization** - If it is necessary to customize any Services to meet your needs, we will first tell you our estimated direct and indirect cost of the development and implementation of such Services. If you authorize us to proceed, and if this Agreement then terminates for any reason before we shall have recovered such costs, you will pay to us the amount of such unrecovered costs. We will give you an invoice detailing our unrecovered costs promptly after termination of this Agreement.

Force Majeure

Neither party shall have any responsibility nor incur any liability for any failure to carry out, or any delay in carrying out, any of such party's obligations under this Agreement caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; pandemics; viruses; epidemics; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage; riots; interruptions, loss or malfunctions of utilities, or communications services; acts of military authority or similar governmental action or any other cause beyond such party's reasonable control. Notwithstanding the foregoing, no event or occurrence described in this Section shall relieve you of your obligation to make any payment to us at the time it is due hereunder.

Governing Law and Venue

This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, without regard to principles of conflict of laws, including without limitation the Pennsylvania Electronic Transactions Act and, to the extent applicable, the laws of the United States, including without limitation the Electronic Signatures in Global and National Commerce Act.

You hereby irrevocably consent and agree that any action, suit or proceeding resulting from, arising out of or related to this Agreement shall be instituted in any state or federal court in the Commonwealth of Pennsylvania (including the courts of the United States of America for the Western District of Pennsylvania) and hereby waive any objection which you may now or hereafter have to the laying of the venue of any such action, suit or proceeding in any such jurisdiction, on the basis of a more convenient forum or otherwise.

Electronic Signatures and Records

Notwithstanding any other provision of the Agreement, the Agreement, any Documentation, any amendment to the Agreement, and any other information, notice, signature card, periodic statement, disclosure, agreement or authorization related to the Agreement (each a "**Communication**") may, at PNC's option, be in the form of an electronic record. Any Communication, may, at PNC's option, be signed or executed using electronic signatures. For the avoidance of doubt, the authorization under the paragraph may include, without limitation, use or acceptance by PNC of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format) for transmission, delivery and/or retention.

Notices

Communications required or permitted under this Agreement must be in writing and will be effective upon receipt. Communications may be given in any manner to which you and we may separately agree, including electronic mail.

Without limiting the foregoing, first-class mail, facsimile transmission and commercial courier service are hereby agreed to as acceptable methods for giving Communications.

All such Communications shall be delivered to us at:

PNC Bank, National Association
PNC Firstside Center
500 First Avenue
Pittsburgh, PA 15219
Mail Stop P7-PFSC-03-B
Attention: Treasury Management Legal Liaison
Fax: 866-830-1520

With a copy to:

PNC Bank, National Association
Legal Department
1600 Market Street, 8th Floor
Philadelphia, PA 19103
ATTN: Treasury Management Counsel

or to you at the address set forth on the Treasury Management Services Authorization and Agreement. Notice to such address shall be effective Notice to you, including to all affiliated companies. Either you or we may change addresses by Notice to the other given in accordance with this section.

In addition, you and we agree that we may, in our sole discretion, send such Communications to you electronically, or permit you to send such Communications to us electronically, in the manner described in this Section. Such Communications may be sent electronically to you (i) by transmitting the Communication to the electronic mail address provided by you or to such other electronic mail address as you may specify from time to time, or (ii) by posting the Communication on a website and sending you a notice to your postal address or electronic mail address telling you that the Communication has been posted, its location, and providing instructions on how to view it. Communications sent electronically to you will be deemed received and effective when the Communication, or a notice advising of its posting to a website, is sent to the specified electronic mail address.

Such Communications may be sent electronically to us by you by transmitting the Communication to an electronic mail address specified by us, from time to time, for the express purpose of receiving such Communications. Communications sent electronically to us will be deemed received and effective when the Communication, or a notice advising of its posting to a website, is received at the specified electronic mail address.

Assignment: Successors

Parties to this Agreement may not assign this Agreement or any of its rights or obligations hereunder, by operation of law or otherwise, without prior written consent of the other party, except that we may assign this Agreement or any part of it to any of our PNC affiliates or to any entity that is our successor upon notice to you. We may contract with others to provide all or any part of the Services. This Agreement shall be binding upon, and inure to the benefit of, you and us and your and our respective permitted successors and assigns.

No Waiver

Except for changes made in accordance with this Agreement, no deviation, whether intentional or unintentional, shall constitute an amendment of this Agreement, and no such deviation shall constitute a waiver of any rights or obligations of either you or us. Any waiver by either you or us of any provision of this Agreement shall be in writing and shall not constitute a waiver of your or our rights under that provision in the future or of any other rights.

Headings

The headings in this Agreement are for convenience only and shall not be used for construction or interpretation of any provisions hereof.

Severability

In the event that any one or more of the provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the remaining provisions of this Agreement shall not be affected or impaired thereby.

Entire Agreement

This Agreement (including those documents that are incorporated herein), constitutes your and our entire agreement with respect to the Services covered by this Agreement and supersedes any previous or contemporaneous proposals, representations, warranties, understandings and agreements for such Services, either oral or in writing.

Notice of Change

From time to time, we may change any of the Terms and Conditions of this Agreement by giving you notice of the change through PINACLE® or other electronic or written means. Your continued use of the Service after the effective date of any such change will constitute your agreement to the change.

WAIVER OF JURY TRIAL

WE AND YOU EACH IRREVOCABLY WAIVE ALL OF OUR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE ARISING OUT OF, BY VIRTUE OF, OR IN ANY WAY CONNECTED TO THIS AGREEMENT, ANY DOCUMENT EXECUTED IN CONNECTION HERewith, ANY AMENDMENT OR SUPPLEMENT HERETO OR THERETO, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. WE AND YOU ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

I. TERMS AND CONDITIONS FOR TREASURY MANAGEMENT SPECIFIC SERVICES

The Terms and Conditions for Treasury Management Specific Services shall apply to you when you begin to use each specific Service.

Certain Definitions

Certain terms are defined in this section. Other terms are defined elsewhere in this document.

- **"ACH"** means the Automated Clearing House.
- **"ACH Network"** means an Automated Clearing House network through which banks transfer funds electronically.
- **"Affiliate"** means, with respect to any person, a person which, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or common control with, such person.
- **"Authorized Person" or "Authorized User"** means a Person who is authorized by you to act for you and on your behalf in matters arising under or in relation to a Service, including giving instructions to us in performing the Service, as evidenced by such documentation as we may reasonably require, and includes Operators established by your system administrator.
- **"Available Funds" and "Available Balance"** mean the funds available for withdrawal from an Account as determined by our Funds Availability Policy as in effect from time to time.
- **"Credit Entry"** means an ACH entry for the deposit of money to the deposit account of a Receiver.
- **"Debit Entry"** means an ACH entry for the payment of money from the deposit account of a Receiver.
- **"Including," "include," and "includes"** mean including without limitation.
- **"NACHA Rules"** means the Operating Rules and Guidelines of NACHA – The Electronic Payments Association, as amended from time to time.
- **"Originator"** has the meaning defined in the NACHA Rules.

- **“PINACLE”** means our on-line and mobile banking portal through which you can have access to many of the Services we offer.
- **“Person”** or **“person”** means any general partnership, limited partnership, corporation, limited liability company, joint venture, trust, business trust, governmental agency, cooperative, association, or other entity or individual person, and the heirs, executors, administrators, legal representatives, successors and assigns of such Person as the context may require.
- **“Receiver”** when used in the context of ACH transactions, has the meaning defined in the NACHA Rules.
- **“Substitute Check”** has the meaning defined in the Check Clearing for the 21st Century Act and its implementing regulations (**“Check 21”**).

Access to our Services

Subject to the terms and conditions of this Agreement, we hereby grant to you a nonexclusive, nontransferable right to use the Services and any software or other technology to which we may give you access (the **“Technology”**) solely for lawful purposes in accordance with this Agreement. No right is granted for use of the Services or Technology by any third party or by you to operate a service bureau. You must retain intact all applicable copyright, patent and trademark notices on and in all copies of any such Technology. Upon termination of a Service, your license to use the Service and Technology shall terminate and you shall discontinue your use of them and of the related documentation.

If a Service involves the use of a user name, we may revoke your use of any user name that impersonates someone else, that is protected by trademark or by other law, or that is otherwise inappropriate, as determined by us in our sole discretion.

We reserve the right to suspend your access to all or a portion of a Service, or to temporarily restrict its use by you or an Authorized User, in whole or in part, at any time without notice to you. If we suspend or restrict your access because there is a security risk or other technical problem that may interfere with the proper continued operation of the Service, we will attempt to lift such temporary suspension or restriction as soon as practical. We also reserve the right to terminate your use of a Service if, in our sole judgment, you or the authorized user have misused, or we reasonably anticipate will misuse, the Service.

Availability of Services; Cutoff times

The hours of availability of a Service, and cutoff times or deadlines applicable to a Service, are as stated in the section of this document for that Service, or in the Documentation for that Service, or as otherwise disclosed to you. A Service may be unavailable from time to time due to: (i) scheduled downtime; (ii) reasonable needs for maintenance; (iii) failure of equipment, computer programs or communications; (iv) limitations on access imposed to address a breach or threatened breach of security; or (v) events beyond our reasonable control.

Ownership, Trademarks and Copyrights

All rights, title and interest, including, without limitation, copyright, in and to our Services are owned by us or by the third parties from whom we have obtained the right to use them. You may not copy, modify, translate, decompile, reverse engineer, reproduce, adapt or disassemble any Service. The display of any trademarks on a Service does not grant a license or other rights of any kind in those marks to the reader. Any downloading of material contained on any web site may be a violation of federal trademark and copyright laws.

Access Requirements

We make many of our Treasury Management Specific Services available to you through our online portal, PINACLE, or otherwise over the Internet. You must use a browser or device that meets our security and other requirements in order to access PINACLE. If necessary, you will be notified upon login to upgrade your browser or your device and will be provided with the necessary instructions. A list of our browser requirements and supported devices can be accessed within the PINACLE Help Center.

Administration

For certain Services, including PINACLE, you must appoint one or more system administrators who will have access to all of the Services available through a web browser or, if applicable, a mobile application on a computer, tablet or smart phone. Your system administrators will control which individuals within your organization (or at third parties providing services to you) have access to and can use the Services through those channels. If a Service requires two system administrators, they should be different persons. Your administrators will each have access to all of the applicable Services (“**service module access**”) and will control which persons have access to and can use them and the level of such access (“**administration access**”). You are responsible for reviewing and verifying the access granted by your administrators from time to time. If a Service provides an optional feature to require secondary approval for operator entitlement changes, we strongly recommend that you use it at a minimum for Services which permit the movement of funds.

Direct File Transmissions

You may transfer files via our direct file transmission platform (“**Direct File Transmission**”) to access our Services, using either: (a) a secure file transmission site: My File Gateway (“**File Transmission Site**”) or (b) a direct host to host file transfer (“**Direct Host Transfer**”). You may use a third-party service provider as your agent to use our direct transmission platform.

- ❖ **File Transmission Site** – If you utilize our File Transmission Site, we will provide you with: (a) a secure site for file transmission and (b) a user ID and password to enable you to transmit files to the secure site. You must send and receive files to the File Transmission Site using the required user ID and password. We also offer additional options including PGP encryption, and will provide required keys and certificates to facilitate file transfer.
- ❖ **Direct Host Transfer** - If you utilize our Direct Host Transfer with a file transfer protocol (SFTP, AS2, Connect:Direct) approved by us, we will provide you with: (a) a user ID and password to enable you to transmit files, and (b) identifying information about the Direct Host Transfer. You must send and receive files utilizing Direct Host Transfer, by providing the required user ID and password and make use of a secondary means of file authentication (e.g. Internet Protocol (IP) address validation). We also offer additional options including PGP encryption, and will provide required keys and certificates to facilitate file transfer. You must provide us with additional information to enable us to authenticate and securely communicate with your server so that your files can be transmitted to us, including the IP address, port, and user ID and password.

You agree to comply with any additional requirements, authorizations, or other information as required by each specific Service, including with any payment instruction requirements.

As to software, equipment, and services associated with each party's performance under this Agreement, you and we agree to reasonably cooperate with each other in order to provide support services sufficient to meet the requirements for Direct File Transmissions, including items such as certificate updates, and IP modifications as required. Each party will reasonably assist the other in establishing and/or maintaining support procedures, and will complete reasonable problem determination procedures prior to contacting the other with a support-related matter. You and we agree to use reasonable efforts to avoid and resolve performance and unavailability issues. Each party shall perform consultation on the design and implementation of the connection to the other party and test the connection prior to validating it. The Receiving Party shall, if feasible, notify the Disclosing Party as soon as it determines that any transmission is received in an unintelligible or garbled form. Each party will perform commercially reasonable remedial actions as requested by the other to assist in problem resolution. Each party agrees to notify the other within a commercially reasonable time of the existence of any condition which might have an adverse effect on the parties' abilities to send or process transmissions.

Nothing in this Agreement shall require a party to disclose to the other party any Confidential Information. You and we will each implement appropriate policies and procedures for purposes of preventing unauthorized access to, and unauthorized disclosure of, transmissions. You are responsible for purchasing, selecting and maintaining the hardware,

software or other technology you use to send data or information to us or to access the Services. You agree that we will not be responsible for the installation specifications (including cabling, power, and space), the installation, or the operation, maintenance or technical support of any third-party product.

In addition, the PINACLE File Format Testing Service (“**File Format Testing Service**”) is a tool that can help you test files in a test environment. You agree that PNC will have no liability for any use of the File Format Testing Service, or any action or transaction in connection with the File Format Testing Service. You should only use test data for the File Format Testing Service. In addition to the test tool, you must complete end-to-end testing for your files, and meet all other requirements.

Application Program Interface (API)

You may use APIs to access our Services or other products and services provided by PNC in accordance with our Documentation and the PINACLE Terms and Conditions.

You may also use an agent processor (“**Agent Processor**”) that will act as your agent and intermediary, on behalf of you, that can use an API for the purpose of obtaining information about your Account(s), sending or receiving data, and sending instructions (including payment instructions), in connection with the Services or other products and services provided by PNC. Before you use an Agent Processor, you must notify PNC and both you and Agent Processor must meet all of our requirements, including the requirements in this Section. Agent Processor may be required to enter into an agreement with PNC (“**Joint Customer Access Agreement**”). For the avoidance of doubt, Agent Processor is an agent of you, and any action taken by Agent Processor shall be considered an action taken by you under this Agreement, and not by PNC. Agent Processor is not PNC’s vendor. PNC is in no way responsible or liable for the services that the Agent Processor provides to you. PNC’s records are the official records of your Account(s), Services, or other products and services provided by PNC and not the Agent Processor’s records. PNC is not responsible for what an Agent Processor may do with the data it receives from PNC. If an Agent Processor sends data to PNC then PNC can rely on the data, as if received directly from you, and PNC has no obligation to confirm its accuracy.

You may not use an API for any purpose, function or feature not described in the Documentation or otherwise communicated to you by us. Before you use an API, we will review and certify your use of the API as part of a certification process. We will update the API and Documentation from time to time, and may add or remove functionality. We will provide notice to you in the event of material changes, additions, or removal of functionality from an API.

We use standard API authentication protocol Open Authorization (“**OAuth2**”) for API security. We will provide required client secret API keys and access tokens for production and test transactions.

You will be able to authorize the use of APIs with the PINACLE Administration module. PINACLE administrators will be able to authorize and de-authorize the use of each API (or group of APIs), and will be able to define PINACLE operator credentials that may be used for certain API transactions. We consider any API transaction submitted with a valid PINACLE operator credential to be a valid and authorized transaction. You are responsible for auditing and securing the functions which your operators can perform through your systems with APIs.

We reserve the right to suspend or terminate your API connection, if you use an API in a way that is inconsistent with your intended usage during the API certification process or our Documentation.

You agree to comply with any additional requirements, authorizations, or other information as required by each specific Service and other product or service provided by PNC, including with any payment instruction requirements.

II. CORPORATE ONLINE AND MOBILE BANKING PORTAL

A. PINACLE

PINACLE features include, but are not limited to the following:

Information Reporting and Data Exchange

This Service provides you with balance and transaction information for your Accounts on a current day and/or historical basis. There are a variety of reports and tools available on PINACLE that allow you to create custom reports and searches to find only the data you need to review or export. You may choose to view/receive your current day and/or previous day information directly, or you may have PNC deliver your account information to another financial institution or entity. This service also includes online DDA Statement delivery. You are responsible for timely reconciliation of your statement.

Current day reports allow you to see updated balance and transaction information during the current business day. Transactions that display on current day reports are received by the bank, but not yet posted to your account. They are subject to verification and adjustment. For final review of the account balance and transactions for the day, you should use previous day reports, which show all final and posted activity.

You may choose to have information for your accounts at other financial institutions or entities sent to PNC for inclusion on the PINACLE current day and/or previous day reports. PNC will receive this data from the other financial institution's data exchange provider and will make it available through PINACLE as it is available. You agree to authorize the other financial institution to send this information to PNC. The specific level of detail included in the data file and frequency of reporting is selected by you when establishing the data exchange service with the sending financial institution. PNC is not responsible for the accuracy or timeliness of any data sent to us from a third party.

Event Notification

This Service is available to notify PINACLE Operators that certain events regarding your accounts have occurred. Some notifications also include the option to deliver an electronic version of certain reports or statements as an attachment to the notification. Notifications are predefined by each Operator and can be established for one-time or recurring use. Operators have the option to receive notifications of events online while using PINACLE, by e-mail, by text message on the Operator's mobile device, or any combination of these delivery methods (standard text message and data usage rates may apply - please check with your wireless carrier). Operators may only establish notifications based on the entitlements granted to the Operator for the specific module related to the notification.

Operators have the ability to specify additional recipients for email notifications, including those that contain reports or statements. Recipients do not need to have access to the Event Notification utility or be a PINACLE Operator to receive notifications. The user who adds the additional recipient bears the responsibility for adding valid and appropriate email addresses. You can choose to disable this feature to prevent additional recipients from being added to the notification emails.

There can be delays in email systems that can potentially affect the time at which you receive the notification. Also, the notifications are sent at the time the event criteria have been satisfied and such criteria may no longer be met at the time the user can log into PINACLE to review the event that triggered the notification.

Notifications related to balances or incoming transactions can help you know when to log into PINACLE to review your account, and any balance or transactions specified in such notifications are subject to verification and adjustment. Before initiating any transactions or making any decisions based on these notifications, we recommend you review the additional details available on PINACLE related to these balances and/or transactions.

Secondary Authentication

Secondary authentication is used for authentication to log in to PINACLE when an additional layer of verification is required. Secondary authentication will use a security code that can be received by a delivery method, including by text message, email, token, and/or voice call. You and your PINACLE Operators must meet the requirements for secondary authentication and enroll in at least two security code delivery methods for each Operator. PNC is not responsible for any delay or inability to access PINACLE if your or your Operators do not meet the requirements for secondary authentication, including if any contact information is outdated or inaccurate.

Credit Management

This Service enables you to perform the following functions with respect to your lending facilities with us: access information relating to your lending facilities, including, without limitation, balance information, availability information, transaction history, and billing statements. Any current day balance or transaction data we report is subject to verification and adjustment. This Service also allows you to request loan advances under your lending facilities, make payments on your loans, by transferring funds between Accounts that you have designated and that we have approved for such transfers, and choose a new rate period for your loans at the maturity of each interest rate period. All payments, advances, and rate period selections are subject to our review and approval, and funds will be debited from and credited to your designated Accounts upon our verification of your request. In addition, if required by your credit agreement, this Service allows you to upload and submit collateral documents, financial statements, insurance certificates, borrowing base certificates and other documents related to your lending facilities.

Confirming Transactions

You are responsible for reviewing, approving and confirming transactions created or entered on or submitted to PINACLE. Each PINACLE service has reporting available for you to confirm that we have received and processed your transaction request. These reports should be routinely used to ensure that all requests have been confirmed. We will have no obligation to contact you if any attempted transaction cannot be processed or is otherwise rejected.

Confirming Entitlements and Audit Reporting

Your system administrators, admin1 and admin2 will have administration and service module access to all modules and accounts that are associated with your Company User ID from time to time. Admin1 and admin2 can grant service and/or administration access to individuals (“**Operators**”) by creating Operator IDs with passwords and profile information and assigning account and service module privileges to them. Operators who are given administration access can perform the same administrative functions as admin1 and admin2, but only for the service modules that are assigned to them. Admin1 and admin2 can also modify, reset, activate, disable or delete Operators and their passwords and profiles as well as their account and service module privileges. Certain administrative tasks may require the approval of a second Operator if your company has elected to use our secondary approval feature. The Administration module has reporting available for operator entitlements (overall and by module) that can assist you in periodic review of operator access to accounts, functions, and transaction limits. There are also audit reports available that show operator access and administrative actions including password changes, operator resets, and security question resets. In addition, each module has its own detailed audit report for operator actions regarding transaction creation and approval which also includes a final transaction confirmation or rejection status from the bank.

Client Services

This feature enables you to submit issues and inquiries for your Services, including (but not limited to) the ability to request Instruction amendments, cancellations, recalls, returns and reversals. By giving Authorized Users access to the Client Services module, you are granting them authority to request these types of changes. Any request submitted through Client Services is subject to our review and approval.

Account Transfer

This feature allows you to initiate transfers of funds using PINACLE between Accounts that you have designated and that we have approved for such transfers. Transfers that you initiate prior to our cut-off time on a Banking Day will be credited to your account when we have accepted the transfer. Should your transfer be rejected for any reason, you will be notified on the screen at that time. Transfers that you initiate on a day other than a Banking Day, or after our cutoff time on a

Banking Day, will be credited to your account after the start of business of the following Banking Day. In order to use this Service to make transfers from an Account, the legal entity which owns that Account must be a party to this Agreement.

You may designate a Money Market Deposit Account as one of the accounts from which you may make transfers. However, you understand that transfers made using this Service are included in the maximum of six (6) preauthorized transfers that you may make from a Money Market Deposit Account in any monthly statement period.

You represent and warrant to us that all transfers that you make using this Service that result in the commingling of your funds and those of your subsidiaries or affiliates have been duly authorized by all necessary parties.

Commercial Card Services

This Service enables you to perform certain functions with respect to your commercial card program with PNC, including card ordering, card maintenance, card transaction viewing and reporting, statement downloading and payments of outstanding card balances. You will be responsible for granting access to and authority to use the commercial card service module in accordance with the terms of this Agreement and your commercial card agreement with PNC.

B. PINACLE FX

This Service allows you to access certain foreign exchange services from PNC, through our online portal, PINACLE.

FX Trade Execution

You may initiate the purchase or sale of designated foreign currencies for designated value dates (each a **“FX Transaction”**) electronically through the Service. Non-deliverable forwards and currency options are not available through the Service. We will provide to you exchange rates through the Service and at the time you accept an exchange rate, the subject FX Transaction is deemed executed and is final and binding on you. All FX Transactions requested through the Service are subject to credit approval by us. If credit is not approved by us in our sole discretion, the Service will be limited to FX Transactions which are spot only (i.e. settle the same day, the next day or in two business days).

YOU MAY NOT CANCEL A FX TRANSACTION THROUGH THE SERVICE. YOU MUST CALL US IMMEDIATELY TO CANCEL A FX TRANSACTION. YOU ASSUME ALL FOREIGN EXCHANGE RISK.

If you and we are parties (or hereafter become parties) to an ISDA Master Agreement or any other similar agreement governing swap or foreign currency transactions (**“Swap Trading Relationship Agreement”**), each FX Transaction consummated through the Service shall constitute a **“Transaction”** thereunder and will be subject to and governed by such Swap Trading Relationship Agreement. Your, and our, rights and obligations with respect to each FX Transaction (including, without limitation, rights as to settlement, netting, novation, close out and credit support) shall be determined in accordance with such Swap Trading Relationship Agreement. To the extent the terms of such Swap Trading Relationship Agreement conflicts with the terms and conditions of this Agreement as it relates to FX Transactions, the Swap Trading Relationship Agreement will control with respect to each FX Transaction.

Payment Orders

You may initiate payment orders that do not require an exchange of any currency (e.g., wire transfers, drafts, draw down requests) electronically through the Service, to and from account(s) maintained at PNC designated by you in writing from time to time (each a **“Designated Account”**) or to other accounts with us or at other banks, for US dollars, Canadian dollars and designated foreign currencies for designated value dates (each a **“Payment Order”**). Each Payment Order shall be subject to applicable law and the terms of our agreements with you for your accounts with us (including your Designated Account(s)), which we have provided to you separately. At the time you submit a Payment Order to us, such Payment Order is deemed executed and is final and binding.

YOU MAY NOT CANCEL A PAYMENT ORDER THROUGH THE SERVICE. YOU MUST CALL US IMMEDIATELY TO CANCEL A PAYMENT ORDER.

We will execute your Payment Orders, provided that in each case your Settlement Instructions (defined below) are complete and received by us prior to the applicable deadline for Settlement Instructions. It is your responsibility to properly complete, maintain and monitor all Payment Orders. We assume no responsibility or liability to you or to any other person for errors or delays resulting from incomplete or incorrect information provided by you in respect of any Payment Order. Payment Orders will be received and processed during the times that the Service is available. A Payment Order will not be considered received by us until we have performed all verification procedures which we believe are reasonably necessary. Payment Orders requesting us to transfer funds from your Designated Account(s) are subject to available funds contained in such account, unless other credit arrangements satisfactory to PNC, in PNC's sole discretion, have been made. We may include in your Payment Order all information required by applicable law, regulation or fund transfer system rule, or which we believe is reasonably necessary to facilitate execution of such Payment Order.

Upload Files

You may upload files electronically to this Service containing batches of FX Transactions and/or Payment Orders for processing by us. We will provide you with the requisite guidelines to enable you to format your files correctly for such upload. We assume no responsibility or liability to you or to any other person for any delays resulting from a file that has been incorrectly formatted.

FX Transactions and/or Payment Orders will be processed during the period set forth in the Access section below, except that FX Transactions and Payment Orders that are uploaded after 2:00 p.m. Eastern Time will not be processed until the next business day.

Settlement

All FX Transactions and Payment Orders which settle the same day require you to submit to us the proper Settlement Instructions (defined below) prior to the cutoff time for same day settlement as specified by us. All FX Transactions and Payment Orders which settle the next day require you to submit to us the proper Settlement Instructions by the end of the day such FX Transaction or Payment Order is executed or initiated, as the case may be. All FX Transactions and Payment Orders which settle in two or more business days require you to submit to us the proper Settlement Instructions at least two (2) business days prior to the value date. If you do not provide us with the proper Settlement Instructions by these deadlines or the Settlement Instructions are incomplete, we may attempt, in our sole discretion and on a best efforts basis, to settle the FX Transaction or Payment Order on the value date, but we shall have no liability to you or to any other person for our failure to do so.

"Settlement Instructions" refers to the information necessary to pay and receive the currency or currencies in a FX Transaction or Payment Order. This information includes, but is not limited to, beneficiary name, address and account number and beneficiary bank name, address and unique identifier such as the SWIFT address. All Settlement Instructions will require secondary authorization by one or more authorized representatives named by you (each an **"Authorized User"**). We assume no responsibility or liability to you or to any other person for delays resulting from Settlement Instructions awaiting secondary authorization. We may include in your Settlement Instructions all information required by applicable law, regulation or which we believe is reasonably necessary to facilitate execution of such Settlement Instruction.

It is your responsibility to properly complete, maintain and monitor all Settlement Instructions for FX Transactions and Payment Orders, including repetitive instructions. We assume no responsibility or liability to you or to any other person for errors or delays resulting from incomplete or incorrect information provided by you in respect of any Settlement Instruction. Settlement Instructions will be received and processed during the times that the Service is available. A Settlement Instruction will not be considered received by us until we have performed all verification procedures which we believe are reasonably necessary.

You authorize us to debit your Designated Account(s) in the amount of (a) your FX Transactions and Payment Orders, (b) any Losses (as defined below), and (c) our fees and charges for the Services. You agree to maintain in your Designated Account(s), or to send us by wire transfer through the Fedwire system or the SWIFT system, as the case may be, by the

deadline we tell you, sufficient available funds to cover the total amount of your FX Transactions, Payment Orders, Losses, and our fees for the Service. If your Designated Account(s) contain insufficient available funds, we may (but shall not be obligated to), without notice to you or any other person, exercise a contractual right of setoff against any of your other accounts or any other property now or in the future in our possession, including investments that are linked to any such accounts, towards the payment of any of your obligations to us arising under or in connection with this Agreement.

Furthermore, if at any time we have concerns about your ability to make any payment or delivery required of you under any FX Transaction or Payment Order, we reserve the right, in our discretion and without your consent, to require pre-funding (including the receipt and verification of such pre-funding) and/or cash settlement by you of such required payment or delivery as a condition precedent to our obligation to make any payment or delivery required of us under such FX Transaction or Payment Order.

If you fail to make any payment or delivery required of you under any FX Transaction or Payment Order on the date when due (or in the event that, prior to such due date, you default under other indebtedness with us, bankruptcy, insolvency or reorganization proceedings are instituted by or against you, or a receiver or similar officer is appointed for any of your property), then in addition to any other rights we have under this Agreement, we reserve the right, in our sole discretion and without prior notice to you, to close-out such FX Transaction by buying or selling the contracted exchange at a public or private sale, or to cancel the Payment Order, as the case may be. You shall indemnify us for any losses (including costs and expenses) that we incur in connection with such close-out or cancellation ("**Losses**").

Access

The Service will be available to you through our online portal, PINACLE. The Service will generally be available Monday through Friday between the hours of 7:00 AM to 6:00 PM Eastern Time. The time periods specified herein are subject to change from time to time without prior notice to you.

You will be required to maintain and administer access for your Authorized User(s) for the Service. You must use an internet browser that meets our security and other requirements in order to access the Service.

An online user help feature including operating procedures, security procedures and other instructions describing how to use the Service is available. We may at our discretion modify or add to the user help feature from time to time. You are responsible for following all of the user instructions.

We reserve the right to suspend your access to all or a portion of the Service or to restrict use by your Authorized Users at any time and for any reason without notice to you. If we suspend or restrict your access because there is a security risk or other technical problem that may interfere with the proper continued operation of the Service, we will attempt to lift such temporary suspension or restriction as soon as practical. We also reserve the right to terminate your use of the Service if you or an Authorized User have misused, or we reasonably anticipate will misuse, the Service.

At any time and for any reason, we may implement and enforce new terms and conditions that may limit your use of the Service or require you to re-authenticate your identity for security purposes (including the requirement to modify passwords). We reserve the right in our sole discretion, at any time and from time to time, to temporarily suspend or permanently discontinue the Service without any prior notice or liability of any kind to you or any third party.

You understand and agree that, at any time and for any reason, without prior notice to you and at our sole discretion, we can terminate your password or other codes and/or remove any information or data you may have stored within aspects of the Service for any reason. You understand and agree that we shall not be liable to you or any third party should we terminate your access to the Service. Notwithstanding the above, these terms and conditions will remain in effect with respect to each FX Transaction or Payment Order placed or initiated prior to any such termination, and neither party shall be relieved of any payment or other obligation with respect to such outstanding FX Transactions and Payment Orders.

Confirmations

The Service provides you with the ability to view information about your FX Transactions and Payment Orders. A confirmation (“**Confirmation**”) confirming the terms of your FX Transaction or Payment Order will be delivered to you electronically through the Service. You will not receive a paper copy of the Confirmation by email, fax or mail. You are responsible for reviewing the terms of each Confirmation promptly, and your failure to request the correction of any data in such Confirmation within one business day of posting shall be deemed an affirmation and acceptance by you of the terms of such Confirmation.

Contact Information

For all inquiries related to this Service, including the cancellation of FX Transactions and Payment Orders, please call us at 1-877-824-5001 option #2 and then option #4.

For all communications required to be in writing, please write to us at PNC Bank, PINACLE FX Client Services, 300 Fifth Avenue, Fifth Floor, Pittsburgh, PA 15222.

DO NOT USE EMAIL TO SEND ANY COMMUNICATIONS WHICH CONTAIN CONFIDENTIAL INFORMATION.

Representations

Each time that you use this Service, you represent and warrant to us (i) that you are duly organized and validly existing under the laws of the jurisdiction of your organization or incorporation, (ii) that you are duly authorized by all necessary action on your part to execute and deliver this Agreement and to use the Service, (iii) that you have obtained all consents necessary to perform your obligations arising in connection with the Service, and that your obligations arising in connection with the Service (including, without limitation, arising under any FX Transactions or Payment Orders) constitute legal, valid and binding obligations, enforceable against you in accordance with their terms subject to laws pertaining to bankruptcy, insolvency and creditors’ rights generally, (iv) that you have made your own independent decisions to enter into this Agreement and have not relied on any communication from PNC as a recommendation to enter into this Agreement, and (v) that PNC is not acting as a fiduciary to you in respect of this Agreement.

Additional Provisions

You understand that use of this Service is at your own risk and that the Service is provided “AS IS”. We assume no responsibility for the timeliness, misdelivery or deletion of, or the failure to store, any user data, communications or customized settings. You understand and agree that you may only use the Service for the purposes described in this section. You do not have any ownership interest in the Service, but only a right of limited use.

You understand that all information, data, text, messages and other materials (“Content”), whether publicly posted or privately transmitted, are the sole responsibility of the person from whom the Content originated. Accordingly, you are entirely and solely responsible for all Content you send or transmit through the Service. Although we do not preview Content, we shall have the right, at our sole discretion, to remove any Content that is on the Service. You understand and agree that you must evaluate the Content and bear all risks associated with your use and reliance on any Content.

You shall not assign, pledge or sell the Service to a third party without our prior written consent or otherwise use the Service other than for its intended purpose and only for your business. You will not use the Service to provide services to any other person or entity. You will not allow any unregistered person or entity use of the Service. No third party shall be considered a beneficiary of the rights and benefits herein.

C. PINACLE CONNECT SERVICE

If you are eligible, you may use this Service in accordance with our Documentation and the PINACLE Terms and Conditions.

This Service uses a third-party service provider (together with its affiliates, “**Connection Provider**”) to facilitate the transfer of information about your Account(s) from PNC to your designated ERP service provider (“**ERP Service**”).

Provider") and the transfer of your data and instructions (including payment instructions) from your ERP Service Provider to PNC. In order to use this Service, you will need to install software (e.g., a plugin) provided to you by the Connection Provider, or use other connectivity means as directed by the Connection Provider, which enable such transfer through the Connection Provider's platform (the Connection Provider's software and any such connectivity means, together with its platform, the "**Connectivity Platform**"). Before you use this Service, you must notify PNC and meet all our requirements. For the avoidance of doubt, your ERP Service Provider is an agent of you, and any action taken by ERP Service Provider shall be considered an action taken by you under this Agreement, and not by PNC. Your ERP Service Provider is not PNC's agent, supplier, or vendor.

PNC and Connection Provider are in no way responsible or liable for: the products or services provided by the ERP Service Provider; your use of the products or services provided to you by the ERP Service Provider; the actions or omissions of your ERP Service Provider; any data, information or instructions provided to PNC by your ERP Service Provider, including but not limited to any errors or issues associated with such data, information or instructions; or your ERP Service Provider's failure to maintain the confidentiality or security of the information and data provided by PNC to your ERP Service Provider via the Connection Provider. PNC's records are the official records of your Account(s), Services, or other products and services provided by PNC and not the ERP Service Provider's records. PNC is not responsible for what ERP Service Provider may do with the data or information it receives from PNC. If the ERP Service Provider sends data, information or instructions to PNC, then PNC can rely on the data, information and instructions, as if received directly from you, and PNC has no obligation to confirm its accuracy, unless otherwise instructed by you. PNC is in no way responsible or liable for the acts or omissions of the Connection Provider including, but not limited to, any data, information or instructions sent by your ERP Service Provider to PNC via the Connection Provider, or your use of the Connectivity Platform provided to you by the Connection Provider.

You may not use this Service for any purpose, function or feature not described in the Documentation or otherwise communicated to you by us. Before you use this Service, we will review and certify your eligibility and fit for the service. We will update the Service and Documentation from time to time and may add or remove functionality. We will provide notice to you in the event of material changes, additions, or removal of functionality from the Service.

This Service uses standard API authentication protocol Open Authorization ("**OAuth2**") for API security. We will provide required client secret API keys and access tokens for production and test transactions.

You will be able to authorize the use of this Service with the PINACLE Administration module. PINACLE administrators will be able to authorize and de-authorize the use the Service feature(s) and will be able to define PINACLE operator credentials that may be used for certain the Service feature(s). We consider any transaction submitted via the Service to be sent with a valid PINACLE operator credential and to be a valid and authorized transaction. You are responsible for auditing and securing the functions which your operators can perform through your systems with the Service.

We reserve the right to suspend or terminate your access to the Service, if you use the Service in a way that is inconsistent with your intended usage during the certification process or our Documentation. In the event that either you or PNC terminate this Service for any reason, you will promptly discontinue your use of the Connectivity Platform and completely, securely and permanently delete the Connectivity Platform.

You agree to comply with any additional requirements, authorizations, or other information as required by each specific Service and other product or service provided by PNC, including with any payment instruction requirements.

In addition to your other indemnification obligations under this Agreement, you agree to indemnify us and Connection Provider from any and all claims, damages, losses, liabilities, costs, expenses (including all fees of counsel with whom we or Connection Provider may consult and all expenses of litigation or preparation therefor), fines, or penalties in connection with or arising out of: the acts or omissions of your ERP Service Provider, any unauthorized or unlawful access to, or use, loss or disclosure of any information about your Account(s) provided by PNC to your ERP Service Provider, or your use of your ERP Service Provider in connection with this Service.

Ownership

This Service and the Connectivity Platform contains valuable intellectual property rights and are propriety to us and our licensors, including but not limited to Connection Provider, and title thereto remains with us and our licensors. You do not acquire any rights, express or implied, in this Service or any third-party software incorporated therein other than those specified in this Agreement. All applicable rights to patents, copyrights, trademarks and trade secrets in this Service are and shall remain with us, our licensors or the Connection Provider.

Restrictions

You agree that you will not, and will not request, assist or enable others to, do any of the following in relation to the Services and Connectivity Platform: (a) copy, rent, lease, sell, transfer, assign, sublicense, disassemble, reverse engineer or decompile any part thereof; (b) delete or modify any intellectual property and/or confidentiality notices that may be incorporated therein; or (c) use the Connectivity Platform to operate or manage the business operations of any third party, or otherwise upon the instructions or on behalf or for the benefit of, any third party (including as part of any application service provider, service bureau, "white labeling", "private labeling", facilities management, timeshare, or other similar arrangements or services); or (d) otherwise use or reference the Connectivity Platform to build a product or service competitive with the Connectivity Platform or that uses similar ideas, features or functions as the Connectivity Platform.

Third Party Beneficiaries

YOU ACKNOWLEDGE AND AGREE THAT (A) CONNECTION PROVIDER IS A THIRD-PARTY BENEFICIARY OF THESE PINACLE CONNECT SERVICE TERMS AND CONDITIONS, AS WELL AS THE LIMITATION OF LIABILITY AND INDEMNIFICATION PROVISIONS IN THE GENERAL TERMS AND CONDITIONS OF THIS AGREEMENT; (B) IN RELATION TO THIS SERVICE, THE TERM "INDEMNIFIED PARTIES" AS USED IN THE GENERAL TERMS AND CONDITIONS TO THIS AGREEMENT ALSO INCLUDES CONNECTION PROVIDER; AND (C) AS BETWEEN YOU AND THE CONNECTION PROVIDER, THE FOLLOWING ADDITIONAL TERMS REQUIRED BY THE CONNECTION PROVIDER SHALL APPLY (WHICH TERMS SHALL PREVAIL TO THE EXTENT OF ANY CONFLICT OR INCONSISTENCY WITH THE GENERAL TERMS AND CONDITIONS):

Additional Terms

- a) Your permission to use the Service and Connectivity Platform is based on the assumption that all payments to be made based on information or instructions provided through the Service and Connectivity Platform have been approved by your representative duly authorized to so approve the payments, through an authorization process determined by PNC (the "**Approval Process**").
- b) In any event, if Connection Provider is held liable to you for any reason whatsoever in connection with the Connectivity Platform or Service, you agree that the Connection Provider's aggregate liability shall not exceed Five Thousand U.S. Dollars (US \$5,000).
- c) THE PLUGIN IS PROVIDED "AS IS" AND CONNECTION PROVIDER DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE. CONNECTION PROVIDER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND THAT THE PLUGIN, OR RESULTS OF THE USE THEREOF, WILL MEET YOUR REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, OR BE ERROR-FREE.
- d) YOU AGREE THAT THESE TERMS, INCLUDING IN PARTICULAR THE LIMITATIONS AND EXCLUSIONS OF LIABILITY SET FORTH HEREIN, ARE FAIR AND REASONABLE IN LIGHT OF THE FOREGOING AND APPROPRIATELY ALLOCATE RISK, AND CONNECTION PROVIDER HAS RELIED UPON THESE TERMS IN PROVIDING YOU WITH ACCESS TO THE PLUGIN. THE LIMITATIONS AND EXCLUSIONS OF LIABILITY SHALL APPLY (A) TO THE MAXIMUM EXTENT PERMITTED BY LAW, AND (B) WHETHER ANY CLAIM IS BROUGHT BY

YOU DIRECTLY AGAINST CONNECTION PROVIDER OR OTHERWISE (E.G., THROUGH PNC), AND REGARDLESS OF THE LEGAL THEORY OR CAUSE OF ACTION (WHETHER CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE).

D. PINACLE PAYMENTS SERVICE

This Service allows you to save payment information and/or mailing addresses for each payee (“Payee”) to whom you desire to make a payment through our online portal, PINACLE. The Service may utilize any of the following payment types (each a “Payment Type”) to route your payment to a Payee: RTP Payment, Same Day ACH, ACH, or Bill Payment.

Applicable Terms

You agree that the terms and conditions in the Agreement, including the terms and conditions for each Payment Type (“Payment Type Terms and Conditions”), including ACH Origination (including ACH and Same Day ACH), Bill Payment, and RTP Payment, will apply to each payment processed through the Service (each a “Routed Payment”). In the event of a conflict between the terms and conditions for this Service, and the Payment Type Terms and Conditions, the Payment Type Terms and Conditions shall control with respect to this Service. You agree that you have reviewed the Payment Type Terms and Conditions and different characteristics for each Payment Type, including the different risks, fees, and timeframes, and any rights related to modification, cancellation, settlement, and dispute resolution for each Payment Type.

Payment Routing

You understand that we will rely on the payment information you provide regarding each Payee as well as your payment instructions with respect to each payment. We have sole discretion to select the Payment Type used to process your payment to a Payee and/or to return funds on your behalf. Payment Types are subject to availability and the Payment Type Terms and Conditions, including with regard to any limitations, risk parameters, cutoff times, and other restrictions, and applicable network rules. Additionally, you understand that you may not be able to modify or cancel a payment instruction initiated through this Service, including once we have begun processing the Routed Payment as a particular Payment Type.

You may review the transaction status and Payment Type used to process each Routed Payment through the “status” page located on the Payment History page in PINACLE. If the payment instruction has not begun processing through the Service, you may also be able to make changes to the payment instructions. You agree that your use of this Service is optional, and that any use of the Service will be solely at your request and for your own convenience. You understand that your use of the Service includes your authorization and direction to us to select the Payment Type used to process payments.

No Warranty

This Service is provided on an “as is” and “as available” basis. WE MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS SERVICE. For the avoidance of doubt, we are not an agent of you, and any Routed Payment shall be considered an action taken by you, and a payment instruction issued by you.

Using PINACLE Payments

When making a payment, you must select or input information about the Payee to whom the payment is to be made and enter the desired dollar amount of the payment. This will populate the calendar with the available payment delivery dates for the transaction. The available payment delivery dates will vary for each Payment based in characteristics regarding the Payee, the available Payment Types, the desired payment delivery date, and the amount of the desired payment.

Earliest Available Delivery Date

The calendar function will populate with the earliest available delivery date. You may select from any available date that is selectable in the calendar. The date that you select and confirm from the calendar is the date the payment is scheduled to be received by the Payee. You agree that, notwithstanding your selection and confirmation of a specific payment delivery date, in some instances certain payments may be delayed or rejected.

III. RECEIVABLES SERVICES

A. WHOLESALE LOCKBOX (INTEGRATED RECEIVABLES)

This Service provides you with lockbox mail collection services for payments from your customers and will provide you access to images of those payments and accompanying remittance documents. The following procedures may be modified to conform to your particular needs.

Mail Account

You will advise your customers to send checks, drafts, and other orders for the payment to be processed under this Service ("**Items**") to the lockbox address in the Documentation. We will pick up mail containing Items at the U.S. Post Office in accordance with our regular lockbox collection schedules.

You will maintain an account with us as set forth in the Documentation ("**Account**"). Your relationship to us as a depositor will commence only when Items are credited to your Account. Prior to such time, we will be a bailee as to Items in our possession.

Inspection of Items

We will pick up envelopes from your lockbox and remove their contents. Items will be inspected and processed for your Account as follows:

- **Payees** - An Item without an acceptable payee designation, will not be deposited. If the endorsement of a payee (other than yours) is missing, the Item will not be deposited.
- **Dates** - An Item will be deposited even though it is stale-dated, post-dated or does not bear a date.
- **Amounts** - If the written and numeric amounts of an Item differ, the written amount will control unless the written amount is ambiguous. If the amount of an Item cannot be determined or if the amount is missing, the Item will not be deposited.
- **Drawer's Signature** - If the drawer's signature is missing, we will deposit the Item into the Account and affix a stamp requesting the drawee bank or other payer to contact the drawer for authority to pay the Item.
- **Alterations** - An Item which in our discretion appears to have been materially altered will not be deposited.

Other Language

We will have no responsibility to honor any qualifying language on Items such as "paid in full". Items will be deposited into the Account notwithstanding any such language, and we will have no liability to you as a result of such deposit.

International Payments

You may instruct us to return to you unprocessed all Items that are denominated in foreign currency and drawn upon a foreign bank. If you do not so instruct us, then at our discretion we will either send the Item for collection and credit your Account when we receive final payment, or give you provisional credit for the U.S Dollar equivalent of the Item at our then current exchange rate for the currency in question. You will bear the risk of any fluctuation in exchange rates.

Processing Procedures

Items found acceptable for deposit will first be encoded and endorsed. The endorsement will be our standard endorsement for lockbox items, which will be the binding endorsement of the payee of the Item. We will process Items and make deposits throughout each Banking Day. During each Banking Day, we will make available to you images of the deposited Items and accompanying documents.

We will send back to you original Items that are unacceptable for deposit, accompanying documents and other miscellaneous written communications received through the lockbox.

Image Delivery

We will make images of the documents listed above available through PINACLE, by transmission or by delivering to you a CD-ROM or other agreed upon physical medium.

If you elect to receive images on a physical medium, we will deliver to you daily, weekly or monthly as you request. The CD-ROMs or other physical medium we send you will contain encrypted images to help protect from unauthorized access. We will provide you with the software necessary for you to decrypt the images. You will be responsible for managing access to and use of the decryption software and any related tools used within your organization for access to your images.

We will handle original Items and present them for payment according to our procedures in effect from time to time. Certain original documents that are too large or otherwise cannot be scanned will be returned to you. We will destroy the originals of all other documents five (5) business days after we receive them. We retain image files for a limited period of time, which may change from time to time and which we will tell you upon request. You may also download your images from PINACLE and/or take delivery of the images on CD-ROM or other physical medium that you can retain. If the image of a particular document (other than an Item) is not legible, we will be unable to produce another image or copy if you tell us after we have destroyed the original. We will not be liable to you if an image is not legible.

Image Retention

All deposited Items will be imaged in processing sequence for reference purposes. We will retain the images for a period consistent with our policy in effect from time to time and will provide photocopies of deposited Items to you upon timely request and payment of our retrieval and photocopying charges.

Returned Items; Adjustments

We will notify you of returned Items. We will have the right to credit or debit the Account to correct processing mistakes. Copies of credit or debit advices will be sent to you.

Return of Paper Documents

If you have chosen to receive delivery of your image file by paper documents, you acknowledge and agree that any couriers of such paper documents are not managed by us and that you accept the additional risk of mailing and other errors related to returning original or printed copies of your documents. You further agree to release us from any claims, losses, damages or liabilities you may incur as a result of the inability to reconstruct lockbox documents that we mail to you or that are lost or misdirected, or as a result of any disclosure of the paper documents and their contents, in the absence of PNC's gross negligence or willful misconduct.

Termination; Liquidated Damages

Either you or we may terminate this Service as provided elsewhere in this Agreement. Any mail received by us in the lockbox after the termination date will be sent to the address specified by you for a period of three (3) months. You will pay us our charges for forwarding any mail. If you terminate this Service before you have used it for twelve (12) consecutive months for any reason other than our failure to reasonably perform our obligations hereunder, you will pay to us, as liquidated damages and not as a penalty, an amount equal to sixty percent (60%) of our average monthly billings to you for this Service multiplied by the number of months remaining until the end of the 12-month period.

B. RETAIL LOCKBOX

This Service provides lockbox mail collection services for payments from your customers who mail payments with accompanying remittance documents, which are scannable by Optical Character Recognition ("OCR").

Mail Account

You will advise your customers to send checks, drafts, and other orders for payment to be processed under this Service (“Items”) with accompanying scannable remittance documents to the lockbox address. We will pick up mail containing items at the U.S. Post Office from time to time in accordance with our regular lockbox collection schedules.

You will maintain an Account with us while using this Service. Your relationship to us as a depositor will commence only when Items are credited to your Account. Prior to such time, we will be a bailee as to Items in our possession.

Inspection of Items

We will pick up envelopes from your lockbox and remove their contents. Items will be inspected and processed. We have no obligation to inspect Items except as follows:

- **Dates** - An Item will be deposited into the Account even though it is stale-dated, post-dated, or does not bear a date.
- **Amounts** - A discrepancy between the amount of an Item and the amount on the accompanying remittance document may cause the Item to not be processed.
- **Drawer’s Signatures** - If the drawer’s signature is missing, we will deposit the Item into the Account.
- **Other Language** - We will have no responsibility to look for or to detect Items bearing the words “paid in full” or any restrictive endorsement or other legend on or with the Item. We will deposit such Items to the Account and we will have no liability to you as a result of such deposit.
- **International Payments** - An Item denominated in foreign currency and drawn on a foreign bank will not be deposited into the Account. Any item denominated in a foreign currency will be returned to you with your return package.
- **Stop-File Comparison** - In the event that you and we have agreed upon any “stop-file” procedures, we will use commercially reasonable efforts to not deposit into the Account those Items accompanying remittance documents which we detect as corresponding to listings on such “stop-file.”
- **Account Look-up** - You may provide us, in electronic format, a file that contains the account information for your customers (a data transmission is the preferred method). By having this file, if your customer sends us a check without an accompanying remittance document, we can review the Look-Up file to attempt to find the customer’s account number.

Inspection of Remittance Documents

Unless otherwise set forth in the Documentation, we will process all Items which are processable by us as follows, with no obligation to inspect remittance documents except as stated below:

- **Single Item, No Document** - A single Item received without an accompanying remittance document will be deposited into the Account only if the number of the drawer’s account with you appears on or with the Item. If you provide us with a Look-Up file, we will use commercially reasonable efforts to find the customer’s account number so that you can credit the appropriate customer’s account.
- **Single Item, Single Document** - A single Item received with a single accompanying remittance document will be deposited into the Account.
- **Multiple Items, Single Document** - Two or more Items received with a single accompanying remittance document will be deposited into the account.
- **Single Items, Multiple Documents** - A single Item received with two or more accompanying remittance documents will be deposited into the Account.
- **Multiple Items, Multiple Documents** - Two or more Items received with two or more accompanying remittance documents will be deposited into the Account only if (i) the remitter has noted on the documents how to apply the Items or (ii) the total amount of the Items equals the total amount of all the accompanying remittance documents.

Further Processing

Items found acceptable for deposit will be endorsed and deposited into the Account. The endorsement will be our standard endorsement for lockbox items, as it reads from time to time, and this endorsement will be the binding endorsement of the payee of the Item. We will make deposits throughout each Banking Day. At the end of each Banking Day, we will send the following to you:

- One deposit ticket copy for each deposit.
- Items denominated in a foreign currency, original Items unacceptable for deposit, accompanying papers (excluding envelopes), and other miscellaneous written communications received through the lockbox.

In addition to the above, we will send the following to you, if requested by you:

- Remittance documents which accompany deposited Items.
- Data transmission of deposited Item information.
- Transmission of images of checks, remittance documentation and exception items.
- Hard copy reports of Item information

Images

All deposited Items and their accompanying remittance documents will be imaged for reference purposes. All images will be retained on our Image Archive in accordance with our record retention schedule, as in effect from time to time. You can choose the level of storage for quick retrieval (120 days, 180 days or 1 year) and these images will generally be available to you immediately on line. After your quick retrieval storage period has expired, your images will move to our Image Archive. Images on the Image Archive will be available with 12-24 hours of your request, provided that the image is still available in accordance with our record retention schedule.

Upon request, we can also image your exception items, which will include No Documents, Correspondence, Returns, suspense items, address changes, and any other miscellaneous documents.

Termination; Liquidated Damages

Either you or we may terminate this Service as provided elsewhere in this Agreement. If, however, you terminate this Service before you have used it for twelve (12) consecutive months for any other reason other than our failure to reasonably perform our obligations hereunder, you will pay to us, as liquidated damages and not as a penalty, an amount equal to sixty percent (60%) of our average monthly billings to you for this Service multiplied by the number of months remaining until the end of the 12-month period. Any mail received by us in the lockbox after the termination date will be sent to you for a period of three (3) months. You will pay us our charges for forwarding any mail.

C. RECEIVABLES AUTOMATION

This Service is a cloud-based solution designed to optimize accounts receivables operations by combining all functions into a unified business process. Receivables Automation features include, but are not limited to the following:

Cash Application

Enables the end-to-end automation of the cash application process that covers remittance aggregation from different sources/formats, remittance data capture, payment linking, invoice matching deduction coding and ERP posting.

Deductions

Enables a deduction management operation for identifying and resolving invoice disputes and short payments including a structured workflow and collaboration engine for inter-department communication and approval.

You may choose to use either feature collectively or on an independent basis.

Definitions

Capitalized terms used in this Terms and Conditions for this Service will have the meaning ascribed to them below, or in the context used in this Agreement.

- ❖ **Cloud Solution** - means each separately priced offering to which you subscribe.
- ❖ **Customer Data** - means any data or information that is (a) provided or uploaded by you into a Cloud Solution, or (B) aggregated from Data Sources.

- ❖ **Data Sources** - means those specified sources of data and information accessed by a Cloud Solution, including, but not limited to, external internet websites, internal intranet web sites, third party applications (e.g. ERP systems and EDI exchanges), private and public websites, emails, and/or images of paper documents.
- ❖ **Documentation** - means the following, written documentation, in Word, PDF and HTML formats, which describes the functionality and operation of a Cloud Solution such as order forms, process design documents, training guides, testing scripts, production turnover plans and release notes.
- ❖ **User(s)** - means those employees, representatives, consultants, contractors, or agents that you have authorized to use a Cloud Solution and that you have supplied user identifications and passwords.

Service Description

This Service consists of the following optional components.

▪ **Cash Application:**

Core Module

Enterprise Cloud Integration (ECI): The Enterprise Cloud Integration module is used to integrate ERP systems with the Receivables Automation service. The ECI module has three components as follows:

- ❖ ERP Data Extractor: ERP data extractors are used to extract invoice and customer master data from ERP systems.
 - ❖ ERP Data Loader: the ERP data loading component is used to load extracted data from the ERP into the solution.
 - ❖ Output Generator: the Output generator creates ERP consumable consolidated receivables files.
- **Exception Handling (EH):** Exception Handling is a front-end interface for users to verify and adjust captured and/or matched data in the solution before output generation. It uses learning algorithms to identify correction patterns over time to minimize the number of manual touches.
 - **Reporting & Analytics:** Reporting & Analytics generates views and provides export options on reports and analytics data.

Data Capture

- ❖ **Email Data Capture:** Email Data Capture is an artificial intelligence (A.I.) based engine that captures data dynamically from remittance emails (email body and attachments – structured and/or unstructured) without needing specific templates. It uses machine-learning algorithms that continuously improve accuracy with time and data.
- ❖ **Web Data Capture:** Web Data Capture automatically aggregates remittance data from a wide range of websites. It has a mechanism to add data capture capabilities to new websites as needed.
- ❖ **EDI Data Capture:** EDI Data Capture automatically aggregates remittance information from EDI remittances (EDI 820/EDI 823).
- ❖ **Image Data Capture:** Image Data Capture uses artificial intelligence (A.I.) to capture data dynamically from the lockbox images and remote deposit images without defining specific templates. It uses machine-learning algorithms that continuously improve accuracy with time and data.

AR Matching

- ❖ **Payment Loading:** Payment Loading integrates payment information from banks with the solution. Typical formats include BAI, BAI2, EDI 823, EDI 820 and MT940, delimited text, fixed length text, excel and XML files. It also provides support to process any specific file formats.
- ❖ **Payment-Remittance Linking (PR Linking):** PR Linking links payments to remittances based on configurable business linking rules. It also provides advanced override features to support linking conflict resolution, client specific and clients' customer specific linking scenarios.

- ❖ **Invoice Matching:** Invoice Matching matches remittance line items with receivables data to identify the invoices paid & credit memos taken on the remittance. It also leverages predictive models to identify remittances based on past payment behavior if no remittance data is available.

Deduction Identification: This component identifies discounts and short/over payments from the remittance data and setup short/over payments in the clients' ERP system. It reduces manual effort in identifying/coding of discounts, short/over payments and populates additional attributes such as claim reference, etc. in clients' ERP system.

- **Deductions Management**

The Deductions Management module features the following:

- ❖ Deductions Management
- ❖ Auto-match of Deduction Backup (Claims, PODs) to deductions
- ❖ Reason Code Population of deduction
- ❖ Deduction Analyst workflow and workflow collaboration
- ❖ Prioritize Deductions based on customer, aging and/or amount
- ❖ Deduction resolution (credit, write-off, credit offsets, invalid)
- ❖ Customer correspondence management for deductions
- ❖ Pre-Deductions – proactive deduction research using claim backup
- ❖ Trade promotion settlement – auto-match deductions to Trade promotions
- ❖ Approval workflow via delegation of authority
- ❖ Reporting, dashboards and analytics
- ❖ Claims and POD Automation
- ❖ Automatically gather claim document from customer portals
- ❖ Automatically gather POD, BOL and backup documents from carrier portals
- ❖ Automatically gather claim documents from customer emails
- ❖ Automatically gather claim documents from paper/scanned PDF
- ❖ Automatically gather claim documents from EDI claims
- ❖ Linking of Claims and POD
- ❖ Enrich claim information using standard rules to aid in linking with deductions/invoices
- ❖ Reporting, dashboards and analytics
- ❖ Web Push Automation – Upload claim denials to customer portals via web aggregation engine

Your Responsibilities

In using this Service, you are responsible for:

- (a) Preventing unauthorized access to Cloud Solutions, by, among other things, keeping your passwords secure and confidential and promptly notifying us of any unauthorized access;
- (b) Providing and maintaining all hardware and software you use to access each Cloud Solution;
- (c) Using the Service only in compliance with its Documentation;
- (d) Inputting accurate and complete Customer Data into each Cloud Solution in the established standard format and specifications set forth in its Documentation;
- (e) Providing to us on a regular basis customer master data and the open invoice data (transactional) from your ERP system(s). Additional information may be provided in order to further improve cash application matching rates. This includes but is not limited to; MICR data, payer name, parent-child relations, and other alternative references that your customer may pay against.

(f) If your usage of service includes payment and receivables activity processed by another financial institution or service provider other than us you must work with that provider to obtain the necessary payment files required to utilize the service. These files may include; a) an image file of checks and remittance documents received in a lockbox, and b) an ANSI X12 820 file of electronic payments received in your account(s) at the other financial institution(s). Image files should be in a CCIT Group IV format with a minimum resolution of 300 Dots Per Inch (**"DPI"**). It is your sole responsibility to arrange for these services with your other providers. You will be responsible for any one-time and/or ongoing service fees assessed by your provider(s).

(g) Assigning personnel to assist us on technical or data issues and otherwise cooperate with us in its provisioning of the service, including ensuring the cooperation of third parties as needed to supply requested Customer Data, information and other support.

Our Responsibilities

a) PNC Payment and Remittance Activity

For check payments received through your PNC Integrated Receivables lockbox(es) we will generate and transmit to the cloud-hosting environment the image files required for this service.

For electronic payment activity received in your account(s) we will generate and transmit to the cloud-hosting environment the data files required for this service.

We will generate and transmit the files in accordance with our regular schedules. We will share with you the schedules at your request.

b) Image and Data Delivery

We will make images of the items along with associated remittance data available to you through PINACLE®. We will not be liable to you if an image is not legible. You will be responsible for reviewing and resolving exception items including completion of data capture and/or invoice matching.

c) Image and Data Retention

For all receivables activity directed to the Receivables Automation service we will maintain images and associated data for a period of seven (7) years.

d) Hosting Environment

We may provide and use a shared or dedicated hosting environment for the service on secure servers at a third party managed hosting services facility. We will protect (or cause our hosting provider to protect) your data hosted in this cloud environment using controls consistent with accepted industry standards (e.g., Cloud Security Alliance Cloud Controls Matrix). We reserve the right in its sole reasonable discretion to transfer to a comparable hosting facility.

e) Access and Usage

Subject to the terms and conditions of this Agreement, we grant to you the limited right to access and use each Cloud Solution, but only in accordance with the Documentation. You may also allow Users to access and use a Cloud Solution, which access must be for the sole benefit of your organization; provided however, you will remain responsible for such Users' compliance with this Agreement.

Orderly Transition

Other than for a termination based on your misappropriation of our intellectual property or your failure to pay any undisputed amount by the requisite due date (provided that we have first provided you with five (5) days' prior written notice of the same), upon expiration or any termination of this Agreement, in whole or in part, we will, at your request, continue to allow you to access and use the Services after the date of such termination or expiration to effectuate an orderly transition from the Services for a period not to exceed one year. During such period, the then-existing fees will continue to be in effect and the terms of this Agreement shall survive and continue to govern the parties' rights and

obligations with respect to the Services. The usage period shall end when the transition from the Services has occurred and any Transition Services have been completed.

Termination; Liquidated Damages

Either you or we may terminate this Service as provided elsewhere in this Agreement. If you terminate this Service before you have used it for twelve (12) consecutive months following implementation for any reason other than our failure to reasonably perform our obligations hereunder, you will pay to us, as liquidated damages and not as a penalty, an amount equal to our average monthly billings to you for this Service multiplied by the number of months remaining until the end of the 12-month period.

D. E-LOCKBOX

PNC's E-Lockbox Service provides an automated way of collecting bill payments made by your customers at online bill payment sites, walk-in payment centers, collection agencies, credit counseling agencies, and other online bill payment originators ("Bill Payment Originators"). This service reduces the number of checks you will receive from online bill payment processors and eliminates the need for you to manage multiple electronic transmissions from each Bill Payment Originator.

As part of this Service, we will register you with participating Bill Payment Originators indicating that you are able to receive bill payments electronically. Not all Bill Payment Originators are able to send payments to you electronically. The registration process will include assigning you a Biller Profile Number so that the Bill Payment Originators know where to send your bill payments. You will be able, through us, to designate the following criteria to assist Bill Payment Originators in processing payments for you:

1. **Acceptable Names/Payees** – We will enter a list of acceptable names that your customers use when sending you payments. We will use your business name as the primary name, but will also ask you to provide a list of assumed business names that your customers use when making payments.
2. **Acceptable Addresses** – We will also enter a list of acceptable addresses where customers may send payments to you. The primary address will be the lockbox or street address where you request payments to be sent. We will include all of the additional addresses you designate where your customers may also send payments.
3. **Account Number Mask** – We will also include a list of customer account number "masks" that you will accept. The account number is your customer account number as established within your accounts receivables system. Some examples of "mask" criteria are:
 - a) A fixed or maximum account number length.
 - b) Specific prefixes that must be present in the account number.
 - c) List of account number structures (example xxx-xxxxxxx-xx).
 - d) An account number algorithm that uses the last digit of the account number as a check digit.

If a bill payment does not pass the three criteria described above, then the Bill Payment Originator will print a check with the customer information and mail the check to the address provided by the person making the online bill payment. You may also send us an old number/new number data file that can be used to systemically change an account number received to a corresponding number based on the data file received. This feature is available when you have gone through a systemic change where you have issued new account numbers to your customers. This file will match incoming payments based on the "old" number and automatically convert it to the "new" number prior to presenting those payments to you.

Payment Information Delivery

You may select one of the following methods for receiving your bill payment information:

1. Merged with your PNC lockbox file (retail or wholesale).
2. Separate ACH formatted file with only the E-Lockbox payments (CIE formatted file).
3. CSV/Excel file download from a WEB Portal.

4. Integrated with an EDI transmission.

There are four (4) data elements that are included with each payment. They are:

1. **Customer Account Number** – This is the account number entered by the person originating the payment (which is the customer account number assigned by you as established within your accounts receivables system).
2. **Payment Amount** – Dollar amount of the payment being made.
3. **Name** – This will be the name of the person originating the payment. *(Please note this name may not be the same name of the person on record in your accounts receivables system. The name is based on who originated the payment.)*
4. **Payment Date** – Date the payment is received and processed by us.

Funds Depositing/Availability

Payments received from the Bill Payment Originators will be deposited to your designated account on the Banking Day that the payments are received by us. The deposits will have immediate availability and will generally be posted by 8:00 a.m. ET on the Banking Day the payments are received.

Reporting

You will have the ability to perform reporting, payment research, and returns processing using the online portal. The online portal may be branded with the logo of our third party vendor and provides the following capability:

1. **Reporting** - Download transactions (CSV/Excel Download).
2. **Payment Research** - Perform research for payments that may have suspended during the posting process or require some other research. The WEB Portal gives you access to the contact information of the Bill Payment Originator who initiated the payment.
3. **Returns Processing** – Return any unwanted payments through the WEB Portal. This will automatically return the payment to the Bill Payment Originator who originated the payment. Your PNC deposit account will be charged the following Banking Day in the amount of any processed returns.

Disclaimer

Bill Payment Originators are independent third parties who are performing services on behalf of your customers and are not affiliated with, or controlled by, PNC. As such, you acknowledge and agree that PNC shall have no liability to you for any losses you incur that are caused by the acts or omissions of any Bill Payment Originator.

E. REMITTANCE ON-SITE SERVICE

This Service allows you to scan checks, plus any associated remittance documents and transmit the images to us as if such checks and documents had been sent directly to your lockbox with us. We will enter those electronic images into the collection system or use them to print Substitute Checks. We will provisionally credit your account for the deposit (**“Remittance Deposit”**). We will make images of the checks and associated remittance documents available to you through PINACLE.

Software and Materials

In order for you to use this Service, you will be provided with installation software. We will provide a user manual and other appropriate materials that will give you details on how to use this Service and install the software. The user manual and any other materials are considered part of the Documentation for the Service.

Transmissions

In order to transmit your Remittance Deposit file, containing your checks images and associated remittance documents, you will have to comply with any applicable Security Procedures. You will transmit the Remittance Deposit file to a secure site as directed in the user manual. You will scan each check, plus any associated remittance documents.

We will not process duplicate, partial or incomplete Remittance Deposit files.

If you cannot scan an original check or you do not want to use this Service to deposit an original check, you may deposit the original check at any of our branches or send the original check via U.S. mail to your lockbox, and the check will be processed in accordance with the Comprehensive Agreement.

If the Substitute Check or an image of the Substitute Check is returned for any reason, we will return the check to you as an Image Replacement Document (“**IRD**”) as defined in the American National Standards Institute’s applicable standards. Subject to our right to refuse any item for deposit as stated in the Business Account Agreement, you may re-deposit any check that was deposited using this Service by sending us another file containing an image of the check or the IRD. After you have sent us an image of an original check for deposit, you may not deposit the original check with us or with any other financial institution, even if the Substitute Check we created from your Remittance Deposit or an image of such a Substitute Check is returned. You must employ appropriate measures to ensure that original checks are not deposited.

Purchase of Equipment and Retention of Checks

While using this Service and upon reasonable notice, you agree that we can inspect your premises as we deem necessary within our sole discretion in order to determine your compliance with the provisions of this Agreement. You must purchase the scanners you need to use this Service. We may recommend a vendor from whom you can purchase scanners, but you must purchase scanners that are compatible with this Service. You agree that we have no liability to you or your agents for the use, purchase, maintenance, quality, or any other aspect of the scanners.

You agree to retain each original check, and an image of each original check in a format specified by us, without affixing any void language to the original check, for a minimum of fourteen (14) calendar days from the date of the deposit (“**Retention Period**”). You agree, upon our request and during the Retention Period, to provide either the original check or an imaged copy of any check that was transmitted to us using this Service. You agree to store each original check and an image of each original check in a secure location. Upon reasonable notice, you agree that we can inspect the location where you keep the original checks and imaged checks, but we have no obligation to conduct an inspection.

Deposit of Check Images

You are responsible for determining whether an original check is eligible for deposit as a check image in accordance with these Terms and Conditions and the Documentation. Without limiting the foregoing, you shall not deposit (i) a check image created from any check or item that is not eligible for conversion to a Substitute Check, including but not limited to non-US dollar denominated checks, checks drawn on foreign banks, forward or return items in carrier documents, or photocopies in lieu or mutilated items, or (ii) an electronically created image that did not actually originate from a paper item.

You shall review each check image prior to transmission of the check image to us in order to confirm the legibility and accuracy of the check image, and that the check image satisfies the quality standards as specified in our Documentation. You assume sole responsibility for ensuring that all information from the original check is accurately captured in the resulting check image.

You acknowledge and agree that (1) we do not separately verify that the check image is eligible for conversion to a Substitute Check or verify the accuracy, legibility or quality of the check image or MICR line information received from you and (ii) you are responsible for any copies of check images or original checks that you maintain and for any loss that may arise as a result of unauthorized access to or use of such original checks or check images. Except to the extent that you may re-deposit any check that was deposited using this Service as indicated above, we are not obligated to accept a check image for deposit from you, and we may in our sole discretion reject a Remittance Deposit at any time and request that you deposit the original check.

When we transfer or present a check image, or a Substitute Check created from that check image, we make certain representations and warranties under contract or under applicable law, including, without limitation, Check 21, clearinghouse rules and Federal Reserve Operating Circulars. With respect to each check image that you send to us, and each Substitute Check that we make from such a check image, you are deemed to make to us any representation or

warranty that we make to any person (including without limitation a collecting bank, a Federal Reserve Bank, a paying bank, a returning bank, the drawee, the drawer, any endorser, or any other transferee). You agree that a check image that is received by us using this Service or a Substitute Check created by us in accordance with these Terms and Conditions, shall be considered a check and/or an item for all purposes under the Comprehensive Agreement.

Termination of Service

In addition to the termination provisions stated elsewhere in this Agreement, we reserve the right to suspend your access to all or any portion of the Service at any time without notice to you.

F. CASH LOGISTICS SERVICE

This Service provides you with a means of depositing and obtaining coin and currency.

The terms "**cash**," "**coin**," and "**currency**" mean the legal coin and currency of the United States of America or of any other country approved by us. You will not deposit, and we will not accept, the coin or currency of any other country not approved under this Service.

Deposits by You

You will purchase or otherwise supply and maintain clear disposable plastic security bags for deposits. Plastic bags should be sealed according to the manufacturer's instructions. You will prepare your deposits in good order as follows:

- Cash deposits will be accompanied by a deposit ticket with the dollar amount fully visible through the plastic security bag or in an outer pouch that is accessible without opening the sealed bag. The shipping label on the bag must include your company name and location address.
- Deposits will be delivered by your authorized armored carrier to the secured facility specified by us.
- Your deposits will be deemed to be made when we receive them at the Cash Logistic Services ("**CLS**") facility. Cash, coin and check deposits must be received by us prior to the published deadline as provided to you from time to time. Deposits received after the applicable cut-off time will be considered by us to have been received on the following Banking Day, thereby delaying normal funds availability by one (1) Banking Day. Deposits presented to our CLS facility that contain checks will be accepted but will be subject to special handling fees.

Processing by Us

We will process your deposits as follows:

- We will count and verify the physical contents from your deposit based on the amount identified on the visible/accessible deposit ticket.
- Deposits that do not contain a visible/accessible deposit ticket with legible information are subject to processing delays with available ledger credit being delayed by one (1) or two (2) Banking Days.
- You will accept our count as the valid and binding final count.
- If our count varies from your count, a credit or debit adjustment will be made to the Account for the difference. Upon request, we will provide you with any information reasonably available to us which may assist you to reconcile the difference.

Withdrawals

You may order currency and coin from us in U.S. dollars.

We will debit your Account for the face value of the monies ordered on the day on which we present your order to your authorized armored carrier. If the Account does not contain sufficient funding equivalent to the amount being ordered, we will delay the processing of the order until the Account is fully funded.

You may place orders for coin and currency 24-hours per day by accessing our Automated Telephone Order Entry application or our Cash Logistics Information Portal (CLIP) web-based order system no later than 11:00 a.m. (local time). Orders placed before the 11:00 a.m. (local time) will be available for pickup by your armored carrier on that same business day.

Withdrawals will be deemed to be made when the coin or currency is delivered to your armored carrier.

Courier Service/Risk of Loss

You agree that any armored carrier used to deliver or secure coin, currency or other material to or from the CLS Facility, will be certified and licensed as required by applicable law and will act as your agent. You will bear the entire risk of loss of your coin, currency or other property when it is in the custody or control of you or your armored carrier.

United States Postal System (USPS) Deposit Shipping Support

We will provide the technological connectivity with the USPS API that supports the shipping of deposits through the USPS infrastructure. You can track and monitor the tracking of these deposits through CLIP. We will have no liability for any deposit package that is not delivered to PNC for processing. You assume full liability and risk for the USPS service and the billing for this service will be presented directly to you by the USPS.

G. NON-PNC SAFE DEPOSITS SERVICE

This Service allows you to deposit currency into an on-site electronic safe for same Banking Day conditional credit.

The Non-PNC Safe

You agree to procure the on-site electronic safe (“**Unit(s)**”) from any certified vendor. Individual Units will be maintained at your various locations as determined by you. You will hire a third party courier service (“**Courier**”) to pick up currency deposited into the Units and deliver the currency to secured CLS facilities specified by us within three (3) business days from when the currency is retrieved from the Unit by the Courier. For purposes of this Service, currency shall include cash currency of the United States of America, only, and shall not include coins, checks, food coupons or other items. You understand that each Unit will provide a bill validator for deposits made into each Unit. This service does not apply to monies deposited into the envelope drop or funds in the change control system of the Unit. You agree to instruct the Courier to pick up all currency in the Units no less than once per week. You agree, however, that the Courier is authorized to make daily Banking Day pickups of all currency in the Units from your locations at our request.

▪ The Non-PNC Safe Account

At the close of each Unit’s business day (generally 7 days per week), at a time to be determined by you, you will initiate an end-of-day transmission. On each Banking Day, the Unit will initiate an end-of-day transmission to us, reflecting the amount of currency deposited into the bill validator of each Unit. The total amount of all deposits will be posted to your Account on the Banking Day we receive the transmitted file from the Unit at which time you agree that full rights of ownership of all currency deposited into the Units shall vest in us. We will provide same Banking Day conditional credit (subject to receipt and count) to your Account in the amount of the reported deposit.

▪ Processing Non-PNC Safe Deposits

You agree that all Unit currency received in the CLS facilities will be processed as per the procedures set forth in the CLS Terms and Conditions. If our count varies from your count, or the Unit’s transmitted file, a credit or debit adjustment will be made to your Account for the difference. Adjustments will further be made for any counterfeit funds deposited into the Units, together with any adjustments associated with non-delivery of the currency to the CLS facilities as specified above including losses associated with theft, fire, or other physical destruction or damage of any Unit and its contents. Any negative balance caused by such reconciliation will be immediately due and payable to us by you.

Insurance Obligations

You, at your sole cost and expense, shall obtain, keep in force and maintain insurance with appropriate limits and shall cover any all losses associated with theft, fire, tampering, or other physical destruction or damage of each Unit and Unit contents. Evidence of such insurance shall be disclosed to us upon request.

Termination

In addition to the termination provisions set forth in the Comprehensive Agreement, we reserve the right to immediately terminate Non-PNC Safe Deposits Services without notice to you in the event any Unit is tampered with or the integrity of any such Unit is otherwise jeopardized.

Disclaimer

We shall have no responsibility and shall incur no liability for any failures of the Units, including the unavailability or interruption of transmission or communications, equipment or other technological failures, emergency conditions, or any courier-related services and obligations of the Unit or your Courier.

H. PRINTMAIL EXPRESS/SELECT

This Service permits you to instruct us to print, email, and generate electronic images of bills/statements/invoices, on your behalf.

General Specifications

- You will send us, through transmission or WEB file upload, a data file in our standard format or an agreed-upon custom format. If files are transmitted, a control file must be included, as specified by us.
- During implementation, we will assist you in completing the Print Mail Technical Specifications Form, and both parties shall sign such form. Future changes will be communicated to us and implemented through PNC's standard change process.

PNC shall not be under any duty or obligation to inquire into, and shall not be liable for, the validity or invalidity or authority or lack thereof of any oral, transmitted, or written instruction provided by you, which PNC reasonably believes to be genuine.

General Processing

PNC's Print Mail process generally includes:

- You delivering billing data to PNC via Direct File Transmission or WEB file upload
- You delivering to PNC a control file or totals for file validation.
- The option for you to implement a "hold and release" process, rather than a standard straight-through process. Hold and Release allows you to review the file output through PNC's Print WEB portal prior to releasing the bills for printing and mailing. PNC's standard process is to automatically process all files and print and mail them without any manual intervention by you.
- PNC will apply processing edits (agreed to by the parties) against the data file in an attempt to validate the file. Once the file has passed file processing edits, it will be released to the print production facility for printing, inserting, and mailing.
- PNC provides a Print WEB portal where you can review the file status, as well as manage the various components of the print process. The Print WEB portal also provides reporting on volume and postage expense incurred.

Rejected File Processing

If PNC identifies any data or agreed to logic issues during file processing, PNC will stop processing the file and contact you to determine next steps. If it is determined there is a data file issue, then you will be responsible to correct the data issues and resend the data file for processing. If the issue can be addressed by PNC, then PNC will communicate the resolution to you.

Address Validation Services

PNC can provide address verification services as part of the standard print services. This service matches all addresses against the USPS Address Database to make sure all outgoing mail can be delivered. You may request reports generated through the National Change of Address ("**NCOA**") process to help you update addresses in their system of record. PNC

can also provide a **“Bad Address Report,”** which lists all the addresses that are either undeliverable or need correction. Both the NCOA and Bad Address Reports are optional and can be turned on or off at your request.

MailTrek Service

MailTrek is an optional mail tracking service that uses USPS technology to track your inbound and outbound mail.

- ❖ **Outbound Mail** – For outbound scanning, an Intelligent Mail barcode (Imb) is printed on each piece of outgoing mail. That Imb serves as a unique identifier for that envelope. The data from this barcode gives the USPS the necessary intelligence to get your mail delivered to the right address on time.
- ❖ **Inbound Mail** – For inbound scanning, an Imb barcode will be included on your return or remittance envelope to provide you with valuable data regarding the status of incoming payments.

Scanned throughout each stage of the delivery process, data from the Imb is uploaded multiple times a day to our system. Mail is tracked in real-time so that you know the delivery status of your inbound and outbound mail. Reports on the scanned activity are available to you through PNC’s Print WEB portal.

Production and Mail Times

Unless otherwise agreed by the parties, the following are the standard production turn-around times for printing and mailing items:

- ❖ Files Received Monday through Thursday (up to 75K items) – Data files received by 11:30am ET will be processed and mailed by the next Business Day.
- ❖ Files Received Friday (up to 75k items) – Data files received by 8:30am ET will be processed and mailed by end of day Saturday.
- ❖ If Saturday is a government holiday, then the items will be mailed the next business day.

Cancellation of File

If you, after a file has been transmitted to PNC, subsequently notify PNC that you want to cancel a file, PNC shall make reasonable efforts to stop the printing and mailing of the bills. If documents have been printed but not mailed, then you will be responsible for paying PNC for Services performed prior to receipt of the notice of cancellation.

Inspection of Items

PNC will inspect output prior to delivery to the USPS or other mail service provider. Inspection will include:

- Review for mail piece completeness including inserts, undamaged output, no read quality issues, and correct data placement.
- Review for mail readiness, including accurate postage and compliance with U.S. Postal Service regulations for qualified presort first class mail.

Data Storage, Image Archive, and WEB System Management

PNC may store data files for up to 60 days in order to perform certain quality control processes. Images of all documents will be archived as PDF images for a minimum of 90 days and up to several years, depending on your requirements. These images may be accessed thru PNC’s Print WEB portal, transmitted back to you, and/or integrated with PNC’s Electronic Bill Payment and Presentment system.

The Print WEB portal described above may be used by you to access volume and postage reporting, and manage billing messages, inserts, and other print processes. Reprints would be submitted to PNC as a separate file through the normal print process.

I. PAYEREXPRESS SERVICE

PayerExpress is PNC's bill payment and presentment service that allows your customers to make payments on bills and invoices from your company via ACH and/or Card Payment networks.

Security

PNC reserves the right to update the security features of the PayerExpress system at any time.

Compliance

ACH transactions are subject to the Automated Clearing House (ACH) Origination Service Terms and Conditions. Transactions processed through the Card payment network are subject to the Operating Guide and Association Rules as defined in PNC's agreement with you for merchant services, a copy of which will be provided to you if you use this Service.

Consumer Terms of Service and Privacy Policy

You are solely responsible for any Consumer Terms of Service and Privacy Policy used for PayerExpress.

PayerExpress requires that you post a Consumer Terms of Service on the website. You may also post a Privacy Policy on the website. PNC can provide you with a sample Consumer Terms of Service document. You understand and agree that this sample is being provided as a courtesy, only, and does not reflect legal review or approval. You should not rely on this sample document without your own legal review, guidance and approval. You agree not to include any reference to PNC within your Consumer Terms of Service or Privacy Policy statement, including any reference to PNC's name, address, logo or other PNC identifying information. You will be required to submit the text of your Consumer Terms of Service to PNC, in writing. If you want to post a Privacy Policy, you are also required to submit that text to PNC, in writing. Posting of such materials shall not constitute PNC's approval thereof. PNC will not be responsible for monitoring or enforcing the provisions set forth in the posted Consumer Terms of Service or Privacy Policy. Any such monitoring or enforcement efforts shall remain solely your responsibility.

J. ELECTRONIC PAYMENT CENTER SERVICE

Electronic Payment Center is a bill payment and presentment service that allows your customers to make payments on bills and invoices from your company via ACH and/or Card Payment networks.

Security

PNC reserves the right to update the security features of the Electronic Payment Center at any time.

Compliance

ACH transactions are subject to the Automated Clearing House (ACH) Origination Service Terms and Conditions. Transactions processed through the Card payment network are subject to the Operating Guide and Association Rules as defined in PNC's agreement with you for merchant services, a copy of which will be provided to you if you use this Service.

Consumer Terms of Service

You are solely responsible for any Consumer Terms of Service used for the Electronic Payment Center.

A generic Consumer Terms of Service will be posted on the website for the Electronic Payment Center. You understand and agree that this generic Consumer Terms of Service cannot be modified, and is being provided as a courtesy, only, and does not reflect legal review or approval. You should not rely on this generic Consumer Terms of Service without your own legal review, guidance and approval. PNC will not be responsible for monitoring or enforcing the provisions set forth in the posted Consumer Terms of Service. Any such monitoring or enforcement efforts shall remain solely your responsibility.

K. REMOTE DEPOSIT SERVICES

We offer Services which allow you to deposit checks into your Account with us by making images of the checks (i) using an approved remote capture device, (ii) using an eligible mobile device, or (ii) by scanning the checks, and then releasing the images to us. We will enter those electronic images into the collection system or use them to print Substitute Checks and enter them into the check collection system. We will provisionally credit your account for the deposit (**“Remote Deposit”**).

Additional Features of Deposit On-Site

The **Remittance** feature of our Service allows you to scan a remittance coupon in accordance with our specifications and then export data from the remittance coupon to us. This feature is not available when you use a mobile device to deposit checks.

Our **Image Export** feature offers you the delivery of a daily secure data transmission file, which includes prior Banking Day deposit details along with images of deposit tickets and checks. When used together with the Remittance feature, the transmission file also contains images of the remittance coupons. Images may also be viewed through PINACLE for the period of time as determined by us from time to time.

For checks deposited with a mobile device, your Authorized Users must install an application (**an “App”**) to their eligible mobile devices. You and your Authorized Users will regularly receive App update notices, with enhancement descriptions, which your Authorized Users will be required to promptly install. Both you and your Authorized Users agree to be bound by the terms of the applicable End User License Agreement (**“EULA”**) for the App and your Authorized Users must indicate their agreement to the EULA before they may download the App to their mobile devices.

Transmissions and Other Requirements

Except for PINACLE access to the remote deposit computer software program and its related documentation, you must purchase your own image processing equipment and software. In order for you to use this Service, the check images that you send us must be in the American National Standards Institute’s Check Image Exchange X9.37 format. We will provide you with a copy of the Check Image Exchange X9.37 format requirements. We will provide you with an implementation plan with test requirements and other appropriate materials that will give you details on how to use this Service. Test requirements must be met before you may use the Service in production. The format requirements, implementation plan and any other materials are considered part of the Documentation for the Service and are incorporated herein by reference. We may provide you access to an API that may be used by you to access this Service.

Processing Guidelines

You will release your Remote Deposit file containing your checks images to our secure site as directed in the Documentation. All checks deposited with a mobile device must include your virtual endorsement on the back of the check image. For other remotely deposited checks, we may provide your virtual endorsement to each check image that you capture and send to us. You are responsible for the correct placement of your endorsement on the check images. Upon receipt of your Remote Deposit file, we will confirm our receipt of your deposit. The date of deposit is the date in such confirmation, including for purposes of our Funds Availability Policy. After acknowledging receipt of your Remote Deposit, we will provisionally credit the checks in your Remote Deposit file to your designated Account. We will then process each remotely deposited check for collection or create a Substitute Check for each check imaged in your file that meets the image quality standards set forth in the Documentation, and process each Substitute Check for collection.

In order to credit the checks to your designated Account on the same Banking Day that we receive your Remote Deposit file, we must receive your file by the cutoff time stated in the Documentation. If the Remote Deposit file is received after that time, the file will be considered to have been received by us on the next Banking Day and that date will be reflected on the **Receipt Notice**.

We will not process duplicate, partial or incomplete Remote Deposit files. If you cannot remotely deposit an original check or you do not want to use this Service to deposit an original check, you may deposit the original check at any of our branches.

If the Substitute Check or an image of the Substitute Check is returned for any reason, we will return the check to you as an Image Replacement Document ("**IRD**") as defined in the American National Standards Institute's X9 standards. Subject to our right to refuse any item for deposit as stated in the Business Account Agreement, you may re-deposit any check that was deposited using this Service by sending or releasing to us another Remote Deposit file containing an image of the returned check or the IRD. After you have sent us an image of an original check for deposit, you may not deposit the original check with us or any other financial institution, even if the Substitute Check we created from your Remote Deposit or an image of such a Substitute Check is returned. You must employ appropriate measures to ensure that original checks are not deposited.

Deposit Limits

We will establish deposit limits and check item limits for the remote deposit activity that you may initiate. The limits for remote deposit activity are based on the maximum item dollar amount and accumulated remote deposit activity. Authorized Users with Administrative access can view the Company limits within the User Edit Screen. We may change your limits at any time in our sole discretion. If we receive a remote deposit file from you which alone, or in combination with any other aggregated deposit activity, exceeds your deposit limit, we may decline to process the file in our sole discretion. Our election to process any remote deposit file which exceeds any of your limits will not affect or limit our right to reject any future Remote Deposit transaction file which exceeds your limit at any time. We will not be liable for delaying or not processing a remote deposit file if such processing would cause your limit to be exceeded.

Equipment

You agree that, upon reasonable notice, we can inspect your premises as we deem necessary within our sole discretion in order to determine your compliance with the Terms and Conditions for this Service. You must purchase the scanners that we believe in good faith are compatible with this Service. We will provide you a list of such scanners and a list of vendors from whom you may purchase them. You agree that we have no liability to you or your agents for the use, purchase, maintenance, quality, or any other aspect of the scanners.

If you wish to remotely deposit checks via a mobile device, we will provide you with a list of eligible mobile devices. The identification by us of a cellular phone or other mobile device for use with the Service does not constitute a recommendation, endorsement or any representation or warranty of any kind by us regarding the performance or operation of such device. You and Your Authorized Users are solely responsible for the selection of an eligible mobile device and all issues relating to the operation, performance and costs associated with such device are between you, your Authorized Users and your or their wireless communications provider. Such provider may impose extra fees in order to make such mobile device data-capable and may also apply charges if you or your Authorized Users exchange data between a mobile device and the Service.

In the event you or an Authorized User's mobile device is lost or stolen, you agree to make appropriate changes to disable the use of such device or you will require your Authorized Users to do so.

Retention of Checks

You agree to retain each original check, without writing on or otherwise altering the original check, for the period of time stated in the Documentation ("**Retention Period**"). You agree, upon our request and during the Retention Period, to provide either an additional image copy of any check image that was released to us using this Service or the original check. You agree to store each original check or a copy of the imaged checks in a secure location. Upon reasonable notice, you agree that we can inspect the location where you keep the original checks and copies, but we have no obligation to conduct an inspection. You will not deposit, with us or with any other financial institution, the original of any check of which you have sent us an image for credit to your Account. If you become aware that you have made such a deposit, you will notify us immediately.

Deposit of Check Images

You are responsible for determining whether an original check is eligible for Remote Deposit as a check image in accordance with these Terms and Conditions and the Documentation. Without limiting the foregoing, you shall not deposit (i) a check image created from any check or item that is not eligible for conversion to a Substitute Check, including but not limited to non-US dollar denominated checks, checks drawn on foreign banks, forward or return items in carrier documents, or photocopies in lieu of mutilated items, or (ii) an electronically created image that did not actually originate from a paper check.

You shall review each check image prior to releasing the check image to us in order to confirm the legibility and accuracy of the check image, and that the check image satisfies the quality standards as specified in our Documentation. You assume sole responsibility for ensuring that all information from the original check is accurately captured in the resulting check image and that all files are transmitted as balanced deposits.

You acknowledge and agree that we do not separately verify that the check image is eligible for conversion to an image or a Substitute Check or verify the accuracy, legibility or quality of the check image or MICR line information received from you. You acknowledge and agree that you are responsible for any copies of check images or original checks that you maintain, and you are responsible for any loss that may arise as a result of unauthorized access to or use of such original checks or check images. We are not obligated to accept a check image for deposit from you, and we may in our sole discretion reject a Remote Deposit at any time and request that you deposit the original check.

When we transfer or present a check image, or a Substitute Check created from that check image, we make certain representations and warranties under contract or under applicable law, including, without limitation, Check 21, Clearinghouse Rules and Federal Reserve Operating Circulars. With respect to each check image that you send or release to us, and each Substitute Check that we make from such a check image, you are deemed to make to us any representation or warranty that we make to any person (including without limitation a collecting bank, a Federal Reserve Bank, a paying bank, a returning bank, the drawee, the drawer, any endorser, or any other transferee). You agree that a check image that is received by us using this Service or a Substitute Check created by us, shall be considered a check and/or an item for all purposes under this Agreement.

Termination of Service

In addition to the termination provisions elsewhere in this Agreement, we reserve the right to suspend your access to all or any portion of the Service at any time without notice to you. You shall also pay all amounts then due and owing to us within thirty (30) calendar days following the effective date of termination.

The Deposit On-Site service also offers the following optional features:

- ❖ The Remittance feature allows users to scan a remittance coupon that complies with our specification standards to capture data from the remittance coupon that can be exported directly from Deposit On-Site (data only).
- ❖ The Image Export feature offers the delivery of a daily secure data transmission file which reflects prior Banking Day deposit details along with images of deposit tickets and checks. When used together with the Remittance feature, the transmission file contains images of the remittance coupons. Images may also be viewed through Deposit On-Site PINACLE access.
- ❖ All deposited Items and remittance coupon images will be available within Deposit On-Site for 35 days.

L. REMOTE SAFE SOLUTION®

This Service allows you to deposit Currency into an on-site safe for same Banking Day credit. In the event of a conflict between these terms and conditions and the Cash Logistic Services terms and conditions, these terms and conditions shall control with respect to the Remote Safe Solution feature.

For purposes of these terms and conditions, the following definitions shall be applicable.

Definitions for Remote Safe Solutions

- **“Content Report”** means a report generated by the Equipment that sets forth the value of the Cassette Cash collected from the Equipment.
- **“Cassette Cash”** shall include Currency of the United States of America which is accepted by the Equipment’s bill acceptor, and shall not include coins, checks, food coupons or other items.
- **“Currency”** shall include cash currency of the United States of America.
- **“Delivery Location”** means the facility designated by us as the place where the Shipment is to be delivered.
- **“Equipment”** means the safe (excluding any Currency held in the Equipment) and all related hardware, software, accessories and written materials describing the function and use of the Equipment.
- **“Pick Up Location”** means your location where the Equipment is installed.
- **“Route Designation”** means the classification by Transportation Agent of a truck route as being “Urban” (<25 miles between the Pick Up Location and the Delivery Location), “Rural” (>25 <50 miles between the Pick Up Location and the Delivery Location, or “Extended/OTR (over the road)” (>50 miles between the Pick Up Location and the Delivery Location).
- **“Shipment”** means the currency removed from the Equipment by the Transportation Agent or the acceptance of miscellaneous deposit bag by the Transportation Agent and delivered to a single Delivery Location.
- **“Transportation Agent”** means the independent third party armored carrier service arranged by us for facilitating Shipments.

Pick Up and Transport

We shall arrange for the Transportation Agent to service your Pick Up Location(s) for the purpose of picking up Cassette Cash from the Equipment and any miscellaneous deposit bags being sent for processing. You acknowledge and agree that the Transportation Agent will only act upon our instruction regarding pickups, transport and processing, or any changes thereto. Unless otherwise specified, all pickups will be performed on Banking Days during our normal business hours at the frequency stated in an agreed upon schedule. Additional fees may be imposed if your service day is scheduled on a Non-Banking Day. You agree, however, that we are authorized, in our sole discretion, to demand and to take possession of all or any portion of the Cassette Cash at any time. Pickups which do not fall within the normal schedule but that are agreed to by us shall be at your expense. In the event of inclement weather or some other irregularity, performance shall be mutually agreed upon. The Equipment is designed to automatically generate a Content Report with respect to Currency which is accepted into the Equipment’s bill acceptor. The Cassette Cash will be transferred by the Transportation Agent to the Delivery Location for processing pursuant to the Cash Logistic Services terms and conditions.

The Transportation Agent may, at their sole discretion, adjust their truck service routes. These changes may alter the Route Designation, which may result in an increase in the Route Designation surcharges billable to you. We will disclose the applicable fees that will be billable to you.

Credit of Cassette Cash

The Equipment will transmit the value of Cassette Cash based on a daily transmission as requested by you at a predetermined, agreed upon time. All Cassette Cash placed into the Equipment’s bill acceptor(s) after the *transmission deadline of 10:15p.m.* ET will be included in the next Banking Day’s transmission. The transmission value will be the amount of Currency which passed through the Equipment’s bill acceptor since the last transmission. If you have chosen the “*pay for change order*” option, an additional, separate value (representing the change order amount) will be transmitted. You agree that we shall have full rights of ownership of all Cassette Cash at the time it is deposited into the Equipment. On each Banking Day, we will receive an end-of-day transmission reflecting the amount of Cassette Cash. The total amount of the Cassette Cash will be posted to your account on the Banking Day we receive the transmission. PNC will provide same Banking Day credit to your account in the amount of the transmitted deposit. If our physical count of the Cassette Cash varies from your count, or from the value set forth in the transmission, we reserve the right to credit or debit your account for the difference based upon our count. We will also make adjustments for any counterfeit funds deposited into the Equipment.

Content Reports

You agree to maintain copies of all Content Reports and end of day reports at the Pick Up Location for a period of not less than ninety (90) days.

Changes in Service Requirements

Pick up frequency may be adjusted from time to time as appropriate for the levels of Currency being inserted into the Equipment and if the Transportation Agent is able to support the request. Changes in the weekly service frequency may be requested once every six (6) months from the last time a change in weekly service frequency was approved. For changes in pick-up frequency, fees will be adjusted in accordance with our current rates to reflect the change in pick-up frequency. You shall be responsible for all expenses associated with the installation, de-installation, shipping and delivery of Equipment necessitated by a change in a Pick Up Location. All changes in service requirements, including any changes to the Pick Up Location, must be agreed to by us in writing.

Customer Support

We will provide customer support during normal business hours. Currently, customer support is provided between 5:00 a.m. CT and 12:00 a.m. CT, seven days a week, excluding federally recognized holidays. The hours and days of customer support may change without notice. Customer support shall include call center support for all safe hardware, software investigations, reconciliation and research issues. If required, on site arrival will be within 24 hours of our notification of a problem. You will have access to on-line web-based information regarding deposit activity originating from the Equipment.

Training

We will provide necessary training which will include on-screen and/or computer based training, user manuals, and on site technician training at the time of implementation.

Installation

You shall arrange for, and be solely responsible for all expenses associated with site preparation for installation of the Equipment. You must provide a secure location for the Equipment installation pursuant to our Documentation. We shall have final approval for the requested Pick Up Location. On the agreed upon delivery date, we will arrange for the Equipment to be delivered to and installed at the Pick Up Location during our normal business hours. You shall be solely responsible for payment of any expenses associated with shipping and installation of the Equipment, including repeat trips caused by the site not being prepared for installation.

You agree to reasonably cooperate and provide unimpeded access to the Equipment to facilitate its installation or during post-installation service or maintenance. The Equipment shall be used and operated by you only in the ordinary course of your business in accordance with all applicable instructions, governmental laws, rules and regulations. You shall make the Equipment available to us for inspection and/or servicing during our normal business hours at any Pick Up Location. The Equipment shall not be removed without our prior written consent.

Access

You agree that if we or the Transportation Agent are unable to obtain immediate access to the Equipment, we may charge you excess premises charges. You shall not permit any party other than the Transportation Agent or our personnel to service, repair or maintain the Equipment without our prior written consent. You shall not make any alterations, additions or improvements to the Equipment without our prior written consent.

Repair

We shall repair or replace the Equipment at no additional cost to you, except that you shall pay for repairs or replacement arising out of: (i) abuse and/or vandalism of the Equipment; (ii) incorrect or insufficient training by your employees or agents; (iii) utilization of the Equipment contrary to our instructions; (iv) damage caused by an event of Force Majeure; or (v) damage caused by your breach of this Agreement

Changes to U.S. Currency

In the event that the United States government issues a new Currency design which requires modification of the Equipment, we agree to modify the Equipment to accommodate the design change as part of the standard services provided.

Title, Ownership and Liens

The Equipment and the Cassette Cash shall at no time be considered your property. You shall have no right, title or interest therein except as specifically set forth in these Terms and Conditions. YOU SHALL NOT ASSIGN, LEASE OR TRANSFER ALL OR ANY PART OF THE EQUIPMENT OR YOUR RIGHTS OR OBLIGATIONS HEREUNDER. If we supply you with labels, plates or other markings evidencing ownership, security or other interest in the Equipment, you shall affix and keep the same displayed on the Equipment at all times. You shall, at your sole cost and expense, keep the Equipment and its contents free and clear of all liens, charges, debts, mortgages, pledges, security interests, claims and any other type of encumbrances, and shall not attempt in any other manner to dispose of the Equipment or its contents. You shall defend our rights and interests to the Equipment and its contents against such adverse claims. If you do not comply with your obligations under this Section (Title, Ownership and Liens), in the event that any third party claims title to or an interest in any of the Equipment or its contents, you agree to take all steps necessary, at your own cost and expense, (including taking appropriate legal action) to defend against such claim and, if applicable, obtain the Equipment and its contents and return it to us. You agree to notify us of any such third party claim and agree that we may participate at your expense in the defense of any such action or claim. If you are not successful in obtaining and returning such Equipment and its contents, you agree to pay us the value of the Equipment and in addition thereto, you shall pay us the value of the Cassette Cash, to the extent we have credited your account.

Risk of Loss

Upon delivery of the Equipment to you, you shall bear the entire risk of loss, damage, theft, or destruction of the Equipment or its contents, except those losses caused by reason of our negligence, and no such loss, damage, theft or destruction shall relieve you of your obligation to pay fees owing to us or to comply with any other provision hereof.

If the Equipment is lost, stolen, destroyed or irreparably damaged, you shall promptly contact PNC Treasury Management Client Care (TMCC). We will ascertain and communicate to you the remaining value of the Equipment to include the value of the Cassette Cash to the extent we have credited your Account for the value thereof. We shall have the right, at our option, to retake possession of damaged or destroyed Equipment ("Non-Operational Equipment"). We will bill your Account Analysis Account for the values indicated herein. Upon payment of the loss, you may elect, by written notice to us, to either terminate the remainder of the Equipment Term, or request replacement Equipment and continue the Equipment Term. You shall pay for the shipping and installation of any replacement Equipment.

Customer Insurance

You shall at all times prior to the return of the Equipment carry and maintain, at your sole cost and expense, (i) insurance against loss or damage to the Equipment and its contents from all risks and hazards, including by fire, theft, explosion, and water damage, and (ii) general comprehensive liability insurance coverage, pursuant to which we are named as an additional insured. Such insurance shall be in reasonable amounts and with insurance companies of recognized financial responsibility. Upon written request, you shall provide us with evidence of such insurance coverage. We shall be notified within thirty (30) days in the event that such insurance coverage shall be canceled, not renewed or substantially modified.

Bank Liability, Limitations and Exclusions

The Cassette Cash received by us shall match the amount shown on the Content Report, except to the extent of a discrepancy due to failure of the Equipment, a Shipment loss, or the detection of a counterfeit bill. In the event the Cassette Cash received by us or the amount of the credit to your account shall be in question, you shall inform us as soon as practicable and give written notice to us within two (2) Banking Days after any discrepancy is discovered by you. In no event will you provide notice of any losses more than forty-five (45) days after we receive the Cassette Cash. Unless notice is given by you within the time proscribed in this paragraph, any and all claims by you for such losses shall be deemed waived. No action, suit or other proceeding to recover for any such loss shall be brought against us unless (a) the above

notice has been given to us, and (b) such action, suit or proceeding is commenced within eighteen (18) months after our receipt of the Cassette Cash. You shall further provide all records available to establish the value of the Cassette Cash. In the event that a Content Report is not available, our count shall be binding and conclusive. In addition to the limitations on our liability stated elsewhere in this Agreement, our liability to you in connection with this Service shall in no instance exceed the amount of the Cassette Cash contained in the Equipment less the value of any counterfeit Currency.

Term and Termination

The term for each unit of Equipment, including any initial installation, replacement, or upgrade (the "Equipment Term") shall commence when the Equipment is installed; provided, however, a new Equipment Term shall not apply to a replacement for Non-Operational Equipment. The Equipment Term shall continue for an initial period ending on the first December 31 following five (5) years after the Equipment Term commencement date. Thereafter, the Equipment Term for each unit of Equipment shall automatically renew for successive one (1) year periods unless you or we give written notice of your or our intention not to renew no later than one hundred (100) days prior to the expiration of the then current Equipment Term.

Notwithstanding the above described Equipment Term, you shall be entitled to terminate the Equipment Term for the first unit of Equipment installed, or the first unit of Equipment installed within a multiple location installation, within sixty (60) days ("Opt-Out Period") after the successful completion of installation without penalty or further obligation, except for fees for the Service and actual use of Equipment and direct expenses associated with the removal and return of the Equipment. If you cancel an Equipment order prior to the Equipment being installed, you will pay us twelve (12) months of projected fees that would have been payable by you as specified in the Equipment order form. You may only use the Opt-Out Period one time.

We may terminate this Service, or cancel service at a specific Pick Up Location, immediately upon notice to you for the reasons as specifically enumerated in the Comprehensive Agreement. In addition to the termination rights set forth elsewhere in this Agreement, we reserve the right to terminate this Service, or an Equipment Term, immediately upon notice to you in the event the Equipment is tampered with or the integrity of the Equipment is otherwise jeopardized. If we terminate this Service or cancel service at a specific Pick Up Location for any reason other than at our convenience, in addition to any other remedies that may be available under this Agreement, you shall pay us the expenses associated with the removal and return of the Equipment and the fees that would be payable by you for the shorter of (a) the remaining Equipment Term relating to the applicable Pick Up Location(s), or (b) twelve (12) months.

If you terminate an Equipment Term prior to its expiration, other than as a result of our breach of our obligations hereunder, you shall pay us the expenses associated with the removal and return of the Equipment and the fees that would be payable by you for the shorter of (a) the remaining Equipment Term relating to the applicable Pick Up Location, or (b) twelve (12) months.

Upon the termination of a specific Pick Up Location, these terms and conditions shall remain in full force and effect to cover all remaining Pick Up Locations. Upon the termination of a Pick Up Location or this Service, you shall permit us or our Transportation Agent to obtain immediate possession of the Equipment. Repossession of the Equipment upon termination of a specific Pick Up Location or termination of this Service shall be at our expense except as otherwise provided herein. We shall not, bear any liability or expense for restoring the site of the Equipment to its original state.

M. RETURN CHECK MANAGEMENT SERVICE

Return Check Management Service ("**RCMS**") is an online tool that enables you to view, create, print, and export reports containing information about returned item transactions. It also provides the ability to obtain detailed information regarding returned checks. In addition, you can export reports containing information about re-clears or return item transactions and **RCK** items. Information can be stored for thirteen (13) months and we offer Direct File Transmission capabilities. **RCK** Entries are subject to the ACH Origination Terms and Conditions.

If you originate RCK Entries, each such Entry must relate to an eligible item as described in the NACHA Rules. In addition to any other warranties and obligations contained in the NACHA Rules or our Comprehensive Agreement with you, as to each RCK Entry, you make to us all of the warranties that we are required by the NACHA Rules to make as the Originating Depository Financial Institution.

RCK Eligibility Requirements

RCMS will systematically determine if RCK items meet all eligibility requirements as prescribed by the NACHA Rules. RCK items that do not meet these eligibility requirements may be re-presented via paper, if applicable. An RCK entry must relate to an item that:

- Indicates on the face of the document a return reason of Insufficient or Uncollected Funds.
- Contains a preprinted serial number.
- Is in an amount less than \$2,500.
- Is drawn on a consumer account.
- Is dated less than 180 days from the date the entry is transmitted to the RDFI.
- Is in U.S. Dollars.
- Has been previously presented no more than two times through the check collection system (as a physical item, Substitute Check or image) if the entry is an initial RCK Entry, or no more than one time through the check collection system and no more than one time as an RCK Entry if the entry is a reinitiated RCK Entry.

RCK Authorization

You must provide the consumer with clear and conspicuous notice of your check re-presentation entry policy at the time the original check is presented. The notice that you provide at the point-of-sale must be clearly displayed at the point-of-sale. If you send the consumer a bill, the notice that you provide must be clearly displayed on or with the billing statement.

Reconciliation

RCMS provides detailed web-based reporting at the account and location level for all returned checks re-presented via paper and RCK. Paper redeposits are re-presented immediately. Returned checks which are converted to RCK are debited to your account on the day the original check is returned. RCK transactions are batched and processed through the ACH network based on the effective date of the RCK items. Your account will be credited for the total of all RCK items according to the effective date and specified account.

IV. DISBURSEMENT SERVICES

A. INVOICE AUTOMATION

This Invoice Automation Service provides an accounts payable invoice automation process that enables you to centralize the receipt of invoices, convert paper invoices to electronic invoices, exchange invoice information electronically with your suppliers, identify and build business rules and approval workflows to streamline the processing of invoices, including general ledger coding and purchase order matching. Additional modules are available in the Invoice Automation portal for use in conjunction with automated invoice processing, and may result in additional charges:

- ❖ Supplier Portal: A secure website where suppliers log in to view their invoices and the status. Suppliers also have the capability to submit invoices electronically and manually via written forms.
- ❖ Contract module: A module for processing and managing contracts. It reminds users when contracts require management, what needs to be managed, and employs a set of rules and access control system, which determines how the contract will be managed.
- ❖ Buyer module: A module for creating requisitions and routing for approval, for the purpose of generating purchase orders to suppliers. Requisitions can be created via free-text, internal electronic catalogue, or external

punch-out catalogue. Goods or services may then be received against purchase orders in order to match to invoices.

- ❖ **Budget module:** A module for generating budget requests. In this module, budget requests are registered and managed in a flow. Budget requests pass through an approval flow where applicable, and are then used to check future purchases. Linkage with the Buyer module allows purchases to be made against a budget request to enforce greater control over established budgets.
- ❖ **Expense module:** A module for creating expense reports and processing for approval. Expense receipts are scanned or emailed into the Invoice Automation portal where they may be linked to transactions entered by users. Credit card transactions may also be imported.
- ❖ **Document Management module:** A module for importing or manually loading non-invoice documents, routing for approval if applicable, and storage.

AP Automation

You may elect to use this Service to transmit purchase order data to, and receive invoices from, your suppliers. You and your suppliers may share data using one or more of the methods agreed to by the Bank, including without limitation, email, direct supplier integration, paper invoices, and manually-entered data through a supplier portal or other approved method. By requesting this feature, you consent to the receipt and use (by both our service provider and us) of any confidential and non-public information about you or your suppliers. Neither our service provider nor we shall be responsible for any loss of confidentiality with respect to your account information that occurs before receipt of such information by our service provider or which arises due to the actions of the supplier or its data exchange provider.

If you elect to have suppliers send information about your account payables using the service, you must ensure that each supplier sends data that is compatible with our system. We cannot guarantee that the receipt or transmission of information will occur at any specified time during the Bank's Business Day. We are not responsible for any losses incurred due to delays in receiving or transmitting information. We shall not be in any way liable for any losses or damages you may incur from transmission or failure of transmission of information sent by the supplier. You also agree that we will not be liable in any way for any inaccuracies that may appear in the information sent by you or received from others.

Mail Receipt and Invoice Imaging

If desired, you will advise your suppliers to mail scannable paper invoices ("**Invoices**") to the address in the Documentation. We will pick up mail containing items at the U.S. Post Office from time to time in accordance with our regular mail collection schedules. We will open the envelopes and will remove their contents. Invoices contained in the envelopes will be reviewed and handled as follows:

Review of Items

Items will be reviewed to determine if the item is an Invoice or some other document.

Processing Procedures

Items found acceptable for Invoice processing will be converted to digitized images. After the data capture process, the electronic invoice is matched against your defined tables (e.g. purchase orders, vendor master contracts, business rules, etc.), which determine the appropriate workflow for the Invoice. Once approved the files will be sent as requested by you and agreed by us.

Image Delivery

We will make images of the items available to you through the Invoice Automation Portal. We will not be liable to you if an image is not legible. You will be responsible for reviewing the image to ensure that the information is legible, and notifying us when item needs to be corrected. We will destroy the original Invoices thirty (30) banking days after we receive them.

Mail Forwarding

All items not eligible for imaging or miscellaneous written communications will be forwarded to you for further inspection and/or review. These documents will be forwarded via first class mail unless otherwise specified. If overnight mailing is required, we request that you provide the name of your provider and account number to be charged for the service.

Image Storage

All images will be retained for seven years and will be available for viewing using the Invoice Automation portal. You may request additional image storage time. Longer image storage times are subject to our approval and may be subject to additional fees.

Email Receipt

If desired, you will advise your suppliers to email invoices (“Email Invoices”) to the address in the Documentation. We will receive emails, detach files contained in emails, and route items through the data capture process for eventual entry into the Invoice Automation Portal. Automatic responses will be sent to suppliers, indicating success or failure of emailed files.

Availability of Invoice Automation

Access to the Invoice Automation portal shall be available 24 hours a day, seven days a week, though certain products available through Invoice Automation have different transaction processing windows.

Implementation

During the implementation process of Invoice Automation, two documents will be used to record the details of the implementation. We will use the **Statement of Work (SOW)** to govern the scope of the implementation. This document will define the services and functionality to be provided in association with Invoice Automation. As well, the SOW will define the responsibilities of each party; PNC and the customer. Additionally, the **Customer Specification Document (CSD)** will be used to define your specific requirements for processing invoices through Invoice Automation. Once an invoice is received in the Invoice Automation portal, it will be routed based on your specifications and exported for payment. Your acceptance of the Technology is dependent, in part, on the requirements defined in the CSD. Program changes requested by you following acceptance of the CSD are subject to our agreement and the payment of additional charges.

Termination of Services/Post-Contract Insourcing

During the life of this contract or, through the use of Invoice Automation beyond the current contract pricing term, you may terminate this agreement at any time upon providing written notice to the Bank. When notice of termination is provided, the following services are available, subject to fees:

- ❖ Invoices/data will no longer be introduced into the Application however, any data within will remain available and accessible for a period of six (6) months from the date on which notice was provided.
- ❖ PNC mail/email forwarding services may be utilized for invoices that PNC continues to receive on your behalf.
- ❖ Invoice records may be extracted from the Invoice Automation portal database by PNC and provided to the Client.

B. INVOICE AUTOMATION BASIC

This Invoice Automation Service provides an accounts payable invoice automation process that enables you to centralize the receipt of invoices, convert paper invoices to electronic invoices, identify and build business rules and approval workflows to streamline the processing of invoices, including general ledger coding.

Invoice Automation

You may elect to use this Service to receive invoices from, your suppliers. You and your suppliers may share data using one or more of the methods agreed to by the Bank, including without limitation direct upload, email, paper invoices. By requesting this feature, you consent to the receipt and use (by both our service provider and us) of any confidential and non-public information about you or your suppliers. Neither our service provider nor we shall be responsible for any loss of confidentiality with respect to your account information that occurs before receipt of such information by our service provider or which arises due to the actions of the supplier or its data exchange provider.

If you elect to have suppliers send information about your account payables using the service, you must ensure that each supplier sends data that is compatible with our system. We cannot guarantee that the receipt or transmission of information will occur at any specified time during the Bank's Business Day. We are not responsible for any losses incurred due to delays in receiving or transmitting information. We shall not be in any way liable for any losses or damages you may incur from transmission or failure of transmission of information sent by the supplier. You also agree that we will not be liable in any way for any inaccuracies that may appear in the information sent by you or received from others.

Mail Receipt and Invoice Imaging

If desired, you will advise your suppliers to mail scannable paper invoices ("Invoices") to the address in the Documentation. We will pick up mail containing items at the U.S. Post Office from time to time in accordance with our regular mail collection schedules. We will open the envelopes and will remove their contents. Invoices contained in the envelopes will be reviewed and handled as follows:

Review of Items

Items will be reviewed to determine if the item is an Invoice or some other document.

Processing Procedures

Items found acceptable for Invoice processing will be converted to digitized images. After the data capture process, the electronic invoice is matched against your defined tables (e.g. purchase orders, vendor master contracts, business rules, etc.), which determine the appropriate workflow for the Invoice. Once approved the files will be sent as requested by you and agreed by us.

Image Delivery

We will make images of the items available to you through Invoice Automation. We will not be liable to you if an image is not legible. You will be responsible for reviewing the image to ensure that the information is legible, and notifying us when item needs to be corrected. We will destroy the original Invoices thirty (30) banking days after we receive them.

Mail forwarding

All items not eligible for imaging or miscellaneous written communications will be forwarded to you for further inspection and/or review. These documents will be forwarded via first class mail unless otherwise specified. If overnight mailing is required, we request that you provide the name of your provider and account number to be charged for the service.

Image Storage

All images will be retained for seven years and will be available for viewing using Invoice Automation.. You may request additional image storage time. Longer image storage times are subject to our approval and may be subject to additional fees.

Availability of Invoice Automation

Access to Invoice Automation shall be available 24 hours a day, seven days a week, though certain products available through Invoice Automation have different transaction processing windows.

C. ACCOUNT RECONCILEMENT SERVICE

This Service provides you with periodic reconciliation reports for your checking Accounts. You may select from two plans. In each case, when we say that we will make reports available to you, we mean that we will make them available to you within the stated number of days via PINACLE or other electronic means, or by mail. Under each Plan you will use Magnetic Ink Character Recognition ("**MICR**") encoded, consecutively-numbered checks printed in accordance with the applicable ANSI specifications.

Partial Reconciliation Plan: We will provide you with reconciliation reports of checks paid against your designated Accounts. Information in the reports will include check numbers, amounts, and dates paid. The reconciliation periods will correspond to the period covered by your Account statement. We will make the reports available to you within five (5) Banking Days after each statement cut-off date.

Full Reconciliation Plan: We will provide reports that will include your paid and outstanding check information including the related issue dates and dollar amounts. Prior to the delivery of the checks to their payees, you will provide us with all check serial numbers for, and the issue date and amount of each check issued during, each statement period and the serial numbers of any checks cancelled during the statement period. We will make the reports available to you within five (5) Banking Days after each statement cut-off date. Your failure to timely provide the noted check information will result in incomplete or delayed reporting for which we will have no liability.

D. AUTOMATED CLEARING HOUSE (ACH) ORIGATION SERVICE FOR ORIGINATORS AND THIRD PARTY SENDERS

The following provisions apply to all ACH Services that we may provide to you:

These Services enable you to send Instructions to us for the transfer of funds through the ACH Network. In doing so, you warrant to us that you will comply with and be bound by the NACHA Rules as in effect from time to time. You should obtain a copy of, and become familiar with, the NACHA Rules. Any warranties and indemnities that you give to us under the NACHA Rules are in addition to, and not in limitation of, the warranties and indemnities that you give under other sections of this Agreement. You acknowledge that you may not originate ACH Entries that violate the laws of the United States. You agree from time to time to provide us with any information we reasonably request to validate the nature and lawfulness of your business and you agree that, upon reasonable notice, we may audit your compliance with these terms and conditions, any applicable regulatory policies and guidelines, and the NACHA Rules, as applicable to your use of the Service. You agree to provide us with any documentation that we reasonably request to perform a review or audit and we may inspect your premises as we deem necessary within our sole discretion in order to determine your compliance.

Definitions

Capitalized terms used in these Terms and Conditions and not defined herein have the meanings defined in the NACHA Rules.

- "**Effective Entry Date**" means the Banking Day you specify in an Entry on which the Receiver's deposit account is to be credited or debited for the Entry.
- "**On Us Entry**" means a Credit Entry or a Debit Entry to an account of the Receiver at PNC Bank.
- "**Settlement Date**" means the date on which the ACH Operator transfers funds between the Originating Depository Financial Institution and the Receiving Depository Financial Institution. For an On Us Entry, the Settlement Date is the date on which we debit or credit the Receiver's account and your Account with us, respectively, for the amount of the Entry.

Originating Entries

You may originate Credit Entries or Debit Entries which conform to the format requirements of the NACHA Rules and which are received by us within the deadlines stated in the Documentation for your chosen method of origination (e.g.

Direct File Transmission, PINACLE). You must notify us in advance, and be approved by us, as part of the implementation process if you will be originating Same Day ACH Entries. Failure to do so will result in processing for the Settlement Date of the next Banking Day for your Entries that have an Effective Entry Date of the current Banking Day (other than On Us Entries). You must also notify us in advance, and be approved by us, before you originate Entries with the Standard Entry Class Codes of: WEB, TEL, POP, ARC, BOC, or IAT. Failure to do so will result in file suspension for transactions containing WEB, TEL, POP, ARC, BOC, or IAT Entries. The Documentation we provide to you at implementation (for your use of this Service) may also identify other restrictions on the types of ACH transactions that you may originate. Failure to comply with any noted restrictions will result in the rejection of restricted Entries, or the suspension or termination of ACH Origination Services.

We will process the transaction file containing your Entries, and transmit the Entries (other than On Us Entries) to the ACH Operators, within the applicable deadlines to meet the Effective Entry Date specified in the file, provided that we receive the file from you within the deadlines stated and the file meets all other requirements in the Documentation for this Service. A file transmitted to us electronically is considered to have been received by us when we have actually received the entire file and authenticated it according to the agreed upon Security Procedures. If we receive a file from you after the applicable deadline, we will use reasonable efforts to process that file so that settlement can be completed as scheduled. However, we will not be liable to you or to any third party if settlement is not met. We will provide you with a list of days on which we do not process files and changes to the list as they occur. If an Entry is returned to us through the ACH Network, we will debit or credit your Account accordingly, and we will notify you no later than the next Banking Day after we have credited or debited your Account. Unless we agree to do so, we will have no obligation to retransmit a returned Entry unless the reason for the return was an error by us. Except in cases of such error, you must retransmit the Entry to us.

Settlement for Entries

You agree to maintain with us one or more designated demand deposit Accounts during the term of this Service (the **“Account” or “Accounts”**) for settlement purposes. Upon termination of this Service, you agree to keep available balances in the Accounts in such amount, and for such period of time, and to provide such security as we reasonably determine is necessary, to cover the potential return or reversal of Entries you have originated through us.

Credit Entries

We will charge your Account on the Settlement Date for the total amount of your Credit Entries. You agree to have on deposit in the Account(s) on the Settlement Date sufficient available funds to cover the total amount of your Credit Entries.

Debit Entries

We will credit your Account on the Settlement Date for funds we receive in settlement for your Debit Entries. These funds will be available to you on Settlement Date; however, if any Debit Entries are returned to us in accordance with the NACHA Rules, or if any Debit Entries originated by you were unauthorized, we reserve the right to charge the amount of such Debit Entries (plus any fees that the NACHA Rules require us to pay for such Debit Entries originated by you that were unauthorized) to the Account or to set off against your other account(s) or property in our possession in addition to such other rights as we may have at law or in equity.

ACH Entry Limits

We will establish separate limits (**“Limits”**) for your ACH Credit Entries and ACH Debit Entries that you may originate, subject to credit approval. The Limit for ACH Credit Entries is the maximum dollar amount of accumulated ACH Credit Entries for which we have not received final payment from you and which, subject to these terms and conditions, we will process for you. The Limit for ACH Debit Entries is the maximum dollar amount of accumulated ACH Debit Entries for which we have not received final payment from the Receiving Depository Financial Institution and which, subject to these terms and conditions, we will process for you. We may change your Limits at any time in our sole discretion. If we receive an ACH transaction file from you containing Entries which alone, or in combination with any other aggregated Entries, exceeds your Limit for that type of Entry, we may decline to process the ACH transaction file in our sole discretion. Our election to process any ACH transaction file which exceeds any of your Limits will not affect or limit our right to reject

any future ACH transaction file which exceeds your Limit at any time. We will not be liable for delaying or not processing an ACH file if such processing would cause your Limit to be exceeded.

You authorize us to obtain credit reports and other information about you and your business from time to time as we may determine in our sole discretion to be necessary or advisable to enable us to establish and review your Limits. You authorize those persons with whom you do or have done business to provide such information to us upon request. We reserve the right to require you to pre-fund your ACH Entries or we may implement other risk mitigation procedures for you at any time and from time to time. You will be notified in writing in advance of the implementation of a prefunding or other risk mitigation requirement. If you use our ACH Credit Express Service to originate ACH Credit Entries, you must have sufficient available funds in your Account to cover the total amount of your Credit Entries at the time we receive the Entries. We will debit your Account for the total amount of your Credit Entries when we receive the Entries.

Confirmation; Account Reconciliation

We will provide notice of all ACH Entries to your Accounts received or settled with us on your periodic Account statements. If you use our information or balance reporting services, you can also receive notice electronically or by such other method as we may make available from time to time.

Disclosure to NACHA

You agree that we may provide to NACHA such information about your business and your Entries as NACHA may request from time to time in accordance with the NACHA Rules, or if we have reasonable indications that your ACH activity may be harmful to the ACH Network and/or other ACH participants.

Your Representations and Warranties

You represent and warrant to us that for each ACH Entry you submit to us for processing: (i) you have obtained all authorizations from the Receiver which are required by the NACHA Rules, by Regulation E or other applicable law and these terms and conditions; (ii) such authorizations are still valid and have not been revoked by operation of law or otherwise; (iii) you will retain all such authorizations for a period of six (6) years after their termination or revocation, or for such longer period as may be required by the NACHA Rules or applicable law, and provide a copy to us upon request; (iv) each Entry has been submitted with your authorization and in accordance with these terms and conditions, including applicable Security Procedures; (v) each Entry is for an amount which, as of the applicable Settlement Date, will be due and owing, has been specified to be paid, or is a correction of a previously transmitted erroneous Entry; (vi) each Entry also conforms in all other respects to the NACHA Rules and applicable law; (vii) you are in compliance with all ordinances, statutes and regulations applicable to the conduct of your business; and (viii) all of your actions hereunder are performed in compliance with all applicable provisions of the NACHA Rules as they may be amended from time to time.

With regard to an International ACH Transaction (“**IAT Entry**”), you also represent and warrant to us that you have obtained such authorization for such IAT Entry as may be required by the laws or payment system rules of the receiving country. You accept the risks regarding cross-border IAT Entries, including that the application of foreign law and payment system rules to an IAT Entry may produce outcomes different from the outcomes that would result from handling of the same item under laws or payment system rules in the United States. Such potential differences include, but are not limited to, the following: (i) the time for return of cross-border items may be different; (ii) we may not be able to dishonor the return to us of an IAT Entry that you originated; (iii) cross-border items may not be reversible; (iv) IAT Entries to be settled on a foreign holiday may not settle on that date; the receiver may not receive credit on the settlement date and (v) special fees may apply. You are responsible for understanding the laws and rules applicable to cross-border payments in the applicable receiving country.

Third Party Senders

You must notify us in writing, and be approved by us, before you act as a “**Third Party Sender**”. Generally, a Third Party Sender is someone that originates Entries through its Account with us for the purpose of effecting a payment between an Originator and the Receiver. Please refer to the NACHA Rules to determine if you are acting as a third party Sender. As a Third Party Sender, you are bound by these ACH Origination Service Terms and Conditions and you must ensure that you fulfill all of the responsibilities of a Third Party Sender under the NACHA Rules. You acknowledge and agree

that your clients are your clients only, and are not our clients or joint clients of you and us. If there is a third party or intermediate party between you and your client, then you must notify us and you must ensure that those parties are also bound to comply with the NACHA Rules. Upon request, you agree to provide us a list of your clients and other parties involved in your use of the ACH Service. You, your clients and any third parties involved in the ACH Service agree to follow our established procedures. At our sole discretion, we reserve the right not to provide the ACH Service or discontinue the provision of the ACH Service with respect to any of your clients. Notwithstanding any provision in any service agreement you may enter into with your clients, you hereby waive and release us from any and all claims or causes of action you may have against us arising from any such service agreement between you and your client. You have the sole responsibility to fulfill any compliance requirement or obligation that you may have with respect to your client and any third party involved in the ACH Service. Among other things, before originating Entries through us for an Originator, you must conduct **“know your customer”** due diligence and obtain and verify, at a minimum, the Originator’s name, physical address, phone number and taxpayer identification number and verify that the Entries you will originate through us are for the Originator’s lawful business activity. You agree to periodically audit and access such clients’ and/or your Entries to determine your compliance with these terms and conditions, and to verify for us upon request the number of banks you use to originate Entries for your clients. You shall establish and maintain policies and procedures reasonably designed to comply with the laws on money laundering and terrorist financing, and the laws administered by the U.S. Treasury Department’s Office of Foreign Assets Control (together, the **“AML Laws”**). At a minimum your program to comply with the AML Laws (“AML program”) shall include the following elements: (i) written risk-based policies, procedures and internal controls, (ii) a designated compliance officer responsible for implementing the AML program, (iii) ongoing training for appropriate persons, and (iv) independent testing to monitor and maintain an adequate AML program. You agree to respond to reasonable inquiries from us regarding your implementation of your AML program and to provide us with such documentation of your compliance with this section as we may reasonably request. You shall make any changes to your compliance program that we request from time to time. You shall maintain all records relating to compliance with the AML Laws as prescribed by applicable law. You shall provide us with a copy of any records relating to your client immediately upon our reasonable request.

You represent and warrant that all clients for whom you originate ACH Entries through us have acknowledged in a written agreement with you that they may not originate Entries that violate the laws of the United States and that they will be bound by the NACHA Rules and have assumed the responsibilities of an Originator thereunder. Within two (2) Banking Days of our written or oral request, you must provide us with information that we reasonably request to comply with any laws, regulatory policies and guidelines and the NACHA Rules that relate to your use of this Service, which includes, without limitation, (i) information to identify the clients for which you are originating or intend to originate Entries including names, addresses, taxpayer identification numbers and business activities and (ii) information to complete any questionnaires or other documentation required by us in order for you to use this Service.

Termination

In addition to the termination provisions elsewhere in this Agreement, we reserve the right to suspend or terminate your ACH Origination Services, or any Originator associated with you as a Third Party Sender, immediately upon notice to you in the event of excessive rates of returns, as determined by us in our sole discretion, upon any breach associated with these Terms and Conditions, or for your non-compliance with the NACHA Rules.

E. ACH FRAUD PROTECTION SERVICE

ACH Positive Pay

ACH Positive Pay (**“APP”**) is a fraud protection Service available through PINACLE which offers the ability to view, filter, and approve or return incoming Debit Entries to your accounts at PNC. When using the full capabilities of the Service, APP allows you to tell us which Debit Entries to allow to post to your PNC account and which Debit Entries to block and return. You may tell us which Debit Entries to block and return by establishing Payment Rules, as further described below, or through a decision made by one of your company’s PINACLE Authorized Users. APP may not be used to block or return Excluded Items, as defined below. If you maintain more than one account with us, you do not need to select the same option for each account; however, an account can be set up for only one of the above Service options. If you

elect to use APP for reviewing and approving or returning Debit Entries or for reporting, you must also use PINACLE and comply with the Terms and Conditions for that Service.

APP and Payment Rule Authorization

The interactive features of APP give you the ability to automatically approve some incoming Debit Entries, while identifying other Debit Entries as suspect transactions (each a **“Suspect Entry”**). This is accomplished through the creation of Payment Rules. **“Payment Rules”** are criteria that you set against which each Debit Entry that is presented for posting to the specified Account is evaluated to determine whether the Debit Entry should be allowed to post to the Account automatically or whether it should be presented to you as a Suspect Entry. The Payment Rule criteria must include the Originating Company ID number, and can also include a dollar amount range, an expiration date, the frequency of the Debit Entry and the number of its occurrences. You may create Payment Rules within APP at any time. You may also create or change a Payment Rule within APP at the time a Suspect Entry is presented for decision. Any new Payment Rules, changes to existing Payment Rules or the deletion of existing Payment Rules will take effect for the Debit Entries presented on the next Banking Day, and require secondary approval from an Authorized User.

If a pending Debit Entry meets all of the criteria of your Payment Rules for your applicable Account, the Debit Entry will post to your Account on the Settlement Date. If a pending Debit Entry does not match all of the criteria of your Payment Rules for the account, or if no Payment Rules have been created, the incoming Debit Entry will be identified as a Suspect Entry and will be reported to you to approve or return the Suspect Entry via PINACLE. If you instruct us to return a Suspect Entry, or if you do not instruct us what to do by the applicable deadline and you have selected a ‘Return’ default instruction for Suspect Entries, we will return it and it will not post to your account. If you instruct us to pay a Suspect Entry, or if you do not instruct us what to do by the applicable deadline and you have selected a ‘Pay’ default instruction for Suspect Entries, we will post the Debit Entry to your account on the day the Suspect Entry is presented to you. If you fail to fund the account on the same Banking Day that we post a Debit Entry, we may return one or more of the Debit Entries.

You may contact us to change the default instruction on any of your Accounts. We will use reasonable efforts to implement your new default instruction within five (5) Banking Days of receiving all details required to carry out the request; however, you must check the Account Status Report within APP to verify that the default instruction has been changed.

Return reason code R29 (Corporate Customer Advises Not Authorized) is used for all returned Debit Entries.

Communication

If our primary means of communication with you is unavailable for any reason and we are not able to present a Suspect Entry, we will contact you to make alternative arrangements. If your primary means of communication with us is unavailable for any reason you must notify us immediately in order to make alternative arrangements. If we receive conflicting instructions from you, we may follow the most recent instruction received, or, at our option, we shall be entitled to return the Debit Entry, without liability, until the conflict is resolved to our satisfaction.

Limitation of Liability

In addition to the limitations of liability stated elsewhere in this Agreement, our liability to you in connection with this Service is limited as follows: We will pay or return Debit Entries and Suspect Entries in accordance with these Terms and Conditions, which shall be deemed to be the exercise by us of ordinary care, whether or not the Debit Entry or Suspect Entry has been actually authorized by you. If we pay a Debit Entry or Suspect Entry that should have been returned because of our failure to comply with these Terms and Conditions, then our liability shall be limited to the lesser of (a) the amount of said Debit Entry or Suspect Entry and (b) your actual, direct losses from such payment; provided that we will have no liability to you to the extent that such payment (i) results from your failure to exercise ordinary care or (ii) pays an obligation you owe to a third party or (iii) you otherwise receive a benefit from such payment. If we return a Debit Entry or Suspect Entry that should have been paid because of our failure to comply with these Terms and Conditions, our liability shall be limited to your actual, direct losses from such return; provided that we will have no liability to you if such Debit Entry or Suspect Entry was not authorized by you at the time of its origination, you did not have sufficient available

funds in your account to pay the Debit Entry or Suspect Entry, we are required by law to return the Debit Entry or Suspect Entry or we have a right to return the Debit Entry or Suspect Entry for any other reason under the terms of this Agreement.

ACH Debit Block

With ACH Debit Block, all Debit Entries are blocked from posting to your account, other than Excluded Items. ACH Debit Block does not allow you to review and approve or return Debit Entries or provide for Payment Rules. We will not accept telephone instructions to approve Debit Entries for payment when the account is set up with Debit Block and we shall not be liable for any Debit Entries that are returned and thus unpaid due to implementation of the Debit Block feature. APP may be used to view a report of returned Debit Entries, although the use of APP for reporting purposes is optional.

ACH Converted Check Entries

APP and Debit Block also allow you to establish a default instruction for converted check Entries. You can use either APP or Debit Block to screen converted check Entries (such as ARC, BOC, RCK, and POP standard entry class (SEC) codes), or you can have converted check Entries bypass APP or Debit Block to be screened through our Positive Pay Service for checks. Your default setting for screening or bypassing converted check Entries will be determined during implementation and can be changed by contacting your PNC representative. Your default setting for screening or bypassing converted check Entries cannot be changed by you within APP or within Debit Block reporting via APP. If you choose to monitor converted check Entries through our Positive Pay Service for checks, you must comply with the Terms and Conditions for that Service.

Excluded Items

APP and Debit Block cannot be used to monitor or block the following items (“**Excluded Items**”):

- Certain debits initiated by us including check printing fees and debits originated by your use of PNC tax payment services such as Tax Express.
- PNC ACH settlement Entries if you are originating ACH Entries. This would include ACH return settlement Entries.
- Reversing Entries received to correct erroneous Entries.

F. AUTOMATED CLEARING HOUSE (ACH) SERVICE WITH UNIVERSAL PAYMENT IDENTIFICATION CODE (UPIC)

This Service enables you to receive electronic payments through the ACH Network without revealing to your payers your Account number or our bank routing transit number, by providing to them instead a Universal Payment Identification Code (“**UPIC**”) and Universal Routing and Transit Number (“**URT**”). Upon receipt of an ACH Credit Entry containing your UPIC (a “**UPIC Entry**”), our ACH Operator will convert the UPIC and URT to your Account number and our routing and transit number, respectively, and send the UPIC Entry to us for credit to your Account, in accordance with applicable NACHA Rules.

UPIC can be used for ACH Credit Entries only, and any related Return or Reversal request. Payers will not be able to use the UPIC and URT to initiate ACH Debit Entries from your UPIC Account.

You must give the correct UPIC and URT to your payers. Your UPIC will be considered to be your account number for purposes of the provisions of this Agreement and applicable law dealing with reliance by banks on account numbers in processing transactions. You agree that information related to a UPIC, including your name and account number, may be released to a party involved in the processing of UPIC Entries, if needed to resolve a dispute concerning an ACH Entry or UPIC Entry transmitted or settled through the ACH Network, and to our ACH Operator.

We may terminate your use of the UPIC at any time upon notice to you. In such event, you may elect to continue to receive payments by ACH by giving your actual PNC Bank account number and PNC Bank’s routing transit number to your payers, or you may make alternate payment arrangements with them.

G. INTERNATIONAL LOW VALUE PAYMENTS (ILV)

This Service enables you to send Instructions to us for the transfer of funds via EFT networks outside of the U.S. ILV payments are non-urgent, low value payments in local currency to individuals and/or businesses with bank accounts outside of the U.S.

PINACLE Issuance of ILV Payment Instructions

You may use PINACLE to submit ILV payment instructions. To issue a payment by PINACLE, your Authorized Person shall follow the procedures in the Documentation (on-line or otherwise).

Secondary Authorization

Secondary authorization applies to certain ILV payments submitted via PINACLE. When applicable, it requires a second Authorized Person to verify and approve a payment instruction by PINACLE prior to its acceptance by us. Payment orders awaiting secondary (or tertiary) authorization, including without limitation future-dated payment orders, which have not been properly authorized by the cut-off time on the date the payment order is issued, will remain in PINACLE for your operator(s) to re-initiate on the next banking day.

Authorization to Charge

You authorize us to charge your designated Account(s) in the amount of the ILV payments upon execution (submission) of such ILV payments instructions. You agree to have in your Account(s), at the time of submitting the ILV payment instructions, sufficient available funds to cover the total amount of your ILV payment instructions. If the Account(s) contain insufficient available funds, we will cancel your payment instructions.

ILV Returns and Rejects

Should an ILV payment instruction not be able to be executed or posted to the receiver and as a result, the payments valued in foreign currency need to be converted back to U.S. dollars and credited back to your designated Account(s), the value calculated will use a rate that may have changed from the original receipt of the ILV payment instruction.

H. CASH CONCENTRATION SERVICE

This service enables you to collect or concentrate funds from your various bank accounts (including at other banks) and from your customers and other sources into your Account via Debit Entries. The ACH Origination Service Terms and Conditions apply to the ACH Entries originated using the Cash Concentration Service. If you use this Service to originate ACH Debit Entries to your customers' accounts, you must obtain proper authorization as required by the NACHA Rules.

Implementation Responsibilities:

- ❖ **Company Number** - We will assign a cash concentration company number to identify you in the system. The company number will be used as part of your system login along with other Codes. You will access the Web Site to set up and maintain location IDs and operator IDs, initiate entries, perform queries, and display or download reports. You will distribute the instructions for initiating entries to your Authorized Users.
- ❖ **Location ID** - You will establish a location ID for each bank account to be debited.
- ❖ **Operator ID** - You will establish one or more Operator IDs for each Location ID that you establish on the Service.
- ❖ **Method of Origination** - You will establish one or more of the following methods for each Operator ID to originate an Entry: (i) operator-assisted phone call; (ii) touch-tone phone; and (iii) or Internet.

Additional requirements are stated in the Documentation for this Service, including Web Site help screens.

Returned Items

We have the right to debit the Account for returned ACH Debit Entries. We will notify you of returned ACH Debit Entries and Notifications of Change by the available method that you select during the Service implementation process. It is your

responsibility to change your Cash Concentration entry instructions in the Service based on the Notification of Change message.

I. CONTROLLED DISBURSEMENT SERVICE

With this Service, we will provide to you each Banking Day, in accordance with your instructions, reporting through PINACLE setting forth your transactions that are to be posted to your designated Account with us.

You will use checks encoded with a unique transit routing number to enable us to identify them for inclusion in the daily notification. We will provide you with a check printer specification layout form to ensure that all checks are printed in accordance with applicable specifications. You will have in, or will deposit to, your designated Account sufficient available funds to cover the full amount of all checks and other debits that are cleared through or presented against it on a particular Banking Day by our close of business on that same Banking Day. Such deposits may be made by wire transfer or transfer from one of your other Accounts with us, or by whatever other means we agree on with you. If you fail to fund the Account on the same Banking Day we will not be obligated to create an overdraft and may return checks unpaid.

If you have Controlled Disbursement with Intraday Funding, then you will have one or more Controlled Disbursement Accounts and a Master Funding Account. Throughout the Banking Day, debits and credits in the Controlled Disbursement Accounts build to either a net debit or net credit balance. After the final Controlled Disbursement Account presentment, each Controlled Disbursement Account balance is automatically reviewed and returned to a zero balance by an internal debit or credit funds transfer, with an offsetting entry to the Master Funding Account. You shall fund the Master Funding Account no later than the end of the day we notify you to do so and in the amount of the checks to be paid. If you fail to so fund the Master Funding Account, we will not be obligated to create an overdraft and may return checks unpaid.

J. EDI SERVICES

This Service enables you to exchange remittance information electronically with your trading partners, either together with, or independently of, the associated payments. The associated payments are sent and received either by check (using our Integrated Payables Service), ACH, Card or Funds Transfer and will be subject to our terms and conditions for those Services.

You may send (**EDI Disbursements Service**) and receive (**EDI Receivables Services**) through us remittance information relating to your transactions with your trading partners in the format we have mutually agreed upon. You may request a change in the format in writing. We will evaluate your request and advise you whether the change has been approved and when it will become effective. We will translate your remittance information to and from the formats used by your trading partners. The formats to and from which we can translate your remittance information are stated in the Documentation. You are responsible for the selection and maintenance of the hardware, software or other technology you use to send and receive remittance information through us.

We will use reasonable measures to provide for the security of the transmissions we send on your behalf and you agree to comply with our Security Procedures in sending and receiving remittance information through us. You understand that we are not responsible for the security measures employed by your trading partners. Provided that we have used such reasonable measures, we will have no liability to you for any breach of security, inadvertent or otherwise.

We will send and receive remittance information in accordance with the deadlines stated in the Documentation. An EDI transmission is received by us when the transmission, including our agreed-upon Security Procedures, is completed. A transmission is received by you when we have completed the transmission in accordance with these terms and conditions. If we receive a transmission after the applicable deadline, it will be deemed to have been received by us on our next Banking Day.

You and your trading partners are responsible for the accuracy of the information you and they transmit to us. We will not be responsible for any delay, misdirection of or other error in a transmission caused by or based upon the information you or your trading partners provide to us.

This Service does not alter any obligation you may have to maintain records of your transactions with your trading partners.

EDI Services include the following requirements and features:

EDI Disbursements Services:

❖ **File processing**

- Each file sent to us must meet our requirements as specified in the Documentation.
- If we receive a file with file or transaction errors, we will make a reasonable attempt to notify your designated EDI company contacts for further instructions on the file. We shall not be obligated to process a file if there are errors with a file or transaction, or if we receive conflicting instructions from your designated contacts.

❖ **Cancellations**

- We shall have no obligation to cancel an EDI Disbursement payment except as may be provided in the terms and conditions applicable to the Card, ACH, Funds Transfer, and Integrated Payables Services. We shall not be liable for any failure to process the cancellation request.

❖ **Account Funding**

- You agree to have sufficient available funds in your Account by 5:00 p.m. ET each Banking Day to cover the amount of that Banking Day's EDI Disbursement payments. If you do not have sufficient available funds in the Settlement Account as stated above, we may refuse to process your file and some or all of your EDI Disbursement payments may not be processed.

EDI Receivables Services:

❖ **EDI Receivables Reporting**

- With this Service, we will provide reports of items received to your designated Accounts via the special reports module within PINACLE via PINACLE Fax, or e-mailed reports sent through secure e-mail. The types of transactions included within these reports may include ACH, Funds Transfers, Card and checks, as well as remittance information associated with the transactions. The types of transactions to be included in the reports may be designated by you during the implementation process.
- Reports will be made available to you at 9:00 a.m. ET and at 7:30 p.m. ET. You may elect to receive the reports at both times or at one of those times.

❖ **EDI Receivables Electronic File Service**

- With this Service, we will provide a file of items received to your designated Accounts via transmission. The types of transactions included within the file may include ACH, Funds Transfer, Card and checks, as well as remittance information associated with the transactions. The types of transactions to be included in the file may be designated by you during the implementation process.

EDI Electronic Account Analysis Service:

- ❖ EDI Electronic Account Analysis provides your account analysis statement data electronically via Direct File Transmission and/or a CD-ROM. We will create the Direct File Transmission and/or the CD-ROM at the first availability of your account analysis information. We will mail the CD-ROM via overnight mail delivery. We shall not be held responsible for any delays or loss of the mail containing the CD-ROM due to errors by the mail carrier or having been provided an invalid address, not having been provided with notification of a change of address, or not being provided sufficient lead time to make the appropriate change to address upon receipt of notification of change.

K. EPAYMENTS

This Service enables you to send us instructions to initiate electronic payments to recipients by using alias information, such as an email address, instead of bank account information. The recipient may accept and complete the initiated payment to receive funds for the payment. This Service also uses additional services offered by Bank.

Certain Definitions Applicable to the ePayments Service:

- **“Alias Information”** means an email address, and phone number and/or any other identifying information of the Recipient.
- **“Days to Expiration”** means the number of days after the Origination Date when the Recipient may accept the payment.
- **“Early Warning Network”** means the Early Warning, Zelle, and/or clearXchange Networks, and their network directories that permit payments and information to be transmitted among financial institutions that use such networks.
- **“Expiration Date”** is the last day when the Recipient may accept the payment. The Expiration Date is the Origination Date plus the Days to Expiration. The Expiration Date is also the last day when the Payee Approver can approve the initiation of the payment.
- **“Expired Payment”** means a payment that may not be accepted by the Recipient because the current day is after the Expiration Date.
- **“Future-Dated Payment”** means a payment with an Origination Date of the next business day or later.
- **“Origination Date”** means the first business day on which the Recipient will receive notification that they may accept the payment.
- **“Payee Approver”** means a person specified by you that must approve the initiation of the payment to the Recipient. The Payee Approver may not be the Recipient.
- **“Pending Payment”** means a payment you have initiated with an Origination Date of the current business day (or earlier) that the Recipient has yet to accept, and where the current business day is prior to or on the Expiration Date.
- **“Permissible Payment Method”** means a payment method that you may offer to the Recipient to receive the payment, including a payment via: ACH, RTP, prepaid card, check, debit card, or real-time payment on the Early Warning Network, and/or another payment method required or permitted by the Early Warning Network and/or us, subject to availability and requirements for each payment method.
- **“Recipient”** means the consumer payee in the U.S. over the age of 18, or a Small Business Customer who will receive the initiated payment. A Recipient must hold an account at a federally insured U.S. financial institution to receive an electronic payment to that account.
- **“Registered Recipient”** means a consumer payee that has registered to use the Early Warning Network, either through a financial institution that is participating in the Early Warning Network (in-network) or through the Early Warning website if the payee’s financial institution is not participating in the Early Warning Network (out-of-network).
- **“Non-Registered Recipient”** means a Recipient that is not a Registered Recipient.
- **“Settlement Account”** means a DDA account number of your Bank account that will be debited for the payment.
- **“Small Business Customer”** means a privately owned corporation, partnership, or sole proprietorship that maintains a small business deposit account on a financial institution’s retail banking platform.

Compliance with Applicable Laws, Regulations, and Rules

You acknowledge that this Service is subject to the Agreement, including the general and all separate terms and conditions applicable to each Permissible Payment Method. In the event of a conflict between these terms and conditions, and the terms and conditions applicable to a Permissible Payment Method, these terms and conditions shall control with respect to this Service.

You agree to comply with all applicable laws, regulations, and rules. You agree that you will not use this Service for any unlawful or unpermitted purpose. You agree that you will comply with the documentation we provide to you at implementation that will identify additional requirements for this Service. You may access this Service through PINACLE, API or by Direct File Transmission.

Reliance on Alias Information and Early Warning Network, and Information Provided by Recipient

You acknowledge that we and other financial institutions that use the Early Warning Network will rely on the Alias Information that you provide. We and other financial institutions may rely on the Alias Information without liability to you and without verifying the Alias Information even if the instruction also contains a name or other information that is inconsistent with the Alias Information. You agree to compensate us for any loss and expense incurred by us as a result of reliance on the Alias Information in executing or attempting to execute your instruction. This Service uses the Early Warning Network and may utilize another payment service based on your customization. You agree that we shall have no liability to you for any losses when we rely on information used by the Early Warning Network or other payment service, including any errors associated with: their network directories, or the bank account(s) or other information that may be linked to the Alias Information, including if the Recipient is not able to access or control the linked bank account(s).

You also agree that we shall have no liability to you for any losses when we rely on any information provided by your Recipient, including any errors or issues associated with: a routing or bank account number, debit card number, or any other information provided by the Recipient, including if the Recipient is not able to access or control the bank account number they provided.

Client Administration

As part of the implementation of this Service, you must provide (and maintain updated) information that we require, including, but not limited to: the identification of each Authorized Person that will use this Service and any limits that you specify on their activities; the types of Permissible Payment Methods; the treatment of Expired Payments; and other permitted customizations. The customization and availability of each Permissible Payment Method may vary based on the registration status of the Recipient and are subject to change at any time in our sole discretion.

❖ Instructions:

Each Instruction must include all required information to initiate the payment, including, but not limited to, the: full name of the Recipient, dollar amount, Alias Information, Permissible Payment Methods, Days to Expiration, Origination Date, and Settlement Account. You acknowledge that an instruction that does not meet all the required information may not be accepted for processing. You also acknowledge that we will not be responsible for detecting any errors or incomplete information in your instruction.

❖ Approval of Payment Initiation:

As an optional feature, you can require that a Payee Approver must approve the initiation of a payment to the Recipient. You must specify all required information, including to identify the Recipient and Payee Approver. The Payee Approver will receive a notification, and can either: 1) approve the initiation of the payment to the Recipient, and only the Recipient will receive the full proceeds of the payment; or alternatively 2) not approve the initiation of the payment.

If the Payee Approver approves the initiation of the payment by the Expiration Date, the payment will be initiated and the Recipient will receive notification of a Pending Payment. However, if the Payee Approver does not approve the initiation of the payment, or takes no action by the Expiration Date, then the payment will not be initiated, and next steps will be handled in accordance with your preferences.

You are responsible for the proper use of this approval feature. You agree to be solely responsible for any questions, disputes, or issues that arise, including with the Payee Approver and/or Recipient, in connection with this approval feature.

Recipient Notification

A Recipient will receive a notification from us when there is a Pending Payment for such Recipient, and such notification may be received on sources such as a computer, tablet, and/or smart phone. You agree that we can communicate with your Recipient, and your Recipient has consented to receiving communications associated with receiving payments and

related matters, in accordance with applicable law, including email messages, texts through the Text Platform (described below), and/or other communication methods.

A Registered Recipient will receive a notification, such as an email message, text message, and/or other communication method, from the Early Warning Network and/or the Recipient's financial institution when there is a Pending Payment for such Recipient.

These notifications include information from the memo field of a Pending Payment, and such information may be sent by communications that are not encrypted. If you provide information for the memo field, you are responsible for ensuring that you have the proper authority to do so, and you must be in compliance with all applicable laws, regulations, and rules, including with privacy, confidentiality, and data security.

Text Message Platform

You may send texts to your Recipient(s) through the text message platform with the program name, Pay Choice ("Text Platform") with this Service, and must meet our requirements, and all applicable laws, regulations, and rules. You agree that you (1) will not use the Text Platform to send a text with marketing purpose; (2) will only use the Text Platform to send texts with a non-marketing purpose to consumers with whom you have a business relationship and from whom you have obtained prior express consent as that term has been interpreted by the FCC and has obtained consent in a manner consistent with the [CTIA's Short Code Monitoring Handbook](#); (3) will not use the Text Platform to send texts to consumers who have revoked consent or from whom the appropriate consent has not been obtained; (4) will not use the Text Platform to send a text to a number that (a) has been reassigned to a consumer with whom you have no relationship or from whom you have not obtained prior express consent or (b) is not associated with the intended recipient (i.e., is a "wrong number"); (5) will validate that any number to which you send a text is a number associated with the intended recipient (i.e., the consumer with whom you have a relationship); (6) will only use the Text Platform to send texts that contain information requested or expected by the recipient and related to the business relationship between you and recipient; and (7) are the sender of the text (not PNC) and, as such, you agree that you will comply with all state and federal laws applicable to it as the sender of the text. The texts will have features that include: message frequency that may vary; help information with HELP; and cancellation of texts with STOP. You may send texts in accordance with your Website Terms and Conditions and Privacy Policy.

We have provided a sample consent template below to receive authorization (e.g., on your website) from your Recipient(s) to send and receive text messages, as a courtesy sample. You should not rely on this sample without your own legal review, guidance, and approval.

A sample customer agent script or written script for a Recipient to receive SMS text messages that will be informed of their Pending Payment is shown below, and Recipient must have a relationship with you for each Pending Payment:

"If you'd like to receive text notifications via SMS with information regarding your pending payment, you can provide your mobile number. Once you've received your confirmation, you can get help by texting HELP to 26489, or cancel text alerts by replying STOP to 26489. You can access our terms and conditions at <https://www.xxxx.com/terms-of-use/>, and our privacy policy at <https://www.xxxx.com/privacy-policy/>
Are you interested in getting the text notifications?"

In this sample, if your Recipient replies or checks "Yes", your customer agent will enter Recipient's information in your system and the Recipient will be subscribed to SMS text messages. If your Recipient replies "No", your customer agent will take no further action.

In addition to your other indemnification obligations under the Comprehensive Agreement, you agree to indemnify us against, and to release us from, any claim, loss, or liability in connection with the Text Platform and text messages.

Recipient Registration on Network

If the Recipient is a Non-Registered Recipient, the Recipient will receive information regarding registration, and alternatively, the Recipient may also remain a Non-Registered Recipient and receive funds for the payment.

Recipient Acceptance and Completion of Payment

The Recipient must accept the Pending Payment by the Expiration Date and complete the initiated payment when it selects a Permissible Payment Method to receive funds for the payment. To receive funds for the payment, the Recipient may need to provide additional information, such as a routing and bank account number, or debit card number. A Registered Recipient may also automatically accept a Pending Payment based on their preferences for future/recurring payments.

If the Recipient does not accept the Pending Payment by the Expiration Date, then the Pending Payment will be an Expired Payment and will be handled in accordance with your preferences.

Limits and Risk Management

We may impose certain limits for your instructions, including by dollar amount, number of or type of payee(s), and/or any other criteria in our sole discretion. We may impose additional limits depending on the Permissible Payment Methods you have offered and may implement other risk mitigation procedures for you at any time and from time to time.

Modification or Cancellation

You may not request to modify certain payment information on an instruction before we send the instruction to the Early Warning Network. After we send the instruction to the Early Warning Network, you may only submit a request to attempt to cancel the instruction only if the instruction is: a Pending Payment, or a Future-Dated Payment. Your request to modify or cancel an instruction must be delivered to us in accordance with the requirements specified by us.

You acknowledge that we shall have no obligation and no liability when we attempt to modify or cancel an instruction.

You agree once the Recipient has selected a Permissible Payment Method to receive the funds for the payment that: (i) you will not be able to cancel the payment; and (ii) you will not use another method outside of this Service to attempt to modify or cancel the payment.

Authorization to Charge

You authorize us to charge your Settlement Account(s) in the amount of the payment once the Recipient has accepted the Pending Payment and selected a Permissible Payment Method to receive the funds for the payment (based on the standard settlement processes for the selected payment method), or when we use another payment service to send the funds to the Recipient, such as to complete an Expired Payment. You agree to have in your Settlement Account(s) sufficient available funds to cover the total amount of the payments initiated through this Service. You also agree that we will not process any payment that will exceed the available funds, or any limits for your instructions, in your Settlement Account(s).

Waiver of Secondary Authorization for Certain PINACLE Instructions

Secondary authorization applies to PINACLE instructions for this Service. When applicable, it requires a second Authorized Person to verify and approve an instruction. We advise you to use secondary authorization for all instructions to us. You agree that if you decide to waive secondary authorization, and permit one Authorized Person to issue and approve certain PINACLE instructions, this change in security procedures is made at your request, for your own convenience for such instructions, and that secondary authorization provides an extra measure of security that will no longer be provided to you. You agree that the remaining security procedures are suitable and commercially reasonable for you for such instructions. Provided that we follow the security procedures in accepting your instructions, you will be bound by such instructions whether or not they are authorized. If you waive secondary authorization for certain instructions, we will not request secondary authorization for such instructions, regardless of the dollar amount of the payment. You are responsible for properly monitoring all authorizations for your instructions and payments activity.

White-Label Website Terms and Conditions, and Requirements

If you use a white-label configuration, ePayments requires that you post a Website Terms and Conditions on the website. We will provide the Payment Terms and Conditions on the website. You may also post a Privacy Policy on the website.

PNC has provided you with a sample Website Terms and Conditions document. You understand and agree that this sample is being provided as a courtesy sample, only, and does not reflect legal review or approval. PNC makes no representations, warranties, or commitments that the sample Website Terms and Conditions provided are appropriate for use by you or comply with laws applicable to you. You should not rely on this sample document without your own legal review, guidance, and approval.

You must include in the Website Terms and Conditions all the sections marked as “Required” from the sample without any changes to such sections. You agree not to include any reference identifying PNC within your Website Terms and Conditions or Privacy Policy statement, including any reference to PNC’s name, address, logo, or other PNC identifying information. You also agree not to express or imply any obligations or liabilities of PNC within your Website Terms and Conditions or Privacy Policy statement.

You will be required to submit the text of your Website Terms and Conditions to PNC, in writing. If you want to post a Privacy Policy, you are also required to submit that text to PNC, in writing. Neither providing these materials to PNC nor PNC’s posting of such materials shall not constitute PNC’s approval thereof. PNC will not be responsible for monitoring or enforcing the provisions set forth in the posted Website Terms and Conditions or Privacy Policy. Any such monitoring or enforcement efforts shall remain solely your responsibility.

L. CONSOLIDATED PAYABLES (INTEGRATED PAYABLES)

This Service permits you to instruct us to process your payments to your trading partners by check, ACH, wire transfer or Card Services via Direct File Transmission, file upload to PINACLE or such other means as we may approve from time to time.

Certain Definitions Applicable to our Integrated Payables Service:

- ❖ **“Card”** means the 10 or more cards, which may or may not include physical plastic cards, issued by us in order for you to obtain purchasing card services under our Visa Purchasing Card Agreement, Visa Commercial Card Agreement (Direct or Contingent), ActivePay® Payables Card Agreement, or any other agreement, as amended from time to time.
- ❖ **“Check”** means a check printed and mailed by us on your behalf.
- ❖ **“Check Register”** means a register, setting forth with respect to all Integrated Payables Checks issued on the date of such register, the date of issue, check number, PNC-assigned identification number, payee, and amount.
- ❖ **“Confirmation”** means the verification by us, by means of the procedure specified in the Section hereof entitled “File Processing”, that each File is your authorized instruction.
- ❖ **“Disbursement Account”** means the account on which Integrated Payables Checks will be drawn and/or from which ACH Entries and Wires will be initiated.
- ❖ **“File”** means the EDI 820 or Bank flat file formats used as the vehicle to send Integrated Payables Payment instructions and remittance information to us, and includes information on Manual Checks with instructions for stop payments, issue only and voids.
- ❖ **“Issue File”** means the file containing the check number, dollar amount, payee and account number of Integrated Payables Checks used to update our records or the records of another bank holding the Disbursement Account to assist in detecting exception items as Integrated Payables Checks are presented for payment.
- ❖ **“Manual Check”** means a check written and issued by you on your own behalf.
- ❖ **“Integrated Payables Checks”** means Checks and Manual Checks.
- ❖ **“Reject Register”** means a register, setting forth with respect to each item in a File which we are unable to process, details of such item and the reason that we are unable to process such item.
- ❖ **“Wire Transfer”** means a payment initiated through the Federal Reserve Fedwire Funds Transfer System.

General Specifications:

Prior to using the Services, you will specify to us the following:

- ❖ The intended disbursement banks and Disbursement Account numbers. You may specify any U.S. domestic and Canadian financial institutions.
- ❖ Your name, address, and logo, if required, to appear on the Checks.
- ❖ The maximum amount, if any, of any single Integrated Payables Payment.
- ❖ The method to be employed for mailing Checks (e.g., overnight mail, U.S. mail, or group mail).
- ❖ The identification of each Authorized Person and evidence of the authority of such Authorized Persons to execute this Agreement and act for and on behalf of you hereunder. The facsimile signature of one or two Authorized Persons, as designated by you, will appear as the signatory or joint signatories on each Integrated Payables Check.
- ❖ The format of the File which will be used by you to communicate your instructions to us to issue Integrated Payables Payments and whether Files will be encrypted or authenticated. You agree to comply with our specifications for such communications.
- ❖ The proposed transmission schedule of Files. Any change to the foregoing shall be communicated in writing to us by an Authorized Person, at least 5 days prior to the intended effective date of the change.

File Transmission:

To initiate use of the Services from time to time, you will transmit to us a File containing the following data:

- ❖ With respect to each Integrated Payables Check listed in such File: (i) the Payee's name and address; (ii) the amount of the check in dollars and cents; (iii) the date of intended mailing; and (iv) the check number, if assigned by you.
- ❖ With respect to each Card, Wire or ACH payment included in the File, the information required by the separate terms and conditions for our Card, Funds Transfer Service and for our ACH Service between you and us and any other information required by the File layout and specifications.
- ❖ Your name and the Services account identification number assigned to you by us.
- ❖ The total number of payees and the total amount instructed to be paid to such payees in such File

File Processing:

Each File received with valid Confirmation by us prior to the applicable cutoff time, in effect from time to time, on any Business Day will be processed by us on such Business Day. (Any File received by us after the applicable cutoff time will be processed by us the following Business Day.) We will:

- ❖ Obtain Confirmation from an Authorized Person of the authenticity of the File using the Security Procedure you have selected.
- ❖ Initiate each Integrated Payables payment in accordance with the instructions contained in the File and in the case of Checks, mail Checks to the applicable payees within 24 hours of the dates specified in such File up to the date which is 365 calendar days from the date we receive such File. Any remittance data contained in such File will be sent with the Integrated Payables Payment to which it relates.
- ❖ Provide an Issue File for use by each applicable disbursement bank as mutually agreed.
- ❖ Provide a Check Register to you.
- ❖ If applicable, provide a Reject Register to you.

Cancellations

You may cancel any instruction to process an Integrated Payables Check, provided that such instruction to cancel is delivered to us by an Authorized Person either in writing, by telephone at the number we designate from time to time, or via PINACLE, not less than two (2) Banking Days prior to the date we were instructed to initiate such Integrated Payables Check. If the cancellation instruction is not timely received by us, we shall have no obligation to cancel the Integrated Payables Check. You can only attempt to cancel Integrated Payables Checks and you cannot amend or modify any Integrated Payables Check instruction. We shall have no obligation to amend or cancel a Card, Wire or ACH Integrated Payables Payment except as may be provided in the terms and conditions applicable to the Card, ACH or Funds Transfer Services.

File Errors

You acknowledge that we will not be responsible for detecting any error in any File such as, but not limited to, duplicate Payments. In the event that any File contains an error, whether in the amount of an Integrated Payables Payment, payee, disbursing bank, date of payment or otherwise, you shall be solely responsible for taking any action to correct such error.

M. POSITIVE PAY FOR CHECKS

This Service is intended to assist you in preventing the payment of unauthorized checks from your Account. There are two (2) versions of this Service; *Positive Pay* and *Reverse Positive Pay*. Both versions are described below.

(1) Positive Pay:

On each Banking Day (or periodically, as you may determine) before 4:00 p.m. ET you will provide us with the issue date, serial number and amount of each check written against your designated Account ("**Issue Data**"). You will electronically transmit the Issue Data to us using any Security Procedures we have provided. If we do not receive your Issue Data by the time stated herein, checks presented against your designated Account may be paid before we can compare such checks to your Issue Data.

We will maintain a database of your Issue Data in order to do an automated comparison to your checks. We will pay all checks presented against your designated Account in which the serial number and amount of each presented check matches the information for that check in your Issue Data. If any presented check fails to match the applicable information in your Issue Data ("**Exception Check**"), we will make available to your Authorized Person data and images of that Exception Check via our PINACLE Service. The images will be copies of the front and back of each Exception Check. Your Authorized Person must instruct us via our PINACLE Service by 3:00 p.m. ET on the same Banking Day, either to return or pay each Exception Check, if such instructions are different from your default instructions. If your Authorized Person does not instruct us by 3:00 p.m. ET on the same Banking Day we provide the Exception Check data and images, we will process each Exception Check in accordance with your default instructions indicated in the Documentation. The default instructions are to either: (i) pay all Exception Checks; or (ii) return all Exception Checks. If we are unable to compare your presented checks to your Issue Data because of your failure to send us your Issue Data in compliance with the Comprehensive Agreement and Documentation, then we may suspend the matching of your presented checks with your Issue Data or terminate the Service upon prior notice to you.

❖ Payee Positive Pay

With this Service, you can elect to have us compare the payee information that you provide to us with the payee information on the check, in addition to the serial number and amount, prior to the payment of any checks presented against your designated Account. We will still compare the presented checks with your Issue Data as described above, but your Issue Data must include the payee information in accordance with the formats defined by us. With this option, we will compare the payee name that should appear on the check as indicated in your Issue Data, with the payee name that appears on the check presented for payment against your designated Account. If either the payee information or the serial number and amount do not match, then the presented check will be an Exception Check and we will make available to your Authorized Person data and images of that Exception Check via our PINACLE Service. If you select this payee option, you are still obligated to review the Exception Check data and images, send your Issue Data in compliance with the Documentation, and provide timely instructions to us on whether to pay or return any Exception Checks as indicated above, if those instructions are different from your default instructions. Failure to provide timely instructions as indicated above will result in the payment or return of the Exception Checks, in accordance with your default instructions.

❖ Teller Positive Pay

With this Service, you may also elect to use our teller positive pay, which allows our tellers to compare checks presented for encashment against your designated Account with your Issue Data. With this option, our tellers will only check the serial numbers and amounts of the presented checks and, if provided by you, the first forty (40) characters of the payee line of the check. If this specific information on a check presented to one of our tellers does not match the information

provided in your Issue Data (excluding the issue date), you will not have the opportunity to review the check and we will decline to cash the check, even if your default instruction is otherwise to pay all Exception Checks.

❖ **Point of Sale Positive Pay**

With this Service, you may also elect to use our point of sale positive pay feature which allows our third party vendor to compare checks, as presented by your payees at participating retailers for encashment, against your designated Account with your Issue Data. You may submit your Issue Data via a direct transmission or via PINACLE. With this option, our third party vendor will check only the serial numbers and amounts of presented checks and, if provided by you, the last four digits of your payees' social security numbers. If this specific information on a check presented to a participating retailer does not match the information provided in your Issue Data (excluding the issue date), the participating retailer may reject your check for encashment. You will not have the opportunity to review the check and the check may not be cashed, even if your default instruction is otherwise to pay all Exception Checks. In order for your Issue Data to be available for matching when a check is presented for encashment at a participating retailer, you must send your Issue Data to us by 4:00 p.m. ET three Banking Days prior to the date of such presentment. We shall have no duty to notify you in advance or otherwise seek your consent to disclosure with regard to individual file disclosure reports under the Fair Credit Reporting Act or disclosure in response to legal process for payee information.

(2) Reverse Positive Pay:

On each Banking Day (or periodically, as you may determine) before 8:00 a.m. ET we will electronically send you a report of checks presented against your designated Account. This report will include the presentment date, serial number and encoded amount for each check that is presented against your designated Account ("**Presentment Data Report**"). Upon your receipt of the Presentment Data Report, you will compare the information in the Presentment Data Report with your records. If any check does not match your records, your Authorized Person will instruct our Account Reconciliation Department via the PINACLE Reverse Positive Pay module by 2:00 p.m. ET, on the same Banking Day you receive the Presentment Data Report, to return the check. If your Authorized Person does not contact us by the time stated herein, any check presented for payment which does not match the information in the Presentment Data Report will be paid.

❖ **Limitation of Liability**

In addition to limitations of liability included elsewhere in this Agreement, our liability to you is limited to our failure to use ordinary care that results in the following: (A) with Positive Pay, (i) payment of any presented check, excluding an Exception Check, when such payment results solely from our error in matching such check with the information in your Issue Data, (ii) failure to pay or return an Exception Check in accordance with your instructions, (iii) failure to comply with your default instructions for an Exception Check, (iv) in the case of Point of Sale Positive Pay, our failure to correctly match the information on a check presented to a participating retailer for encashment with the Issue Data you submitted to us in a timely fashion, as stated above, for that check; or (B) with Reverse Positive Pay, (v) failure to provide you with the required information for each check in the Presentment Data Report provided that the payment of said check resulted solely from such failure, or (vi) failure to follow your instructions to return a check. With both systems, we will pay or return checks in accordance with these Terms and Conditions, which shall be deemed to be the exercise of ordinary care by us, whether or not the check is otherwise properly payable. If we pay a check that should have been returned because of our failure to comply with these Terms and Conditions, then our monetary liability shall be limited to the lesser of (x) the amount of said check and (y) your actual, direct losses from such payment; provided that, we will have no liability to you to the extent such payment results from your failure to exercise ordinary care or pays an obligation you owe to a third party. If we return a check that should have been paid because of our failure to comply with these Terms and Conditions, our monetary liability shall be limited to your actual, direct losses; provided that, we will have no liability to you if such check was not properly payable, you did not have sufficient available funds in your Account to pay the check or we are required to return the check because of legal process. We may, but shall not be obligated to, manually inspect a check or otherwise determine if it is properly payable before paying or returning it, but we shall have no liability to you if we do not manually inspect any check.

N. FUNDS TRANSFER

This Service enables you to send Instructions to us for the transfer of funds via wire transfer.

Authorizations

We will from time to time accept payment orders from your Authorized Persons to transfer funds from your accounts specified in the Documentation (“**Specified Accounts**”) to other accounts with us or to accounts at other banks. If authorized by you, we will also initiate draw-down requests (“**reverse payment orders**”) to other banks, or honor incoming reverse payment orders from other banks, involving your Specified Accounts. We will also credit your Specified Accounts or other accounts designated by you with the amount of incoming payment orders we receive from time to time. A payment order shall not be considered received by us until we have performed all verification procedures set forth in this Agreement. Some payments credited to you are provisional until we receive final settlement. If we do not receive final settlement, we will debit your Specified Account or any of your other accounts with us for the amount of the payment.

Payment Orders

Your Authorized Persons may issue Payment Orders to us to transfer funds from your Specified Accounts to any other account with us or to an account at another bank in accordance with these Terms and Conditions. Payment Orders will be received and processed during the normal business hours (as specified in the Documentation). We strongly recommend that you issue payment orders by PINACLE, or other electronic means we agree that you may use, or directly to our Funds Transfer department by telephone.

Issuing and Executing Payment Orders

We will only execute payment orders if the individual(s) issuing the orders provide the authentication protocols (including password(s), PIN(s), token(s) or other security code(s)) and other information as required by us. In executing any payment order, PNC may select any funds transfer system at our discretion. We may include in our outgoing Payment Orders all information required by applicable law, regulation or fund transfer system rule, or which we believe is reasonably necessary to facilitate execution of the Payment Order. We will execute all properly authorized Payment Orders on the date received, or, for future-dated transfers, on the date requested, provided that such Payment Orders are received by us prior to the deadline specified in the Documentation and provided that such date is a funds-transfer business date for us, for the funds-transfer system selected by us, and for the receiving bank. We assume no responsibility to monitor, audit or report to you any information contained within the message text of any Payment Order. To issue any of the following Payment Orders, your Authorized Person(s) shall follow the applicable procedures specified in the documentation.

For an outgoing Payment Order for a Funds Transfer, you agree that if the Payment Order does not meet the cutoff time for same day settlement, you authorize us to cancel the Payment Order and use the information from the Payment Order to replace the Payment Order with an instruction for a Real Time Payment (RTP Payment) to your payee’s account, provided that such account is eligible to receive the RTP Payment, and the RTP Payment meets the requirements of the RTP Service. If the outgoing Payment Order for a Funds Transfer does not meet the eligibility criteria for an RTP Payment, we will continue to process the outgoing Payment Order for a Funds Transfer after the cutoff time as a Funds Transfer to be delivered the next business day.

Payment Order Amendments

Limited changes to successfully submitted telephonic Payment Orders, including, but not limited to, the ability to request amendments, cancellations, recalls, returns and reversals may be requested by a single Authorized User who completes standard identity authentication protocols via the telephonic channel. By giving Authorized Users access to initiate and/or approve telephonic Payment Orders, you acknowledge that you are granting them authority to independently request these types of changes. All Payment Order change requests submitted telephonically are subject to our review and approval.

Repetitive Payment Orders

Upon request, we will assign a unique number to each “**Repetitive Payment Order**” (i.e., Payment Order made routinely in which the date, the dollar amount and the message text may change but all other instructions remain constant). Instructions for Repetitive Payment Orders must be specified by you in the Documentation. We shall not be required to verify any such Repetitive Payment Order by callback to you.

Non-Repetitive Payment Orders

A “**Non-Repetitive Payment Order**” is any payment order to debit any Specified Account, other than a Repetitive Payment Order. For Non-Repetitive payment orders we may call back a person in the Documentation who is authorized to authenticate your Payment Orders. If we are unable to obtain an authentication, we may decline to execute the Payment Order or delay its execution pending authentication.

PINACLE/BatchWire Issuance of Payment Orders

You may use PINACLE or a Direct File Transmission to issue payment orders. To issue a payment order by PINACLE, your Authorized Person shall follow the procedures in the Documentation (on-line or otherwise). To issue a Payment Order by Direct File Transmission, your Authorized Person shall follow the procedures specified in the Documentation.

Secondary Authorization

Secondary authorization applies to certain Payment Orders issued via PINACLE. When applicable, it requires a second Authorized Person to verify and approve a Payment Order by PINACLE prior to its acceptance by us. Payment orders awaiting secondary (or tertiary) authorization, including without limitation future-dated payment orders, which have not been properly authorized by the cut-off time on the date the payment order is issued, may be canceled without further notice to you.

Transmission Requirements

You are responsible for providing and maintaining in good working order all hardware, software and communication lines under your control. You are responsible for the accuracy and completeness of any data transmitted to us through PINACLE or Direct File Transmission. You will notify us immediately if there is a problem with issuing payment orders by PINACLE or Direct File Transmission. In the event payment orders cannot be issued by PINACLE or Direct File Transmission, you may issue payment orders by telephone in accordance with the other terms and conditions of this Agreement.

Future-dated Payment Orders (Transfers)

You may issue future-dated Payment Orders, as described in the Documentation. Subject to the provisions on Cancellation or Amendment stated elsewhere in this Agreement, you may cancel a future dated Payment Order prior to the date for which it is scheduled to be executed.

Authorization to Charge

You authorize us to charge your designated Account(s) in the amount of the Payment Orders upon execution of such Payment Orders. You agree to have in your Account(s), on the day we execute the Payment Order(s), sufficient available funds to cover the total amount of your Payment Orders. If the Account(s) contain insufficient available funds, and unless other arrangements satisfactory to us are made, we may but shall not be obligated to charge any of your other account(s) with us. This authorization includes the right to charge any investments which are linked to such Account(s) or accounts(s).

Incoming Payment Orders

Our receipt of your incoming Payment Orders shall be subject to applicable law and the terms of our agreement with you for your deposit account(s), which we have provided to you separately.

SWIFT Multibank Transfer Requests

SWIFT is a cooperative society of worldwide financial institutions providing a secure messaging system. If you request and we agree, you may initiate Instructions to and from your eligible multibank accounts and to third parties from eligible multibank accounts electronically via SWIFT messages through PINACLE.

You irrevocably authorize us to rely upon and send any Instruction received by us from you to the designated receiving bank, including Instructions authorizing the receiving bank to debit and/or credit the account(s) specified in the SWIFT message. By initiating a SWIFT message using this Service, you represent and warrant to us that you have obtained the authorization from the account owner to debit or credit the account indicated in the Instruction. It is your responsibility to properly complete, maintain and monitor all authorizations and payment Instructions, including repetitive Instructions. We have no responsibility or liability to you or any person for errors or delays resulting from incomplete or incorrect information provided by you in any Instruction. We further assume no responsibility or liability for any acts of the receiving bank, the beneficiary bank or any intermediary bank involved in the transfer Instruction you request. Please note that any rejected Instruction shall be converted back into the account currency at the rate effective on the day funds are returned. You acknowledge that you take all risk of loss due to a change in the foreign currency exchange rate since the original execution date of the Instruction.

Other banks in the transfer or payment process may charge fees for processing the Instruction, which could reduce the face value of the amount transferred. You agree that we may perform the foreign exchange transaction for you, or a bank that we designate may provide this function. You agree that we may deliver your payment order in the currency of the beneficiary bank.

0. REAL TIME PAYMENTS (RTP)

This Service enables you to send Instructions to us for the transfer of funds via a real-time payment through The Clearing House (TCH) RTP® Network, and provides additional related capabilities.

Certain Definitions Applicable to the RTP Service:

- **“Future-Dated Transfer”** means an RTP Payment that is scheduled to be made on a RTP Day that is after the current RTP Day.
- **“Money Transmission Transaction (MTT)”** means a transaction or series of transactions in which a Person serves as an intermediary in the transmission of funds or the value of funds between other Persons.
- **“Payment Service Provider (PSP)”** means a Sender that regularly conducts MTTs for Persons that are not corporate affiliates of the Sender, when such transactions do not effectuate or are not integral and necessary to any service, sale, or purpose (other than the MTT itself) between the Sender and the Person for whom the transaction is conducted. A Sender regularly conducts such MTTs if it typically sends such transactions on a weekly or more frequent basis. However, a Sender may also regularly conduct MTTs if it sends such transactions on less than a weekly basis, depending upon the facts and circumstances of the activity. You agree that you will not regularly conduct MTTs when you use the RTP Service.
- **“Person”** means any natural person or corporation, partnership, sole proprietorship, joint venture, or other form of entity or organization.
- **“Receiver”** means the person that will receive an RTP Payment through the Receiving Financial Institution.
- **“Receiving Financial Institution”** means the financial institution that holds the Receiver’s Account and that receives an RTP Payment, and utilizes the TCH RTP Network.
- **“Request for Information”** means a message a Receiver can request that the Receiving Financial Institution submit to the TCH RTP Network to request additional information from the Sender in connection with an RTP Payment.
- **“Request for Payment”** means a message that a Sender can request to submit to the TCH RTP Network to request an RTP Payment from another person.
- **“Request for Return of Funds”** means a message that you may request that we submit to the TCH RTP Network to request the return of funds related to a RTP Payment.
- **“RTP Payment”** means a real-time payment made through the TCH RTP Network, or internal book transfer (when both the Sender and Receiver have accounts at PNC Bank).

- **“RTP Day”** means the calendar day in which a RTP Payment is made, beginning at 12:00 a.m. ET and ending at 11:59:59 p.m. ET.
- **“Sender”** means the entity that will send a payment instruction for an RTP Payment. You will be the Sender for this Service.
- **“Sending Financial Institution”** means the financial institution that holds the Sender’s Account and that initiates a RTP Payment, and utilizes the TCH RTP Network. We will be the Sending Financial Institution for this Service.
- **“Specified Account”** means a DDA account number of your bank account that will be debited for the payment of your obligations to us for this Service.
- **“TCH RTP Network”** means The Clearing House’s Real Time Payments Network or System, which enables financial institutions to send and receive RTP Payments, messages, and other information.

Compliance

You acknowledge that this Service is subject to the Agreement, and all its applicable terms and conditions. In the event of a conflict between these terms and conditions, and the terms and conditions in the Agreement, these terms and conditions shall control with respect to this Service.

You agree to comply with all applicable laws, regulations, and rules and that you will not use this Service for any unlawful or unpermitted purpose. You agree that you will comply with the Documentation we provide to you at implementation that will identify additional requirements for this Service.

The rules that govern the TCH RTP Network apply to RTP Payments. RTP Payments should be used only by Persons that are residents or otherwise domiciled in the U.S., and their accounts located in the U.S. You agree to not effectuate or send a RTP Payment on behalf of any Person that is not a resident or otherwise domiciled in the U.S.

You agree to not effectuate or send instructions for any RTP Payments (including MTTs) that result in you as the Sender meeting the definition of a PSP.

Reliance on TCH RTP Network

This Service relies on the TCH RTP Network. You agree that we shall have no liability to you in connection with any action, delay, performance, or failure to perform, of the TCH RTP Network or other technology, provider, or other financial institution used in connection with this Service. We and the TCH RTP Network may monitor RTP Payments in accordance with TCH’s operating rules and standards, and may reject an RTP Payment that does not meet such rules or standards.

Client Administration

As part of the implementation of this Service, you must provide (and maintain updated) information that we require, and for any other permitted customization. The availability of certain features and customization are subject to change at any time in our sole discretion.

Authorizations

We will from time to time accept instructions from your Authorized Persons to transfer funds from your Specified Account(s) to make a RTP Payment to other accounts with us or to accounts at other banks. We will also credit your Specified Account(s) or other accounts with the amount of incoming RTP Payments we receive from time to time. An instruction for an RTP Payment shall not be considered received by us until we have performed all verification procedures set forth in the Agreement. Some payments credited to you are provisional until we receive final settlement. If we do not receive final settlement, we will debit your Specified Account or any of your other accounts with us for the amount of the payment.

Instructions for RTP Payments

Your Authorized Persons may issue instructions to us to transfer funds from your Specified Account(s) to make a RTP Payment to any other account with us or to an account at another bank in accordance with these terms and conditions. Instructions for RTP Payments will be received and processed as specified in the Documentation.

Issuing and Executing Instructions for RTP Payments

We will only execute instructions for RTP Payments if the Authorized Person(s) issuing the Instructions complete standard identity authentication protocols that we agree you may use, and are able to provide all information as required by us to initiate a RTP Payment. In executing any instruction for an RTP Payment, we may provide you another option to utilize another payment method to complete the RTP Payment. We may include in our outgoing RTP Payment all information required by applicable law, regulation or fund transfer system rule, or which we believe is reasonably necessary to facilitate execution of the RTP Payment. We will execute all properly authorized (and authenticated as stated herein) instructions for RTP Payments on the date received, or, for future-dated transfers, on the date requested, provided that such instructions are received by us as specified in the Documentation.

We assume no responsibility to monitor, audit or report to you any information contained within the message text of any RTP Payment. To issue any RTP Payments, your Authorized Person(s) shall follow the applicable procedures specified in the Documentation.

Limits and Risk Management

We may impose certain limits for your instructions, including by: dollar amount, number of or type of payee(s), Request for Payment criteria, and/or any other criteria in our sole discretion. We may impose other risk mitigation or monitoring procedures for you at any time and from time to time.

Amendments of Instructions for RTP Payments

You may not request to modify or cancel an instruction once we send the instruction to the TCH RTP Network. For future-dated entries on PINACLE, you may submit a request to modify or cancel the instruction if the instruction has not been verified and approved by a second Authorized Person. Your request to modify or cancel an instruction must be delivered to us in accordance with the requirements specified by us.

Limited changes to successfully submitted instructions for RTP Payments, including, but not limited to, the ability to request amendments, cancellations, and Requests for Return of Funds may be requested by a single Authorized Person who completes standard identity authentication protocols we agree you may use. By giving Authorized Persons access to initiate instructions, you acknowledge that you are granting them authority to independently request these types of changes. All instruction change requests submitted are subject to our review and approval.

You acknowledge and agree that when you request a Request for Return of Funds on a specific RTP Payment, the Receiving Financial Institution shall be under no obligation to return any or all funds associated with such an RTP Payment.

PINACLE/Batch Issuance of Instructions

You may use PINACLE, API or a Direct File Transmission to issue instructions for RTP Payments. To issue an instruction for an RTP Payment by PINACLE, your Authorized Person shall follow the procedures in the Documentation (on-line or otherwise). To issue an instruction for an RTP Payment by Direct File Transmission, your Authorized Person shall follow the procedures and formats specified in the Documentation. You are responsible for the accuracy and completeness of any data transmitted to us through PINACLE, API or Direct File Transmission.

Secondary Authorization

Secondary authorization applies to certain instructions for RTP Payments issued via PINACLE. When applicable, it requires a second Authorized Person to verify and approve an instruction by PINACLE prior to its acceptance by us. Instructions awaiting secondary (or tertiary) authorization, including without limitation future-dated instructions, which have not been properly authorized on the date the instruction is issued, may be canceled without further notice to you.

Transmission Requirements

You are responsible for providing and maintaining in good working order all hardware, software and communication lines under your control. You are responsible for the accuracy and completeness of any data transmitted to us through

PINACLE, API or Direct File Transmission. You will notify us immediately if there is a problem with issuing instructions for RTP Payments by PINACLE, API or Direct File Transmission.

Future-dated Instructions (Transfers)

You may issue future-dated instructions for RTP Payments, as described in the Documentation. Subject to the provisions on Cancellation or Amendment stated elsewhere here and in the Agreement, you may cancel a future-dated instruction for an RTP Payment prior to the date for which it is scheduled to be executed.

Authorization to Charge

You authorize us to charge your Specified Account(s) in the amount of the payment once each RTP Payment has been initiated. We will not charge your Specified Account(s) if we receive notification that an RTP Payment was rejected, including a rejection by the Receiving Financial Institution, TCH, or another reason. You agree to have in your Specified Account(s) sufficient available funds to cover the total amount of the payments initiated through this Service. You also agree that we will not process any payment that will exceed the available funds, or any limits for your instructions, in your Specified Account(s), and unless other arrangements satisfactory to us are made, we may but shall not be obligated to charge any of your other account(s) with us. This authorization includes the right to charge any investments which are linked to such Account(s) or accounts(s).

Confirmation

We will provide to you the status of your instructions for RTP Payments accepted by us in PINACLE or another type of notification.

Incoming RTP Payments

Our receipt of your incoming RTP Payments shall be subject to applicable law and the terms of our agreement with you for your deposit account(s), which we have provided to you separately.

Request for Information Messages

You are able to view and respond to a Request for Information message from a Receiver to provide more information about an RTP Payment that you have sent to the Receiver.

If you provide information to a response to a Request for Information message, you are responsible for ensuring that you have the proper authority to provide such a response, and you must be in compliance with all applicable laws, regulations, and rules, including with privacy, confidentiality, and data security.

Request for Payment Messages:

- **Initiation of Request for Payment Messages**

If approved by us, you may initiate Request for Payment messages to Persons that are known to you and would reasonably expect to receive Request for Payment messages from you. Each Request for Payment message is a request that another Person send an RTP Payment to you. You agree to be solely responsible for any questions, disputes, or issues that arise in connection with each Request for Payment Message initiated by you. You represent and warrant that each Request for Payment message initiated by you is made for a legitimate purpose and is not fraudulent, abusive, or unlawful. A legitimate purpose for a Request for Payment message means the message is to request an RTP Payment for (i) a current sale or transaction; or (ii) an amount that is due, owed or otherwise agreed to be paid to you. We do not guarantee that there will be a response to a Request for Payment message initiated by you.

In addition to our other rights, we reserve the right to suspend your ability to initiate Requests for Payment messages immediately upon our determination (or the determination by TCH) that your Requests for Payment messages are suspected to be misused.

- **Response to Incoming Request for Payment Messages**

You may also respond to incoming Request for Payment messages. After review of an incoming Request for Payment Message, you can either: 1) accept the incoming Request for Payment message and you can submit an instruction to send an RTP Payment to the initiator of the message, or 2) reject or take no action on the incoming Request for Payment message.

P. SWIFT MESSAGING SERVICE

General Information

SWIFT is a cooperative society of worldwide financial institutions providing a secure messaging system. This Service enables you to send and receive SWIFT Messages, including for the transfer of funds to and from other SWIFT member banks. SWIFT also allows corporate entities who meet certain criteria, as defined by SWIFT, to connect to SWIFT directly for the purpose of communicating with their financial institutions. These Terms and Conditions regulate your use of SWIFT through SCORE, or a Member Administered Closed User Group (“**MA-CUG**”) established and administered through us. We further reserve the right not to accept or process a SWIFT Message at any time in our complete discretion.

Definitions

- **“MA-CUG”** means a SWIFT-operated, member-managed service administered by us that enables SWIFT users that participate in the closed user group to exchange SWIFT Messages.
- **“SCORE (Standardized Corporate Environment)”** means a closed user group administered by SWIFT that facilitates financial messaging between qualifying companies and financial institutions who are members of the group.
- **“SWIFT Agreement”** means the main set of SWIFT’s standard terms and conditions. It governs the provision and use of most of SWIFT’s services and products.
- **“SWIFT Message(s)”** means data in local, industry standard or proprietary formats that a member sends or receives through SWIFT, typically used to exchange individual transactions, reports or other data files including, without limitation, ACH, bulk wire transfers, Electronic Data Interchange and account information.

SWIFT Membership

We do not establish or control the set-up and provision of SWIFT membership, SWIFT security, the provision of SWIFT Messaging Services or the facilities and equipment to use any of the foregoing. You, at your own risk, may electronically transmit SWIFT Messages to us, including without limitation, SWIFT Messages that contain payment Instructions. We will process SWIFT Messages as designated in your SWIFT Message, in our sole discretion. We will notify you if we reject a SWIFT Message as soon as reasonably practical. You may be able to send SWIFT Messages directly to some SWIFT members through SCORE if you meet the criteria established by SWIFT.

Issuing and Executing SWIFT Messages

SWIFT Messages you send to us must meet the applicable requirements set out in your SWIFT Agreement (if any), the SWIFT documentation, any SWIFT user guides and our Documentation. You shall ensure that any Instruction included in any SWIFT Message sent to us accurately reflects the advice, request, Instruction or communication intended and is duly authorized by you. You irrevocably authorize us to rely upon and implement any Instruction in a SWIFT Message received by us from you including, (a) in the case of a payment Instruction to be sent through SWIFT, debiting the account specified in the SWIFT Message and forwarding your Instruction to the SWIFT member bank designated in your SWIFT Message or (b) processing the SWIFT Message in accordance with the terms and conditions of the service to which your Instruction relates. You acknowledge that we are entitled to assume that Instructions contained in such SWIFT Messages have been duly authorized by you, are authentic and that their integrity has not been compromised and neither we nor any other financial institution is under any obligation to verify the authenticity or integrity of such SWIFT Messages or Instructions, even in the case of fraud. We are not obliged to process an Instruction or forward an Instruction to any financial institution if the SWIFT Message through which that Instruction is provided does not meet the requirements of SWIFT or otherwise appears not to have been prepared or sent in accordance with these Terms and Conditions and/or your SWIFT Agreement; or we consider that the forwarding or execution of your Instruction may place us or another financial institution in breach of any law or regulation; or we reasonably suspect that the SWIFT Message in which that Instruction

was received by us may not (a) fully and accurately reflect an advice, request, Instruction or communication that you intended to give to the relevant bank or (b) have been given in accordance with the relevant Customer's authorization procedures.

Information Delivery

You may arrange for us to deliver statement reporting messages, data files or other information to you or your designee by SWIFT Message. We cannot guarantee that the receipt or transmission of information will occur at any specified time during a Banking Day. For all purposes between you and us, you will be deemed to have received the information on the Banking Day on which we send the SWIFT Message with the information to you or your designee.

Security Procedures

By using this Service and sending SWIFT Messages, you represent and warrant to us that you shall at all times have in place, and regularly review and test, the necessary technical platform, software and other capabilities to use these SWIFT Services, and have strict security requirements regarding access and use. You acknowledge and agree that you are solely responsible for ensuring the security of your technical environment and access to SWIFT Messaging Services.

You, and your employees, representatives and other agents, shall not engage in any act or omission that compromises, or has the potential to compromise, the security of SWIFT. You will immediately notify us and SWIFT if you become aware of or suspect any breach or compromise of the security of SWIFT and/or the SWIFT Messaging Services, including any loss or disclosure of your own procedures to obtain access to send SWIFT Messages. You agree to provide us with the full details of the apparent security breach and promptly co-operate with any steps taken by us to investigate and/or rectify any apparent or suspected breach or compromise of the security of SWIFT.

We may at any time require the revocation, renewal or change of any certificates, encryption keys or similar system elements used by you in the creation of SWIFT Messages or the removal of any party authorized to send such SWIFT Messages in order to protect the security of the SWIFT Messaging Services.

You represent and warrant to us that you have been informed of and are knowledgeable of the security procedures associated with this Service, and have determined that they are both commercially reasonable and adequate to prevent unauthorized use by you, your employees, your agents and representatives or any third party.

Confidential Information

In addition to other confidentiality provisions in this Agreement, you acknowledge that we may disclose or transfer confidential information and personal data, relating to you, your employees and your authorized agents where required by SWIFT, by law or regulation and as reasonably necessary for us to perform these Services, including transfers to and processing in, countries and territories that do not have data protection laws providing an equivalent level of protection to those prevailing in the United States.

Termination

In addition to the other rights we have under this Agreement, we reserve the right to terminate your SWIFT Messaging Services without prior notice if (a) either you or us are no longer an authorized SWIFT participant, (b) SWIFT has ceased to provide any of the Services and c) where SWIFT has required either of us to terminate this Service.

Q. MCA ACCOUNT PLUS

This Service allows you to collect and/or disburse funds from/to third parties through a European bank selected by us (“**European Bank**”).

Designated Accounts

To facilitate payments to and from third parties in Europe, we, as principal, will maintain deposit accounts with the European Bank. The account can be denominated in either EUR or GBP. You acknowledge and agree that you will have no interest in the accounts maintained by us at the European Bank. However, we will specifically designate certain

accounts for your benefit (each a **“Designated Account”**). You agree that any inquires related to the Services or a Designated Account shall be directed to and resolved by us and not the European Bank.

Domestic Accounts

To use the Service, we will open for you a multicurrency account (the **“Domestic Account”**). The Domestic Account will be held with PNC Bank, National Association and is FDIC insured to the legal limit. The balance of the Domestic Account shall be determined by adding the deposits credited to the Designated Account that represent the collection of funds on your behalf for the previous Banking Day, less amounts paid from the Designated Account pursuant to your payment orders and Instructions.

Payment Orders

Using MCA Account Plus, you may make payment orders to third parties in an amount not to exceed the available balance in your Domestic Account. Your interest in the Domestic Account will be reduced in amount of any payment order originated out of the Designated Account.

Deposits

Deposits to any Designated Account may be received via electronic funds transfer. Your interest in the Domestic Account will be increased in the amount of any collected item in the Designated Account. Unless we, in our sole discretion, shall otherwise agree, you will not deposit, and neither will the European Bank nor its service branches accept for deposit, into any of Designated Accounts any checks, drafts, currency or other physical items.

Banking Day

For the purpose of this Service, the term **“Banking Day”** means: (a) a day, other than a Saturday, Sunday or other day on which banks are authorized or required to be closed in London, UK (pounds), Dublin, Ireland (Euro) or in New York City, NY; or (b) provided that where the provisions of this Agreement are applicable to a specific transaction involving a branch of the European bank located in a European city or country other than London, UK, **“Banking Day”** shall be deemed to mean a day, other than a Saturday, Sunday or other day on which Banks are required to close in such city or country.

Foreign Currency Exchange Risk

You acknowledge that there is foreign currency exchange risk inherent in this Service’s account structure and you accept such risk. You acknowledge that the value of EUR and/or GBP balances in terms of US dollars will fluctuate from time to time and will not bear the same exchange rate at any time after their initial deposit as they bore at the time of the initial deposit. If all or any portion of the balances in the Designated Accounts are subsequently converted, a gain or loss on the exchange may result due to the fluctuating currency markets or other factors beyond our control.

Electronic Communications, Records

Any electronic communications between us (whether using our facilities or yours, or those of a third party) will take place in accordance with this Agreement. The term **“electronic communication”** means any communications by Internet, telex, telephone, SWIFT or other method of telecommunication or electronic transmission and includes a facsimile transmission. A copy of our banking records, kept in the ordinary course of business, regarding any electronic communication will be admissible in any legal, administrative or other proceedings as conclusive evidence as to the contents of those electronic communications in the same manner as the original document in writing. You waive any right to object to the introduction of any such copy into evidence.

Representations and Warranties

You represent and warrant the following:

- You will not use or operate the Services for the purpose of or in furtherance of, or otherwise in connection with, Internet/on-line gambling or a money service business, or in connection with any restricted business as may be determined by us from time to time.

- You will provide the customer identification data and information as we may reasonably request prior to the opening of a Designated Account. You will also provide such other information as we may reasonable request from time to time in connection with any Designated Account or the Services rendered thereunder.

R. BILL PAYMENT SERVICE

This Service allows you to make payments to billers ("**Bill Payment Service**") as a feature of PINACLE. You agree to follow the procedures and instructions regarding the Bill Payment Service we provide to you from time to time. The Bill Payment Service is offered by us through one or more companies that we have engaged to render some or all of the Bill Payment Service to you on our behalf ("**Service Provider**"). We and/or our Service Provider(s) reserve the right to deny enrollment in the Bill Payment Service at any time or deny access to any account chosen for use in the Service for any reason at any time.

YOU MUST COMPLY WITH THE BILL PAYMENT SCHEDULING INSTRUCTIONS OR ASSUME ALL RISK PERTAINING TO FINANCE OR ANY OTHER CHARGES THAT THE BILLER/MERCHANT MIGHT IMPOSE.

Certain Definitions Applicable to the Bill Payment Service:

- "**Biller**" is the person or entity, the Merchant, to which you wish a bill payment to be directed.
- "**Bill Payment Account**" is the account from which your payments will be debited, or to which payments and credits to you will be applied.
- "**Bill Payment Instruction**" is the information provided for a payment to be made to the Biller.
- "**Business Day**" is every Monday through Friday, excluding Federal Reserve holidays or other days that banks are legally closed.
- "**Due Date**" is the date reflected on your Biller statement for which the payment is due, not the late payment date or the date beginning or a date during any grace period.
- "**Exception Payments**" means payments to deposit accounts or brokerage accounts, payments to settle securities transactions (including, without limitation, stocks, bonds, securities, futures (forex), options, or an investment interest in any entity or property).
- "**Scheduled Payment**" is a payment that has been scheduled but has not begun processing.
- "**Scheduled Payment Date**" is the day you want your Biller to receive your bill payment, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.
- "**Site**" means our online banking site or mobile applications that offer the Bill Payment Service.

Bill Payment Scheduling

The earliest possible Scheduled Payment Date for each Biller will be designated within the portion of the Site through which the Bill Payment Service is offered when you are scheduling the payment. Therefore, the Bill Payment Service will not permit you to select a Scheduled Payment Date before the earliest possible Scheduled Payment Date designated for each Biller. When scheduling payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement, unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period. Depending on the method of payment, your Bill Payment Account may be debited prior to the Scheduled Payment Date. For example, if the selected method of payment is a check, the check arrives earlier than the Scheduled Payment Date due to expedited delivery by the postal service, and the Biller immediately deposits the check, your Bill Payment Account may be debited earlier than the Scheduled Payment Date. Occasionally, a Biller may choose not to participate in the Bill Payment Service or may require additional information before accepting payments. The Bill Payment Service will work with these Billers to encourage them to accept electronic or check payments from the Bill Payment Service. If we are unsuccessful, or if we determine that the Biller cannot process payments in a timely manner, we may decline future payments to such Biller.

Payment Authorization and Payment Remittance

By providing us with names and account information of Billers to whom you wish to direct payments, you authorize us to follow the Bill Payment Instructions we receive through the Site. In order to process payments more efficiently and effectively, the Bill Payment Service may edit or alter payment data or data formats in accordance with Biller directives. In the event that a payment you are attempting to schedule exceeds an individual payment limit of the Bill Payment Service, you will be notified at the time you attempt to schedule the payment and will be asked to resubmit your request. Furthermore, such individual payment limit(s) may be modified by the Bill Payment Service from time to time, without prior notice. When we receive a Bill Payment Instruction, you authorize us to debit your Bill Payment Account and remit funds on your behalf so the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. Please note, as indicated above, payments may settle earlier or later than the date you selected. You also authorize us to credit your Bill Payment Account for payments returned by the United States Postal Service or Biller, or payments remitted to you on behalf of another authorized user of the Bill Payment Service.

The Bill Payment Service will attempt to make all your payments properly. However, the Bill Payment Service shall incur no liability if the Bill Payment Service is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:

- a) If, through no fault of the Bill Payment Service, your Bill Payment Account does not contain sufficient funds to complete the transaction;
- b) The Bill Payment Service is not working properly and you know or have been advised about the malfunction before you execute the transaction;
- c) You have not provided the Bill Payment Service with the correct Bill Payment Account information, or the correct name, amount, address, phone number, or account information for the Biller; and/or,
- d) Circumstances beyond our or our Service Provider's control prevent the proper execution of the transaction.

Provided none of the foregoing exceptions are applicable, if the Bill Payment Service causes an incorrect amount of funds to be removed from your Bill Payment Account or causes funds from your Bill Payment Account to be directed to a Biller which does not comply with your Bill Payment Instructions, the Bill Payment Service shall be responsible for returning the improperly transferred funds to your Bill Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges.

Payment Methods

The Bill Payment Service reserves the right to select the method in which to remit funds on your behalf through the Bill Payment Service, and in the event that your Bill Payment Account is closed or otherwise unavailable to us, the method to return funds to you. These payment methods may include, but may not be limited to, an electronic debit, a paper check drawn on the account of our Service Provider, or check drawn against your account. If we send the payment electronically, the funds will be withdrawn from the Bill Payment Account on the date that you selected in Bill Pay.

Certain Billers are paid with a paper check drawn on the account of our Service Provider, or check drawn against your account, which are mailed. If the Bill Payment Service sends the payment by these methods, the payment is mailed in advance of the date you selected in the Bill Payment Service in order to allow for sufficient time for the Biller to receive it. Funds remitted to the Biller via a check drawn against your account will not be deducted from your Bill Payment Account until the check is presented to us for payment. In some instances, it is possible for a payment sent by check to be received by the Biller and presented to us for payment before the date you selected. Thus, the Bill Payment Account should have sufficient funds beginning a few business days before the date you select in the Bill Payment Service and you shall keep such funds available until the payment is deducted from the Bill Payment Account.

In some instances, the Bill Payment Service may initiate an electronic payment, but due to circumstances beyond our control, that payment may be later converted to a payment via check drawn against your account.

Payment Cancellation Requests

You may cancel or edit any Scheduled Payment by following the directions within the portion of the Site through which the Service is offered. There is no charge for canceling or editing a Scheduled Payment. Once we start processing a

payment, it cannot be cancelled or edited, therefore a stop payment request must be submitted. To determine if the payment can be stopped, refer to the Stop Payment Requests section below.

Stop Payment Requests

Our ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. We may not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you wish to stop a payment that has already been processed, please call Treasury Management Client Care at 1-800-669-1518 to determine whether such payment can be stopped. Although we will attempt to accommodate your request, we will have no liability for failing to do so.

Payments Outside of the U.S.

Payments to Billers outside of the United States or its territories are prohibited through the Bill Payment Service.

Exception Payment Requests

Exception Payments may be scheduled through the Bill Payment Service; however, Exception Payments are discouraged and must be scheduled at your own risk. Except as required by applicable law, in no event shall we be liable for any claims or damages resulting from your scheduling of Exception Payments.

Biller Limitation

We reserve the right to refuse to pay any Biller to whom you may direct a payment. As required by applicable law, we will notify you promptly if we decide to refuse to pay a Biller designated by you.

Returned Payments

You understand that Billers and/or the United States Postal Service may return payments to the Bill Payment Service for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. The Bill Payment Service will attempt to research and correct the returned payment and return it to your Biller, or void the payment and credit your Bill Payment Account. You may receive notification from the Bill Payment Service.

Failed or Returned Bill Payment Instructions

You are requesting that we or our Service Provider attempt to make payments for you from your Bill Payment Account. If the Bill Payment Instruction cannot be completed for any reason associated with your Bill Payment Account (for example, there are insufficient funds in your Bill Payment Account), the Bill Payment Instruction may or may not be completed. In certain circumstances, our Service Provider may either advance funds drawn on their corporate account or via an electronic debit, and in such circumstances will attempt to debit the Bill Payment Account a second time to complete the Bill Payment Instruction. In some instances, you will receive a return notice from us or our Service Provider. In each such case, you agree that:

- a) You will reimburse our Service Provider immediately upon demand the amount of the Bill Payment Instruction if the payment has been delivered but there are insufficient funds in your Bill Payment Account to allow the debit processing to be completed;
- b) You may be assessed a late fee equal to one and a half percent (1.5%) of any unpaid amounts plus costs of collection by our Service Provider or their third-party contractor if the Bill Payment Instruction cannot be debited because you have insufficient funds in your Bill Payment Account, or the transaction would exceed the available funds of your Bill Payment Account, to cover the payment, or if the funds cannot otherwise be collected from you. The aforesaid amounts will be charged in addition to any NSF charges that may be assessed by us, as set forth in your fee schedule from us (including as disclosed on the Site) or your Business Account Agreement with us. You hereby authorize us and our Service Provider to deduct all of these amounts from your designated Bill Payment Account, including by ACH debit; and
- c) Service Provider is authorized to report the facts concerning the return to any credit reporting agency.

Prohibited Payments

The following types of payments are prohibited through the Bill Payment Service, and we have the right but not the obligation to monitor for, block, cancel and/or reverse such payments: payments to or from persons or entities located in prohibited territories (including any territory outside of the United States); payments that violate any law, statute, ordinance or regulation; and tax payments and court ordered payments. Except as required by applicable law, in no event shall we or our Service Provider be liable for any claims or damages resulting from your scheduling of prohibited payments.

S. CLAIM PAYMENTS & REMITTANCES SERVICE

This Service permits you to (i) send claim payments and remittance advices to healthcare providers and other trading partners (together, “trading partners”); (ii) authorize us to maintain a database containing the preferred method of payment and format for remittance advices indicated by the trading partners you pay; (iii) instruct us to pay trading partners via check, ACH Origination Service or Commercial Card (which will not include physical plastic cards), and to deliver remittances to trading partners in the formats they have chosen and we have agreed to; (iv) instruct us to maintain, for an agreed upon length of time, an electronic archive of claims received only for information reporting via a web portal (“**Portal**”); and (v) access, or provide access to trading partners to, reports via the Portal. Additional terms and conditions relating to Commercial Card payments are addressed in a separate Addendum to this Agreement (the “**Card Addendum**”). This Service is powered by ECHO Health, Inc. (“**Echo Health**”).

This Service also permits you to (i) send payments and remittance advices to plan members and insured parties (together, “members”); and (ii) instruct us to pay members via check or ACH Origination Service, or electronically through ePayments. Use of ePayments through this Service is subject to the terms and conditions of ePayments in this Agreement, except for sections relating to PINACLE, Text Message Platform, White Label Website and Authorization to Charge that pertain to features not supported through the Claim Payments & Remittances Service.

Your Duties as a Client

You agree that you are solely responsible for ensuring that any and all payments requested through this Service have been properly adjudicated, are accurate and are properly authorized.

You agree that you are solely responsible for ensuring that the 835 (or other format agreed to by the parties) file transactions submitted to us via this Service are accurate and complete. We make no representation or warranty about the validity of any information submitted to us or generated by us using such information, or its compliance with any applicable law or operational rules, including reliance on addresses provided by you that lead to misdirected payments or HIPAA Breaches under the Business Associate Addendum.

You agree that it is your responsibility to collect W-9s or W-8s and verify their validity.

You agree that it is your responsibility to manage access to online applications for your organization by providing a list of newly-authorized or terminated users in a timely manner, when applicable, and by performing periodic reviews of active users and their levels of access to ensure that the access rights are commensurate with job responsibilities.

You agree to notify us as far in advance as possible of any changes to file formats, data content changes, transmission changes or other modifications that could cause errors or delays in processing your data. You also agree to provide banking instructions for funding transactions and to update those instructions as far in advance as possible if changes are necessary.

You agree to review and address any and all system generated errors related to file submission in a timely manner. You acknowledge that we will not be responsible for detecting any error in any file such as, but not limited to, duplicate payments. In the event that any file contains an error, whether in the amount of a payment, payee, disbursing bank, date of payment or otherwise, you shall be solely responsible for taking action to correct such error.

You agree that you are responsible for the disposition of over-payment, under-payment, incorrect payments, and return mail.

You agree that you are responsible for fully funding all payments made by the Service on your behalf and that all payments will be pre-funded. In the event that a funding transfer fails, including those from plan sponsors or employers whose plans you administer, you will be notified of the failure by 10:00 AM ET on the day the rejection notice is received, and you must notify us by 4:00 PM ET that day if the corresponding payments that have not been cleared should be voided. If notice to cancel is received by that time, all outstanding payments relating to that funding transfer will be voided and will need to be re-sent to be paid. You will be responsible for funding any payments presented and paid before they could be voided. If notice to cancel is not received within the timeframe noted immediately above, you assume liability for funding all payments. Payments may be returned unpaid if available funds have been depleted. You agree to reimburse us within 24 hours for all failed funding transfers. You also agree that any and all available funds received from you for other payments may be used to reimburse us for the failed funding transfers, if you do not immediately reimburse us as agreed herein for failed funding transfers. You are responsible for any fees or penalties charged as a result of your actions, including, but not limited to, return or revocation of your pre-funding transfer. You will not be paid interest on funds used to settle payments initiated through this Service.

Notwithstanding anything to the contrary in the Agreement, you authorize us to disclose to Echo Health such information relating to your card payments and Card Addendum as Echo Health may request from time to time.

You understand that this Service uses cloud computing, and you acknowledge and accept the risks related to cloud computing. You agree to release us from any claims, losses, damages, or liabilities you may incur as a result of the Service's use of cloud computing.

You also understand that your claims/remittance advice data may be accessed from locations outside the United States for technical support purposes. You agree to release us from any claims, losses, damages, or liabilities you may incur as a result of such access (from outside the U.S.).

In addition to your other indemnification obligations under this Agreement, you agree to indemnify us from any loss or liability related to (i) any modifications you make to the 835 or other relevant file transactions; (ii) a claim by any of your trading partners or providers related to incomplete or inaccurate data; (iii) over-payments, under-payments and duplicate payments; and (iii) the performance of this Service on your behalf.

If you use the Service to provide third-party administration services (administrative services only) functions for customers with self-funded plans, you agree and guarantee that the funds will be on deposit in the account you specify within twenty-four (24) hours of approval of benefit payments. In addition, funds, once available, will be withdrawn from this account and deposited into a trust. Failure to fund the specified account within this time frame may result in a delay of payments from the Service. Any fines or penalties assessed to the specified account caused by you will be your responsibility. Continued failure to fund such account within this timeframe may result in termination of the Service. You agree to provide us with any payment authorization forms, as necessary for the Service.

If you require us to load healthcare provider electronic funds transfer enrollment information ("EFT Enrollment Information") as part of your implementation of this Service, you certify that it is accurate and complete, and complies with applicable law and operational rules. You agree to (a) reimburse PNC for any and all damages or costs incurred by PNC as a result of the EFT Enrollment Information, including if such information is incorrect or fraudulent, whether or not known by you; and (b) indemnify and defend PNC from any third-party claims related to the same. You acknowledge and agree that Echo Health, Inc. (our subcontractor) is a third-party beneficiary of this paragraph.

Transmissions

You may send and receive through us transmissions in the format mutually agreed upon during the discovery and project planning phases of implementation. You may request a change in the format in writing. We will evaluate your request and advise you in writing whether the change has been approved and, if so, when it will become effective. If necessary, we will translate your remittance information to and from the current industry standard data format.

You and your trading partners are responsible for the accuracy of the information you and they transmit to us.

Termination; Outstanding Payments

Either you or we may terminate this Service as provided elsewhere in this Agreement. If, however, you terminate the Service before you have used it for twelve (12) consecutive months for any reason other than our failure to reasonably perform our obligations hereunder, you will pay to us, as liquidated damages and not as a penalty, an amount equal to sixty percent (60%) of our average monthly billings to you for the Service multiplied by the number of months remaining until the end of the 12-month period. Any payments outstanding as of the termination date will be cancelled and funds returned to the then-current funding account within ten (10) business days. If you terminate this Service, you will pay us any applicable fees to stop payments.

Ownership

This Service contains valuable intellectual property rights and are propriety to us and our licensors, including but not limited to Echo Health, and title thereto remains with us and our licensors. You do not acquire any rights, express or implied, in this Service or any third party software incorporated therein other than those specified in this Agreement. All applicable rights to patents, copyrights, trademarks and trade secrets in this Service are and shall remain with us or our licensors.

YOU ACKNOWLEDGE AND AGREE THAT ECHO HEALTH (OUR SUBCONTRACTOR) IS A THIRD PARTY BENEFICIARY OF THESE CLAIM PAYMENTS & REMITTANCE SERVICE TERMS AND CONDITIONS, AS WELL AS THE LIMITATION OF LIABILITY AND INDEMNIFICATION PROVISIONS IN THE GENERAL TERMS AND CONDITIONS OF THIS AGREEMENT. IN ADDITION, YOU AGREE THAT, IN RELATION TO THIS SERVICE, THE TERM "INDEMNIFIED PARTIES" AS USED IN THE GENERAL TERMS AND CONDITIONS TO THIS AGREEMENT ALSO INCLUDES OUR SUBCONTRACTORS.

T. PAYEE ACCOUNT VALIDATION

This Service enables you to submit an inquiry to validate ownership of an intended beneficiary's account and name information at the point of payment initiation within a supporting PINACLE module. This Service accesses technology provided by GIACT Systems, LLC that accesses information from the National Account Database owned by Early Warning Services, LLC. This Service is subject to the Comprehensive Agreement, including the general and all separate terms and conditions applicable to each payment initiated in connection with this Service, including the ACH Origination and Funds Transfer Terms and Conditions.

You agree to comply with all applicable Laws, regulations, and rules. You will not use this Service for any unlawful or unpermitted purpose. You will be responsible for your use of response data from the inquiry ("Validation Response Data").

You may initiate a specific inquiry for this Service in accordance with the authorized uses and the Documentation. After you submit an inquiry, if there is a match, you will receive Validation Response Data, which will indicate whether the beneficiary's account and name information you submit match source data in the verification data sources, or that the verification data sources lack requisite data against the information you submit.

The Validation Response Data is time-sensitive, as of a point in time, and only intended to be used in connection with the specific payment you are initiating. The Validation Response Data is provided on an "as is" and "as available" basis. This Service is for your informational purposes only and you are solely responsible for decisions you make based on this

information. PNC MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS SERVICE.

V. DEPOSITORY SERVICES

A. DEPOSIT RECONCILEMENT SERVICE

This Service provides you with periodic reconciliation reports for your deposit transactions to your PNC checking Account. You will provide deposit tickets with MICR encoding, in accordance with the applicable ANSI specifications. We will provide a MICR specification sheet to be used for ordering deposit tickets under this Service.

You may choose from the various hard copy reports that are made available from time to time as stated elsewhere in the Documentation for this Service. You may choose to receive these hard copy reports on a periodic basis.

The reports will include information on all deposit transactions to your Account, segregating information by deposit location number if you so choose. Individual transactions will be reported in ascending dollar amount order, with location number. Unless otherwise specified, reports will page break, after each location number, if applicable.

We will forward the daily deposit detail report, and the deposit recap report along with your Demand Deposit Statement in accordance with your statement schedule. We will not be required to re-enter non-MICR encoded deposit tickets.

B. SUB-ACCOUNTING SERVICE

This Service allows you to deposit funds (“**Deposits**”) received from home buyers, tenants, clients or other persons (collectively referred to as “Third Party” or “Third Parties”) or for self-managed sub-accounting purposes (“**Self-Managed**”), into an interest bearing or non-interest bearing account that will separate each Third Party or Self-Managed Deposit within such account (each a “**Sub-account**”).

Master Deposit Account

You will establish a master deposit account (the “**Master Account**”), which may be a money market deposit account, an interest bearing checking account, a non-interest bearing checking account, or a qualifying IOLTA account. The Master Account will be used for the administration of the Deposits. The Master Account will be in your name and will have separate Sub-accounts for each Third Party, in each Third Party’s name, or the Master Account will be in your name and will have separate Sub-accounts as applicable to your own needs. All Deposits received will be deposited in the applicable Sub-account. You may have an unlimited number of Sub-accounts within the Master Account and can make additional deposits to any Sub-account. The Master Account and Sub-accounts are subject to the terms and conditions of the Business Account Agreement and our Funds Availability Policy that have been separately provided to you and are part of the Comprehensive Agreement.

You will be responsible for obtaining a completed IRS Form W-9 (Request for Taxpayer Identification Number & Certification) or W-8 (Certificate of Foreign Status) from each Third Party. The IRS Form W-9 or W-8 shall accompany the initial Deposit for each Third Party Sub-account. If a completed IRS Form W-9 or W-8 is not provided to us at the time a Sub-account is established, the interest on the Deposit may be subject to back up withholding pursuant to the Internal Revenue Code, as amended from time to time.

Interest Payments

With this Service, if applicable, we can send to each Third Party or to you the accrued interest payments on a periodic basis in accordance with your instructions. If you do not provide a specific time frame for such payments, the interest will be re-invested in the Sub-accounts. Upon making an interest payment to a Third Party or to you, if applicable, an administrative fee can be deducted at your discretion from such interest payment and credited to the Master Account.

If an interest check payable to a Sub-account holder is returned to us, the interest shall be reinvested in the Sub-account from which it was withdrawn. If the Sub-account is no longer open, the interest check will be handled as per our standard policies and procedures with regard to abandoned property.

Interest will accrue on the Sub-accounts in accordance with the terms of the Business Account Agreement. You acknowledge that any references in the Business Account Agreement to interest accrual with respect to this Service shall apply to the Sub-accounts.

If required by applicable law, we shall issue an IRS Form 1099-INT for each Third Party reflecting the gross amount of interest earned on such Third Party's Deposit for the calendar year. The Form 1099-INT will be sent directly to each Third Party. Self-Managed clients will receive one Form 1099-INT based on the tax identification number associated with the Master Account.

Withdrawals

With this Service, you may disburse funds directly from the Master Account. If you use our online service, withdrawals may be made directly from the Master Account and you will be required to allocate debits to the appropriate Sub-Account(s) online. If you do not use our online service to manage the Sub-accounts, withdrawals may be made from each Sub-account only by submitting a properly completed and signed Sub-accounting withdrawal form to our Escrow Department. The applicable Sub-account will be debited in accordance with the withdrawal order and the funds will be credited to the Master Account.

Periodic Statements

We will provide you on a periodic basis an accounting of the following detailed information with respect to each Sub-account: (a) each Sub-account holder's name and number; (b) date of last activity; (c) each Sub-account balance (amount of deposit and accrued interest); (d) total administrative fee, if any; (e) total service fee, if any, retained for servicing the Master Account and Sub-accounts; and (f) federal withholding, if any and (g) building and apartment number and lease, if applicable. We can provide additional information upon your request as agreed to by the parties.

The periodic statements specified above shall conclusively be deemed correct and binding upon you unless, within thirty (30) days of the statement date, you notify us in writing of any alleged errors or deficiencies. You agree to provide us with any information that we may reasonably request in order to provide you with the periodic statements and to send the notices of Deposits as detailed herein.

C. ZERO BALANCE SERVICE

During any Banking Day, debits and credits in accounts you have designated as your **"Affiliate Accounts"** will result in either a net credit account balance or a net debit account balance. At the end of each Banking Day, we will review the account balances in your Affiliate Accounts and return them to zero account balances by a debit or credit entry with an offsetting entry to the account you have designated as your **"Parent Account."**

Disclosure

FDIC regulations require banks to make certain disclosures to their customers who use sweep services to move funds from a deposit account to another deposit account or to a non-deposit investment vehicle. The purpose of this communication is to inform you whether your funds subject to sweep arrangements are deposits covered by FDIC deposit insurance or, if not, what the status of your funds would be if the bank failed.

This Service transfers all funds remaining in your PNC Bank Affiliate Accounts at the end of the day to your Parent Account, or from the Parent Account to the Affiliate Accounts as needed to cover transactions presented against the Affiliate Account. For FDIC insurance purposes, your funds are considered deposits of PNC Bank at all times, whether in the Affiliate Account or the Parent Account, and are covered by FDIC insurance to the maximum amount provided by

law. If the Affiliate Accounts and the Parent Account do not have exactly the same ownership, the transfer between accounts may result in a change in your insurance coverage.

D. PNC PAYMENT GATEWAY

In selecting this Service, we offer the ability to process payments through online portals, onsite point of service solutions, mobile devices, over the phone (including Exkoh whisper tokenization) through a customer service representative or interactive voice response. Payment modalities supported by the Service may expand as additional options are made available for consumer or business to business. Currently supported payment modalities include; credit/debit card, ACH, check, Apple Pay, Google Pay, PayPal, Realtime Payments (RTP) and the tracking of cash. Mobile, invite, and text to pay functionality is offered as part of the PNC Payment Gateway solution. If you choose this functionality, PNC will provide to you a consumer consent form template to receive authorization from your customers to send and receive text messages as well as e-mails to inform them when they have outstanding bills. It is the responsibility of our clients to comply with applicable law, including without limitation the Telephone Consumer Protection Act regarding text messages.

As part of the Service, we offer the capability for our clients to have saved payment method tokens have their expiration dates automatically updated on a recurring basis. Additional fees will be applied if you choose to purchase this additional functionality and will be reflected in the provided fee schedule.

If your existing payment gateway provider is currently storing tokens for previously used saved payment methods, we may be able to offer token conversion onto our Service for an additional fee. We will need to perform a level of due diligence to determine if this is possible. If it is determined that we can provide token conversion an additional fee will be reflected in the provided fee schedule as Professional Services hours.

This Service facilitates the transmission of payments from a client to PNC Merchant Services for payment processing, unless it has been mutually agreed to leverage a different payment processor. Transactions sent through this Service that will be processed through the card payment network will be subject to the Operating Guide and Association Rules as defined in your agreement with PNC Merchant Services, a copy of which will be provided to you when you select this Service. ACH payments sent through this Service are subject to the Automated Clearing House (ACH) Origination Service Terms and Conditions within this Agreement. Additional agreements with Fiserv and TeleCheck will be necessary if you choose to process credit/debit or ACH/check payments through the Service as well as with PayPal if that payment method is requested.

This Service contains valuable intellectual property rights and are proprietary to us and our licensors, including but not limited to Tempus Technologies, Inc., and title thereto remains with us and our licensors. You do not acquire any rights, express or implied, in this Service or any third party software incorporated therein other than those specified in this Agreement. All applicable rights to patents, copyrights, trademarks and trade secrets in this Service are and shall remain with us or our licensors.

Hardware Orders

Payment devices will be required for onsite and for Claims Payments and Remittance service (CSR) payments. You agree to purchase all Hardware directly from Tempus Technologies or lease through PNC Equipment Finance. We will apprise Tempus of your interest and share applicable project delivery dates and device needs with Tempus. The project implementation plan mutually developed and agreed upon between you and we will include the lead time required for you to acquire hardware.

Fees

A fee schedule will be provided to you.

E. PNC ACCOUNT VERIFICATION SERVICES (AVS)

This Service enables you to submit inquiries, including for account status, known as Verify; and account owner authentication, known as Authenticate. This Service accesses technology provided by GIACT Systems, LLC (“Inquiry Service Provider”) that accesses information, including from Early Warning Service’s (EWS’s) National Account Databases. By using this Service, you must comply with the following terms.

Certain Definitions Applicable to this Service

- **“Account”** means an account as defined by the Board of Governors of the Federal Reserve System in Regulation CC, 12 C.F.R. § 229.2(a), and may also include: a savings account, a money market account, a credit account, or a brokerage account held by a consumer or a company at a Financial Services Organization or other business relationship currently existing or pending between a Financial Services Organization and a consumer or a company.
- **“PNC AVS Applicable Laws”** means all federal, state and local laws, and the regulations and guidelines promulgated thereunder, applicable to the marketing, promotion, offering for sale, sale, provision, creation, delivery, transmission and use of this Service, including without limitation any applicable provisions of the Fair Credit Reporting Act of 1970, 15 U.S.C. Section 1681 et. seq. (the “FCRA”), the Fair and Accurate Credit Transaction Act of 2003, Pub. L. 108-159, 111 Stat. 1952, and the Gramm-Leach-Bliley Act (the “GLBA”) (including similar state laws and regulations to each of the foregoing) in each case as amended from time to time.
- **“Contributor”** means an entity, including you when you transmit certain specific data elements (“Contribution”) to the National Shared Database.
- **“Documentation”** means setup and application forms, system requirements, user guides, data and technical specifications, release notes, exhibits, and other materials (as amended) provided by PNC that describe the use of the Service.
- **“Financial Services Organization”** means an entity that provides banking, insurance and/or investment products and services, and is regulated by one or more of the following entities: The Office of the Comptroller of the Currency, Consumer Financial Protection Bureau (excluding non-depository covered persons), National Credit Union Administration, Securities and Exchange Commission, Financial Industry Regulatory Authority (formerly NASD), Federal Reserve, Federal Deposit Insurance Corporation, The Public Corporation for the Supervision and Insurance of Cooperatives in Puerto Rico (COSSEC), state banking departments or State Insurance Commissioners (Department of Insurance and similarly named organizations).
- **“Inquirer”** means you when you provide certain information (“Inquiry Data”) to submit a request (“Inquiry”) to receive Response Data (defined below).
- **“Match”** means the occurrence of when data elements contained within an Inquiry match against data elements contained within the Participant Data (defined below).
- **“Participant Data”** means data provided by you for use in the Service.
- **“Response Data”** means information provided back to you in response to an Inquiry by you.

Compliance

You agree to comply with all PNC AVS Applicable Laws. You will not use this Service for any unlawful or unpermitted purpose. You will comply with the Documentation that will identify additional requirements for this Service.

You will be responsible for your use of Response Data. You agree that you are the end user of the Response Data and will not provide Response Data to any other person or entity, such as your own customer, for their use. You may not sell, resell, sublicense, or otherwise transfer any part of the Response Data to any other person or entity. PNC reserves the right to decline to provide Response Data if PNC believes such Response Data will be used in a manner that is not compliant with the FCRA and/or GLBA.

Inquiries

You may initiate a specific Inquiry for this Service in accordance with the authorized uses and the Documentation. You may access the Service through an application program interface (API), upload batch files, or through a virtual terminal connection method with PNC.

After you submit an Inquiry, if there is a Match, you will receive Response Data from the Inquiry Service Provider.

Response Data and Your Responsibility

Response Data may include (as applicable): bank account status information on checking or savings accounts from financial institutions; and bank account ownership and authority information.

The Response Data is time-sensitive, as of a point in time, and only intended to be used in connection with the specific Inquiry for which it was requested. The Response Data is provided on an “as is” and “as available” basis. This Service is for your informational purposes only and you are solely responsible for decisions you make based on this information. PNC MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS SERVICE.

Contribution

You are not required to be a Contributor or otherwise contribute data elements to be used in the EWS Databases, unless you are a Financial Services Organization with more than 250,000 Accounts. If you are a Financial Services Organization with more than 250,000 Accounts, you must comply with the applicable Contribution requirements and transmit certain data elements to be used in the EWS Databases, in accordance with the Documentation.

If you are a Financial Services Organization and believe any law or administrative determination restricts or materially and adversely affects your ability to satisfy your Contribution requirements you shall promptly notify PNC. PNC may discontinue your use of PNC AVS immediately and without advanced notice if you are required to abide by these Contribution requirements and are unable or unwilling to do so.

In all events, EWS may use Inquiry Data and Participant Data contributed, for the purpose of: (a) preparing statistical reports and conducting data analytics, parsing routines, data modeling, and other analyses to test and evaluate EWS's services; (b) developing and providing new services or enhancements to existing services; and (c) developing and providing services to third parties engaged in the business of offering identity theft protection services to consumers, provided that no personally identifiable information shall be returned to any such third parties. The reports and results of the analyses described in clause (a) may be provided to other Inquirers and Contributors, provided that such reports and analyses do not identify specific Inquiry Data or Response Data with respect to any Inquirer or Contributor.

Additional Requirements

You agree to comply with all the following requirements.

- a) FCRA-Related Products (Applicable to Verify, Authenticate). Permissible Purpose and Use.** You understand that if you use Verify and Authenticate services which provide consumer reports that are subject to the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq. (“FCRA”), under the FCRA, you will only obtain a consumer report if you have a permissible purpose to obtain and use the report. You certify that the consumer reports provided under this Agreement may be requested and used only if you have a legitimate business need for the information in connection with a business transaction that is initiated by the consumer, or you obtain the express written authorization of the consumer to obtain the consumer report. You certify that you will request and use the consumer reports for no other purpose.

(i) If Verify is selected, you agree that you will use the consumer report solely:

- To validate the existence of an Account and all associated data in determining whether to accept or decline a check or automated clearinghouse entry (each an “Item”) as payment for goods or services;
- As a factor in verifying, authorizing or guaranteeing a payment;
- To cash an Item or provide cash back from a deposit or payment;
- To decide whether to forward an Item for collection or represent it electronically; or,
- To determine whether to allow the account or application to be enrolled for use in connection with future transactions by validating that the account exists and/or is in good standing.

(ii) If Authenticate is selected and used with Verify, you further agree that you will use the consumer report solely:

- To determine whether to accept or decline an Item as payment for goods or services by validating that the consumer presenting such Item is an authorized account holder, user, or signatory of the Account on which such Item is drawn;
- To determine whether to accept or decline an Item as payment for goods or services by validating that the company name associated with such Item is the company name of the Account on which such Item is drawn;
- To determine whether to accept or decline an Item as funding for an account by validating that the consumer is an authorized accountholder, user, or signatory of the account used or to be used in connection with funding;
- To determine whether to transfer funds by validating that the consumer is an authorized accountholder, user, or signatory of the Account used or to be used in connection with the transfer of funds; or,
- To determine whether to allow an account to be enrolled for use in connection with future transactions by validating that the consumer is an authorized accountholder, user, or signatory of the account.

UNDER § 619 OF THE FCRA, ANY PERSON WHO KNOWINGLY AND WILLFULLY OBTAINS INFORMATION ON A CONSUMER FROM A CONSUMER REPORTING AGENCY UNDER FALSE PRETENSES SHALL BE FINED UNDER TITLE 18, UNITED STATES CODE, IMPRISONED FOR NOT MORE THAN 2 YEARS, OR BOTH.

(iii) Documentation of Permissible Purpose for Verify and Authenticate. You certify that you will rely upon, and retain, the following documentation and/or authorization from consumers as evidence of your permissible purpose:

- Physical Check presented by Consumer
- Electronic Signature of Consumer
- Written Authorization from the Consumer (on Signed Application)
- Written Authorization (by Recorded Voice Authorization)

b) Notice of Adverse Action and Consumer Dispute Process. You understand and agree that under the FCRA, as a user of the consumer report, you must provide notice of adverse action in compliance with § 615 of FCRA when the consumer report information provided by PNC serves as the basis for your declination. The notice must include contact information for GIACT, including GIACT’s toll free number 1-833-802-8092.

Should a consumer contact GIACT in response to a notice of adverse action or to dispute information furnished by you, you acknowledge and agree that GIACT may be required to provide additional information regarding you. If you are a furnisher, you will conduct a timely investigation of the dispute and meet FCRA requirements for responding to disputes. If required under the FCRA or requested by a consumer for any reason, you have

identified contact information regarding your name, address, and phone number to be provided by GIACT to consumers. Should your contact information change, you must notify PNC and GIACT in writing promptly.

- c) **Notice to Users.** You acknowledge receipt of the Notice to Users of Consumer Reports at: <https://www.giact.com/wp-content/uploads/2018/04/FCRANoticeToUsers.pdf>

- d) **Non-FCRA-Related Services.** Participant certifies that because the information provided in the Identify Consumer and Business, CustomerID, and ESI Services is not consumer report information, Participant will not request or use these Services as a factor in establishing a consumer's eligibility for credit or insurance to be used primarily for personal, family, or household purposes, employment purposes, tenant screening, or for any other purpose authorized under the FCRA or similar state or local statute, rules or regulations.

- e) **Gramm-Leach-Bliley Act ("GLBA")-Related Products (Identify Consumer, CustomerID).**
 - (i) **Permissible Purpose and Use.** Participant certifies that it will order and use Identify Consumer and CustomerID reports in connection with the following use involving the subject of the report and for no other use: To use in the ordinary course of business to verify the accuracy of information submitted by the consumer to protect against or prevent actual fraud, unauthorized transactions, claims or other liability.

VI. HEALTHCARE SERVICES

The following additional terms and conditions apply to our Healthcare Services ("Services").

Your Duties as a Client

You represent and warrant that by entering into and engaging in the activities contemplated by this Agreement, including the Documentation, you are not in violation of and will not be violating any agreements with third parties, including but not limited to, contracts with payers and/or consents and directives of patients, or any federal or state laws. You agree to comply with all applicable federal and state law regarding the privacy of health information, including but not limited to, the provisions of the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder, as amended from time to time ("HIPAA"). You understand and agree that, as necessary for the delivery of the Services, we and our contractors and agents may have access to and use of Protected Health Information, as that term is defined in HIPAA, which is transmitted or otherwise made available to us. You represent and warrant that you have, and will continue to have, the authority to allow us and our contractors and agents to have access to and use of such Protected Health Information.

Authorization for Enrollment

For applicable Services, you authorize us (and our contractors) to enroll you for Electronic Remittance Advice ("**ERA**") direct 835 and/or Electronic Funds Transfer ("**EFT**") with the payers you select. EFT enrollments require you to obtain a Universal Payment Identification Code (UPIC). For payers that enroll via a web-based portal, we will provide you with detailed instructions on the method of completing the process for your requested transaction set. Based on your instructions, we will contact the payers and complete each payer's certification (transaction testing) process, (if applicable), on your behalf. You authorize us to access your information, (including account information), held by said payers as necessary to perform the applicable Service(s). You agree to cooperate with us by providing to us any enrollment information required by the payers and by providing appropriate authorized signatures as required by the payers. In addition to your other indemnification obligations under this Agreement, you agree to indemnify us against,

and to release us from, any liability related to payer enrollment, payer certification, and such authorized use of your information with said payer(s).

Healthcare Transactions

Certain services described below involve EDI transactions in the X12 format established by The Accredited Standards Committee (“ASC”), chartered by the American National Standards Institute. These transactions are defined as follows:

- ❖ “837” – ASC X12 837 (Healthcare Claims Submission)
- ❖ “835” – ASC X12 835 (Healthcare Claim Payment / Remittance Advice)
- ❖ “276” – ASC X12 276 (Healthcare Claims Status Request)
- ❖ “277” – ASC X12 277 (Healthcare Claims Status Response)
- ❖ “278” – ASC X12 278 (Healthcare Services Review Request and Response)

Transmissions

As to software, equipment, and services associated with each party’s performance under this Agreement, you and we agree to reasonably cooperate with each other in order to provide support services sufficient to meet the requirements for transmissions. Each party will reasonably assist the other in establishing and/or maintaining support procedures, and will complete reasonable problem determination procedures prior to contacting the other with a support-related matter. You and we agree to use reasonable efforts to avoid and resolve performance and unavailability issues. Each party shall, at no professional service charge to the other, perform consultation on the design and implementation of the connection to the other party and test the connection prior to validating it. The receiving party shall, if feasible, notify the originating party as soon as it determines that any transmission is received in an unintelligible or garbled form. Each party will perform commercially reasonable remedial actions as requested by the other to assist in problem resolution. Each party agrees to notify the other within a reasonable time of the existence of any condition which might have an adverse effect on the parties’ abilities to send or process transmissions. Nothing in this Agreement shall require a party to disclose to the other party any process, method or other information that is a trade secret or confidential or proprietary. You and we will each implement appropriate policies and procedures for purposes of preventing unauthorized access to, and unauthorized disclosure of, transmissions.

You are responsible for purchasing, selecting and maintaining the hardware, software or other technology you use to send data feeds to us or to access the Services. You agree that we will not be responsible for the installation specifications, (including cabling, power, space, etc.), the installation, or the operation, maintenance or technical support of any third party product.

We will not be responsible for any delay, misdirection of information, or other error in data caused by or based upon the information provided to us by you. The Services do not alter any obligation you may have to maintain records of your transactions.

Termination; Liquidated Damages

Either you or we may terminate a Service as provided elsewhere in this Agreement. If, however, you terminate the Service before you have used it for twelve (12) consecutive months for any reason other than our failure to reasonably perform our obligations hereunder, you will pay to us, as liquidated damages and not as a penalty, an amount equal to sixty percent (60%) of our average monthly billings to you for the Service multiplied by the number of months remaining until the end of the 12-month period.

A. 837 CLAIMS SUBMISSION

This Service enables you to submit 837 claims for healthcare services (“**837 Claims**”) to payers. Additionally, you will be able to edit submitted claims, and access reports of previously submitted claims. You will transmit claims to us in the standard electronic 837 format or mutually agreed upon non-standard format, using a schedule and transmission protocols mutually agreed upon by you and us.

You acknowledge and agree that we will check 837 Claims against rules provided by you and your payers, and that we may reject any 837 Claim that does not comply with such rules. You may then use the information provided by this Service to correct the 837 Claim for final submission to the payer. We will make available by electronic means notice of rejected 837 Claims that you have submitted via this Service.

Your Duties as a Client

You agree that the accuracy and completeness of the information you submit to us via this Service, including but not limited to all 837 Claims data, is your sole responsibility. You are responsible for using this Service to verify the accuracy and completeness of all 837 Claims before they are submitted to payers. We agree to make modifications to the data, to correct its accuracy, and implement edits pursuant to your written instructions. We make no representation or warranty about the validity of such a change, or its compliance with payer rules or with any applicable law. Although this Service includes logic to check for potential duplicates of 837 Claims you have submitted to this Service previously, you agree that you are solely responsible for ensuring that 837 Claims you submit via this Service are not duplicates.

In addition to your other indemnification obligations under this Agreement, you agree to indemnify us against, and to release us from, any liability or loss related to (i) our authorized use of your payer accounts; (ii) modifications that we make to 837 Claims in accordance with this Agreement; (iii) any changes you make to 837 Claims; (iv) any duplicate or false 837 Claims; (v) the performance of this Service on your behalf, or (vi) a claim by any payer related to incomplete or inaccurate data.

B. DIRECT 835 SERVICE (STANDARD SERVICE)

This Service enables you to receive electronic healthcare remittance information from insurance payers in the 835 format and to have electronic remittance files matched with their associated payments. We will notify you if we detect that a file is not in the required format or does not contain the minimum required data elements. We will not alter the content of files, or otherwise change the information sent by the payer. We will transmit files to you using a mutually agreeable secure transmission method. The payers are responsible for the accuracy of the information we transmit to you.

Optional Reassociation

If you have elected to have us match electronic remittances with their associated payments automatically, we will perform the following additional processes. When electronic remittances and payments are received, if the payer has provided sufficient information to enable an automated match, then we will match the associated remittances and payments. If no match can be made when a file is received, we will warehouse unmatched remittance files, pending receipt of the associated payment, according to your instructions. Matched remittance files will be transmitted to you for posting to your patient billing system. We will present reports to you on your matched and unmatched files via the PNC Healthcare module on PINACLE.

C. DIRECT 835 SERVICE (SYSTEM CONVERSION SERVICE ONLY)

This Service enables you to send us a file copy of your electronic healthcare remittance information from insurance payers in the 835 format, and receive back that information in separate files by patient accounting system. The file copy must come directly from you and not your primary clearinghouse. You will use the file naming convention designated by us for this purpose. We will split the original file copy based on your instructions, rebalance the files, and provide a report

through **“PNC Healthcare Advantage”** to assist with reconciliation of the split 835 files to your bank deposits. The file splitting process may periodically result in a negative transaction dollar amount (BPR02), which we address by placing a “D” in the Credit/Debit Flag Code (BPR03). We will notify you if we detect that a file is not in the required format or does not contain the minimum required data elements. We will not alter the claim content of your files. We will transmit files to you using a mutually agreeable secure transmission method.

Prior to implementation, a complete list of your group (billing) Tax IDs/NPIs as well as payers/payer IDs that you use for claims submission are required. Your payer list will be reviewed and approved by us at the time of initiation. We reserve the right to exclude a payer from this service under certain conditions. If you suspect remittance information is missing from the 835 file we send to you, you must first confirm that the information was included in the file copy provided to us before initiating a request for research with our Product Client Services team.

Reassociation is not available with this Service.

D. IOCR ADVANTAGE SERVICE

This Service permits you to (i) receive paper healthcare remittance advices via PNC’s national lockbox network, (ii) have information contained on those remittance advices converted to electronic form via an Intelligent Optical Character Recognition (**“IOCR”**) process, and (iii) then have that information delivered to you, or at your direction to a third party, via data transmission in the 835 electronic remittance advice format. In order to use this Service, you must provide us with claim information in the 837 or other electronic format. Information lifted from images of the paper remittance documents will be compared to claim information provided by you and information from the original claim may be used to supplement or repair information lifted from the paper remittance documents, according to your instructions. We will perform data mapping and reformatting to translate information lifted from the paper documents, and to deliver remittance information, based upon business rules specified by you. As part of this Service, images of the original paper remittance documents will be indexed and stored, and they will be available for viewing via the Web for a specified period. We will use commercially reasonable efforts to perform this Service as described above. You understand that the IOCR process is not error free and the success of the conversion may be affected by factors beyond our control such as, but not limited to, whether the paper has watermarks or is otherwise obscured.

E. REVENUE CYCLE AUTOMATION

This Service enables you to automate the work flow and management of the revenue cycle by providing tools that will improve transparency into data quality problems at registration and throughout the entire revenue cycle. The service consists of five optional modules described in more detail below: (i) Access Guardian; (ii) Patient Estimator; and (iii) Denial Challenger.

Depending on the service module(s) selected, you will be responsible for granting us access to your active Admit, Discharge and Transfer (**“ADT”**) Health Level 7 International (**“HL7”**) interface. You will send us the 835 Remittance and 837 Claim EDI transactions, as well as other manually-posted payment, denial, and adjustment transaction data in a mutually agreed upon format. You will enable us to process 270 Eligibility, 276 Claim Status, and 278 Authorization EDI transactions on your behalf. If you fail to provide us with access to the data required for the module(s) selected, this will prevent us from automating your workflow and managing your revenue cycle.

Access Guardian

Access Guardian provides a rules-based workflow platform to help you reduce denials by augmenting your Patient Access and Registration systems and processes. This module processes HL7 data messages by first extracting all insurance and eligibility related fields, and then uses an eligibility **“watch process”** to verify the eligibility for all insurance coverage associated with the visit for all payers set up within the Service. The process includes a number of steps, including applying business rule edits to the HL7 data and the 271 response. If these edits find any discrepancies, an alert will be sent to

users designated by you. This module also processes authorization-related HL7 data, including 278 transactions by using customizable rules to determine if authorizations are required by the relevant payer. There are several optional components of Access Guardian that can be purchased based on your specific revenue cycle business needs, including:

- **Data Quality Assurance (QA)** - Processes Quality Assurance edits related to HL7 registration data to confirm all data has been obtained and entered, which helps to prevent claim denials.
- **Automated Eligibility Management** - Processes HL7 data messages, extracting all insurance and eligibility related fields, and creates an eligibility 'watch process' that controls the eligibility verification process for all the insurance coverage associated with the visit. The rules engine applies various business edits against the HL7 data and the payer eligibility (271) response and alerts the user.
- **Authorization Management** - Processes authorization-related information related to the HL7 data, and uses business rules to analyze whether authorizations are required for that particular service. The rules engine uses 278 EDI transactions where supported by the payer or Web harvesting technology to query the payer.
- **Self-Pay Insurance Locator** - Sends an eligibility check to the patient's designated payers, which accept the eligibility inquiry with only patient demographic information. This can include Medicaid, Medicare and other payers. When coverage is detected, the alert displays "Not Self Pay. Patient may have other coverage" and the user can then update the registration data with insurance information

Patient Estimator

Patient Estimator provides an estimate of the expected out of pocket patient financial responsibility for charges, deductibles and coinsurance. The rules engine uses various data sources including historical claim submissions (837) and claim remittance (835) data, and real time analytical processing of HL7 data and 271 responses. This module also extracts the copay amount from the 271 response. There are two components of Patient Estimator that can be purchased based on your specific revenue cycle business needs:

- **Copay Management** - Extracts the copay amount owed by the patient from the 271 response.
- **Full Patient Responsibility** - Provides an estimate of patient financial responsibility amount based on HL7 data and the 271 responses.

The estimates provided when using the Patient Estimator module are an estimate of the patient's expected out of pocket responsibility after payment by the insurance carrier; we do not guarantee the accuracy of such estimate. You agree and understand that the patient responsibility amount ultimately reflected on the 835 from the payer may be different from the estimate.

Denial Challenger

Denial Challenger is an analytical and workflow application that uses automation to manage post-submission claims and payer responses. The rules engine uses various data sources including standard claim submission (837), remittance data (835), and claim status transactions (276/277), to proactively evaluate issues that arise regarding specific claims. There are several optional components of Denial Challenger that can be purchased based on your specific revenue cycle business needs:

- **Denial Eligibility** - Denial Challenger sends and receives eligibility (270/271) transactions to assist you with follow-up on Eligibility and Coordination of Benefits denials. The Denial Challenger rules engine uses the information received in the claim submission (837) and claim remittance (835) transactions to identify when to create an eligibility (270) request. This works in conjunction with the claim management feature.
- **Denial Pre-Adjudication Claim Status** - Denial Challenger helps you manage the life cycle of claims sent to a payer from the time this module receives a claim submission (837) transaction until the claim remittance (835) is received. For each general acknowledgement (999) and payer claim status (277) transaction, it analyzes the data within each transaction and generates specific alerts for each transaction that shows an issue and routes the alert to the designated users' dashboards.

Denial Claim Management - Denial Management helps you manage the life cycle of payer rejections to a submitted claim (837) in the event that a full payer remittance (835) denial transaction is received or if a payment and adjustment with a rejection code (manual transactions) is received. It provides a standard set of claim disposition codes so that the user can track the steps and progress of rejected claims up to final resolution of each claim.

Your Duties as a Client (Access Guardian, Patient Estimator and Denial Challenger)

You agree that it is your responsibility to transmit and receive EDI transactions to and from payers, except to the extent that we have agreed to send and receive EDI transactions for purposes of performing under the Services Agreement (i.e., 835, 837, 270, 271, 276 etc.), and provide access to HL7 data and data from EDI transactions necessary for us to perform under the Service Agreement and these Terms and Conditions. We make no representation or warranty about the validity of any information submitted to us or generated by us using such information. In addition to your other indemnification obligations under this Agreement, you agree to indemnify us from any loss or liability related to (i) any claim resulting from any inaccurate or incomplete data provided by you or the relevant payer to us; and (ii) the performance of the Service on your behalf.

You agree that you or the relevant payers are solely responsible for the accuracy of the data used by the service(s). You agree that you are solely responsible for any action that you take or do not take based on the alerts, estimates, reports, authorization information, work lists and work flows generated using the Service(s), and we will not be held liable for such actions. You agree that you are responsible for the original established business rules and subsequently created business rules, and any modifications, additions or deletions of these business rules, and we will not be held liable for any damages you incur as a result of these modifications, additions or deletions. Also, you agree that the purpose of this product is to assist you in automating your work flow and managing your revenue cycle.

- **Authentication.** You may conduct your own authentication of users for Access Guardian, Patient Estimator and Denial Challenger (instead of having us do so). In addition to your other indemnification obligations under this Agreement, you agree to indemnify us against, and to release us from, any liability or loss related to any breaches or unauthorized access related to your authentication of users.

Payment Terms and Conditions (All Modules)

- **Fees:** A fee schedule will be provided to you.
- **Payment Terms and Conditions:** Application/Service Module Implementation Fees (per module) are due as follows: (i) 50% upon work order execution; and (ii) 50% upon activation.

Additional Implementation Fees will be due 50% upon work order execution and 50% upon complementation (per module, where applicable).

Subscription Fees (where applicable) will be billed monthly in advance, beginning with activation. The monthly subscription is based on the collective “Net Patient Revenue Tier” of the hospitals using Revenue Cycle Automation.

- a) **“Access Guardian Module Activation”** is defined as activation of the first interface (HL7 or other format) associated with the execution of a quality assurance audit process that executes one or more pre-defined knowledge rules and displaying alerts in an Access Guardian dashboard.
- b) **“Patient Estimator Module Activation”** is defined as Subscriber Users Live on our Application system loaded with a minimum of 2 payers and available to generate patient responsibility estimations.
- c) **“Denial Challenger Module Activation”** is defined as Users Live on our Application system loaded with 2 payers and available to work for claims follow up.

Transactions fees will be billed the following month they occurred, including tests transactions, and transactions that are rejected by the payer for different reasons.

Termination; Liquidated Damages (All Modules)

Either you or we may terminate this Service, (or one of the modules listed above), or the Service Agreement as stated in the Service Agreement. However, in lieu of the liquidated damages specified in the General Terms and Conditions for Healthcare Services, if you terminate this Service, (or one of the modules listed above), or the Service Agreement before the end of thirty-six (36) months from when you begin to use the Service, for any reason other than our failure to reasonably perform our obligations hereunder, then you agree to pay to us, as liquidated damages and not as a penalty, an amount equal to the remainder of the thirty-six (36) month subscription fee for this Service (or the relevant module(s) thereof).

F. PATIENT SELF-SERVICE

The Patient Self-Service solution set includes, but are not limited to, the following modules: (i) Pre-Registration; (ii) On-Site Registration; (iii) Kiosks and Tablets; (iv) Patient Record Secure Communications; and (v) staff-facing Dashboards and Display Screens. Single sign on capabilities are available to create a seamless patient experience with other portals. Highlights of each module are provided below.

Pre Registration

This module allows multi-channel interaction for consumers/patients to: request an appointment or service; update demographic, insurance and other personal information; complete questionnaires and sign forms; make a payment and , obtain a barcode 'boarding pass' to automate onsite check-in. The patient has the choice to print or display the barcode boarding pass on his/her mobile device. The following details the functionality of Pre-Registration.

- Invitation to pre-register for scheduled appointments and services
- Appointment request
- Demographics verification and ability to update
- Insurance coverage/plan verification and ability to update
- Consent and privacy form to review and sign
- Online bill payment
- Document upload: ID card, doctor referrals/orders, insurance cards
- Barcode check-in
- Appointment reminders
- Amount due/outstanding bill reminders
- Branding and customization
- Questionnaires and Forms based on appointment type
- Directional maps to the facility

On-Site Registration

This module allows the patient to complete Pre-Registration and certain Registration requirements at your facility using an approved connected device or purchased Hardware. In addition to Pre-Registration functions, patients are able to check-in by scanning their Pre-Registration barcode 'boarding pass'; scan their insurance card, or other forms of identification; authenticate themselves using biometric palm-vein scanning (if purchased); and/or make point-of-service (POS) payments with a credit card or other payment card using approved hardware (purchased separately) or at staff assisted point of service. On-Site Registration also allows you to supply the consumer/patient with important information while on-site, such as text based way-finding notices regarding items requiring attention, such as consent forms to be signed, or an outstanding balance due; as well as wait time/queue status. This module can also help improve patient flow management. Patients receive a number after the appointment check-in and wait to be called by staff. Visual displays in the waiting room allow staff to summon patients with visual audio number-calling capabilities. The following details the functionality of On-Site Registration.

- Patient check-in
- Patient demographics, insurance review and ability to update request
- Forms management for review and electronic acceptance

- Scanning bar code/ID card
- Present balance due
- Make point-of-service (POS) payments with a credit card or other payment card using approved hardware (purchased separately) or at staff assisted point of service
- Multiple languages (English and Spanish)
- Questionnaires and Forms
- PULSE™: real-time kiosk and display hardware performance monitoring system for support staff
- Reporting
- Patient Flow Management

Onsite Text Messaging

Onsite Text Messaging is an additional feature that offers patients the opportunity during the on-site check in process to opt in to receive text messages (e.g.; updates on current appointment, wait times, onsite directions) for that particular appointment. The patient must opt in for text messaging with two levels of authentication (including receiving a code via text to use to opt-in). You must develop text language guidelines so that the patient knows that these text messages are coming from your staff or facility. For example, you would use facility or staff member identifiers within the text message subject line or body. If a patient texts back STOP during the appointment, no further texts may be sent. If a patient decides not to opt in, this will apply only to his/her current appointment. It is your responsibility to comply with any Telephone Consumer Protection Act requirements regarding this and any other texting programs you use in your organization (for example; prescription notifications, other wait time notifications, etc.)

Biometric Patient Authentication

This capability is an additional module that may be added to the kiosk hardware (via a purchase order with Vecna Technologies Inc. (“Vecna”)) to enable patients to check-in and authenticate with the swipe of their palm.

Reports and Dashboards

This module gives your staff and management team access to pre-built reports as well as the ability to create custom reports and dashboards for streamlined performance visibility.

- Pre-built reports
- Custom workflow reports (available for an additional fee)
- Business intelligence and data warehouse (available for an additional fee)

Support and System Availability

Support is available 7 days per week, 24 hours per day with downtime as necessary for security and application updates. Reported errors will receive priority routing and escalation, depending on the severity of the issue. You can report errors to our Support Desk via email, phone or Salesforce.com.

Your Duties as the Customer

You agree to provide us with your policies and procedures applicable to your patients and the Services purchased, including but not limited to payment practices, fees, and appointment scheduling/cancellation. All changes or updates to these policies and procedures must be provided to us based on the established implementation project schedule. This is required to allow us the time necessary for us to update the patient-facing portions of the Services impacted by the changes you have made to policies and procedures.

You acknowledge that you are responsible for developing the content for all digital forms for collection of medical conditions, symptoms, and related information from the patient during Pre-Registration or Registration, including the questions, format and purpose of usage, and any language translation (if needed). You also will work with us to meet your defined requirements such as workflow, business rules, and branding of patient facing screens according to the implementation project plan.

In addition to your other indemnification obligations under this Agreement, you agree to indemnify us from any loss or liability related your policies and procedures, forms, translations, other specific content provided by you to us, as well as any communications between your staff and patients that take place via this Service.

You will commit resources, complete site preparation and meet the responsibilities, dependencies, and deliverable dates as identified in the mutually developed and agreed upon implementation project schedule. Any delays on your part (including delays caused by lack of completed site preparation or failure to meet any responsibilities specified herein) are likely to result in revised implementation project plan dates. We will provide written notice to you in the event that you miss a key milestone deliverable or other project plan defined responsibility as defined in the implementation project plan. If a delay caused by you results in significant additional work for us, you will be billed at our time and materials rates, plus expenses.

We shall not be held responsible for delays caused by your resources not being available, incomplete site preparation, or inability to meet responsibilities as specified herein. Such delays could result in work being stopped and our resources being reassigned to other engagements until you have corrected the situation. Once this happens, we will assign a team and create a new implementation project schedule. Such delays may result in the project being placed in the next available segment of our deployment queue and may result in delays in the original project schedule. If delays result in addition work on our part, you will be billed at our time and materials rates, plus expenses. Any additional costs incurred by you as a result of delays shall be your sole responsibility.

Should you require us to perform services outside of normal business hours, unless otherwise planned for and agreed to in writing, the services shall be performed and billed on a time and materials basis at our prevailing labor rates.

Your network architecture design shall not change between the date you submit the work order for the Services and the completion of all Services contemplated herein. Any additional work performed by us due to changes to your network architecture shall be performed and billed on a time and materials basis at our prevailing labor rates.

You are responsible for any facility issues that may arise (i.e., bad or incorrect cabling, not meeting cable plant, environmental or power specifications, VPN connectivity to our hosting facility etc.) and you will correct any issues as quickly as possible.

Some data that exists in your systems, (e.g. current patient data, historical or future appointment data), may need to be delivered to and populated into our Patient Self Service solution to enable full functionality of the Service. Typically this data can be sent over the integration pathways already included in this implementation. If such re-sending of data is not possible for you, we will need to develop separate custom import tools based on your capabilities. In such cases, you will be billed on a time and materials basis at our prevailing labor rates.

Integrations

The Patient Self-Service solution integrates with the following standards: SIU, HL7 ADT, billing (HL7, web-services, or flat files), document management (sftp), insurance eligibility (X12, ED270-271), payment processor (web-services), payment estimation (if not our service) (HL7 or web-services), and clinical interfaces (HL7 CCD). The level of functionality desired by you will define the interface requirements. Our implementation approach requires that you will provide technical resources to meet our HL7 specifications for the integrations and that your resources will be available to complete the integrations through User Acceptance Testing (“UAT”) during the designated time period in the implementation project plan. You shall also be responsible for ensuring that your Third Party vendor(s) will make available any necessary resources to assist in the integration(s) at the time designated in the implementation project plan. Alternatively, if you choose to have us develop the necessary modifications to meet our HL7 or web services specifications, you will pay us time and materials at our prevailing labor rates to develop the necessary modifications in addition to the separate fee schedule that will be provided to you. You will be required to have the appropriate Third Party vendor resources available to complete all aspects of the integration from planning through UAT during the designated timeframes. If you are unsuccessful in getting the 3rd party vendor(s) and or resources necessary to complete the integrations in the designated timeframes, we will stop work. There may be additional charges to resume work and

delays to the implementation project plan. At such time as your resources become available, we will work with these resources to revise and recast the implementation project plan.

VPN Connectivity

We require use of VPN connectivity to communicate with you for Support/Maintenance of Service operations. We and you agree that you will be responsible for the setup of the VPN on your side, and we will be responsible for setting up the VPN connectivity on our side. We will provide up to eight (8) hours of system engineering support to set up and configure the VPN connection. After eight (8) hours, support will be provided on a time and materials basis. VPN hardware and/or software must be current with active VPN vendor support. Our engineers will not be able to set up or configure any VPN hardware or software that has reached end of life as defined by the VPN vendor.

Authentication

You may conduct your own authentication (instead of having us do so). In addition to your other indemnification obligations under this Agreement, you agree to indemnify us against, and to release us from, any liability or loss related to any breaches or unauthorized access related to your authentication of users.

Support and Services Not Covered

The following support and/or services are **not** covered:

- Support or replacement of Service that is altered, modified, mishandled, destroyed, or damaged by natural causes or damaged due to a negligent or willful act or omission by you or use by you other than as specified in the applicable documentation.
- Services or software required for a software problem resolution caused by you, including, but not limited to changes to your network, system(s), changes to your third-party product(s) and system(s) or any unforeseen circumstances. Resolution of software problem(s) caused by you shall be billed on a time and materials basis at our prevailing labor rates.
- Any additional network audit, network assessment, network design, consulting, and/or training services.

Hardware Orders

On-Site Registration (including automated check-in), Biometric Authentication, and Patient Flow Management require the purchase of kiosks, tablets, palm scanners and displays from Vecna. You agree to purchase all Hardware directly from Vecna or a Vecna-approved hardware vendor. We will apprise Vecna of your interest and share applicable project delivery dates with Vecna. The project implementation plan mutually developed and agreed upon between you and we will include the lead time required for you to acquire hardware.

Termination; Liquidated Damages

Either you or we may terminate this Service or the Agreement as stated in the Agreement. If you terminate this Service before the end of thirty-six (36) months from when you began to use the Service, for any reason other than our failure to reasonably perform our obligations, then you agree to pay to us, as liquidated damages and not as a penalty, an amount equal to the remainder of the thirty-six (36) month subscription fee for this Service.

Ownership

This Service contains valuable intellectual property rights and are propriety to us and our licensors, including but not limited to Vecna, and title thereto remains with us and our licensors. You do not acquire any rights, express or implied, in this Service or any third party software incorporated therein other than those specified in this Agreement. All applicable rights to patents, copyrights, trademarks and trade secrets in this Service are and shall remain with us or our licensors.

Fees

A fee schedule will be provided to you.

Payment Terms and Conditions

Module Implementation Fees are due 50% upon the work order execution and 50% upon Go Live (per module) along with the monthly subscription fee. **“Go Live”** is defined as having activated the solution and you are using the solution and Hardware in a production environment. Activation requires testing and acceptance by you.

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TREASURY MANAGEMENT SERVICES AUTHORIZATION AND AGREEMENT

Introduction

This Treasury Management Services Authorization and Agreement (the "Authorization") will govern certain treasury management services that PNC Bank, National Association ("PNC") will provide to the Customer. For the purposes of this Authorization, the term Customer shall include (i) each and every Subsidiary listed in Part A of the Attachments to the Customer's Master Resolution and Authorization for Depository Accounts and Treasury Management Services and (ii) every organization listed below.

Authorization and Agreement

The Customer hereby acknowledges receipt of and agrees to be legally bound by the **Treasury Management Services Comprehensive Agreement (version January 2022)** (as amended, modified or supplemented from time to time, the "Comprehensive Agreement"). Capitalized terms used but not defined in this Authorization have the meanings given to them in the Comprehensive Agreement. At PNC's option, electronic records and signatures may be used in connection with this Authorization and the Comprehensive Agreement. See the Comprehensive Agreement for details. Notices may also be provided electronically in accordance with the terms of the Comprehensive Agreement.

Customer Information

The following address will be used by PNC for giving Customer notices under the Comprehensive Agreement. Please type if feasible.

Customer's Legal Name: CITY OF MILFORD		
Street Address: 10 SE 2ND ST		
City: MILFORD	State: DELAWARE	Zip: 19963
Mailing Address: 10 SE 2ND ST		
City: MILFORD	State: DELAWARE	Zip: 19963
Telephone: (302) 424-5240	Facsimile: ()	

By signing below, I/we represent and warrant to PNC that I/we have authority to bind the Customer to this Authorization and the Comprehensive Agreement.

CUSTOMER NAME: CITY OF MILFORD

(Signature of Authorized Representative)

Signer Name: Louis Vitola

Signer Title: Finance Director

Signing Date:

Please retain a copy of this Authorization for your records.



Account Agreement for Business Accounts

Effective: May 2020

The terms and conditions of this Account Agreement for Business Accounts (“Agreement”) apply to all PNC Bank business accounts. You have agreed by signing the signature card and/or by using your account on or after the opening date, to be legally bound by the terms of this Agreement. You agree to comply with all applicable local, state and federal laws, rules and regulations, as amended from time to time, including without limitation the Unlawful Internet Gambling Enforcement Act of 2006 prohibiting unlawful internet gambling activities, the Bank Secrecy Act, the USA Patriot Act, the federal anti-money laundering statutes and any laws or regulations that are enforced or administered by the Office of Foreign Assets Control (“OFAC”). You should keep a copy of this Agreement and anything else we send to you about your account for your records. When used in this Agreement, the terms “you” and “your” refer to your business or its authorized representative; “we”, “our”, and “Bank” refer to PNC Bank. The term “Account(s)” refers to your PNC Bank business deposit account(s).

CERTIFICATION OF BENEFICIAL OWNERS AND OTHER ADDITIONAL INFORMATION

You agree that the information in the Certification of Beneficial Owner(s) (individually and collectively, the “**Certification of Beneficial Owners**”) executed and delivered to the Bank in connection with opening any Account(s), as updated from time to time in accordance with this Agreement, is true, complete and correct as of the date thereof and as of the date any such update is delivered. You agree to provide: (i) confirmation of the accuracy of the information set forth in the most recent Certification of Beneficial Owners provided to the Bank, as and when requested by the Bank; (ii) a new Certification of Beneficial Owners in form and substance acceptable to the Bank when the individual(s) identified as a controlling party and/or a direct or indirect individual owner on the most recent Certification of Beneficial Owners provided to the Bank have changed; and (iii) such other information and documentation as may reasonably be requested by the Bank from time to time for purposes of compliance by the Bank with applicable laws (including without limitation the USA PATRIOT Act and other “know your customer” and anti-money laundering rules and regulations), and any policy or procedure implemented by the Bank to comply therewith.

DEPOSITS TO YOUR ACCOUNT

You may make deposits in any amount to your Account during normal business hours at any PNC Bank branch or by mail. Please use the preprinted deposit slips provided to you. If the service is available for business accounts in your market, you may also make deposits by automatic transfers from other accounts, by telephone transfer, or at an automated teller machine (“ATM”) that accepts PNC Bank deposits.

The law allows us to supply a missing endorsement to a deposited check, draft, or any other instrument. However, we reserve the right to refuse to accept for deposit any item which does not bear a proper endorsement, which is payable to someone other than you or, in our sole discretion, under any other circumstances. Federal law specifies locations on checks for your and our respective endorsements. If our endorsement is illegible because you have endorsed a check in the wrong location, you will be liable for any resulting losses.

We may refuse to cash a check made payable to you, but instead require you to deposit the check to your Account.

All deposits accepted by us are subject to verification. You should retain your copy of any receipt or other document that evidences your deposit. If you claim that a deposit was not properly credited to your Account, we may ask you to show us your receipt or other document which evidences your deposit. You should not mail cash deposits. We will not be liable for any deposit that we do not receive. We reserve the right to make adjustments to your Account upon verification of your deposit or for computation or other errors related to your Account.

All non-cash deposits are posted to your Account subject to our receipt of “final payment” from the bank or other party on which the item is drawn. If we receive notice that an item is being returned to us unpaid, or if we do not receive final payment on a deposited item, because, for example, the drawer has placed a stop payment or the item is returned “insufficient funds” or “account closed”; or if an item is returned after final payment, we will charge your Account for the amount of the item, for any interest carried on the item and for applicable charges, even if the amount of the item has already been made available to you and even if we do not actually receive the returned item. If the charge-back of a returned item or a Bank charge creates an overdraft, you agree to pay us the amount of the overdraft immediately, and we may charge your Account a service charge for the overdraft. We receive final payment for deposited items at different times depending on the location of the banks or other parties who will pay the items. In addition, our final payment may be delayed further due to circumstances beyond our reasonable control. For more information, please see our Funds Availability Policy document, which may be amended from time to time. If we must pay any fees to collect an item you have deposited, we will charge the fees to your Account and we may impose a service charge for the collection.

If you receive a credit to your Account through the Automated Clearing House (ACH) network or for any other fund transfer, we may notify you of the credit on your next regular Account statement.

If we credit your Account for an automated clearinghouse credit entry or for any other fund transfer or payment order (“fund transfer”), the credit we give you is provisional until we receive final settlement for the fund transfer through a Federal Reserve Bank. If we do not receive final settlement or payment, you agree that you must refund to us the amount we credited to you for the fund transfer and that we may charge your Account for such amount. In such case, the person making the payment to you will be considered not to have paid you the amount of the fund transfer.

When we process incoming fund transfers, we routinely rely on the account numbers given to us by the financial institutions or other persons who send the fund transfer to us. We will have no duty to determine if the account numbers provided to us is consistent with the name or other information given to us and we will not be liable to you if we credit a fund transfer intended for you to another customer’s account because the sender instructed us to credit an incorrect account number.

We reserve the right to refuse or to return all or part of a deposit at any time. All deposits and credits to your Account, including wire transfers and other electronic payments, are subject to review for compliance with applicable law, including regulations enforced by OFAC. This may result in delays in posting such deposits or credits to your Account.

We automatically redeposit returned items under \$100.00.

You acknowledge and agree that your deposit or issuance of a check that uses check form or stock with decorative graphics, or that has ink colors other than black or blue, or your use of check stock other than Bank provided or approved check stock, may result in errors in processing a check image created from such a check. You agree that, to the extent permitted by law, we shall have no liability to you in the event that you incur a loss from such errors.

You agree that you shall not deposit, without our expressed written consent, a document that you or someone on your behalf created or printed from an image or other electronic record of an original paper check (a "substitute check document"). Our acceptance for deposit of a substitute check document from you shall not be deemed as a waiver of the foregoing prohibition on the deposit of substitute check documents. You also shall not identify us as a "reconverting bank" or "truncating bank" on a substitute check document you deposit at any other financial institution or transfer to any other person. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit or transfer of a substitute check document in violation of the limitations set forth in this paragraph.

REAL TIME PAYMENTS

The rules that govern The Clearing House's Real-Time Payments (RTP) network apply to RTP payments. RTP payments should be used only by persons that are residents or otherwise domiciled in the United States, and their accounts are located in the United States. You agree not to effectuate or receive a RTP payment on behalf of any person that is not a resident or otherwise domiciled in the United States.

REMOTELY CREATED CHECKS

If you deposit a "remotely created check" with us you represent and warrant to us that the check is authorized to be paid in the amount stated on the check and to the payee named on the check. A "remotely created check" is a check that you are authorized to create and present for payment by an authorized signer on the account on which the check is drawn, and which does not bear the signature of an authorized signer on that account, and includes checks that are defined in applicable law as "remotely created checks". In addition to the foregoing, we may honor "remotely created checks" authorized by you in the amount stated on the check and to the payee named on the check.

You agree to indemnify us for any loss that we may incur directly or indirectly from your deposit of a "remotely created check" in violation of the terms set forth in this paragraph. You further agree that all of the terms in this Agreement and under applicable law that apply to a "check" and/or "item" apply to "remotely created checks", including without limitation substitute checks created from "remotely created checks" and check images of "remotely created checks", except that "remotely created checks" will not be signed by an authorized signer on the account on which the check is drawn.

WITHDRAWALS FROM YOUR ACCOUNT

Money may be withdrawn from your Account in different ways, as permitted for each type of Account.

We are required to permit a withdrawal only if you have sufficient available funds in your Account to cover the entire amount of the withdrawal. Checks or other debit items, such as ATM withdrawals, debit card transactions, preauthorized automatic debits, telephone-initiated transfers, other electronic transfers, other types of debits or withdrawal orders presented against insufficient ledger or available funds are subject to a service charge. If there are sufficient funds to cover some but not all of your withdrawal orders, we will exercise our discretion (i) in paying some but not all of the items, and (ii) to pay the items in any order. Our general practice is to post withdrawals from your Account according to the date and time we receive notice of the transaction. We receive notice of transactions at various times throughout the day, and not necessarily in the order in which they occur. If multiple transactions are received at the same time, or are grouped together and contain no time, then the items will be processed in order of sequence number or, if no sequence number is available, then in order of the largest-to-smallest dollar item. If we do not have information that allows us to determine the exact time notice of a transaction was received, we may assign an approximated time to that transaction. Debit card purchases will be posted according to the date and time provided by the merchant. Because processing times vary, the time we receive notice of a transaction may differ from the time shown on a receipt. The order in which we process these withdrawals may affect the total amount of overdraft item fees and returned item fees charged to your Account. We will not be responsible for damages or wrongful dishonor if any item is not paid as a result of the order in which we process the withdrawals. If, in our sole discretion, we permit withdrawals for which there are not sufficient available funds, or you otherwise overdraw the available funds in your Account, you agree to repay us immediately the funds advanced to you. We will assess your Account a service charge, and we may also assess your Account an interest charge, which will be separately disclosed to you, each day on the amount of the overdraft. At no time shall we be required to allow you to overdraw your Account, even if we allowed such activity on one or more previous occasions. If you do not deposit sufficient funds to bring your Account current within a reasonable time of incurring an overdraft, then we may charge you a fee for services used to recover the outstanding indebtedness.

In determining whether you have sufficient funds in your Account to pay checks and other withdrawal items, we will consider both of the following: (1) the deposits and withdrawals posted to your Account, and (2) all pending electronic transactions (including, but not limited to, point of sale transactions) for which PNC has received notice, even if those transactions have not yet posted to your Account. We may conclusively rely on notice of electronic transactions in determining whether you have sufficient funds in your Account to cover a withdrawal even if the notice incorrectly describes the transaction. This could result in an overdraft if sufficient funds are not available in your Account to pay all checks and other withdrawal items. Pending electronic transactions include (but are not limited to) purchases, transfers or withdrawals made with your Check Card or Banking Card, merchant payment authorizations, online transfers of funds, telephone transfers, and any other electronic transactions or transfers. We will not be responsible for damages or wrongful dishonor if any item is not paid because of insufficient funds resulting from this method of determining whether you have sufficient funds to pay all checks and other withdrawal items. If your Account is a Sweep or a Zero Balance Account, we will not consider pending electronic transactions in determining whether you have sufficient funds to cover a withdrawal. In addition, funds you may

have deposited may not be immediately available under our Funds Availability Policy. Please review our Funds Availability Policy for more information.

We strongly suggest that you date checks with a current date. WE WILL NOT BE LIABLE TO YOU FOR PAYING CHECKS WHICH ARE POST-DATED, STALE DATED (OLDER THAN SIX MONTHS) OR DO NOT BEAR A DATE. If you do not wish us to pay a check you have issued, you must place a stop payment order with us and renew it every six months. (Please refer to the Stop Payment section of the Agreement).

You agree to use only check forms supplied or approved by us. Our duty is to use ordinary care in examining checks when they are presented to us for payment. UNLESS WE HAVE SPECIFICALLY AGREED WITH YOU IN WRITING, OUR DUTY WILL NOT INCLUDE MONITORING NONSTANDARD INSTRUCTIONS OR OTHER LEGENDS APPEARING ON CHECKS. We shall be deemed to have exercised ordinary care if we process your checks only by automated means or if any unauthorized signature, counterfeit check, or alteration could not be detected by a reasonably careful examination of the item. You agree that we do not have to notify you if we refuse to pay a check you have written, if we pay a check that overdraws your Account, or if we impose a fee in connection with either of these events.

If you make withdrawals by check, the check must be properly completed and signed by the person(s) whose authority is on file with us. We may refuse to honor a withdrawal if we receive conflicting instructions from two or more authorized signers or if there is reasonable doubt as to who is authorized to make a withdrawal. If you (a) have specified that some or all of your checks must be signed by more than one person, (b) have specified that the authorized signer for checks in one category or amount are different than checks in another category or amount, or (c) use checks that require multiple signatures, you agree that those restrictions are for your internal use only and do not bind us even if you have made us aware of them in any resolution or certificate or in any other manner.

We reserve the right to refuse to cash or to impose a charge on anyone who asks us to cash a check that you have written. Even if your check is otherwise properly payable, we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal.

MULTI CURRENCY ACCOUNTS

You may, in accordance with our policies and procedures, have an account that is denominated in a foreign currency (a "multicurrency account"). Depending upon how you will use your multicurrency account, it may be maintained with us in the United States or at our branch in Nassau, Bahamas. Generally, deposits and withdrawals may be made to and from multicurrency accounts only by wire transfer, or by such other means as we may permit from time to time in our sole discretion. If you have a multicurrency account with our branch in Nassau, Bahamas, balances in the account must at all times be at least equal to U.S. \$100,000, or its equivalent in the applicable foreign currency, in order to earn interest. Funds in an account at PNC's Bank's Nassau, Bahamas branch are not deposits for purposes of FDIC insurance coverage and depositor preference purposes. As a result, your funds in such accounts are not insured or guaranteed by the FDIC or by the U.S. Government. In the event of the failure of PNC Bank, the funds in your account at PNC Bank's Nassau, Bahamas branch would be treated as unsecured, nondeposit liabilities, and you would be a general unsecured creditor of the Bank. Such account will be maintained with the Bank's Nassau, Bahamas branch and payment thereof may be demanded only at that office.

CHECK PRESENTMENT

Your Account may be debited on the day an item is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your account has been deposited for collection in another financial institution. A determination of your account balance for purposes of making a decision to pay or return an item or debit due to insufficiency of available funds may be made at any time between the receipt of such presentment or notice and the time of payment or return of the item or debit, and no more than one such determination need be made.

FACSIMILE SIGNATURES

If you choose to use facsimile signatures, you agree that:

- It is impossible for us to determine whether or not a facsimile signature is genuine;
- We may honor any and all checks, drafts or other orders for the payment or withdrawal of money bearing or appearing to bear an authorized facsimile signature, even if the facsimile signature was made by an unauthorized person or the item on which a facsimile signature appears is itself a counterfeit item, or the facsimile signature is counterfeit.
- You assume full responsibility and will indemnify us for all items paid over a forged or unauthorized facsimile signature.

TRANSACTION LIMITATIONS

If you have a Money Market Deposit Account, in accordance with federal regulations, we reserve the right to require that you give us notice in writing of an intended withdrawal from your Account not less than seven (7) days before such withdrawal is to be made. However, if we permit you to make withdrawals without giving us notice, we may still require you to give us notice prior to subsequent withdrawals.

STOP PAYMENTS

You may stop payment on a withdrawal order or on any check, except for cashier's checks, official checks or other cash equivalent items. We must receive your stop payment order at a time in a manner that gives us a reasonable opportunity to act on it prior to payment of the item. A STOP PAYMENT ORDER IS EFFECTIVE FOR SIX (6) MONTHS FROM THE DATE THE ORDER IS RECEIVED AND MAY BE RENEWED FOR ADDITIONAL SIX-MONTH PERIODS. We will accept stop payment orders issued by any person with signing authority on your Account, regardless of who initiated the check or other withdrawal order, and even if more than one signature is required on a check or withdrawal order.

Stop payment orders are subject to our current charge for that service.

You may place a stop payment order at any branch office, by calling us at the telephone number on your statement, by writing to us at the address shown on your statement, or by any other notice method we agree to honor.

We will request information about the check or other withdrawal order to be stopped, which may include:

- Account Number
- Amount
- Check Number
- Name of party to be paid
- Date
- Your name and address

STOP PAYMENT ORDERS ARE PROCESSED BY COMPUTER. UNLESS THE AMOUNT OF THE ITEM AND OTHER INFORMATION ARE REPORTED ABSOLUTELY ACCURATELY, WE CANNOT ASSURE YOU THAT THE ITEM YOU WANT STOPPED WILL NOT BE PAID.

In the event that we inadvertently pay an item over your valid stop payment order, we may refuse to recredit your Account if you owed the money to the payee(s). You will be required to provide evidence satisfactory to us of the amount of your loss. If we recredit your Account, you shall be deemed to have assigned to us all of your rights against the payee(s), both on the item and on the underlying claim, and we may require you to sign an affidavit that you did not receive full value from the transaction for which the check was issued and otherwise cooperate in our recovery efforts.

You may also stop payment on any Visa® recurring preauthorized payment originated by use of your Business Check Card. These Visa stop payment orders must be made at least three (3) business days prior to the scheduled posting date of the transaction and shall be effective for two (2) years from the date the order is received. At least one (1) transaction must have previously posted.

Visa stop payment orders are subject to our current charge for that service.

You may place a Visa stop payment order at any branch office, by calling us at the telephone number on your statement, by writing to us at the address shown on your statement, or by any other notice method we have agreed to.

We will request information about the Visa recurring preauthorized payment to be stopped, which may include

- Account number
- Your name and phone number
- Payment amount
- Merchant name
- Frequency of payment
- Date merchant was contacted to resolve

USE OF CHECK IMAGES AND SUBSTITUTE CHECKS

For each original check that you deposit, you hereby authorize us (and any collecting bank, returning bank, Reserve Bank or processor which subsequently receives the original check) to create an electronic image ("check image") of the original check, and to process that check image for collection, payment and return. You further authorize the destruction of the original check that has been imaged. We may in our sole discretion determine the manner in which to collect or return a check image. We may: (i) present or transfer the check image to the paying bank, a Federal Reserve Bank, a check clearing house, image exchange network, or other collecting bank or returning bank; or (ii) create a substitute check and collect such substitute check (governed by the Check Collection for the 21st Century Act referred to here as the "Check 21 Act") instead of the check image.

A check image or a substitute check may be collected through one or more check clearinghouses, one or more Federal Reserve Banks, or pursuant to an exchange agreement with another depository institution. In such cases, you agree that the check image or substitute check is subject to the rules of that clearinghouse, Federal Reserve Bank, or exchange agreement.

You agree that we may debit your Account for any of the following items: (i) a check image of an original check drawn on your Account and presented for payment or collection, or (ii) a return check image of an original check that was deposited by you. In these situations, we may debit your Account without receipt of, or review of, the original check associated with the check image. In our sole discretion, we may return to a presenting bank, returning bank or paying bank or post to your Account, a paper copy or paper presentation of an original check (including without limitation an image replacement document or IRD, or a photocopy) drawn on or returned to your Account that does not otherwise meet the technical or legal requirements for a substitute check.

You agree that a check image that is received or created by the Bank in the check deposit, collection or return process shall be considered a "check" and/or an "item" for all purposes under this Agreement and applicable law.

In addition, a check that you deposit with us, or that you draw on your Account, may be truncated in the check collection process and replaced with a substitute check. You authorize us to pay, process or return a substitute check in the same manner as "check" or "item" under this Agreement. Substitute checks are governed under the Check 21 Act and the terms of this Agreement, to the extent not modified by the Check 21 Act.

You agree to indemnify and hold harmless us, our employees and agents from any loss, claim, damage or expense that you or any other person may incur directly or indirectly as a result of any action taken by us to process a check image or substitute check instead of the original check, including the destruction of the original check, as described above, to the extent permitted by applicable law.

LIMITATION ON HIGH SPEED CASH LETTERS

When depositing a paper check cash letter for high speed processing, you may only include in such cash letter those checks or items that are eligible for conversion to a check image under the terms of this Agreement and any other documentation, terms and conditions and instructions provided by us to you from time to time. Without limiting the generality of the preceding sentence, a high speed cash letter may not include any of the following items: forward or return items in carrier documents, photocopies in lieu, notices in lieu of return, foreign items or mutilated items. To deposit these non-eligible items, you must prepare a separate cash letter and indicate in the cash letter in the manner specified by us to you from time to time that the cash letter consists of items not eligible for imaging. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit of a cash letter in violation of the limitations set forth in this paragraph.

INTEREST

The following provisions apply to interest-bearing business accounts. Interest will be calculated on your interest bearing Account and credited directly to your Account as set forth in the section titled Interest Payment and Balance Computation. Your interest rate and Annual Percentage Yield may change. At our discretion, we may change the interest rate and Annual Percentage Yield on your Account any time without notice to you. We may also change the manner in which interest is calculated and/or credited to you, by posting the change in our branch offices, by making such information available upon request in our branch offices, or in any manner required or permitted by law. If you desire current interest rate and Annual Percentage Yield information, please ask in any branch office or telephone your PNC Bank representative or the information number shown on your statement.

We reserve the right to calculate interest for those interest-bearing Accounts which are used for business or other non-personal purposes, in a manner different from those interest-bearing Accounts that are used for personal, household or family purposes. We must report interest on certain interest-bearing non-corporate Accounts to the appropriate governmental agencies. It is your responsibility to give us your correct tax identification number and to make certain written certifications to us as required by law. If you fail to give us your number or the required certifications, we may withhold and pay to the government a percentage of the interest earned on your Account, as required by law. You may also be subject to government penalties.

FEATURES OF CERTAIN ACCOUNTS

Checking accounts each consist of two sub-accounts – a non-interest checking sub-account and a non-interest bearing money market sub-account. Interest Checking accounts consist of a checking sub-account and a money market sub-account, which earn interest at the Interest Checking rate.

Each statement period, we allocate funds between these two sub-accounts and make transfers each day from the available funds in the money market sub-account to the checking sub-account as needed by pay withdrawals. We reserve the right to require at least seven days written notice prior to the withdrawal or transfer of any funds from a money market sub-account. On the sixth transfer in a statement period, the entire balance in the money market sub-account is transferred to the checking sub-account for the remainder of that statement period.

SPECIAL NOTICE FOR HOLDERS OF ATTORNEY TRUST ACCOUNTS REGARDING COMPLIANCE WITH STATE RULES

We offer accounts for use by attorneys to hold client funds, sometimes called "Attorney Trust Accounts" or "IOLTA" accounts (designations vary by state). If you have such an account with us, you acknowledge that you are bound by your state's rules and regulations governing attorneys' conduct with respect to such accounts, and you agree that it is your responsibility, or your firm's responsibility, to comply with those rules including, without limitation, any restrictions on the types of transactions that attorneys may conduct in these accounts. You further agree to release, hold harmless, and indemnify us from any liability or claims made relating to any alleged violation of those rules.

We are allowed to deduct certain routine service charges (referred to as "reasonable service charges" in some, but not all, states) from the interest paid to your state on an Attorney Trust Account. The types of charges we may deduct from interest varies by state. Charges for the use of products and services in support of managing Attorney Trust Accounts, which are not reasonable service charges according to your state's rules and regulations, will be the responsibility of the attorney or law firm handling the account. Charges will be assessed on a monthly analysis statement or charged to the attorney's or law firm's billing account. Charges are set out in the business fee schedule, statement or other disclosure we provide to you.

SPECIAL ERISA DISCLOSURE

If your account is held on behalf of a "pension plan" within the meaning of section 3(2)(A) of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), you represent that (a) you are a responsible plan fiduciary within the meaning of ERISA and its regulations with respect to the plan, (b) you are authorized under the terms and provisions of the governing plan documents to enter into this Agreement and to retain us to perform the services contemplated herein, (c) you have received and reviewed our ERISA section 408(b)(2) disclosure document (available at www.pnc.com/408b2) describing the services we provide and the compensation we receive with respect to this Agreement, (d) you have determined that the arrangement for services and any fees paid to us are reasonable, and the services provided by us pursuant to this Agreement are appropriate and helpful to the plan, and that (e) you have received all necessary disclosures regarding such fees, as required by, and in accordance with, applicable regulations promulgated under ERISA section 408(b)(2).

RULE 370 NOTIFICATION REQUIREMENTS

If you have opened a deposit account on behalf of the beneficial owner(s) of the funds in the account (for example as an agent, nominee, guardian, executor, custodian or funds held in some other capacity for the benefit of others), and those beneficial owners may be eligible for "pass-through" insurance from the FDIC. This means the Account could qualify for more than the standard maximum deposit insurance amount (currently \$250,000 per depositor in the same ownership right and capacity). If we determine that this Account has transactional features as defined in § 370.2(j) of the FDIC's Rules and Regulations at https://www.fdic.gov/regulations/laws/rules/2000-9200.html#fdic2000_part370.2, you as the account holder must be able to provide a record of the interests of the beneficial owner(s) in accordance with the FDIC's requirements as specified below.

The FDIC has published a guide that describes the process to follow and the information you will need to provide in the event we fail. In addition, the FDIC published an Addendum to the guide, section VIII, which is a good resource to understand the FDIC's alternative recordkeeping requirements for pass-through insurance. The Addendum sets forth the expectations of the FDIC to demonstrate eligibility for pass-through insurance coverage of any deposit accounts, including those with transactional features. The Addendum will provide information regarding the records you should keep on the beneficial owners of the funds, identifying information for those owners, and the format in which to provide the records to the FDIC upon our failure. You must be able to provide this information within 24 hours after the appointment of the FDIC as receiver in order to receive payment for the insured amount of pass-through deposit insurance coverage as soon as possible. That information can be accessed on the FDIC's website at <https://www.fdic.gov/deposit/deposits/brokers/part-370-appendix.html>.

You agree to cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time. In the event of our failure, you agree to provide the FDIC with the information described above in the required format within 24 hours of our failure. As soon as the FDIC is appointed, a hold may be placed on your Account so that the FDIC can conduct the deposit insurance determination; that hold will not be released until the FDIC determines that you have provided the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to

the FDIC may result in a delay in receipt of insured funds and legal claims against you from the beneficial owners of the funds in the Account. If you do not provide the required data, your Account may be held or frozen until the information is received, which could delay when the beneficial owners would receive funds. Notwithstanding other provisions in this Agreement, this section survives after the FDIC is appointed as our receiver, and the FDIC is considered a third party beneficiary of this section.

STATEMENTS

We will make available or send a monthly statement to the last address that you have specified for your Account. This statement will list all activity that relates to your Account during the statement period and any other information required by law. Upon receipt, you should review your statement carefully. IF YOU FAIL TO NOTIFY US, WITHIN 14 DAYS OF RECEIPT OR AVAILABILITY OF THE STATEMENT OR OTHER WRITTEN OR ELECTRONIC REPORT OF YOUR ACCOUNT TRANSACTIONS, OF ANY PROBLEM OR DISCREPANCY THAT APPEARS ON THE STATEMENT OR REPORT, SUCH AS AN UNAUTHORIZED TRANSACTION OR THE FORGERY OR ALTERATION OF ANY ITEM CHARGED TO YOUR ACCOUNT, WE SHALL HAVE NO LIABILITY TO YOU FOR ANY ADDITIONAL LOSS, INCLUDING BUT NOT LIMITED TO, ANY LOSS OF INTEREST RESULTING FROM YOUR FAILURE TO NOTIFY US. IN NO EVENT WILL WE BE LIABLE FOR ANY UNAUTHORIZED TRANSACTION OR ANY FORGERY, UNAUTHORIZED SIGNATURE OR ALTERATION OF AN ITEM ON YOUR ACCOUNT THAT IS NOT BROUGHT TO OUR ATTENTION WITHIN 90 DAYS OF THE DATE ON WHICH YOUR STATEMENT OR REPORT WAS RECEIVED OR MADE AVAILABLE TO YOU. Notwithstanding the foregoing, the time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act.

Please notify us in writing of any change in your address. If your statement is returned to us, we will suspend further mailings until a current address is received. You will be deemed to have received any information we mail to you five (5) business days after the information is mailed, even if it is returned to us as undeliverable. You will be deemed to have received information we hold at your request at the time we make such information available for you to pick up. You will be deemed to have received information we make available to you electronically on the date we make the information available for access by you.

INACTIVE ACCOUNTS

If your account is inactive and you have not otherwise communicated with us about your Account for the period provided by law, we will be required to transfer the balance of your Account as "abandoned property" to the appropriate state authority. If your Account is inactive six or more months, we reserve the right to impose an inactivity charge on your Account. You also agree that if your account is inactive for six or more months, it will be subject to any new fees or fee increases which go into effect during the period of inactivity.

ADVERSE CLAIMS TO FUNDS IN YOUR ACCOUNT

We may place a hold on your Account in the amount of any funds for which there may be an adverse claim while we investigate the claim or until ownership of the funds is established to our satisfaction.

MONEY OWED

Except to the extent otherwise agreed with you in writing, any loans, charges, service or analysis charges, overdraft or other obligations or other indebtedness now or hereafter owed to us by you may be charged in whole or in part to the Account, to any other account(s) in your name, or to accounts of co-owners and of certain individuals, to the extent permitted by law. You grant us a security interest in the balance in the Account and in any other account(s) in your name, to pay all loans, charges, service or analysis charges, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you. In addition, we may exercise our right of set off without advance notice to you and without regard to any other right that we may have against your or any other party. Such set off shall be effective immediately upon the occurrence of the event giving rise to the set off rights even though we may enter the set off on our books at a later date.

Our security interest and right of set off shall prevail and take priority over any adverse claim, change of ownership, pledge, attachment, garnishment, levy, court order or other legal process of any kind whatsoever. Should one of these events occur, we may take any action permitted or required by law.

CHANGE IN ACCOUNT INFORMATION

You should notify us immediately of any change in the officers of your business or signing authority for your Account. We may ask you to execute and deliver to us new account resolutions and signature cards before the change is made effective. You should also notify us in writing of any change in your address.

TRANSFER OF OWNERSHIP

YOUR ACCOUNT IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT ON OUR RECORDS. We must approve any pledge of your Account as security for a debt, and any pledge remains subject to our security interest and right of set off, unless we otherwise agree in writing. If you wish to transfer ownership of our Account, we may require that your Account be closed and a new one be opened by and in the name of the new owner(s).

DEATH OF SOLE PROPRIETOR

Following the death of a sole proprietor of an unincorporated business, the balance in the Account shall be payable in accordance with applicable law upon presentation of appropriate qualification documents and any required tax release.

CHARGES TO YOUR ACCOUNT

Your Account may be subject to various charges, including but not limited to item charges, a monthly service charge, charges for the use of certain Account services, and late payment charges as set out in the business fee schedule, statement or other fee disclosure we provide to you, and which are made part of this Agreement. Unless otherwise agreed, these charges will be deducted from your Account balance automatically and may cause you to become overdrawn or your outstanding checks to be returned unpaid.

If funds in your Account are attached, garnished or levied against, or if we are prohibited by law from paying on your Account, we may assess a legal process charge. We will debit your Account for any expenses we may incur as a result of any such legal action. Any such legal action may reduce your Account balance and cause your outstanding checks to be returned unpaid. We reserve the right to charge a fee for cashing checks you write. This fee will be collected from the payee at the time the check is cashed. If the payee refuses to pay our check cashing fee, we may refuse to cash our check, even if your check is otherwise properly payable, and we will

not be liable to you for dishonor of your check, or otherwise, as a result of such refusal. You may contact your PNC Bank representative to learn the amount of the fee.

We reserve the right to make changes to our fees and other charges from time to time. Where practicable, notice of such changes will be given by mail addressed to the last address that you have specified for your Account by posting in our branch offices, by making the information available to you in electronic form or otherwise as required or permitted by law.

CLOSING YOUR ACCOUNT

You or the Bank may close your Account at any time for any reason and without prior notice. If we close the Account, we will mail you a check for the final balance. You will still be liable to us for any service charges, returned checks or overdrafts, which may occur after the Account is closed.

AFFILIATE SHARING; CO-OPERATION; CALL RECORDING; AND CONSENT FOR SERVICE CALL To serve our customers efficiently and offer a full range of financial services we share customer transaction and experience information among our PNC Bank family of companies. PNC Bank companies also share other personal information, such as applications, financial statements, and credit reports. You may request that we do not share this other personal information (except where such information is used by one PNC Bank company to service customer accounts for another) by writing to us at PNC Bank, P.O. Box 96066, Pittsburgh, PA 15226. Please include the name under which our account has been opened, your name, address, account number(s), social security number or tax ID number. We also share customer information as permitted or required by law.

You agree to cooperate with us in any record keeping and reporting which we believe to be necessary to fulfill government requirements. We may record conversations we have with you about your Account.

You consent that any phone call with us may be monitored or recorded by us.

By providing telephone number(s) to us, now or at any later time, you authorize PNC and its affiliates and designees to contact you regarding your account(s) or business accounts for which you are an authorized signer, with PNC and its affiliates, at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or by sending prerecorded messages or text messages, even if charges may be incurred for the calls or text messages.

DISCLOSURE STATEMENTS

In connection with your Account, we may give to you certain disclosure statements or policies, and may revise them from time to time. All such statements, policies and revisions shall be considered to be part of this Agreement.

OUR STANDARD OF CARE

Our responsibility to you is limited to our exercise of ordinary care in performing the services covered by this Agreement. Substantial compliance with our standard procedures shall be deemed to be the exercise of ordinary care. We will have no liability to you for taking or not taking any action permitted but not required. We will not be liable for the action or inaction of any third party in handling items deposited to or withdrawn from your Account. **NO THIRD PARTY SHALL HAVE ANY RIGHTS OR CLAIMS AGAINST US UNDER THIS AGREEMENT.**

OTHER SERVICES

If you use other PNC Bank services in connection with your Account, and there is any inconsistency between the terms and conditions of the agreement for those services and this Agreement, then the terms and conditions stated in the agreement for the additional services shall control, but only to the extent necessary to avoid inconsistency with this Agreement.

AMENDMENT, WAIVER

We reserve the right to amend this Agreement from time to time, including the right to convert your Account from one product to another. Where, practicable, we will post notice of any amendment in our branch offices, or we will mail notice of an amendment to the last address which you have specified for your Account, or notify you otherwise as required or permitted by law.

Any waiver by us of any term or condition stated in this Agreement must be in writing and signed by a Bank officer and shall not be considered a waiver of any other or future obligation or right.

SEVERABILITY

In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement not held by court to be invalid or unenforceable will continue in full force and effect.

WAIVER OF JURY TRIAL

YOU IRREVOCABLY WAIVE ANY AND ALL RIGHTS YOU MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR YOUR ACCOUNT OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. YOU ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

GOVERNING LAW

This Agreement is governed by the laws and regulations of the state in which the branch office where you opened your Account is located. If your Account is opened by mail, or electronically through our Internet Website, and we have a branch office in your state of residence, this Agreement is governed by the laws and regulations of that state. If we do not have a branch office located in your state of residence, and your Account is opened by mail, or electronically through our Internet Website, this Agreement is governed by the laws and regulations of the Commonwealth of Pennsylvania. This Agreement is also at all times governed by the laws and regulations of the United States of America.

PNC BANK BUSINESS CARD AGREEMENT

I. Definitions

In this Agreement the following words shall have the definitions stated:

- (a) "Account" or "accounts" will mean each of your commercial or business checking or money market accounts which you have arranged with us to access with your card. You will not be permitted to access personal or credit card accounts with your card;
- (b) "ATM" will mean automated teller machine;
- (c) "Card" will mean the following
 - (i) PNC Bank Business Check Card – a full function debit card that allows deposits, withdrawals, funds transfers between accounts, and balance inquiries at automated teller machines as well as purchases at merchants where accepted; and/or
 - (ii) PNC Bank Deposit Card – a deposit only card that provides deposit access to your business checking and/or money market accounts at automated teller machines where deposits are accepted. This card does not permit withdrawals, funds transfer, balance inquiries or merchant purchase.
- (d) "PIN" will mean the confidential personal identification number(s) or other confidential code(s) provided to you by PNC Bank or selected by you for identification purposes in connection with the use of your card, and may include where the context requires, the card number itself;
- (e) "PNC Bank" will mean the PNC depository institution where you established your account and that issued your card(s);
- (f) "Transfer" will mean any electronic banking transaction, including deposits made with your card(s), withdrawals of point-of-sale purchases made electronically with your Business Check Card, as well as all transfers resulting from the use of your Business Check Card even if an ATM is not involved at the time of the transaction; and
- (g) "You" and "your" will mean your business or its authorized representative.

II. TYPES OF AVAILABLE TRANSFER AND LIMITS ON TRANSFERS

- (a) Deposits. You may use your card at any PNC Bank full-function ATM or at select ATMs owned by other financial institutions bearing the NYCE®, STAR™ and/or PLUS logo to make deposits of up to \$50,000 per calendar day to your accounts.
- (b) Other ATM Transactions. You may use your Business Check Card at any ATM bearing any ATM network logo that appears on your card to:
 - (i) Withdraw cash from your account(s);
 - (ii) Perform balance inquiries on your account(s);
 - (iii) Transfer funds between your accounts; and
 - (iv) Obtain statements at the ATM
- (c) Purchases. You may use your Business Check Card to make purchases at any Merchant who has agreed to accept the card.

There are maximum limits on the dollar amount of ATM withdrawals and purchases you make using your Business Check Card in any calendar day.

The amounts of these maximum limits will be disclosed to you when your Business Check Card is issued. You may be able to withdraw cash using your Business Check Card only in certain multiples, as indicated at each ATM. Deposits may not be available at all ATMs. Additional charges may be imposed by owners of non-PNC Bank ATMs for use of their ATMs. You may avoid those fees by using only PNC Bank ATMs.

III. LIMITATION OF LIABILITY

- (a) We will be liable only for our own gross negligence or willful misconduct and will not be responsible for any loss or damage arising from or in connection with (1) any inaccuracy, act or failure to act on the part of any person not within our reasonable control or (2) any error, failure or delay in execution of any transfer resulting from circumstances beyond our reasonable control, including, but not limited to any inoperability of communications facilities or other technological failure. Provided we have complied with our obligations under this Agreement, you agree to indemnify, defend, and hold us harmless against any claim of a third party arising from or in connection with this Agreement or the service we provide hereunder. We make no warranties, express or implied, in connection with the services we provide you under this Agreement, including, without limitation, the warranties of merchantability and fitness for a particular purpose.

In no event will we be liable for any consequential, incidental, special or indirect losses, damages, including dishonor of checks or other items, or expenses (including counsel fees), which you may incur or suffer by reason of this Agreement or the services we provide hereunder, whether or not the possibility or likelihood of such loss, damage or expense is known to us.

- (b) If your card is lost/stolen or used by someone other than you, your officers, employees or agents, your liability should be as follows:
 - (i) Tell us AT ONCE if you believe your card or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account to which you have access with your Business Check Card, plus your maximum overdraft line of credit. If you tell us promptly after you learn of the loss or theft of your card, you will not incur any loss or liability if someone used your Business Check Card for a Business Check Card transaction without your permission.

If your statement shows transfers using your Business Check Card for a Check Card transaction you did not authorize, tell us at once. If you do NOT tell us of unauthorized card transfers using your Business Check Card for a Check Card transaction within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from making the Check Card Transaction if you had told us in time. However, the above special rules will not apply, to the extent allowed under applicable law, if we have determined you were grossly negligent or fraudulent in the handling of your Business Check Card or account.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

- (ii) Our business days are Monday through Friday, and do not include legal holidays as posted in the branches.

(iii) If you believe your card or PIN has been lost or stolen or that someone has transferred or may transfer money from your checking account using your Business Check Card without your permission, call the phone number or write to the address shown at the end of this disclosure statement.

- (c) We will issue you the number of PINs that you request. You shall have sole and exclusive responsibility for providing the PINs to those individual(s) whom you authorize to use the card(s). Subject to the provisions in paragraph III (a) above, we shall have no liability for transactions performed using your card and a PIN issued to you regardless of whether you deem such transactions to be authorized or unauthorized.
- (d) Any security procedure applicable to the card and disclosed to you is strictly confidential and should be disclosed to only your employees or agents with a need to know them. You shall instruct those individuals that they should not disclose the security procedures to anyone. You must establish and maintain procedures to insure the confidentiality of the PINs and the security procedures.
- (e) We assume no responsibility to discover or audit any possible breach of security or unauthorized disclosure or use of cards or PINs by your employees, agents or representatives. You shall promptly notify us of any suspected unauthorized activity (whether or not involving your employees). We reserve the right to change our security procedures upon notice to you.

IV. GENERAL PROVISIONS

- (a) Your card may, but need not, be retained by any ATM or merchant if:
 - the PIN is wrong after repeated attempts;
 - your card was reported lost or stolen;
 - your card was closed for misuse;
 - all of your accounts linked to your card(s) have been closed;
 - your card expired or was replaced;
 - the machine is not operating properly.
- (b) We may refuse to issue a card to you or to reissue a card to you if you have previously had one. Each card issued by us remains our property, is not transferable (other than to your authorized employees) and may be canceled, revoked or limited by us at any time without prior notice to you. In the event of cancellation or revocation, your card must be surrendered to us upon demand. If you attempt to use your card after it has been canceled or revoked it will be retained. For your protection, your card also may be retained in situations where it appears to us that there is or may be a danger of loss, theft or unauthorized use.
- (c) No electronic fund transfer may be made and no transaction that you attempt to initiate will be completed if your Business Check Card is damaged, has expired, has been canceled or revoked or is retained for any reason or your account(s) has (have) been closed.
- (d) Upon receipt of a request for authorization of a transaction made with your Business Check Card, you, (or your agent on your behalf) authorize us to deduct the amount immediately from the available balance in our account.
- (e) You understand and agree that you may not place stop payment orders on any individual transaction originated by use of your Business Check Card. (You may, however, stop payment on preauthorized recurring transactions as explained on page 3.)
- (f) You may not be able to use your Business Check Card to make transactions in the following cases:
 - (i) your account is overdrawn;
 - (ii) you have reached or your request would exceed the withdrawal or point of sale purchase limits imposed on our card;
 - (iii) you exceed your overdraft line of credit or otherwise are not in good standing with regard to the use of your card.
- (g) We reserve the right at any time and without notice to eliminate any or all of the services that currently are available to you by use of your card or to add new services.
- (h) We may, from time to time, limit the type, number and dollar amount of any transfers made by use of a Business Check Card, notwithstanding the amount in our account(s), and terminate or suspend the operation of any or all cards, ATMs or merchants without notice.
- (i) Where you have authorized any other person to use your card in any manner, your authorization shall be considered by us to be unlimited in amount and manner and will be effective until you have notified us in writing that you have revoked the authorization, and have taken all other necessary steps to revoke it and we have had a reasonable opportunity to act on such notification including cancellation of your card and issuance of a replacement card.
- (j) These terms and conditions are governed by the laws and regulations of the state in which the branch office where you opened your account is located. If your Account is opened by mail, or electronically through our Internet Website, and we have a branch office in your state of residence, this Agreement is governed by the laws and regulations of that state. If we do not have a branch office in your state of residence, and your Account is opened by mail, or electronically through our Internet Website, this Agreement is governed by the laws and regulations of the Commonwealth of Pennsylvania. This Agreement is also at all times governed by the laws and regulations of the United States of America.
- (k) The terms of your Business Account Agreement and account opening resolution with us are incorporated by reference and made a part of this Agreement. In the event of any inconsistency between such agreement(s) and this Agreement, then this Business Card Agreement shall control to the extent necessary. You agree that this Agreement is the entire statement of the terms and conditions that apply to the subject matter hereof. If any term or condition of this Agreement should be invalidated or unenforceable, all other terms and conditions will continue in full force and effect. This Agreement supersedes any prior agreements between us relating to these services for your Account. You and we agree that all warranties,

indemnities, confidentiality requirements, representations, acknowledgements and understandings will survive the performance and termination of this Agreement.

- (l) We reserve the right to assign our responsibilities under these terms and conditions or any part of them to any of The PNC Financial Services Group, Inc. affiliates.

HOW TO NOTIFY US CONCERNING ERRORS, QUESTIONS OR TELEPHONE TRANSFERS:

Please contact your Banking Representative.

INTEREST PAYMENT AND BALANCE COMPUTATION

At our discretion, we may change the interest rate(s) and Annual Percentage Yield(s) on our account at any time without notice to you.

For all interest-bearing accounts except for Corporate Analysis Checking with Interest, we use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Tiered-rate accounts earn interest on the entire account balance each day at the interest rate and annual percentage yield in effect for that day's balance.

Interest begins to accrue on interest-bearing checking accounts no later than the business day we receive credit for the deposit of checks and other non-cash items. Interest begins to accrue on money market deposit accounts based on the day funds are available to you for withdrawal. Interest on business interest-bearing checking and money market accounts is compounded and credited monthly.

Unless stated otherwise, the term "month" means monthly statement cycle.

The average monthly balance is calculated by adding the principal in your account for each day of the month and dividing that figure by the number of days in the month.

For Corporate Analysis Checking with Interest, we will use the average monthly investable balance (i.e. the average collected balance less reserves, if applicable) to calculate earnings credit and interest on your account. We will perform a monthly analysis on your account(s) with us to determine if your average monthly investable balance for the month is sufficient, as determined solely by us, to compensate us for that month's fees. Balances used to compensate us for fees shall not earn interest. We will then apply a daily periodic rate to the average investable balance in excess of balances needed to offset transaction and maintenance fees, multiplied by the number of days in the month. Interest is earned on the excess account balance at the interest rate in effect on the last calendar day of the month. Interest rates are subject to change at any time and may be tiered. The earnings credit rate and the interest rate may not be the same. Any interest earned will be credited to your account no later than the last business day of the month following the month of the analysis.

For accounts linked together for account analysis, interest is earned on the combined relationship's excess account balance at the interest rate in effect for the appropriate balance tier on the last calendar day of the month and will be credited to the settlement account. If your analysis relationship includes balances that are owned by more than one company, you are solely responsible to determine whether (1) all of the account balances may lawfully earn interest and (2) any interest payments need to be allocated to the companies included in the analysis relationship.

ACCOUNT INFORMATION

Corporate Funds Availability Policy

Effective: June 26, 2020



YOUR ABILITY TO WITHDRAW FUNDS AT PNC BANK

PNC Bank has a policy of providing prompt, although not immediate, availability of funds that you deposit in your checking account. If we delay your availability for one of the reasons discussed below, you may not withdraw the funds in cash and we will not use the funds to pay items presented.

This Policy is applicable to checking accounts only. Please take a moment to familiarize yourself with this Policy.

Determining Availability of Deposit

We determine availability by counting the number of business days from the business day of your deposit. Every day except Saturday, Sunday and a federal holiday is a business day.

If a deposit is received through one of our branch tellers, ATM, remote deposit scanner, or electronic deposit (i.e. ACH or Real Time Payments) before our cut-off time, we will consider that day to be the day of your deposit. However, if a deposit is received after our cut-off time or on a day that is not a business day, we will consider the deposit as being received on the next business day that we are open. With the exception of deposits made at non-PNC ATMs, our cut-off time is 10:00 p.m. ET. The cut-off time for deposits made at non-PNC Bank ATMs is 3:00 p.m. ET.

Further, deposits made through our night depository after 6:00 a.m. ET may be processed on the next business day.

Availability varies depending on the type of deposit and is explained below.

Checks drawn on banks located outside of the United States are not subject to this Policy. Please inquire regarding availability at the time you make such deposits.

Same Day Availability

Funds from the following deposits are available on the same business day as the day of their

deposit if received prior to our cut-off time of 10:00 p.m. ET:

- All cash deposits made to a PNC Bank teller and PNC ATMs equipped with currency validation technology
- Checks or money orders drawn on PNC Bank will be available on the evening of your deposit to pay checks or items that are presented to us that evening for posting
- Wire Transfers
- Electronic deposits, including but not limited to ACH, Real Time Payments, etc.

Deposits received after our cut-off time of 10:00 p.m. ET or on a day that is not a business day may be available for immediate withdrawal; however, we will consider the deposit as being received on the next business day to pay checks and other items that are presented to us that evening for posting.

Next Day Availability

If a deposit of checks or money orders is received before the cut-off time on a business day that we are open, funds will be available as follows:

- Checks or money orders drawn on PNC Bank will be available on the evening of your deposit to pay checks or items that are presented to us that evening for posting. The remaining funds will be available on the first business day after the business day of your deposit for all purposes.
- U.S. Treasury checks payable to you
- Federal Reserve Bank checks, Federal Home Loan Bank checks and U.S. Postal Service money orders payable to you
- State and local government checks that are payable to you, if you use a special deposit ticket available upon request at a PNC Bank branch office
- Non-PNC Bank cashier's, certified and teller's checks that are payable to you, if you use a special deposit ticket available upon request at a PNC Bank branch office

You are required to separate checks requiring special deposit tickets from other checks you are depositing.

If you do not use a special deposit ticket for checks as noted above, or if you use a special deposit ticket inappropriately, your check deposit will receive availability as set forth below in the “Other Check Deposits” section of this Policy.

If your deposit does not meet the requirements above, funds from these deposits will be available as set forth below under “Other Check Deposits.”

OTHER CHECK DEPOSITS

If your deposit does not include items noted in the Same Day Availability or Next Day Availability sections noted above, then the initial \$225 of any deposit will be available on the business day after the business day of deposit. The initial \$100 of any such deposit will be available on the evening of the business day of your deposit to pay items that are presented to us that evening for posting. The remaining balance of your deposit will be available the second business day after the business day of your deposit for all purposes.

For example, if you make a non-PNC Bank check deposit of \$700 on a Monday, \$100 will be available Monday evening to pay items which are presented to us that evening for posting. The remaining balance of the initial \$100 deposit, as well as an additional \$125, will be available on Tuesday for all purposes. The remaining balance of \$475 will be available on Wednesday.

Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposited will not be paid.
- You deposit checks in any one day totaling more than \$5,525.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency such as a failure of communications or computer equipment.

We will notify you of the delay in your ability to withdraw funds for any of the reasons listed, and we will tell you when the funds will be available. In this case, funds from items deposited as set forth above under “Other Check Deposits” will usually be available no later than the fifth business day after the business day of your deposit for all purposes.

Deposits at Non-PNC Bank ATMs If you make a deposit at an ATM that we do not own or operate, which are those not branded as PNC Bank, funds from any deposits (cash and checks) will be available the fourth business day after the day of your deposit for all purposes.

This rule does not apply at ATMs that we own or operate.

Other restrictions are set forth in the PNC Bank Business Card Agreement section of the Account Agreement for Business Accounts.

REFUSAL OF A DEPOSIT

We continue to reserve the right not to accept deposits. In some circumstances, items unacceptable for deposit, such as a mutilated check, may be processed as collection items.

ACCELERATED AVAILABILITY

If you make a deposit of checks or money orders on a business day that we are open, we may make part of your deposit available to you sooner than otherwise stated in this Policy. The balance will become available according to the other terms of this Policy.

ENDORSEMENT

It is important that you place your endorsement carefully on the back of all checks you are depositing. A 1/2 inch area has been designated for your endorsement. Please ask your PNC Bank relationship manager about proper placement of your endorsement. If your endorsement is illegible because you have endorsed the check in the wrong location, you will be liable for any resulting losses.

YOUR RESPONSIBILITY

You agree that PNC Bank may deduct the amount of a check deposited to your account from your account balance if PNC Bank receives notice that the check has not been paid. PNC Bank may make this deduction even if the unpaid check has not yet been returned to the Bank. You agree that PNC Bank may charge an unpaid check against your account even if PNC Bank

could claim reimbursement for the check from the bank on which the check was drawn or from some other bank. You agree that PNC Bank may charge a check back even if the charge results in an overdraft.

PNC and PNC Bank are registered marks of The PNC Financial Services Group, Inc. ("PNC")

Bank deposit, treasury management and lending products and services are provided by PNC Bank, National Association, a wholly-owned subsidiary of PNC and **Member FDIC.**

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Date: November 12, 2022
To: Mayor and City Council
Through: Mark A. Whitfield, City Manager
From: Louis C. Vitola, Finance Director
Re: Bond Anticipation Note (BAN) Checking Account

EXECUTIVE SUMMARY

A checking account is required for the administration of the Police Facility Bond Anticipation Note (BAN). A checking account tethered to the BAN will better serve certain contractors and vendors working on the construction of the new police facility. Staff recommend that Council authorize the ratification of the enclosed PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services. This action does not require any funding approval.

BACKGROUND

Resolution 2021-13 authorizing the debt financing for the construction of the new Police Facility delegated authority to the City Manager and Finance Director to undertake any and all measures necessary to secure the indebtedness and administer the project financing. This includes the deployment of funds to vendors and contractors during the design and construction phases of the project. Currently, the vendor payment process is handled through instructions to the BAN lender, PNC Bank, to execute an electronic payment directly to the vendor from BAN proceeds. This works for 16 of the 17 construction contractors, but one vendor prefers payment via check. Certain other non-construction vendors also prefer check remittance. However, PNC Bank's direct disbursements from loan accounts support electronic payments only. The ideal solution is to connect a new BAN checking account with the existing BAN loan disbursement account, pre-fund the checking account with electronic payments from BAN proceeds, and utilize the checking account to remit check payments to the vendors that prefer paper checks. The establishment of the checking account costs nothing upon establishment and is not expected to materially increase the cost of administering the BAN. More important, the account will be subject to the same internal controls as all other City checking accounts, starting with the existing trio of officials serving as account signers as the City's existing checking accounts: Mayor Archie Campbell, Vice Mayor Jason James, and City Manager Mark Whitfield (see enclosed PNC Bank signature cards). Finance Director Lou Vitola and Accountant Sandra Peck will be authorized to initiate transactions through electronic and telephone instructions to PNC Bank, similar to how the electronic transactions are currently handled through the BAN and through WSFS, the City's current commercial bank. No changes to the existing agreement with WSFS or any other commercial banking changes are recommended.

RECOMMENDATION

Staff recommend that City Council authorize the ratification of the enclosed PNC Bank Master Resolution and Authorization for Depository Accounts and Treasury Management Services. See Appendix A for a roster of enclosed documents.

APPENDIX A: ROSTER OF ENCLOSED DOCUMENTS

- A. Master Resolution and Authorization for Depository Accounts and Treasury Management Services (p. 1-6)
- B. BAN Checking Account Signature Card (p. 7)
- C. Treasury Management Services Comprehensive Agreement (p.8-108)
- D. Signature Page, Treasury Management Services (p. 109)
- E. Account Agreement for Business Accounts (p. 110)
- F. Corporate Funds Availability Policy (p. 120)

Date: November 12, 2022
To: Mayor and City Council
Through: Mark A. Whitfield, City Manager
From: Louis C. Vitola, Finance Director
Re: Milford Police Department Asset Forfeiture Checking Account

EXECUTIVE SUMMARY

Pending approval of the PNC documents required to open the BAN checking account, a second checking account is recommended to improve the security and internal controls associated with the State of Delaware asset forfeiture process administered by the Milford Police Department in the ordinary course of police operations. Staff recommend that Council authorize the establishment of a commercial depository account with PNC Bank to serve the exclusive purpose of holding restricted cash associated with police activity. This action does not require any funding approval.

BACKGROUND

We recommend the establishment of a separate checking account for the maintenance and administration of cash arising from police operations that result in asset forfeiture pursuant to State of Delaware regulations. Currently, both cash and non-cash assets acquired through ordinary police operations are maintained through the evidence custody chain. Alternatively, the Police prefer to begin separating the cash and proceeds of forfeited assets from the non-cash chain of evidence. The Finance team support the creation of the account, which will reduce risk, improve internal controls, and standardize the process to match the processes in place for all other City of Milford cash holdings. Forfeited assets are typically retained through the adjudication of related court proceedings, at which point the cash is either remitted to the State of Delaware for aggregation into any of a series of grant funding pools or returned to the asset owner.

The establishment of the checking account has no up-front cost and is expected to be maintained at no cost. The account will be subject to the same internal controls as all other City checking accounts, starting with the existing trio of officials serving as account signers as the City's existing checking accounts: Mayor Archie Campbell, Vice Mayor Jason James, and City Manager Mark Whitfield (see enclosed PNC Bank signature card). Finance Director Lou Vitola and Accountant Sandra Peck will be authorized to initiate transactions through electronic and telephone instructions to PNC Bank, similar to how the electronic transactions are currently handled through the BAN and through WSFS, the City's current commercial bank. No changes to the existing agreement with WSFS or any other commercial banking changes are recommended.

RECOMMENDATION

Staff recommend that City Council authorize the establishment of a separate commercial checking account with PNC Bank, pending approval of the Master Resolution and Authorization for Depository Accounts and Treasury Management Services.

SIGNATURE CARD



PNC Bank, National Association

Date: October 27, 2022

Original Master Add Replacement Delete Depository Only

THE FOLLOWING SECTIONS TO BE COMPLETED BY CLIENT

ACCOUNT TITLE		SUBTITLE	
CITY OF MILFORD		Police Checking Account	
STREET ADDRESS	CITY	STATE / PROVINCE	ZIP CODE
10 SE 2ND ST	MILFORD	Delaware	19963

Check appropriate box for federal tax classification; check only one of the following seven boxes (required):

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate
 Limited Liability Company. Enter the tax classification (C = C Corporation, S = S Corporation, P = partnership) _____

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner

Other (See IRS Publications fw9/iw9 for Instructions at www.irs.gov) Municipality

COMPLETE EACH SECTION FOR ALL SIGNERS, INCLUDING THOSE USING FACSIMILE SIGNATURES:

PRINTED NAME	TITLE	SIGNATURE (not required for a Deletion)
1) Archie Campbell	Mayor	
2) Jason James	Councilman and Vice Mayor	
3) Mark Whitfield	City Manager	
4)		
5)		
6)		

By signing below, the depositor (1) acknowledges receipt of the Account Agreement for this account and, if applicable to this account, the funds availability policy, and the USA PATRIOT Act Notice; (2) agrees that such documents are part of PNC's agreement with, and shall be legally binding on, the depositor; (3) agrees that PNC will not monitor specifications requiring multiple signatures or dollar limitations on checks drawn on depositor's accounts and that any such specifications are for depositor's internal purposes, only; (4) confirms that the information on this signature card is correct; and (5) confirms that the persons whose signatures appear on this signature card as signers on this account are authorized signers in accordance with the depositor's resolution and that the signatures appearing above are true specimens of the signatures of the persons listed above.

Certification of Owner:

Under penalties of perjury, I certify that: (1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. citizen or other U.S. person, and (4) The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

ACCOUNT NUMBER	TAX IDENTIFICATION NUMBER
5606275183	51-6000177

Printed Name: **Louis Vitola**

Printed Title: **Finance Director**

Authorized Signature

Authorized representative per Part 3B of the PNC Master Resolution or as authorized by the Resolution on file with the Bank.

CITY OF MILFORD
NOTICE OF PUBLIC HEARING

Planning Commission Hearing: Tuesday, November 15, 2022 @ 6:00 p.m.
City Council Hearing: Monday, November 28, 2022 @ 6:00 p.m.

NOTICE IS HEREBY GIVEN that the proposed Ordinance is currently under review by the City of Milford Planning Commission and City Council. City Council has the option to approve or deny the application. By not adopting the ordinance, City Council will deny the application. By adopting the ordinance, City Council will approve the application and the reason for the language being written in the affirmative. This form of writing is not used to influence any decision of City Council:

ORDINANCE 2022-41

Application of 27 South Walnut QOZB, LLC on behalf of Avery Properties, LLC
0.15 +/- acres of land located at the northeast corner of SE Front Street
and S. Walnut Street Address: 27 S. Walnut Street
Comprehensive Plan Designation: Commercial
Zoning District: C-2 (Central Business District)
Present Use: Retail – Single Occupancy
Proposed Use: Commercial – Multiple Occupancy
Tax Parcel: 3-30-6.20-002.00

WHEREAS, the applicant proposes to convert the existing commercial two-story structure into four commercial tenant spaces on the first floor and two commercial offices on the second floor; and

WHEREAS, Chapter 230-42 states in any and all zoning districts, multiple permitted uses or mixed use of a property shall be deemed a conditional use subject to special requirements upon conditional use approval from City Council; and

WHEREAS, the City of Milford Planning Commission will consider the application during their regular meeting on November 15, 2022, at which time interested parties will publicly comment on the application; and

WHEREAS, Milford City Council will hold a Public Hearing on November 28, 2022, allowing for additional public comment, after which City Council will make a final determination on the application; and

WHEREAS, the notice as required by Chapter 230, was published in the Delaware State News on October 28, 2022, and provided to property owners within 200 feet of the subject parcel.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section 1. Upon the adoption of this ordinance by City Council, a conditional use permit will be granted to 27 South Walnut QOZB, LLC on behalf of Avery Properties, LLC to allow a Multiple or Mixed Use Structure at 27 South Walnut Street.

Section 2. Construction shall commence within one year of the date of issuance of the permit, otherwise the Conditional Use becomes void.

Section 3. Dates.

City Council Introduction: November 14, 2022

Planning Commission Review & Public Hearing: November 15, 2022

City Council Public Hearing: November 28, 2022

Section 4. If this ordinance is adopted by City Council, it will become effective 10 days following the date the action is taken. If not adopted, the ordinance becomes null and void unless addressed at a later date. Should that occur, the ordinance would be republished, and new notices mailed to properties within 200 feet of the subject parcel(s).

102422

Published: *Delaware State News 10-28-2022*

CITY OF MILFORD
NOTICE OF PUBLIC HEARING

Planning Commission Hearing: Tuesday, November 15, 2022 @ 6:00 p.m.
City Council Hearing: Monday, November 28, 2022 @ 6:00 p.m.

NOTICE IS HEREBY GIVEN that the proposed Ordinance is currently under review by the City of Milford Planning Commission and City Council. City Council has the option to approve or deny the application. By not adopting the ordinance, City Council will deny the application. By adopting the ordinance, City Council will approve the application and the reason for the language being written in the affirmative. This form of writing is not used to influence any decision of City Council:

ORDINANCE 2022-42

Application of Milford Self Storage LLC on behalf of 1st State Self Storage OZ, LLC
for a Preliminary Conditional Use

9.0 +/- acres of land located along the east side of S. Dupont Boulevard
approximately 350 feet south of the Route 14 intersection

Comprehensive Plan Designation: Commercial

Zoning District: C-3 (Highway/Commercial District)

Present use: Vacant

Proposed Use: Self Storage

Tax Parcel: MD-16-183.09-01-58.00

WHEREAS, Chapter 230-14(C)(11) states “business, commercial or industrial uses that do not adversely affect neighboring properties” are a conditional use subject to special requirements set forth by City Council; and

WHEREAS, the owners of the property as above described herein have petitioned the City of Milford for a Preliminary Conditional Use; and

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing on November 15, 2022; and

WHEREAS, Milford City Council will hold a Public Hearing on November 28, 2022 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to approve the Preliminary Conditional Use, as herein described.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section 1. Following adoption of Ordinance 2022-42, and upon the effective date, 1st State Self Storage OZ, LLC is hereby granted a Preliminary Conditional Use to allow a 90,000 square foot two-story self-storage building, six 2,400 square foot self-storage buildings and two 2,250 square foot self-storage buildings, in accordance with the application, approved plans, and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

Section 3. Dates.

Planning Commission Review & Public Hearing: November 15, 2022

City Council Introduction: November 14, 2022

City Council Public Hearing: November 28, 2022

Effective: Ten Days following Adoption

For additional information, please contact Rob Pierce in the Planning & Economic Development Department either by e-mail at RPierce@milford-de.gov or by calling 302.424.8396.

Advertised: Delaware State News 10-28-2022

10-24-2022; 11-28-22



PUBLIC WORKS FACILITY

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Milford, DE 19963
www.cityofmilford.com

Anthony J. Chipola III, Electric Director

PHONE 302.422.1110, Ext 1137

achipola@milford-de.gov

To: Mayor and City Council
From: Anthony Chipola, Electric Director
Subject: Net Metering Policy Changes
Date: November 7, 2022

Senate Bill 298 was signed into law in July which amends provisions in Title 26 of the Delaware Code, Section 1014 related to the rules and regulations promulgated by the Public Service Commission, municipal electric companies, and electric cooperatives on the subject of net metering.

The intent of this memo is to address the changes impacting current City of Milford solar customers. A complete list of the state's code changes can be found at the end of this document.

The first of these changes is that utilities shall no longer reimburse excess generation at the end of an annual period.

Second, excess solar generation will no longer roll over from year to year. All excess generation remaining at the end of the annualized billing cycle shall be zeroed out.

Third, the net metering cap calculation was standardized across utilities and increased from 5% to 8%.

These changes were intended to support and encourage solar development in a way that is equitable for future solar customers, protects customers from aggressive oversized system sales, and mitigates the financial and operational risks that utilities currently face. As solar penetration continues to grow, utilities are challenged in dealing with excess generation often leading to restricting and/or denying new solar applications in order to maintain a safe and reliable system.

Staff formed a working group to discuss these changes and developed an action plan to effectively transition current practices and procedures to align with the amended code.

Staff recommend the annual period referenced in state code be defined to end April 30 to correspond with the April reading for each cycle. As solar production during the winter months is minimal, this schedule would allow customers to draw down any banked credits generated and minimize excess generation. At the end of the 2023 annual period, any solar customer participating in the NMS program will be issued a final, one-time payment in the amount corresponding to any remaining banked solar credits at the solar generation rate at the time of issuance.

Staff has also taken liberty in updating Appendix B Section 24-13 of the City ordinance to reflect the changes in Title 26 of the Delaware Code. A red-line version is attached as part of this memo for reference.

Summary of changes to Title 26:

1. Over-production of on-site solar generation
 - a. At the end of the annualized billing period, the utility shall no longer reimburse or credit net-metering customers for any Excess kWh Credits
 - b. Should a net-metering customer abandon the property where the energy generating equipment is located:
 - i. The equipment may remain connected to the electric distribution system
 - ii. Unless the equipment presents a risk to the safety and reliability of the electric distribution system
2. Customer banking credits year-to-year
 - a. Excess kWh Credits shall revert to the utility at the end of the annualized billing period
3. Cost of the net meter
 - a. Non-residential customers are responsible for paying the reasonable cost of any new, replacement, or modified meter(s)
 - b. Residential customers are responsible for paying no more than \$200 toward the reasonable cost of any new, replacement, or modified meter(s)
 - c. Non-residential and residential customers shall not own the meter(s), which shall remain the property of the electric supplier
4. Meter data for utilities
 - a. To maintain system safety and reliability (not just accurate billing/crediting)
 - b. Consent may be waived by the customer
5. Waiver authority for larger solar capacity (farms)
 - a. Municipal electric utility is responsible for reviewing/approving solar requests for farms larger than maximum capacity
6. Considerations granted to utility when reviewing applications
 - a. Utilities can consider the reliability, safety, and capacity of the electric distribution system when reviewing interconnection applications and net-metering requests
7. Net-metering cap & calculation
 - a. Net-metering cap increased to 8%
 - b. Cap calculation is done the same way by all electric utilities in DE
 - i. Calculation for cap must be done in megawatts (MW) of AC (alternating current)
 - ii. Denominator is determined by the utility's average Delaware transmission peak for the preceding 3 years

CITY OF MILFORD PUBLIC NOTICE
NOTICE OF ORDINANCE REVIEW

The following ordinance is under review by the City Council of the City of Milford. Public comments will be accepted during a regular session of City Council on Monday, November 28, 2022 that begins at 6:00 p.m.

Ordinance 2022-43
Electric Tariff Amendment
Appendix B of the City of Milford Code
Section 24-13. NET METERING SERVICE

WHEREAS, the Code of the City of Milford Appendix B Electric Rules and Regulations establishes Rules and Regulations for the distribution and delivery of electric service on the City of Milford's electric system; and

WHEREAS, Senate Bill 298, signed into law in July 2022, amends provisions in Title 26 of the Delaware Code, Section 1014, related to the rules and regulations promulgated by the Public Service Commission, municipal electric companies, and electric cooperatives related to net metering; and

WHEREAS, the statute creates a need to amend the City of Milford Electric Tariff by eliminating the reimbursement of excess generation at the end of an annual period, discontinuing any rollover, and zeroing out excess solar at the end of the annualized billing cycle, and standardizing the net metering cap calculation across utilities with an increase from 5% to 8%; and

WHEREAS, these changes are intended to support and encourage solar development in an equitable manner for future solar customers, protect customers from aggressive oversized system sales, and mitigate the financial and operational risks that the City of Milford and other electric utilities are confronting due to excess generation that frequently leads to the restriction an/or denial of new solar applications to ensure the maintenance of a safe and reliable system.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. The City of Milford Electric Tariff shall be amended to coincide with Senate Bill 298 and provisions of Title 26 Section 1104 of the Delaware Code.

Section 2. Section 24-13 entitled Net Metering Service is hereby amended with strikeouts indicating matter stricken and underlined text as newly added language.

24-13. NET METERING SERVICE

1. AVAILABILITY

This Net Metering Service (NMS) Rider is available to all Customers, including all Farm Customers, who own their renewable power generation resource(s) (Customer Generator). The primary intent of this installation is to offset part or all the Customer's own electricity requirements. Capacity under the NMS Rider cannot be more than 25 kilowatts for Residential Customers, 100 kilowatts for Farm Customers or usage for

farming activities and 500 kilowatts for all other non-Residential Customers. The primary source of fuel must be solar, wind, hydro, fuel cell, gas from anaerobic digestion of organic material or another approved source of renewable energy which must be located at the Customer's premises for which the Customer is using the NMS Rider. The NMS Rider is applicable to a Customer-Generator interconnected and operated in parallel with the City's transmission and/or distribution facilities. Application for the installation of a Customer Generator system in excess of the above specified limitations, but not to exceed 2 megawatts, may be considered at the City's sole discretion and shall be made under a special contract.

Any Customer who elects the NMS Rider must apply by filling out the Generation Interconnection Application at least 60 days in advance of the proposed activation date. Approval of the application by the City must be granted prior to activation of the electric generation facility.

~~If the total generating capacity of all Customer Generators using NMS served by the City exceeds five percent (5.0%) of the capacity necessary to meet the City's aggregated Customers monthly peak demand for a particular calendar year, the City may elect not to provide the NMS to any additional Customer-Generators should the total generating capacity exceed the threshold outlined in Title 26 of the Delaware State Code.~~

2. APPLICATION FOR THE NMS RIDER

Any Customer who elects the NMS Rider must apply by filling out the Generation Interconnection Application at least 60 days in advance of the proposed activation date. The Application must include the generator size, type, manufacturer, and manufacturer specifications of all components of the electric generation facility. Approval of the application by the City must be granted prior to activation of the Customer Generator.

3. CONNECTION TO THE CITY'S SYSTEM

- A. The Customer Generator cannot be connected to the City's system unless it meets all applicable safety and performance standards set forth by the following: The Technical Considerations Covering Parallel Operations of Customer Owned Generation dated January 1, 2007, National Electric Safety Code, Underwriters Laboratories, Institute of Electrical and Electronic Engineers, North America Electric Reliability Council ("NERC") and the City's Electric Service Handbook. Special Attention should be given to the National Electric Code Sections 690 and 705. The Customer must, at his expense, obtain any and all necessary permits, inspections, and approvals required by any local public authorities and any other governing regulations in effect at that time. All the interconnection with the City's System shall be either done by the City or approved by the City.
- B. The Customer Generator must be installed and configured so that parallel operation must cease immediately and automatically during system outages or loss of the City's primary power supply. The Customer must also cease parallel operation upon notification by the City of a system emergency, abnormal condition, or in cases where such operation is determined to be unsafe, interferes with the City's supply of service to other Customers, or with the operation or maintenance of the City's system. Customer Generator system and equipment that comply with the

above listed codes and standards shall be deemed to have generally complied with these requirements.

1. If it is necessary for the City to extend or modify portions of its systems to accommodate the delivery of electricity from the Customer Generator, such extension or modification shall be performed by the City at the Customer's expense. For new Customers, such expense shall be determined by the difference between the total cost and the investment the City would make to install a normal service without the Customer Generator.

C. In the event that a net-metering customer abandons the property where the energy generating equipment is located, the equipment may remain connected to the electric distribution system, unless the equipment presents a risk to the safety and reliability of the electric distribution system.

4. DELIVERED VOLTAGE

The delivered voltage and delivery point of the Customer Generator shall be at the same delivered voltage and delivery point that would be supplied by the City if the Customer purchased all of its electricity from the City.

5. CONTRACT TERM

The contract term shall be the same as the Customer's applicable Rate Schedule or Service Classification.

6. RATE

- A. The monthly billing shall be as stated in the Rate Schedule applicable to the Customer. Under the NMS Rider, only the per kWh charge component billed for electricity delivered by the Customer is affected. The Customer will pay for all kWh delivered by the City to the Customer. If the Customer has delivered electricity to the City system, the City will provide for Customers to be credited in kilowatt hours valued at an amount per kilowatt hour equal to the sum of Delivery Service charges and Supply Service charges for Residential Customers, and the sum of the volumetric energy (kWh) components of the Delivery Service charges and Supply Service charges for non-Residential Customers for any excess energy production of their generating facility that exceeds the Customer's on-site consumption of kWh in a billing period. Excess kWh credits shall be credited to subsequent billing periods to offset a Customer's consumption in those billing periods.
~~At the end of the calendar year, a Customer may request a payment from the City for any excess kWh credit. The payment will be calculated by multiplying the excess kWh credits by the Supply Service rate applicable to the Customer. The Customer-generator retains ownership of Renewable Energy Credits (REC) associated with electric energy produced and consumed by the Customer-generator. Disposition of excess kWh Credits at the end of the annualized billing period shall be in accordance with Delaware State Code.~~
- ~~B. Supply Service Charge and Supply Service Rate - This charge shall be used at the end of an annualized billing period in a calculation to pay Net Energy~~

~~Metering ("NEM") customers who request payment for any regulatory defined and eligible excess kWh credits. The payment for residential customer accounts shall be calculated by multiplying the excess kWh credits by the Customer's Supply Service Charges from the first block of Supply Service Charges that would otherwise be applicable at the end of the Customer's Annualized Billing Period, excluding non-volumetric charges, such as the transmission capacity charge and/or demand charges.~~

7. METERING

An electric meter service will be installed at the Customer's location to measure the energy consumed and the energy delivered to the City system. The City will furnish, install, maintain, and own all metering equipment. Cost will be determined under the Additional Costs and Responsibilities clause below.

8. ADDITIONAL COSTS AND RESPONSIBILITIES

The Customer will be required to pay for any additional transmission and distribution costs, the cost of metering, transformation, system protection, and any related safety/protective equipment in excess of what would normally be paid for by the City. Protective equipment will be installed by the Customer to provide safety for personnel, provide adequate protection for the City's electric utility system and to the Customer's property, and to prevent any interference with the City's supply of energy to the City's Customers. This equipment will be owned, installed, and maintained by the Customer at its own expense.

9. FAILURE TO COMPLY

The City may disconnect the Customer Service from the City's electric system if the Customer fails to comply with any of the provisions of the NMS Rider. The City also retains the right to disconnect the Customer Generator if it interferes with the City's Service or ~~is~~ poses a safety or reliability risks to the City's electric system. The Customer shall also be responsible for all the penalties and costs caused by Customer's failure to comply with this Section.

10. RULES AND REGULATIONS

All the City's applicable Rules and Regulations shall apply to the Service rendered under this NMS Rider. All minimum billings, charges for kWh, kW, Purchased Power Cost Adjustment, General Cost Adjustment, Public Utility Tax, Renewal Energy Charge, etc. will be covered under the applicable Rate Schedule.

Section 3. Dates

Council Introduction: November 14, 2022

Public Comments & Council Determination: November 28, 2022

Section 4. Effective

This ordinance becomes effective ten days following its adoption by City Council.

Published: DSN 112222



The governing body has recessed to Executive Session. The regular meeting will resume shortly.

CITY COUNCIL MEETING



Executive Session
has concluded.
Council has returned to
Open Session