



# City of Beaumont

Response to Request for Proposal for Banking and Merchant Services

July 8, 2022

**Submitted by:**

Wells Fargo Bank, N.A.

Government Banking Division

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**CITY OF BEAUMONT**

**BANKING SERVICES PROPOSAL  
SUBMITTAL COVER SHEET**

BANK NAME:	Wells Fargo Bank, N.A.
LOCAL BRANCH ADDRESS:	499 E. 6th St. Beaumont, CA 92223
CONTACT PERSON:	Catherine Ramos
PHONE NUMBER:	951-845-2605
EMAIL ADDRESS:	catherine.ramos@wellsfargo.com
CORRESPONDING BANK: (If Applicable)	Not applicable
CORRESPONDING BANK CONTACT PERSON / PHONE NUMBER:	
<p>The proposed term of agreement for the services and costs quoted in this submittal is for a period of five (5) years, with the ability to extend for two (2) additional two-year periods. The undersigned hereby certifies that this proposal meets or exceeds all of the requirements as specified in the City's Request for Proposal (including the Notice Requesting Proposal, Proposal Terms and Conditions, Scope of Services, Pricing of Banking Services, and Proposal Submission Package Sections) except as otherwise indicated and supported by supplemental schedules or attachments included with this proposal.</p>	
Signed by Bank Signatory:	
Bank Signatory (Print Name):	Jamie O'Connell
Bank Signatory Title:	Senior Commercial Relationship Manager
Date:	6/29/2022
Address:	334 W. Third St. First Floor San Bernardino, CA 92401-1828
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Jamie O'Connell  
Vice President  
Relationship Manager

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Wells Fargo Bank, N.A.  
334 W. Third St.  
First Floor  
San Bernardino, CA 92401-1828

July 1, 2022

City of Beaumont  
Attention: Jennifer Ustation  
Finance Department  
550 E. Sixth St.  
Beaumont, CA 92223

Dear Ms. Ustation,

We would like to thank you for the opportunity to review the banking services for the City of Beaumont (the City). We are excited to share our technologies, best practices, and experience with you and hope you see the value in choosing Wells Fargo.

As your local relationship manager, I am responsible for helping ensure you are up to date with the latest trends by providing ongoing review of current services, and ultimately, being your advocate for any financial services you request from Wells Fargo. With 26 years of banking experience, and 16 years focusing on Government customers, I take pride in the relationships that we have built over the years and believe great customer service is most important in building that foundation. It is my goal to show you the value in our efficiencies, and that Wells Fargo is the best choice for all your financial needs. In addition, I am a resident of Yucaipa, allowing for in-person meetings as often as requested.

## Why change banks?

Your current growth requires the use of today's latest technology, and you need a banking partner that specializes in treasury management and focuses on your financial success. Wells Fargo is a leader in innovation, always striving to develop new services that meet our customers' needs — today and tomorrow.

When the City is comfortable doing so, we want to offer you a **Business Process Review** (BPR). This means you will collaborate with Wells Fargo treasury management experts who will evaluate your processes and offer ideas to streamline and create efficiencies and help your staff with their day-to-day tasks.

Our services work well together, and by having one bank process your collections, payables, and electronic billing, you get the added benefit of offsetting service charges with an earnings credit rate (ECR) based on collected balances.



In addition, we have a dedicated merchant services team that can consolidate your departments with one gateway and manage your credit card processing for your customers. This service provides one system for all online, phone, and face-to-face transactions. We offer a robust all-in-one commercial card system that keeps track of receipts and out-of-pocket expenses.

We also welcome the opportunity to show you a demo of Commercial Electronic Office® (CEO®), our online banking platform, and all the tools you receive as our customer.

## **Managing your relationship**

The City would be assigned to our local Government Banking Division in San Bernardino for all mail correspondence. My office is located at 334 W. Third St., San Bernardino, CA 92401. Your relationship is assigned to me, and I will meet with you in person, or virtually, for any upcoming projects, discussion of relationship goals, and ideas to improve your current position on all financial services. Your relationship associate, Anna Gonzales, is responsible for service requests. Anna also serves as my back up when I am away. Your dedicated treasury management sales consultant, Gurleen Pannu, works to serve your treasury management need. Depending on the services you choose, we work with a team of government experts in their fields and will provide the City with a strategic plan for financial growth while optimizing your internal resources.

We also have two Beaumont branch locations: 499 E. Sixth St., and 1494 E. Second St.; with a Wells Fargo branch right across the street from City Hall for convenience.

Please reference my “Message to the City” page that is inserted in Appendix Tab A, before the pricing documents. We asked a lot of questions during this process to come up with scenarios and recommendations that the city will find most valuable.

## **What’s next?**

Our proposal for banking services as requested in the RFP follows. After your request for proposal (RFP) period has closed, we hope to further our conversations about how Wells Fargo can potentially help take your banking to the next level. We look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Jamie O'Connell". The signature is written in a cursive, flowing style.

Jamie O’Connell, Vice President  
Relationship Manager  
Local Government Banking Division

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## III. Scope of services

**The following section details the services to be provided to the City. Except for nonsubstantial deviations or acceptable alternatives, all services listed in this section are mandatory. The City will not consider proposals for partial services.**

Acknowledged. Wells Fargo meets these requirements. We provide further details in this section as warranted.

**The following required services include:**

- 1. The bank must be a member of the Federal Reserve System. The bank must be a Federal or State of California chartered commercial banking institution with at least one full-service branch located within County of Riverside limits.**

Wells Fargo meets this requirement. Wells Fargo is a federal reserve bank and we have full access to all Federal Reserve services.

Wells Fargo Bank, N.A., originally chartered on November 30, 1870, is a national banking association organized under the National Bank Act and is not incorporated under the laws of any state. Rather, it operates pursuant to a certificate of authority issued by the U.S. Comptroller of the Currency.

Wells Fargo Bank, N.A maintains two full-service branches within Beaumont's city limits.

- 2. The bank must be a qualified depository for public funds pursuant to the applicable federal and state laws and regulations, statutes and policies. All balances must be fully collateralized through the pool collateral system required under the State of California.**

Wells Fargo Bank N.A. is an eligible public depository in the State of California. All public entities in California are entered into the pooled collateral program administered by the State. We will comply with all collateral requirements set forth in the California Government Code.

- 3. The bank must fulfill orders for currency and coin through the City's courier upon request.**

The City can place change orders through our online banking portal, CEO, to be delivered to your location on the date and time selected. You must have this service included with your courier contract, but Wells Fargo can accommodate this request with the authorized users you select at the City. In addition to online change orders, with enough notice, change orders may be placed with the local branch as well, if required.

## Cash vault services

You can place change orders online, by touch-tone order service, through a standing order, by transmission, or through DTS Connex®. Your contracted armored courier delivers change orders from a Wells Fargo vault to your location. For cash vault services, we will work with you during implementation to review cash vault restrictions and help you to compare our suite of services to identify the best option for you.\*

\* Some services are available subject to applicable product eligibility.

The City should contract directly with, and pay fees directly to, an armored courier of your choosing from our approved list of courier companies.

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### **4. The bank will engage a team or specific relationship coordinators for the life of the contract.**

Your relationship manager, Jamie O’Connell, and the treasury management sales consultant, Gurleen Pannu, are part of our Government Banking group, a team of seasoned professionals dedicated exclusively to serving the unique banking needs of the public sector. This team provides consultative, analytical, and qualitative service — your needs are our first priority. We enlist the help of our subject matter experts, should the need arise.

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### **5. The bank will provide full account reconciliation, positive pay, electronic fraud protection, electronic deposits and disbursement, online wire entry, and online stop-payment placement.**

Acknowledged and agreed. Wells Fargo meets these treasury service requirements. We provide service details in our response to section C, General banking services.

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### **6. Online reporting includes prior day transactions (no later than 8:00 a.m. Pacific Standard Time the next day) and current day transactions.**

The City can access both prior business day and current business day account information through our electronic banking system.

We update previous day information by 3:30 a.m. Pacific Time Tuesday through Friday and by 5:30 a.m. Pacific Time on Saturday.

We update current day (intraday) information multiple times throughout the day. The exact times vary depending on the specific transaction types and report. We report transactions and update the current ledger and available balances on a near real-time basis.

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### **7. Compensating balances and sweep accounts are preferred.**

We accept compensation in fees, balances, or a combination of the two. The same price schedule applies, regardless of the compensation method.



**8. Provide key measures of the bank’s financial strength, including ratings from nationally recognized rating service(s) and banking rating service(s). Include one copy of the bank’s most recent audited financial statements and one copy of the bank’s rating from a nationally recognized rating service.**

Wells Fargo & Company is a nationwide, diversified financial services company. We’re headquartered in San Francisco, but we’re decentralized, so every local Wells Fargo office is a headquarter for satisfying all our customers’ financial needs and helping them succeed financially.

We identify key measures of our financial strength in the following table.

Key facts	Measure
<b>Capital ratios</b>	
Total equity to assets <sup>1</sup>	9.51%
Risk-based capital <sup>2</sup>	
• Common equity Tier 1	11.85
• Tier 1 capital	13.54
• Total capital	16.75
Tier 1 leverage <sup>2</sup>	8.36
<b>Market value of stock<sup>3,4</sup></b>	\$161.8 billion
<b>Total assets<sup>2</sup></b>	\$1.9 trillion+
<b>Customers<sup>3</sup></b>	70 million
<b>Digital (online and mobile) active customers<sup>3</sup></b>	32.9 million
<b>Households<sup>3</sup></b>	1 in 3

1. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Investor Relations > Annual Reports and Proxy Statements > 2020 Annual Report.

2. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Investor Relations > SEC and Other Regulatory Filings > Q1 2021 Form 10-Q.

3. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Who We Are > Quarterly Fact Sheet.

4. Based on sales, profits, assets, and market value as of March 31, 2021.

**9. Provide the financial institution’s current level of public funds deposited and related collateral market value.**

As of 05/31/2022, public funds deposits were \$4,009,119,794.93 and market value in collateral was \$4,824,368,608.81.

## 10. The ability to accept multiple file submissions from our payment processing financial system.

### Consolidated payables file transmission

You can initiate ACH payments directly from your treasury workstation, enterprise resource planning (ERP) platform, or accounts payable (AP) system when you use our consolidated payables service. Saving you time, our service groups ACH transactions and multiple other payment types in a single file.

The service supports the following payment types.

#### Payment types for consolidated payables

U.S. ACH transactions in U.S. dollar (USD)	Foreign currency wires
USD and Canadian Dollar (CAD)* paper checks	Requests for transfer (SWIFT MT101 messages)
Global ACH transactions in foreign currencies	Wells Fargo virtual card transactions
USD wires	Disbursements with Zelle®†

\* CAD paper checks are available only for off-us accounts.

† Zelle® and Zelle®-related marks are wholly owned by Early Warning Services, LLC, and are used herein under license.

Our consolidated payables service separates payments by type and processes them accordingly, sending traditional or human-readable remittance information to payees as appropriate.

## 11. Provide the City with a check scanner for deposit of checks directly from City Hall as well as a “smart-safe” for deposit of cash.

Your treasury management sales consultant, Gurleen Pannu, helps you select and purchase equipment that best suits your business needs.

Our remote deposit service is compatible with Panini, Canon, and Digital Check scanners.

Check scanners are ordered through our vendor Superior Press, and may be applied to analysis and the transition allowance we are offering if used within the first 12 months.

Prior to installation, the smart safe vendor you select will arrange for an installation specialist to conduct a site readiness inspection at your locations. The vendor will typically install the safes on a concrete base and use bolts that secure the safes to the floor.

The smart safe is a contract between the City and an armored courier of your choice. We are only on the receiving end of the transmission, and those contracts are held separately from ours and are not included in our proposal. The safe purchase or lease is an agreement with a different vendor and not subject to our response, but we include information about the cash received related to this service.

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**12. Image of deposited items and provide online access for deposit reconciliation including images of deposited items.**

Acknowledged and confirmed. Once captured, images are available for viewing through our online banking service within two hours of your deposit cutoff time.

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**13. Provide online and email notification of deposit issues within 24 hours.**

You can choose from several options to receive returned entries and notifications of change (NOCs). You can receive them by:

- Online
- Email
- Transmission
- Your ERP, accounting platform, or payment system
- Fax

You can choose the option that best suits your needs. The ACH Return/NOC report is available through our online information reporting service. This report provides a settlement summary and full detail about each return. The report includes:

- NOCs
- Dishonored returns
- Contested or corrected dishonored returns
- Redeposits
- Refused NOCs
- Administrative returns

You can view this report in HTML or PDF format and download it in BAI V2, CSV, or Excel format.

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**14. Possible off-site credit card payments on City-issued mobile devices.**

With Clover Go, the City can use your mobile phone or tablet to accept payments wherever you do business. You download an app to your iOS or Android device. Then, with the use of one card reader, cardholders can dip or tap to pay. The card reader, which connects using Bluetooth, is EMV chip card enabled. The service can capture signatures for card transactions. In addition, you can record cash and check transactions for reporting purposes.

You connect using your device's cellular data plan or Wi-Fi supported with a wireless router or hotspot. Please refer to the response to section E. New services and ideas, Wells Fargo Merchant Services, for more details.

## **Security and fraud protection tools**

With all devices, encryption and tokenization help protect card data, while EMV chip card technology helps prevent in-person fraudulent transactions.

To help potentially reduce your payment card industry (PCI) compliance scope, you can configure the Clover Station Solo, Clover Station Duo, Clover Mini, and Clover Flex devices to provide point-to-point encryption (P2PE) and PCI P2PE-certification at no additional cost.\*

\* Because Clover Go uses a Bluetooth card reader linked to your own mobile device, the solution cannot be PCI P2PE-certified and you cannot accept PIN-debit transactions.

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### 15. Provide positive pay services with online transmission of check details.

Positive pay is an important tool for reducing losses due to check fraud or check processing errors. With our same-day and next-day positive pay services, **we identify checks that may be fraudulent or unauthorized** by matching checks presented against your account for payment to the check issue information that you provide us.

Please see the response to section C, question 5, for details.

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### 16. Provide positive pay exception item review and correction online.

Our balance reporting system integrates positive pay reports, both online and through our mobile service. You can view a list of positive pay exception items, view check images, and submit pay and return decisions.

All exceptions will post to your account; however, we do not include MICR errors and misreads with positive pay exceptions. Our Operations group will reverse MICR errors and misreads, and then repost them with the correct information on the following business day.

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### 17. Provide online stop-payment services.

You can submit stop payment orders online or by electronic transmission in your account reconciliation or positive pay check issue file. With both methods, you can place stop payments 24 hours a day, seven days a week, from multiple locations. We process stop payments in real time.

Please see the response to section C, question 6, for details.

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### 18. Provide all canceled checks daily (by 8 a.m. next day) and monthly, sorted in check number order. Provide an electronic file of paid/cleared check images (front and back), in addition to any alternative electronic archival system used by the bank.

You can request front and back paid check images and receive them promptly through our online Transaction Search service. Images are available by 6:00 a.m. Pacific Time the business day after posting. Some images may also be available on an intraday basis.

Our image transmission service, Image File Import (IFI), provides a daily, weekly, semi-monthly, or monthly file of paid check images, and related index information. Image files are available as early as 8:00 a.m. Pacific Time the day after posting.

When processing paper items, check truncation is our standard service. We image these items. The City can search for images of disbursement checks posted to your account for up to seven years.

## 19. Provide online access to cashed check images.

You can receive check image detail online or through image transmission.

### Online

You can retrieve, view, print, and download disbursed check images through our online banking portal using our Transaction Search service. Images are available by 6:00 a.m. Pacific Time the business day after posting. Some images may also be available on an intraday basis. Images are available for seven years.

### Image transmission

Our image transmission service provides a daily, weekly, semi-monthly, or monthly file of paid check images, and related index information. Image files are available as early as 8:00 a.m. Pacific Time the day after posting. Through our secure transmission platform, you can download files into your internal archives, or to our viewing software. During implementation, you will choose which format, XML or PDF, you want to use for your files.

## 20. Method of reversal of automatic direct deposits for errors.

You can choose from the following options for initiating an ACH transaction or batch reversal:

- Include a reversal transaction in your next ACH file
- Submit a reversal request online
- Email or fax your reversal request to us

Per National Automated Clearing House Association (Nacha) guidelines, you must notify receivers of any reversals and submit your reversal requests within five business days after settlement. Our deadline for reversal requests is 1:00 p.m. Pacific Time on the fourth day after the entry's posting date. For same-day transactions initiated online, through email, or through fax, reversal requests must be received before 5:00 a.m. Pacific Time.

### Security procedures

#### ACH file

Individuals who can originate ACH transmission files at the City can include reversal entries in the file.

#### Online

Only your authorized users can initiate reversal requests through our online banking portal. Your company administrator can grant or restrict user access.

#### Email or fax

If you choose to use our secure email or fax option, we provide you the required forms. You control who has access to these forms at the City. We accept all emailed and faxed forms, as long as all required fields are complete, and an authorized user has signed the form.

## Notification

We offer the following options for notification of reversal results:

- Call our ACH Customer Service group for confirmation
- Receive a confirmation when you initiate a reversal online
- Receive a CNote when you send a reversal file or batch
- Receive one or both of the following end-of-day processing reports by fax or transmission: Delete/Reversal Summary report and Delete/Reversal Item report
- View ACH reports on our online banking portal

### 21. Accept and send ACH transactions.

Our electronic link to the ACH network allows us to receive and initiate any payment type available through Nacha. We have no processing window restrictions. You can initiate same-day, one-day, and two-day ACH transactions that settle to U.S. accounts through all of our input methods. When using our online initiation service, you can require dual approval for outgoing ACH payments. Our ACH Fraud Filter service further helps to protect your accounts with options to review or stop unauthorized debit and credit transactions.

You can increase your accounting efficiency with detailed treasury reporting, and you can gain a more predictable cash flow — versus using paper checks — because settlement options let you know when payments will clear. Streamlining your business, you can use our ACH services to:

- Deposit employees' wages directly into their checking accounts
- Pay vendors
- Convert paper checks to ACH debits for electronic processing
- Make state and federal tax payments
- Make international payments
- Handle cash concentration and disbursement transactions
- Make other direct deposits and direct payments

### 22. Accept ACH payment files from 3rd parties.

We receive files from hundreds of vendors who process payroll files for our customers. During implementation, we ask for a contact from the City whom we contact in the event that there are any production issues when processing your ACH transactions. We also ask for a technical contact from your third-party processor.

During implementation, we:

- Coordinate the transmission setup with your technical contact
- Discuss various transmission protocols we support
- Require acceptable test files before moving into production

Once in production, we process the files from your vendor as if you sent them to us directly. Because your processor sends your payroll file to us, the processor receives the CNote file confirmation. You can choose for us send your returned items either to your processor or the City.

### 23. Provide ACH debit blocking services.

We offer two options that block ACH debits to your account.

We can automatically return transactions that you did not preauthorize\* and process all that you preauthorized. Alternatively, we can block all ACH activity from posting to your account.

\* ACH reversals bypass the ACH Fraud Filter service and post to your account automatically.

### 24. Provide a secure electronic method to initiate intra-bank transfers.

## Online banking portal

Our online banking portal is available 24 hours a day, seven days a week, providing you with single sign-on access to account information and a wide range of financial services. By tailoring your user preferences on the portal home page, you can view your account balances and transaction information at a glance. Transfers are secure, requiring dual control on all money movements between accounts.

The services you can access through our online banking portal are listed in the following table.

Online services	
<b>Treasury Management</b>	Treasury Information Reporting
ACH Payments	<ul style="list-style-type: none"> <li>Pooling and Intercompany Loans</li> </ul>
Alerts	WellsOne® Expense Manager
Basic Banking	WellsOne Virtual Card Payments
Bill Manager	WellsTax® payments
Cash Concentration	Wire Transfer
Cash Vault	<b>International Services<sup>2</sup></b>
Centralized Disbursements	Canadian Treasury Services
Deposit Maintenance	CyberSuite
Desktop Deposit®	Foreign Exchange (FX)
Electronic lockbox (E-Box®) Decisioning	CEO Trade
Electronic Document Delivery	<b>Credit, Loan, and Finance</b>
Fraud Manager	Capital Finance
<ul style="list-style-type: none"> <li>Positive Pay</li> <li>Check Issues<sup>1</sup></li> <li>ACH Fraud Filter</li> </ul>	Commercial Mortgage Servicing View
Healthcare Claims Payments	Credit Management
Healthcare Supplier Payments	Customer Online Management System
Lockbox	<b>Trust and Investment<sup>3</sup></b>
Payments	Allspring Funds®
Payment Manager®	Commission Management System
	Derivatives Access
	Fed Funds

## Online services

Payment Manager File Validation Tool	Institutional Investing: Reporting
Receivables Manager	Institutional Investing: Trading
Returned Item services	Mutual Fund Reporting
Reverse Positive Pay	Mutual Fund Trading
SAFE Transmission	Prime Services
CEO Administration	Security Valuations
Statements & Notices	Trust Information Delivery
Sweep Statements and Confirmations	Trust Portfolio Reporting
Transaction Search	Wells Capital Management
<ul style="list-style-type: none"> <li>• Search transaction history</li> <li>• Images</li> <li>• ACH Deletes and Reversals</li> <li>• Stop Payments</li> </ul>	Wells Cap Portfolio Reporting

1. Add new checks, cancel existing checks, or place stop payments.
2. Deposits held in non-U.S. branches are not Federal Deposit Insurance Corporation (FDIC) insured.
3. Investment products are not FDIC insured, are not deposits of, or guaranteed by the bank, and may lose value. Deposit and credit products are offered by Wells Fargo Bank, N.A. Member FDIC.

## Features and capabilities

With our online banking portal, you can:

- Sign on for services, including alerts by email or text
- Centralize your payment and disbursement capabilities
- Place stop payments, research transactions, and view images
- Customize and download current and previous day reports
- Initiate domestic and international ACH payments, wire transfers, FX, trade, credit, and trust transactions
- Help mitigate fraud and operational risk with advanced monitoring tools
- Set and manage user authorizations, transaction limits, and assign administrators

To see a demonstration of our online banking portal, please contact your treasury management sales consultant, Gurleen Pannu.

## Security features

### User security

All users must enter a company ID, user ID, and password to access our online banking portal.

In order to access transaction-based or user-management services, a user must enter a PIN and token code. This second level of authentication helps ensure that the individual performing an activity on your account is authorized to do so.



## Dual custody

To help reduce your fraud risk, we require dual custody (separate users to initiate and approve) to release online payment transactions, and for any administration services related to transaction-based services.

Dual custody is an industry standard and best practice. This feature helps protect against fraud that could originate inside or outside your company.

For maximum effectiveness, dual custody should involve two users on different computers or mobile devices. You can choose to add dual custody to other online features such as user setup and password resets. By separating user tasks to initiate and approve a payment or make changes to user access, you are better positioned to help prevent fraud.

## Additional security measures

We offer extensive security measures to help safeguard your information when you access any of our online services. From physical security of our data centers to encryption of data transmissions to sophisticated access controls, we take precautions to help ensure that your information is safe.

The security of our online banking portal includes:

- Computer network security
- Data center security
- Round-the-clock monitoring
- Data integrity
- Access controls
- Internal controls

### 25. Provide a secure electronic method with dual authorization for wiring funds.

We offer multiple methods for electronically initiating transfers. All methods provide the ability to require dual control release capability. This includes wires sent to other Wells Fargo customers and beneficiaries at other banks. The City may also set up a dual control wire template for vendors like LAIF and preapproved agencies.

### 26. Provide online balance reporting services.

## Previous day

Our previous day reporting includes all transaction types that post to your accounts. Our standard data storage provides access to seven calendar days of history. We also offer optional extended storage of 30, 60, 90, or 120 calendar days for balances and transaction details.

We update previous day information by 3:30 a.m. Pacific Time Tuesday through Friday, and by 5:30 a.m. Pacific Time on Saturday, though it is often available sooner.

## Online and mobile information reporting

Previous day reports	With this report you can:
<b>ACH Customer Activity</b>	Access ACH settlement information and adjustment details by account, as well as a summary of return activity so you can make more informed decisions about managing your accounts.
<b>Express Balance</b>	Receive a quick snapshot of your previous day account balance information as well as your current available balance.
<b>Month-to-Date Balance</b>	View a daily summary of account balances — including averages, aggregate float, and total transactions — posted to your account for month-to-date, prior month, or a specific date range.
<b>Previous Day Posting Status</b>	View this report throughout the day to see when your accounts' previous day information is available. This report can include information for Wells Fargo accounts and accounts at other financial institutions.
<b>Previous Day Composite</b>	Receive a comprehensive view of previous day posted account information, including balances, transaction summaries, and transaction details. You can also view images of each check transaction and view full detail for wire transfers and received ACH transactions.
<b>Previous Day Return Item</b>	View details of paper returns after they are charged to your account. You can also view images of each returned item.
<b>Sweep Account Position*</b>	Monitor your line of credit, view your investment position for the next day, see how sweep activity impacts your line of credit, and track dividend accruals.

\* For Money Market Mutual Fund Stagecoach Sweep® and Credit Sweep customers only. Investment products are not FDIC insured, are not deposits of or guaranteed by the bank, and may lose value. Deposit and credit products are offered by Wells Fargo Bank, N.A. Member FDIC.

## Current day

Our current day reporting includes balance information and the following transaction types:

- ACH debits and credits
- Cash letter deposits with availability
- Incoming and outgoing domestic and international wire transfers
- Lockbox deposits with availability and detail
- Remote deposits with detail

Our standard data storage provides access to seven calendar days of transaction history. We also offer optional extended storage of 30, 60, or 90 calendar days.

We update current day information multiple times throughout the day. The exact times depend on the specific transaction. We report transactions that post, and we update current ledger and available balances, on a near real-time basis.

## Online and mobile information reporting

### Intraday reports

### With this, report you can:

<b>ACH Origination</b>	View ACH-originated transactions and confirm that Wells Fargo received and processed them.
<b>ACH Receive</b>	View timely information for all received ACH transactions that will post to your account at the end of the current day.
<b>ACH Return/NOC</b>	Receive detailed information for all ACH transactions that were returned for any reason, as well as NOC information for items that processed successfully but may require additional action.
<b>Deposit Detail</b>	View your electronic deposits for the day, including the items in each deposit and whether the items were processed as checks or converted to electronic transactions.
<b>E-Box</b>	Review and post payments that originate through an online bill pay service. View information needed to match payments to your accounts receivables (AR).*
<b>EDI Payment Detail</b>	Obtain detailed ACH and EDI payment data with addenda translations from your trading partners in a comprehensive format.
<b>Intraday Composite</b>	Receive a comprehensive view of intraday information, including balances, transaction summaries, and transaction details.
<b>Intraday Position</b>	View total balances across multiple accounts with summarized debit and credit information, helping you determine your intraday cash position, and make daily investment and borrowing decisions.
<b>Intraday Return Item Detail</b>	Access details of returned paper items before your account is charged for the returns.
<b>Lockbox Availability</b>	Determine your funds availability for all lockbox deposits.
<b>Lockbox Detail</b>	View detailed information about received lockbox payments from your customers. You can also view images from each deposit, including checks and remittance documents.
<b>Wire Transfer Detail</b>	Receive complete details for all outgoing and incoming wire transfers, including book transfers, domestic U.S. wires, and cross-border wires.

\* Standard report storage is 60 days. We do not offer extended storage for this report.

## 27. Allow approximately 5 City employees with different levels of authorization to access the bank's online reporting system.

Your company administrator can perform a variety of functions through our online administration service, including:

- Creating, maintaining, and deleting user access, including password resets
- Restricting user access to services and accounts and setting transaction dollar limits
- Creating account or user lists to better organize your users and accounts — lists can be used throughout the administration service to easily select multiple accounts or users to administer
- Setting up multiple users with similar access controls at the same time
- Establishing additional controls for specified transactions and functions that require review and approval by a one or more approvers before the request is executed\*
- Setting up forced dual controls for all tasks performed through the online administration service\*
- Running management reports that show current user entitlements for a rolling 365 days of administration activity history

\* We require dual custody for money movement transactions and changes to user access.

## 28. Provide account reconciliation services for disbursements (full, partial or positive pay, depending on account).

We offer our disbursement customers the option of either full or partial account reconciliation plan (ARP) services.

We work with you to help you choose the service option that best meets your requirements.

## 29. Provide monthly activity statements and reports by the 10th day of the following month or sooner.

Monthly statements are available online for the current month and the previous 12 months.

The following table lists the mailing dates and online availability of statements and optional reports.

Service option	Business days after cutoff: online	Business days after cutoff: mailed
<b>Demand deposit account (DDA) statements</b>	1 day	3 days
<b>Full reconciliation statement and reports (with or without positive pay)</b>		
Month-end cutoff	4 days	6 days
Non-month-end cutoff	4 days	4 days

Service option	Business days after cutoff: online	Business days after cutoff: mailed
<b>Partial reconciliation statement and reports (with positive pay)</b>		
Month-end cutoff	4 days	6 days
Non-month-end cutoff	4 days	4 days
<b>Partial reconciliation statement and reports (without positive pay)</b>		
Month-end cutoff	1 days	2 days
Non-month-end cutoff	1 days	1 days

**30. Provide a detailed monthly account analysis statement for each individual account and a consolidated statement showing charges for all account services.**

Our interactive account analysis statement is available online.

The City can select individual or multiple items to trend up to 13 months of analysis history, giving you a quick overview of changes in your activity and pricing.

**31. Collateralize all collected balances, in excess of balances insured by the FDIC as required by applicable Federal/California Government Codes.**

Agreed. We will comply with all collateral requirements set forth in the California Government Code.

**32. The city requires a daily deposit pick-up from City Hall with additional pick-up available upon request via an armored car service provider.**

The City should contract directly with, and pay fees directly to, an armored courier of your choosing from our approved list of courier companies.

We will assist you in identifying local courier services.

## IV. Information requested

### A. Qualifications and experience

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.

#### Our history

On March 18, 1852, our founders — Henry Wells and William G. Fargo — began an innovative start-up company dedicated to helping customers build businesses and manage money in a rapidly changing world. Wells and Fargo used their hands-on experience making deliveries by steamship and stagecoach to develop a network of offices from California to New York and around the world. Wells Fargo agents in thousands of communities provided financial services to local businesses, including money orders and funds transfers by telegraph as well as delivery of valuable goods and mail.

Much has changed since 1852. New communities and industries have emerged and grown. Evolving technology has made communication and financial transactions faster. Across time, and for every generation, Wells Fargo has continued helping customers go further by providing innovative financial services to get ahead. In times of prosperity, depression, or war, people and businesses have turned to Wells Fargo for the solutions they need to survive and thrive. We're committed to continuing this legacy of providing essential services, innovative solutions, and removing barriers so that we help enable consumers and communities achieve prosperity and success.

#### Our footprint

Wells Fargo & Company is a nationwide, diversified financial services company with \$1.92 trillion in assets. We provide banking, insurance, investment, mortgage, and consumer and commercial finance services through more than 7,200 locations, 13,000 ATMs, as well as, online (wellsfargo.com), and through mobile devices. We're headquartered in San Francisco, but we're decentralized, so every local Wells Fargo office is a headquarters for satisfying all our customers' financial needs and helping them succeed financially. We do business with more than 70 million customers and one in three U.S. households. We have approximately 254,000 employees.\*

\* As of August 2021.

The list of Wells Fargo & Company subsidiaries is included in the annual 10-K filing at <https://www.wellsfargo.com/about/investor-relations/filings/>

We have approximately 254,000 employees.\*

\* As of August 2021.

## 2. Provide the address of the office location(s) that will service the account.

For local convenience, we have two Beaumont branch locations:

### Beaumont branch

499 E. Sixth St.  
Beaumont, CA 92223

### 2nd Street Marketplace branch

1494 E. Second St.  
Beaumont, CA 92223

Your relationship manager, Jamie O'Connell, will house the City's relationship with our local Government Banking group, and her office is in San Bernardino. She works with the City on all projects and requests directly, and visits you onsite at City Hall as requested.

## 3. Describe the experience of the financial institution in providing similar services for other cities and institutions.

### Wells Fargo Government Banking

For almost 170 years, Wells Fargo has been a trusted financial institution. We're a leading national bank ranked third in assets by the FDIC in 2022. The strength of our balance sheet helps us serve our government customers across the country.

Government Banking is part of our Specialized Industries group. Through this group and its resources, we strive to provide the high level of service that you expect and deserve from your banking provider.

Our more than 300 Government Banking team members work with nearly 5,500 government customers across our footprint of 39 states and the District of Columbia, with \$42 billion in deposits and \$21 billion in commitments.

### A dedicated government team

Our Government Banking group aligns sales, specialized banking teams, investment banking professionals, and tax-exempt fixed-income trading and distribution capabilities.

The team itself consists of more than 300 banking, credit, and treasury management professionals including relationship managers, treasury management sales consultants, treasury management sales analysts, customer service representatives, and implementation consultants who work together as one team in order to help provide you with industry knowledge and expertise.

Our 79 relationship managers are tenured professionals who are local to their markets. A dedicated relationship manager oversees your relationship, with your treasury management sales consultant further supporting your relationship by sharing new ideas and consulting with you about your services.

### Customers like you

We support approximately 5,500\* government customers with our coast-to-coast, national GB practice, giving your local team access to industry intelligence and innovative best practices.

\* Wells Fargo internal reporting, as of 2021.

In the State of California, our dedicated Government Banking team of local relationship managers provides solutions for **801 government organizations** who hold an average balance of **\$4 billion**.

Our customer relationships include federal, state, county, and city governments, as well as government agencies, authorities, and municipal utilities. In addition to the regional support provided by our teams, we also specialize in key subsectors of the industry including public power, transportation, and state housing finance authorities.

## Helping you meet your challenges

We understand the different needs and challenges facing our government customers. Our employees work with you to help you maximize efficiency and take advantage of cost-saving options. They can also help you navigate the strict guidelines and technology challenges unique to government customers. Whether advice on how to raise capital, manage assets, or increase operational efficiencies, we constantly share the knowledge we've gained from other government customers that have similar challenges.

## An enhanced customer experience

We regularly monitor our service levels to validate and help ensure the consistent quality of the customer service that we provide you. We also offer educational sessions on current treasury management topics to keep you aware of industry best practices and regulatory changes.

## Why Wells Fargo?

We help make it convenient to use our services. As one of the first banks in the U.S. to offer web-enabled treasury management services, Wells Fargo is recognized as a leader in online and mobile services, as shown below.

<p><b>Global Finance*</b></p>	<p>Best Corporate/Institutional Digital Bank in North America (2020)</p> <ul style="list-style-type: none"> <li>• Best Online Portal</li> <li>• Best Online Investment Management Services</li> <li>• Best Trade Finance Services</li> <li>• Best Integrated Corporate Banking Site</li> <li>• Best Information Security and Fraud Management</li> </ul> <p>Best In Social Media Marketing and Services</p> <ul style="list-style-type: none"> <li>• Best Open Banking Application Programming Interfaces (APIs)</li> </ul>
<p><b>Keynova Mobile Banking Scorecard†</b></p>	<p>#1 in Overall Performance, tied with Bank of America and Chase</p> <p>#1 in Mobile Web Banking Experience and Privacy and Security (March 2020)</p>
<p><b>Keynova Small Business Banking Scorecard†</b></p>	<p>#1 Overall Performance — Small Business Banking Experience through Digital Channels (2020)</p>

\* Global Finance. August 12, 2020. "[World's Best Digital Bank Awards 2020 Press Release.](#)"

† Wells Fargo. 2021. [wellsfargo.com](#) > About Wells Fargo > Who We Are > Quarterly Fact Sheet.



**4. Complete the following table with current credit ratings by Standard & Poor's Rating Services and Moody's Investor Services. If the proposer is not rated by these rating organizations, provide other evidence of the institution's financial strength.**

Wells Fargo subscribes to DBRS, Fitch, Moody's, and Standard & Poor's ratings agencies. We include our current ratings in the following table.\*

Wells Fargo & Company	DBRS Morningstar	Fitch	Moody's	S&P Global
Long-term Issuer Rating	AA (low)	A+	A1	BBB+
Short-term Issuer Rating	R-1 (middle)	F1	P-1	A-2
Senior Unsecured	AA (low)	A+	A1	BBB+
Subordinated	A (high)	A-	A3	BBB
Preferred Stock	A (low)	BBB	Baa2	BB+

Wells Fargo Bank, N.A.	DBRS Morningstar	Fitch	Moody's	S&P Global
Long-term Issuer Rating	AA	AA-	Aa2	A+
Short-term Issuer Rating	R-1 (high)	F1+	P-1	A-1
Bank Deposits	AA	AA	Aa1	A+
Senior Unsecured	AA	AA-	Aa2	A+
Subordinated	AA (low)	A	Aa3	BBB+

\* The information provided can be found on our [Investor Relations site](#) and is provided for informational purposes only. We do not guarantee the accuracy or completeness of information on or available through this site, and we are not responsible for inaccuracies or omissions in that information or for actions taken in reliance on that information. Please read [Legal Disclaimers](#) before using or relying on information on or available through this site. Potential investors in our securities should seek professional advice before they invest.

**5. Discuss the firm's current capital structure, adequacy, and coverage. If applicable, provide the firm's risk-based capital classification (Well Capitalized, Adequately Capitalized, Under Capitalized, Significantly Undercapitalized).**

Wells Fargo & Company is a nationwide, diversified financial services company. We're headquartered in San Francisco, but we're decentralized, so every local Wells Fargo office is a headquarter for satisfying all our customers' financial needs and helping them succeed financially.

We identify key measures of our financial strength in the following table.

Key facts	Measure
<b>Capital ratios</b>	
Total equity to assets <sup>1</sup>	9.51%
Risk-based capital <sup>2</sup>	
• Common equity Tier 1	11.85
• Tier 1 capital	13.54
• Total capital	16.75
Tier 1 leverage <sup>2</sup>	8.36
<b>Market value of stock<sup>3,4</sup></b>	\$161.8 billion
<b>Total assets<sup>2</sup></b>	\$1.9 trillion+
<b>Customers<sup>3</sup></b>	70 million
<b>Digital (online and mobile) active customers<sup>3</sup></b>	32.9 million
<b>Households<sup>3</sup></b>	1 in 3

1. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Investor Relations > Annual Reports and Proxy Statements > 2020 Annual Report.

2. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Investor Relations > SEC and Other Regulatory Filings > Q1 2021 Form 10-Q.

3. Wells Fargo. 2021. wells Fargo.com > About Wells Fargo > Who We Are > Quarterly Fact Sheet.

4. Based on sales, profits, assets, and market value as of March 31, 2021.

## Capital adequacy and risk coverage

Wells Fargo manages a variety of risks that can significantly affect our financial performance and our ability to meet the expectations of our customers, shareholders, regulators and other stakeholders. We continue to monitor our business, including our loan portfolios, for potential direct, indirect, and macro-economic impacts.

For additional information about how we manage risk, see the “Risk Management” section in our 2021 10-k annual report, link below.

### 6. Include an electronic copy of the most recent audited financial statement and the latest 10-k report with the proposal.

You can locate Wells Fargo & Company’s most recent annual report through the following site: [wellsfargo.com/invest\\_relations/annual](https://wellsfargo.com/invest_relations/annual).

You can locate Wells Fargo Bank, N.A.’s last four quarterly call reports through the following site: <https://cdr.ffiec.gov/public/ManageFacsimiles.aspx> by using the Wells Fargo Bank, National Association FDIC Certificate No. 3511.

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**7. Provide the bank's Community Reinvestment Act (CRA) rating.****Community Reinvestment Act rating**

The Community Reinvestment Act (CRA) of 1977 requires banks to meet the credit needs of all the communities where they do business, especially low- and moderate-income communities. In its most recent CRA Performance Evaluation, which covers the years 2012-2018, the OCC gave Wells Fargo an overall CRA rating of "Outstanding."

The CRA Performance Evaluation notes that Wells Fargo is a "leader in making community development (CD) loans," and makes "significant use of innovative and flexible loan products" to meet credit needs. The Performance Evaluation also noted that our retail banking options are accessible in a majority of the areas surveyed and that we serve our customers through full-service ATMs, phone banking, online and mobile banking, and mobile payments. On the individual components of the Performance Evaluation, Wells Fargo received an "Outstanding" on the Lending Test, a "High Satisfactory" on the Investment Test, and a "High Satisfactory" on the Service Test.

The OCC also rated our performance in the State of California as "Outstanding," which reflects our strong track record of lending to, investing in, and providing service to low- and moderate-income communities, both in the State of California and nationwide.

We are deeply committed to economic growth, sustainable homeownership and neighborhood stability in low- and moderate-income communities and expects to invest above and beyond what is required by the CRA. Community reinvestment is an integral part of our business culture. We have long understood that we can be no stronger, nor more successful, than the neighborhoods and communities where we do business. Supporting our communities allows us to better meet our customers' financial needs and helps us to achieve our goal to be one of America's best companies.

You can find our most recent CRA performance evaluation at the following link:  
[wellsfargo.com/about/community/wfcra/perf\\_evaluation](https://wellsfargo.com/about/community/wfcra/perf_evaluation).

The California evaluation starts on page 245.

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**8. Be sufficiently capitalized to accommodate the City's cash management needs and ensure collateralization of funds.**

Wells Fargo meets this requirement. Our public funds deposit collateralization program complies with all applicable statutes and regulations governing public funds deposits, including the pledge and perfection of collateral. Identifier codes — used on public funds accounts — trigger collateralization. We determine collateral needs based on the prior day's close of business account balance. However, we can accommodate same-day collateral requests upon sufficient, advanced notification of an incoming deposit.

The Public Fund Database generates daily reports that allow us to monitor daily balances, and FDIC and collateral requirements. We collateralize deposits by using securities that maximize the bank's liquidity while meeting all applicable collateralization requirements. Wells Fargo obtains market value from established third-party services. The collateral value is market-to-market daily.

We closely monitor deposit balances to ensure they are operational in nature and support the ongoing business needs of our customers. For deposit balances consistently in excess of a customer's operational needs during periods of elevated liquidity, we offer off-balance sheet solutions through our sweeps to money funds and fixed income platform to accommodate a customer's needs. We reserve the right to assess a monthly deposit balance fee based on average positive collected balances that we determine are in excess of a customer's operational cash needs.

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

## B. Personnel

### 1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account.

Your Wells Fargo Government Banking team understands your business objectives and has the experience to provide the City with the solutions and relationship support you deserve and expect of your financial service partner. Your core relationship team is led by relationship manager, **Jamie O'Connell**, and treasury management sales consultant, **Gurleen Pannu**. Together your team looks forward to working with you as your primary banking partner and are committed to bringing you innovative, efficient solutions to enhance your treasury management processes.

We center our business on the needs of our customers. We take pride in approaching each relationship individually and, as one team, leveraging our resources to create the most value for our customers. We create value through providing industry knowledge and expertise, strength and stability, and an enhanced customer experience.

#### **Jamie O'Connell**

Relationship Manager

334 W. Third St.

First Floor

San Bernardino, CA 92401

951-295-7482

866-205-4778 (eFax)

jamie.oconnell@wellsfargo.com

#### **Gurleen Pannu**

Treasury Management Sales Consultant

999 Third Ave.

42nd Floor

Seattle, WA 98104

206-833-4083

gurleen.pannu@wellsfargo.com

Biographies of your full Wells Fargo relationship team follow.

### 2. Describe your firm's policy on changing the primary contact person on an account.

We consider your preferences when assigning a relationship manager to your relationship and make a concerted effort to keep the existing relationship assignments in place and unchanged. However, there are cases, mostly due to natural attrition, where a new relationship partner is assigned to replace a departing employee.

In the event that your relationship manager exits their role, we provide you with as much advanced notice as possible, and also make a good-faith effort to replace the individual with someone equally qualified and experienced.

We facilitate a full knowledge transfer, as well as a warm handoff, so that you're comfortable with the transition and feel confident that your services will continue without interruption.

In addition, our top priority is to provide all members of our Customer Care for Businesses (CC4B) Service Office with equal training, so that in the event of staff turnover the City will receive the same high level of attention and customer service.

### 3. Name the individuals who will work with the City on a day-to-day basis. Information should include:

- a. Experience working with other City and or government institutions.
- b. Proposed role with regard to the City's account.
- c. Number of years of experience in this field
- d. Number of years with your firm
- e. Describe the level of local decision-making authority these individuals have to handle emergency need of the City as they arise.

## Local, dedicated relationship team

Our relationship-focused approach to our diversified set of products and services helps ensure you have solutions that are right for you — at the right time. We are your advocate, and our goal is to exceed your expectations and establish an interactive relationship. The following chart contains the biographies with pertinent information of your team.

Your relationship manager, Jamie O'Connell, and her leadership team have full local decision-making authority to handle emergency needs of the City as they arise.

### Relationship Manager

**Jamie O'Connell, Vice President**



334 W. Third St.  
Fourth Floor  
San Bernardino, CA 92401

jamie.oconnell@wellsfargo.com  
951-295-7482 mobile

Jamie offers the City consultative financial and banking guidance and coordinates the team of specialists that support your banking relationship. Jamie is your advocate at the bank and assists with all financial services you request from the bank.

She began working for Wells Fargo in 1996 and has been a relationship manager since 2012, but has focused on Government customers for the past 15 years. She is celebrating her 26th work anniversary at Wells Fargo this year.

She is an active member of the Wells Fargo Volunteer Chapter and is on the advisory board for the Inland Empire Ronald McDonald House. She also organizes volunteer groups for Habitat for Humanity and the Community Action Partnership of San Bernardino County. Jamie is also very involved with CSMFO's annual conference, and local chapter meetings.

**Relationship Associate****Anna Gonzales**

333 S. Grand Ave.  
Seventh Floor  
Los Angeles, CA 90071

anna.l.gonzales@wellsfargo.com  
213-253-7304, ext. 7304 office

Anna supports your relationship manager, Jamie O'Connell, and helps to enhance your customer service experience. She serves as your liaison with other areas of the bank. She also assists with questions related to account analysis statements and overdrafts.

Anna has been in banking since 2008 and a relationship associate since 2019.

She received her business management degree from Mount San Antonio College.

**Treasury Management Sales Consultant****Gurleen Pannu, Assistant Vice President**

933 Third Ave.  
42nd Floor  
Seattle, WA 98104

gurleen.pannu@wellsfargo.com  
206-833-4083 mobile

Gurleen offers her treasury management expertise to the City. She shares best practices and product and service information to guide you in developing your treasury management program.

Gurleen has worked in banking since 2011, where she began her career with the Wachovia and Wells Fargo merger. With more than 11 years in finance, Gurleen's background spans from retail to business, and Government Banking. Gurleen has been working with government entities since 2018.

Gurleen received her bachelor's degree in human services from The George Washington University.

**Treasury Management Sales Analyst**  
**Jessie Volz, Assistant Vice President**



1350 Fashion Valley Rd.  
 Fourth Floor  
 San Diego, CA 92108

jessie.volz@wellsfargo.com  
 619-688-2850 office

Jessie supports your treasury management consultant, Gurleen Pannu. She works with you to begin new service implementations and can assist with treasury management questions when Gurleen is unavailable.

Jessie brings more than 14 years of banking experience to her current position.

Jessie earned her B.S. in business management from San Diego State University in 2008.

**Lead Merchant Services Product Sales Consultant**  
**Todd Reed**



1350 Fashion Valley Rd.  
 Fourth Floor  
 San Diego, CA 92108

todd.reed2@wellsfargo.com  
 619-857-3855 office

Todd recommends payment processing solutions to fulfill the City's processing needs. He shares best practices and product and service information to guide you in developing your eReceivables program. He can also assist you with other receivables and print services products.

Todd has worked in banking since 2000. He began working for Wells Fargo in 2017 as an eReceivables consultant. He is a Six Sigma Black Belt, an Enterprise Content Management Professional (ECMP), and a Management Action Program (MAP) graduate.

Todd received his B.S. in business administration from the Rochester Institute of Technology.

**4. Will a specific customer service representative or a customer service department be assigned to handle day-to-day transactions for the City?**

The City will contact our industry award-winning\* CC4B Service Office for assistance with your inquiries related to online services. For all other requests, you will contact your relationship team; relationship manager, Jamie O'Connell, and your relationship associate, Anna Gonzales.

\* 2020 American Business Awards silver winner for Customer Service Department of the Year.

**a. Describe the responsibilities of the customer service personnel, including the chain of command for problem resolutions.**

The City will contact our CC4B Service Office for assistance with your services. Client service officers assist you until your issues are resolved. They take ownership to navigate your inquiry through any needed solutions and assist with any simple or complex issues you encounter. They are service experts who understand treasury management from your perspective and quickly understand your questions and concerns. Your relationship team prefers to be included on any issues related to signer changes, maintenance on accounts, and escalated inquiries.

## Continuity of service

Our client service officers do not have an assigned number of customers. They are trained to understand and respond to the City's needs without interrupting your service.

## Escalation process

If you have an issue our client service officers can't solve, they will escalate it on your behalf. It is the responsibility of our client service officers to use the leadership structure to assist with escalations. They may also engage technical support and key product and operational associates.

**b. Is local customer service support available at the bank's local branches?**

The City may conduct transactions using the local branch, but due to the many customized needs of our Government customers, it is important to always include your relationship manager, Jamie O'Connell, for any of these requests. She can coordinate an appointment for a branch need with the local manager, but all maintenance on accounts is conducted with the local government team. Jamie is located 15 minutes away and can support local meetings at your request.

In the rare occurrence a branch transaction is needed, Jamie can introduce the City to the local branch manager, Catherine Ramos, for additional support. Most of your needs will be met with our treasury management solutions, local government expertise, and online maintenance with your relationship team.

**c. What are the hours of operation of each customer service unit involved in supporting the proposed services?**

Our CC4B Service Office representatives are available Monday through Friday from 4:00 a.m. to 7:00 p.m. Pacific Time and Saturday from 6:00 a.m. to 12:30 p.m. Pacific Time.

Your relationship team can be reached between normal business hours Monday through Friday from 8:00 a.m. to 6:00 p.m. Pacific Time, holidays excluded.



**d. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?**

If an error is discovered, your relationship manager, Jamie O'Connell, and relationship associate, Anna Gonzales, prefer to be the first notified of the issue. For any technical support issues, or online banking support, they may refer you to our CC4B Service Office team that can provide more in-depth training or assistance.

When you contact our CC4B Service Office with an inquiry that requires research, the client service officer who works with you logs your issue and provides you with a case number and an expected resolution time. Your client service officer may also engage additional resources as needed.

**5. IT Resources: Will the bank provide dedicated IT liaison(s) to work on set-up, file transfer, testing and troubleshooting/issue resolution? During what hours is technical support available?**

Yes. In most cases, client service officers can diagnose your problem and provide a solution on the first call. However, if there is a problem that our customer care representatives can't resolve, they act as your liaison to escalate the issue to our CC4B Technical Support.

## Hardware and software issues

While we can't provide support for the City's hardware and software, we will assist in any way we can. For instance, we can help to troubleshoot an issue with a scanner but won't troubleshoot an area that your IT department is more suited to support; we won't put your systems at risk.

## Transmissions issues

Our Wholesale Transmissions department focuses primarily on communication issues related to data transmission. Customers who exchange information with Wells Fargo using our data transmission service will also have the help of dedicated support staff.

## Hours

Our CC4B Service Office representatives are available Monday through Friday from 4:00 a.m. to 7:00 p.m. Pacific Time and Saturday from 6:00 a.m. to 12:30 p.m. Pacific Time.

Our CC4B Technical Support group is available during the same hours as our CC4B Service Office team: 4:00 a.m. to 7:00 p.m. Pacific Time and Saturday from 6:00 a.m. to 12:30 p.m. Pacific Time.

Again, customer care representatives contact CC4B Technical Support on your behalf and communicate the issue back to you.

## C. General banking services

### 1. Deposit Processing

**a. Please provide a listing of bank branches, noting the address and distance of the branch closest to the City.**

Wells Fargo has two locations in the City of Beaumont. Our closest branch to the City’s main office is located at 499 E. Sixth St.

The branches identified in this table are closest to your locations and can support your commercial deposits for cash and checks.

Your location	Branch	Branch hours (local time)	Branch deposit deadline (local time)	Distance
City of Beaumont 550 E. Sixth St. Beaumont, CA 92223	Beaumont 499 E. Sixth St. Beaumont, CA 92223 951-845-2605	Mon-Fri: 9:00 a.m. – 5:00 p.m. Sat: 9:00 a.m. – 12:00 p.m.	Mon-Fri: 5:00 p.m.	0.09 miles
	2nd Street Marketplace 1494 E. Second St. Beaumont, CA 92223 951-769-2973	Mon-Fri: 9:00 a.m. – 5:00 p.m. Sat: 9:00 a.m. – 12:00 p.m.	Mon-Fri: 5:00 p.m.	2 miles

**b. For deposits collected and transported by the City, which branch location do you propose the City use to deposit funds?**

We propose the City use our Wells Fargo branch located at 499 East Sixth St., conveniently located across the street from City Hall.

**c. Please describe the bank’s deposit requirements. How should the coin and currency deposits be prepared? How should un-encoded check deposits be prepared?**

Deposit preparation requirements vary based on the deposit method.

### Deposits using post verify service

If you use our post verify service — so that we verify your cash deposit after you leave the branch — we require the City to make your deposit in a secure, plastic, tamper-evident, dual-pouch bag. Each bag must contain a bar code, as well as a unique 10-digit serial number on a tear strip, that you retain as a record.

Insert cash in the tamper-evident portion of the bag (top section). Place checks and the deposit ticket in the resealable portion of the bag (bottom section).

You can deposit loose coin in amounts less than \$10 at all branches. Most branches accept rolled coin for deposit amounts between \$10 and \$50. You should use FED standard coin bags for amounts greater than \$50. You may include checks and currency on the same deposit ticket.

## Night depository

The procedures for night deposits are the same as those for post verification. The City will make your deposit in a secure, plastic, tamper-evident, dual-pouch bag. Each bag must contain a bar code, as well as a unique 10-digit serial number on a tear strip, that you retain as a record.

Insert cash in the tamper-evident portion of the bag (top section). Place checks and the deposit ticket in the resealable portion of the bag (bottom section).

## Deposits to a cash vault

Deposits made to a cash vault require a secure, plastic, tamper-evident deposit bag. Each bag must contain a bar code, as well as a unique 10-digit serial number on a tear strip, that you retain as a record.

If you're submitting split deposits, you insert cash in the top section of the bag. Place checks and the deposit ticket in the bottom section. If you're submitting mixed deposits, you insert cash, checks, and the deposit ticket in the deposit bag.

You can deposit both loose and rolled coin in any amount. Special coin bags may be required for weight purposes. We recommend that you deposit checks and currency on separate deposit tickets, but it's not required at most of our cash vault locations.

## Deposits to ATM

Using your business ATM deposit card, the City can deposit cash and checks at any of our Wells Fargo deposit-enabled ATMs. The deposit preparation steps are as follows:

- Make deposits in batches of up to 30 items (cash and bills together)
- Deposit cash and checks directly into the ATM — you do not need to use an envelope or deposit ticket

## Remote cash capture

You receive detailed deposit preparation requirements and procedures during implementation. The requirements and procedures vary based on the safe model that the City selects. You can deposit loose coin in amounts less than \$10 into the safe as a manual deposit.

#### d. What is the ledger cutoff time for deposits?

Our cutoff times for same-day ledger credit vary based on how you make your deposit.

### Branch deposit services

- **Deposit-enabled ATM** — ATM deposits made before 9:00 p.m. local time will be posted on the same business day. You receive credit the next business day for deposits you make after the deadline, on weekends, and on federal holidays.
- **Night depository** — Once we process your deposit, you receive same-day credit for cash and check deposits made prior to the cutoff time.
- **Teller line** — You receive same-day ledger credit for both cash and check deposits made by branch closure, local time.

The branch deposit deadline for your local Beaumont branches is Monday through Friday, 5:00 p.m. Pacific Time.

### Remote cash capture (smart safe)

Most customers choose to receive provisional deposit credit the next business day through our standard or premium remote cash capture service, SafeVantage®.

We can provide provisional same-day credit to the City's account. However, this level of service requires establishing a cutoff time that is before the end of a typical business day, which can cause reconciliation problems. In anticipation of matching transaction data, we post on the same day your deposits were made or prior to the cutoff time. We then post the deposits that you make after the cutoff time to the next business day.

The following table shows the cutoff times in local time.

Service level	Cutoff time (local time)	Provisional credit received*
Standard	4:00 a.m.	Next business day at end of day
Premium intraday†	4:00 a.m.	Next business day by 8:00 a.m.

\* At implementation, we can discuss questions you may have concerning receipt of provisional credit.

† Additional fees apply.

For check deposits that the City makes in the smart safe's manual drop slot, you will receive credit after the deposit is physically picked up and delivered to Wells Fargo for verification. These deadlines for pickup are the Cash Vault cutoff times.

### Cash vault by armored courier service

Different deadlines apply for cash only, check only, and mixed deposits of cash and checks. You receive same-day credit for deposits received by the deposit deadline.

You can place coin and currency orders 24 hours a day, seven days a week — using our online banking portal, automated touchtone phone system, or direct file transmission services. Your armored courier normally delivers your change orders the next day; remote locations may require two days in transit. Contact your armored courier to confirm your delivery times for change orders.

The following table lists our cutoff times for deposits and change orders, in local time.\*

Cash vault site	Deposit deadline			Order deadline	
	Cash-only	Check-only	Mixed	Touch tone	Online or Transmission
<b>California</b>					
Los Angeles	7:30 p.m.	7:30 p.m.	6:00 p.m.	10:30 a.m.	10:00 a.m.

\*Cash Vault Locations, Deadlines, and Touch-Tone Quick Reference Guide. Your relationship manager, Jamie O’Connell, can provide this guide. You may also download it from our online banking portal, in the cash vault service section.

## Wholesale lockbox

The following table lists our deadline for the Los Angeles site. At sites with more than one deadline, you can choose the time that best meets your internal balance reporting or transmission requirements.

We include payments received after your established deadline (including any payments processed during the weekend or on a holiday), in the following business day’s work.

Lockbox site	Deposit time*
Los Angeles	4:50 a.m., 10:00 a.m., 5:00 p.m., 7:00 p.m.

\*All times are local.

**e. How are deposits created? Are all items immediately verified? If provisional credit is given, when does verification take place? If the financial institution corrects a deposit, how with the City be informed of this change?**

The City uses many different deposit methods today, and depending on the service used, the cutoff times may vary. The City may have branch deposits, cash vault deposits, lockbox deposits, and items submitted through remote deposit or our E-Box solution.

No matter the solution, we start the verification process right away and will notify you of any items or transactions that may be subject to return. If something is returned, we notify the City upon our knowledge, and the City can set preferences to obtain returns based on your desired alert settings.

## Branch deposit services

You will receive a receipt for the amount listed on the deposit ticket and provisional credit at the time you hand the deposit to the teller.

Based on the branch's proximity to a cash vault location, we verify the cash either at the branch or at one of our cash vault locations. If we complete our verification at the branch, we verify it within 48 hours. If we complete it at a cash vault, we verify it within 72 hours.

You receive an adjustment notice by U.S. mail or email. The notice includes the amount, reason for the adjustment, and location code (if applicable).

## Remote cash capture (smart safe)

The smart safe holds your deposit until your armored courier picks it up.

Each smart safe is equipped with a built-in bill validator and counterfeit detection technology. The bill validator verifies the authenticity of each bill and confirms deposits note by note.

The City will receive provisional expedited credit to your account on all cash deposits made by the service cutoff time.

The City has two options to receive provisional credit:

- **Standard** — You receive credit for your deposits on the next business day in the evening after the cash has been deposited and you can view transactions on previous day reports.
- **Premium intraday** — You receive next business day credit by 8:00 a.m. local time and view transactions on both intraday deposit and previous day reports.

## Deposit adjustments

The safe vendors' guarantee programs cover nearly all deposits that their safes validate; however, the process for reimbursement differs by vendor.\*

### Brinks

The Brinks guarantee covers cash in safe and counterfeit items. Wells Fargo will post adjustments for out-of-balance conditions. For reimbursements, the City must work directly with Brinks.

### Garda

The Garda guarantee doesn't cover cash in the safe or counterfeit items. Wells Fargo will post adjustments for out-of-balance conditions. For reimbursements, the City must work directly with Garda.

### Loomis

The Loomis guarantee covers cash in the safe and counterfeit items. This vendor doesn't make adjustments, if the discrepancy is under \$100. Wells Fargo will post an adjustment to your account for all out-of-balance conditions greater than \$100. You can initiate research requests directly with the bank. Upon request, we may handle the claims process with Loomis.

\* The process is subject to change by Brinks, Garda, and Loomis. Please contact your armored courier for the vendor's most current safe guarantee program information.

## Cash vault

Deposit procedures begin once your armored courier transports your deposit. Your armored courier transfers the deposit from the vehicle to the cash vault and documents the deposit contents in a manifest.

Our tellers process the deposit\* and credit your account for the total declared on the deposit slip. You receive same-day credit for deposits received by the vault deadline.

\* Tellers work under video surveillance and follow dual custody procedures.

## Deposit verification

Within 48 hours of receipt of your deposit, tellers count and verify the cash against the amount shown on your deposit slip.

The City can review deposit and adjustment transaction information using these sources:

- Daily balance reports\*
- Monthly bank statements
- Cash vault reports\*
  - Cash Vault Activity Summary
  - Deposit Activity
  - Deposit Adjustment Activity
- Online cash vault service

\* Additional fees apply for reports.

## Deposit adjustments

You can use our standard adjustment amount or opt to adjust all discrepancies. We generally do not disclose our dollar limit. You can choose to receive a phone call notification for all adjustments of more than \$100.

For any deposit discrepancy, we send a deposit adjustment notice by email or U.S. mail. Notices include the deposit date, declared amount, verified currency total by denomination, and location number (if applicable). When you use our online Cash Vault service, you can also see the deposit adjustment online.

## Wholesale lockbox

Operators create a file that contains the MICR data, check amount, and a digital image of each deposited check, then transmits the file to our processing department. We then clear the checks electronically.

After your scheduled lockbox deposit deadline passes, we generate your lockbox output that includes both images and data. You can receive your reports and images online or by transmission. You can also request to receive a paper package by mail.\*

We will gather any unprocessed or rejected items and deliver them to you based on your instructions. Because we credit all deposits processed through our lockbox network into Wells Fargo accounts, we are responsible for handling all adjustments and resolving any errors. This prevents you from having to work with multiple institutions to resolve inconsistencies.

\* Additional fees may apply.

## Deposit corrections

If errors are discovered, we will notify the City of the issue and it will be notated on the previous day report. However, we don't identify and adjust all discrepancies.

We reserve the right to write off check adjustments and cash adjustments based on dollar thresholds that we set internally. As a matter of policy, we don't disclose these thresholds to customers.

If your account is a commercial deposit account or an analyzed business deposit account, then you may arrange for us to adjust all discrepancies identified during any verification without regard to our standard adjustment amount. Please contact your relationship manager, Jamie O'Connell, to make this request.

When we adjust a deposit amount, we make a separate debit or credit entry to your account. We also provide an adjustment notice and relevant backup documents.

If you use our subaccounting service, then your adjustment notice will include your location number and location name (if applicable).

## Reporting

We provide deposit adjustment notices inform you about discrepancies. Our procedures vary based on where we process your deposits. You can also review adjustments on your bank statements, online reports\*, and file transmissions. Gurleen Pannu, your treasury management sales consultant, can discuss timeframes with you at service implementation.

\* Additional fees apply for reports.

## 2. Remote Deposit Capture

### a. Describe the financial institution's ability to process checks by RDC.

## Remote deposit

You can potentially save both time and money by using our remote deposit service to deposit checks into your Wells Fargo account electronically. **Our service eliminates the need for your employees to make trips to the bank to deposit checks.** In addition, an extended deposit deadline of 7:00 p.m. Pacific Time for same-day ledger credit may mean faster notice of returned items.

Our service can also help you consolidate your banking relationships, since you no longer need to maintain accounts at local banks that have physical branches near your locations. **Fewer banking relationships can help you save money on account maintenance fees and reduce the time spent reconciling multiple bank accounts.**

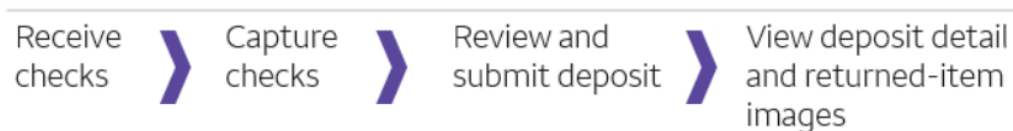
## How it works

With our remote deposit service, you scan checks for deposit by using an approved check scanner and computer with internet access. Next, you confirm the check dollar amounts and verify the deposit balances. Then, you submit the deposit to us and receive a prompt confirmation.



If you enroll in our Alerts service, we send authorized users a deposit confirmation notice by email or text message.

The following diagram shows the remote deposit process flow.



## Features

### Image access

As you scan checks, we capture their images and store them on our servers. Check images are immediately available online through our remote deposit service for 90 days and also available online through our Transaction Search service for seven years.

### Custom fields

Using multiple discretionary data fields, you can enter customized information about the checks that you receive; this feature lets you search for checks using your own criteria and makes it easy to upload data into your AR system. Our quick data feature simplifies the capture process by automatically recalling some of your previously entered receivables data.

### Reporting

You can generate the following reports through our remote deposit service.

Report name	Description
<b>Deposit Report</b>	This report contains general information (including deposit amount, number of checks included, and submission date) for deposits completed within the past 90 days. It is available in HTML, PDF, CSV, and Excel formats.*
<b>Deposit Report with Item Details</b>	This report contains general deposit information (including deposit amount, number of checks included, and submission date) and item details (including item amount, item status, and check number) for each deposit completed within the past 90 days. It is available in HTML, PDF, CSV, and Excel formats.* The HTML format includes links to display item images.
<b>Deposit Report with Check Images</b>	This report contains general deposit information and item details for each deposit. It is available in PDF format. You can select the number of images (up to four per page) that you would like to see, including the option to include the back of the check image.
<b>Deposit detail transmission</b>	We offer a deposit detail transmission that can include discretionary data that you manually entered, in addition to check detail. This feature allows you to receive an electronic file for posting your receivables.

\* CSV, Excel, and HTML formats contain keyed discretionary data.

## User access

The City's designated system administrators establish users, grant them access, and set their check limits.

Administrators can customize each user's access. For example, a user can have scan-only access for one account and balance-only access for another account. This flexibility lets you implement dual controls so that one person scans and another person submits a deposit.

## Batch deposits

You can create multiple batches within one deposit. This batching helps to simplify balancing when you have checks for multiple entities in the same deposit. To help simplify how you reconcile individual batches, our deposit reports show the name and subtotal of each batch.

## Mobile deposit

You can capture check images and deposit funds\* to your account with the camera of a mobile device.† Mobile users, such as on-the-road personnel, can accept customer checks and deposit them immediately.

\* One check per deposit.

† Requires an iPhone, iPad, or iPad Mini running iOS version 11 or later or an Android device running 7.0 or later.

## Updates

If you use our remote deposit service through our online banking portal, you don't need to install any software (other than a scanner driver). Any updates and enhancements we make are promptly available to you when you access the system. If you use our remote deposit service through your mobile device, you need to download the latest version of our mobile application to access all of the latest features and enhancements.

## Quality control

✓	Before submitting a deposit, you will have a chance to review the scanned items, and make corrections (such as rescan images, enter missing data, and verify item amounts) to balance the deposit.
✓	Our Electronic Deposit Center inspects and analyzes the image quality of all items, looking for illegible items, image issues such as streaking or interference within key areas, and image contrast.
✓	While image quality exceptions are rare (accounting for approximately 1% or less of all items we process*), we follow a standard process for handling them.
✓	If we cannot clear an item, we follow an adjustment process and notify you accordingly.

\* Internal reports, April 2021.

### b. Is there a limit on the number of checks that can be contained in a single deposit?

Yes. If you use our remote deposit service, you can include up to 1,000 checks in a single deposit. You need to create multiple deposits if you have more than 1,000 checks to deposit.

**c. Does your service allow for multiple deposits in a single day?**

Yes. There are no limits on the number of deposits you can make in a day.

**d. How will we be notified of deposit corrections and/or adjustments?**

We provide deposit adjustment notices that you can view online through our Statements and Notices service. You can access updates Monday through Friday through our online banking portal at 11:00 a.m., 3:00 p.m. and 8:00 p.m. Pacific Time.

You can also choose to receive email or text message notifications that let you know when deposit adjustment notices are available for viewing. If you prefer, we can send notices to you by mail.

**e. Describe the process used for balancing and correcting deposits transmitted to your institution.**

After the City submits a deposit for processing, our Electronic Deposit Center reviews it and attempts to resolve any exception items.

When a correction is necessary, we resolve it by making a separate debit or credit entry to your account and provide you with an adjustment notice and associated documentation.

If your deposit includes 25 or more exceptions, or if exceptions comprise more than 50% of your deposit, we do not process it. We contact you by email and ask you to correct the problem for each exception and resubmit the deposit.

**f. Does your service offer the ability to adjust data using recognition technology that was not captured correctly by the scanner? If yes, please describe. If not, does the service allow the addition, deletion, and rescanning of checks during both the correction and balancing functions?**

Yes. During the review process, authorized users can correct data that the scanner did not capture correctly. Authorized users can perform the following functions to correct data and balance your deposits:

- Rescan an item if the image is not legible or if the information is not captured correctly from the MICR line
- Manually enter missing data, such as the deposit amount and other transaction information
- Manually key in MICR data
- Scan additional deposit items
- Delete one or more items from a deposit

**g. What equipment does the financial institution recommend for RDC and what is the price for this equipment?**

Your treasury management sales consultant, Gurleen Pannu, helps you select and purchase equipment that best suits your business needs.

Our remote deposit service is compatible with Panini, Canon, and Digital Check scanners. The following table lists the specifications by manufacturer.

Suggested daily check volume	Scanner type	Check-processing speed and volume	Connection interface and dimension
<b>Fewer than 20</b>	iPhone, iPad and Android smartphone		<ul style="list-style-type: none"> <li>• CEO Mobile® deposit</li> </ul>
	Digital Check CheXpress CX 30-IJ	Single feed	<ul style="list-style-type: none"> <li>• USB 2.0 (recommended)</li> <li>• Backward-compatible with USB 1.1, with performance limitations</li> <li>• 9.5" Lx4.0"Wx7.0"H</li> <li>• Weight: 3.5 lbs.</li> </ul>
<b>Fewer than 500</b>	Digital Check TS240-50	50 documents per minute	<ul style="list-style-type: none"> <li>• USB 2.0 (recommended)*</li> <li>• Backward-compatible with USB 1.1, with performance limitations*</li> <li>• 11.1"Lx5.1"Wx7.5"H*</li> <li>• Weight: 5.2 lbs.</li> </ul>
	Panini X 50	50 documents per minute	<ul style="list-style-type: none"> <li>• Mac compatible</li> <li>• USB 2.0 (recommended)</li> <li>• Backward-compatible with USB 1.1, with performance limitations</li> <li>• 10.39" Lx5.43"Wx6.88"H</li> <li>• Weight: 5.5 lbs.</li> </ul>
<b>More than 500</b>	Canon CR190i II†	190 documents per minute	<ul style="list-style-type: none"> <li>• USB 2.0 (recommended)</li> <li>• 10.7"Lx18.7"Wx8.4"H</li> <li>• Weight: 18.5 lbs.</li> </ul>
	Digital Check TS 240-100	100 documents per minute	<ul style="list-style-type: none"> <li>• USB 2.0 (recommended)*</li> <li>• Backward-compatible with USB 1.1, with performance limitations*</li> <li>• 11.1"Lx5.1"Wx7.5"H*</li> <li>• Weight: 5.2 lbs.</li> </ul>

\* Applicable to all Digital Check TS240 scanner models.

† Allow five to seven extra business days for delivery.

At this time, we do not offer a multi-tray feeder solution for high-volume scanners.

If you have low volume, the City can consider using our mobile deposit service or purchasing a single-feed scanner to capture and deposit checks.

With average use, all of the scanner models have an expected life cycle of approximately four years.

## Mobile deposit

Mobile deposit service users with scan and balance authorizations can deposit checks\* from a camera-enabled iPhone, iPad, or Android smartphone† through the downloadable CEO Mobile app available from the Apple App Store® and Google Play™ store.

\* One check per deposit.

† Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

We have included pricing on scanner equipment, maintenance fee, necessary supplies, and set-up fees in the Appendix section of our proposal.

### **h. Can checks be automatically endorsed with the financial institution's RDC service? Is the automatic endorsement an electronic image or printed on the check?**

Though scanners cannot print the City's endorsement on checks, our remote desktop service can overlay a virtual, preformatted endorsement on the back of each check image. If you choose to use this feature, you don't need to endorse your checks prior to scanning them. Through our reporting services, you can view this virtual endorsement.

We offer a standard virtual endorsement format that is not customizable.

### **i. Are checks cleared as ACHs or image replacement documents? How does the financial institution's software determine the clearing mechanism?**

We clear more than 99% of items by image exchange, and less than 1% by image replacement document (IRD).

### **j. Is there a difference in legal standing for items clearing by ACH or image replacement documents (IRDs)? If so, please describe.**

No.

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## **3. Coin/Currency Ordering Services**

### **a. Does the financial institution have an automated coin/currency ordering service? Describe the deposit and change order procedures, cutoff times, security and other features of this system.**

Yes. You can place automated coin and currency orders. We debit your account the day that we fill your orders and include your location numbers (if applicable) on your electronic reports and statements.

## Online tool for cash management

the City can create, track, and manage cash deposits and change orders online across multiple banks using the DTS Connex Online Cash Management Tool.\* You make deposits and place coin and currency orders that we provision with our cash vault by armored courier and cash vault by mail services. International Financial Services requires a separate enrollment to use this tool.

\* DTS, DTS Connex, and corresponding logos are registered trademarks or service marks of International Financial Services, Inc. IFS is not a subsidiary or affiliate of Wells Fargo. The DTS Connex Tool and any other products or services provided by IFS to you are separate from the services you receive from us, and we make no representations or warranties and will have no liability to you in connection with products and services provided to you by IFS.

## Security features

The DTS Connex tool features:

- **Account lockout** — The system locks out a user account, if there are too many invalid password attempts.
- **Password expiration** — The system requires users to update their password every 90 days.
- **Timed sign-off** — The system automatically signs off users during periods of inactivity.

## Standing, automated order

During your cash vault service implementation, you can provide details to receive change orders on a predetermined delivery schedule (recurring orders). As a security measure, such standing orders eliminate the need to place an order manually, which can reduce the likelihood of inaccurate or fraudulent orders.

## Deadlines

Different deadlines apply for cash only, check only, and mixed deposits of cash and checks. Coin and currency orders vary according to the cash vault that provisions your order.

### **b. Describe change order procedures and restrictions for branch pick up.**

You can call your branch, 24 hours in advance, to place a change order. Depending on the settlement method that you choose, restrictions may apply for pickup. If you use a third-party courier for order pickup, then bank preapproval is required prior to initiating a relationship with the local branch.

Additional restrictions — relative to the size and frequency of change orders — vary depending on the branch's location. We will work with you during implementation to review any restrictions and identify the best option for you.

## Cash vault services

You can place change orders online, by touch-tone order service, through a standing order, by transmission, or through DTS Connex. Your contracted armored courier delivers change orders from a Wells Fargo vault to your location. For cash vault services, we will work with you during implementation to review cash vault restrictions and help you to compare our suite of services to identify the best option for you.\*

\* Some services are available subject to applicable product eligibility.

## 4. Returned Item Processing

### a. Can returned items be automatically re-deposited? If so, how many times?

Yes. We can automatically redeposit items returned for nonsufficient funds (NSF) or uncollected funds (UCF) one time. We cannot redeposit items returned for any other reason. Our redeposit service is optional by location.

### b. Does the financial institution offer any options that may increase the collection of NSF checks?

Yes. We offer a re-presented check service that provides a highly automated process for electronically re-presenting checks returned for NSF or UCF. Our Electronic Returns service converts your returned check to an electronic ACH debit. This conversion allows us to make up to two re-presentation attempts (instead of only one with the paper deposit process), which can help increase your collection rates.

Consumer checks of less than \$2,500 that are returned for NSF or UCF are eligible for this service.

Wells Fargo began offering our electronic returns (RCK) service in 2000 when Nacha rules began allowing banks to convert eligible paper returns to ACH debits.

### c. Can the financial institution provide online access to electronic images (back and front) of returned items? How soon after an item is returned can these images be accessed?

Yes. As shown in the following image, you can access returned items images and detailed information the next business day after we receive the items.

Images are available for up to 180 days. If you enroll in our online decisioning service, you can view images of returned items the same day we receive them.



**d. Can the financial institution provide a summary report of returned items identifying the payer's name, depositing location, deposit date, and the type of item being returned?**

Yes. You can receive a detailed returned item transmission that includes returned checks, converted ACH transactions, and redeposited items.

**The file includes a separate record for each returned item with the following details (if available):**

- |                                   |                                      |
|-----------------------------------|--------------------------------------|
| • Checking account and ABA number | • Full name on check*                |
| • Check number                    | • Complete address*                  |
| • Check amount                    | • Phone numbers*                     |
| • Original deposit date           | • Driver's license number and state* |
| • Reason code                     | • Check date*                        |

The transmission does not identify the type of item being returned, but it can identify the depositing location either by subaccount or by the location identifier on the deposit ticket.<sup>†</sup>

\* We can manually key these fields if they are present on the check.

† Deposits made using a counter ticket or a deposit ticket that does not include the location code on the MICR line may not contain the location identifier for returned item reporting purposes.

## 5. Positive Pay

**a. Does the financial institution offer Positive Pay and Payee Positive Pay?**

Yes. Positive pay is an important tool for assisting with reducing losses due to check fraud or check processing errors. With our positive pay services, **we identify checks that may be fraudulent or unauthorized** by matching checks presented against your account for payment to the check issue information that you provide us. We report positive pay exceptions to you through our fraud manager tool on our online banking portal. You view exceptions — including images — then make decisions to pay or return.

You can send your check issue information to Wells Fargo by transmission or through our online banking portal. When you use our online service, you can upload an Excel file or manually enter the check information.\* We accept issue information 24 hours a day, seven days a week. If we receive your check issue information prior to 8:00 p.m. Pacific Time, then we update your check issue information in our system that day. We can update your check issue information more than 50 times each day.

You can view exception images quickly and easily and then make pay or return decisions using our online banking portal or mobile service.<sup>†</sup>

\* For current system requirements, see [wellsfargo.com/ceosystemrequirements](https://www.wellsfargo.com/ceosystemrequirements).

† Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.



## Payee Validation

Optionally, you can add our Payee Validation service to a positive pay service.

You include payee names in your check issue file exactly as they appear on your checks. We validate payee names on all checks presented for cashing at our teller windows and on deposited checks above the threshold dollar amount.

We pay payee matches and report payee mismatches to you through our online fraud management tool. As with our positive pay services, you make your pay or return decisions through the online banking portal or mobile service.

### **b. How would the City transmit check issuance information to the financial institution?**

We offer two options for providing your issue files to us:

- Transmit check issue information to us through one of our secure file transfer protocols
- Upload check issue information using our online fraud management tool

### **c. What is the deadline for the transmission of check issuance files to the financial institution?**

You will receive next-day exception reporting with check images by 7:00 a.m. Pacific Time. You will make your pay and return decisions by 12:00 p.m. Pacific Time. The City accesses the reports and enters decisions using our online banking portal.

### **d. How frequently can transmission files be uploaded to the financial institution for the issuance of additional check, and/or recently voided items? Is there a limit to the number of files per day?**

You can transmit multiple issue files to us on the same day. As a general guideline, we prefer that issue files contain 500,000 or fewer records that include issues and registers, stop payments, cancels and voids. If the file will exceed this guideline, we ask that the City contact our CC4B Service Office so that we can monitor the file processing.

### **e. Does the financial institution offer the ability to manually enter one-time check disbursements issued during the day? Please describe.**

Yes. The City can send manual check issue information, including voids and cancels, using our online fraud management tool. You can update your check issue records 24 hours a day, seven days a week.

### **f. What controls are in place to protect against lost files and duplications of transmissions? If duplicates are sent, is there a penalty or potential issues?**

## Controls for file transmission

When you transmit a file to us using one of our supported transmission protocols, you can receive an email notification to confirm that we received your file. The email includes the time the bank received the file and indicates whether your file loaded successfully or failed. This process helps to identify instances of file loss and reduce duplicate transmissions.

## Controls specific to ARP

Our ARP solution rejects duplicate records, preventing them from posting to the account. Various confirmation options identify the items rejected as duplicates.

## Confirmation reports

Our ARP File Confirmation service, in conjunction with your own internal controls, helps to prevent issues such as file loss and duplicate transmissions. Summary and detail confirmation reports indicate:

- Number of register items received
- Register items captured
- Total dollar amount of captured items
- Each rejected register item
- Rejected data line as sent to the bank
- Reject reason

The Detail ARP File Confirmation transmission additionally lists each item by serial number and includes stop payment data for stop payments included on your ARP issue file.

## Duplicate returns

You cannot send a return request for positive pay exception by file transmission. Instead, the City will use our fraud management tool on our online banking portal or mobile service\* to review all positive pay exception items. If a check was previously paid and is received a second time, it will be a positive pay exception that you will return with a reason of 'duplicate.'

\* Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

**g. How will the City be notified of exception items? What time will the City receive the information on exception items? What time does the City have to notify if an exception should be accepted or rejected? Does the financial institution offer a "do not pay" default for exception items?**

## Notifications

Our optional Alerts service can provide the following information through email, text message, or fax. Additionally, you can view the alerts on our online banking portal.

Alert type	Description
<b>ARP File Confirmation</b>	<ul style="list-style-type: none"> <li>• Wells Fargo has received a check issue file through transmission or the online banking portal.</li> <li>• Wells Fargo has received an individual check you entered through the 'Add Check Issues' option in the CEO Fraud Manager service.</li> </ul>
<b>Account Processing Complete</b>	<ul style="list-style-type: none"> <li>• Wells Fargo has completed the daily exception processing for your positive pay accounts.</li> </ul>

## Deadline

You will receive next-day exception reporting with check images by 7:00 a.m. Pacific Time. You will make your pay and return decisions by 12:00 p.m. Pacific Time. The City accesses the reports and enters decisions using our online banking portal.

## Default decision

To take full advantage of positive pay, we recommend a return default disposition. All items that you do not decision will be returned to the bank of first deposit. These items can be redeposited by the payee provided the bank of first deposit permits it. If you are sending issue records to us in a timely manner, there should be few exception items.

### **h. Will stale date checks be reported as exception items?**

We do not generally review the dates on checks. However, you can subscribe to our stale-date service, which is available with full account reconciliation and Positive Pay services. You will specify a stale-date period that can range from one to 99 months.

With one of our next-day Positive Pay services, stale-dated checks will post to your account.

During your implementation, you can choose whether you want us to include your stale-dated checks with your positive pay exceptions. If so, then you can make pay or return decisions for each one.

If you choose to return a stale-dated check, then we will reverse the paid transaction and return the check the following day.

If you choose not to include stale-dated checks as exceptions, we will automatically reverse the paid transactions and return the stale-dated checks the following day.

### **i. Is Positive Pay required for all demand deposit accounts, even on accounts with no check writing functionality? Can accounts be designated as "post no checks" to prevent potential fraud? Is there a cost to make this account designation?**

We recommend positive pay with payee validation for all accounts with check writing activity. For accounts with zero check writing activity, we recommend placing payment authorization on those accounts to prevent paper items from clearing.

## Payment authorization

Our Payment Authorization service helps prevent unauthorized check cashing by:

- Placing dollar limits on specific transactions
- Preventing the encashment of checks by individuals at the teller line

To protect your accounts, you set all, or any of, the following fraud control options.

## Fraud control options

### 1. Maximum over-the-counter amount\*

You can establish the maximum dollar amount for non-check, over-the-counter activity at our branches (such as a change order request).

### 2. Maximum check amount†

With this option, you can limit the dollar amount of all checks drawn against your Wells Fargo account. This includes checks deposited to other Wells Fargo accounts, deposited at other financial institutions, and checks cashed at Wells Fargo locations. If you will not issue any checks from the account, you can choose to have this limit set to \$0.00 to prevent all checks from hard posting to the account. We will then return checks as “refer to maker”.

### 3. Maximum check cashing amount†

You can determine the maximum dollar amount paid in cash at our branches. If a payee presents a check over that dollar amount, our teller will not cash the check. However, the teller can accept the check as a deposit to the payee's Wells Fargo account.

### 4. Checks to individuals†

You can prevent the encashment of checks made payable to individuals at our branches. If an individual presents a check for encashment, our teller will not cash the check. However, the teller can accept the check as a deposit to the payee's Wells Fargo account.

\* Available if the account has positive pay.

† Not available if the account has positive pay.

We include all pricing information in the Appendix section of our response.

### j. Is Teller Positive Pay available? How frequently is check issuance information updated and available to tellers?

Yes. Ensuring check verification at the teller window is one of the most important ways to help minimize the risk of fraud associated with making payments by check.

For all positive pay services, Wells Fargo captures check issue files more than 50 times a day, seven days a week. Your positive pay check issue information reaches our tellers in all of our branches within 30 minutes of receipt. Tellers validate checks presented at our teller windows by matching the serial number and dollar amount to your check issue information.

### k. Are there any other fraud protection services that the financial institution provides and/or recommends?

## Fraud protection services

We offer many solutions that put controls in place as fraud protection measures.

Our Payment Authorization service, for example, helps prevent unauthorized transactions by placing dollar limits on checks and over-the-counter withdrawals. Our service prevents individuals from cashing checks at the teller line.

We offer positive pay services that systematically compare checks presented for payment to the check issue information you provide to us. The bank makes the comparison in order to detect mismatched serial numbers and dollar amounts, which can be evidence of fraud. To stop thieves from passing legitimate checks with altered payee names, we offer an optional payee validation service. We pay payee matches. Through our fraud manager tool on our online banking portal, we provide images of payee mismatches for you to view and make decisions on unresolved exceptions to pay or return them.

You have better control over the ACH debits that post to your account when you use our ACH Fraud Filter service. You can choose our stop option so that you automatically stop all ACH debits — except those that you specifically preauthorize — from posting to your accounts. An alternative is our review option, which presents the transactions for you to make pay or return decisions by deadline. We describe our ACH Fraud Filter service in more depth in upcoming paragraphs.

The City can use our Perfect Receivables® service to establish proxy account numbers to route incoming ACH and wire payments. Substituting your account number with a proxy account number makes your actual account number unavailable to thieves, which helps to deflect fraud before a thief attempts to steal the account information.

Our cyber fraud measures include several layers of monitoring and multiple systems that secure your account and transaction information. For example, we require secondary authentications for all high-risk transactions such as online payments, FX, and online administration services.

Your treasury management sales consultant, Gurleen Pannu, will discuss your Fraud Protection Service Report with you and help you determine which services will best help to protect the City against fraud.

## Account Validation services

To help reduce transaction fraud and returns, we partner with Early Warning Services to offer Account Validation services that provide real-time account ownership and account status screening functionality.

You can use our services for ACH, check, and wire transactions. Account Validation services can help you **enhance productivity**, **save time**, and **prevent unnecessary losses** while maintaining a high level of customer service.

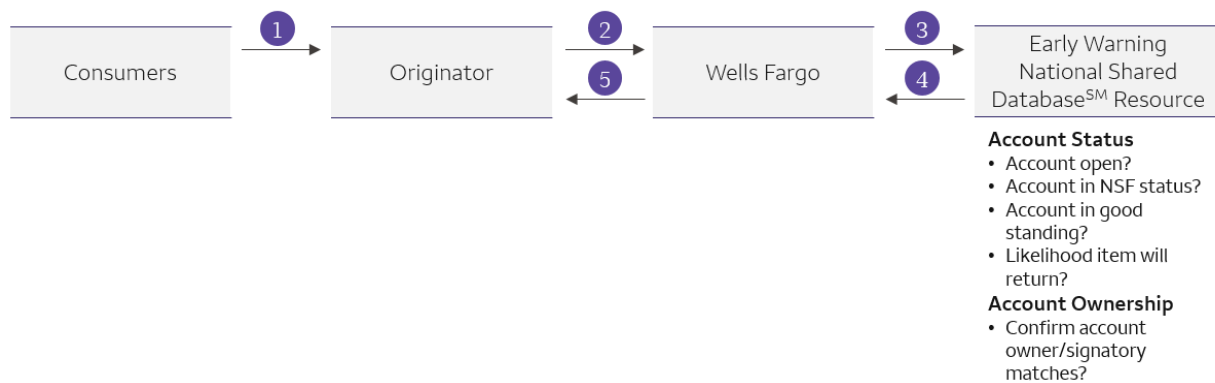
## Solutions

Our services use analytics, a large network of contributed intelligence, and cross-industry data from hundreds of financial services organizations. With our Account Status and Account Ownership services, the City receives advance notification of both low-risk and potentially high-risk transactions.

Our services work with payments received in the mail, over the telephone, through the internet, or in person, and they provide validation for both business and consumer accounts. To determine whether to accept a payment for processing, the City extracts and transmits information through an inquiry to Early Warning Services. The service then compares the inquiry against the National Shared Database™ and provides a response. You receive results in real time.

<b>Account Status</b>	This service confirms whether a deposit account (checking or savings) is open and active and if there is a risk of an ACH or check return. The Account Status service is best suited for your customer-initiated online payments and internal real-time systems such as those supporting call centers or stores.
<b>Account Ownership</b>	This service performs identity-to-account validation, including such key owner elements as name, address, Social Security number, and phone number. It supports enrollment for recurring ACH payments and screening of one-time ACH, wires, and check payments.

### How it works



### Inquiry submission types

You can choose the type of submission process that works best for your organization.

<b>Inquiry type</b>	<b>Purpose</b>	<b>Submission channel</b>
<b>Real-time validation</b>	This service lets you submit a real-time account inquiry. It returns a response in one second or less.	You submit the inquiry through the Wells Fargo Gateway API channel.
<b>Batch files</b>	This service provides back-office support of your high-volume batch payments.	You send a file of inquiries directly to Early Warning Services through a Virtual Private Network or Dedicated Circuit (MLPS).
<b>Graphical User Interface (GUI)</b>	This service is a user interface for low-volume payments where the account status or account owner data is entered manually and an immediate response is desired. It is most applicable for walk-up bill payment windows or call center agents.	You send an inquiry to an Early Warning Services URL (web address).

## Full account reconciliation

With our ARP and automated reporting services, you can **reconcile your disbursement accounts quickly and efficiently** with your internal accounting records. Our Full ARP service helps you identify checks and electronic transactions as paid or outstanding — saving you time. In addition, the service helps you detect and reduce your exposure to check fraud.

### Potential benefits

- Reduces accounting costs and increases productivity
- Improves cash control and provides faster, accurate payables information
- Increases your audit control
- Minimizes your internal and external fraud losses

Our Full ARP service reconciles your paid checks to your issued checks then sends a detailed statement. First, you provide us with your issued check information\* by one of three methods:

- Direct transmission
- Uploading a file to our online fraud manager tool†
- Manually entering check information online

\* Your check issue information also includes stops, voids, and cancels.

† The file you load to the online tool can contain up to 1,500 registers in a single batch, and you may submit multiple batches daily.

Within 90 minutes of your submission, you can receive an optional file confirmation for the check issue information or stop payments. We update check issue information more than 50 times each day, seven days a week.

On a weekly or monthly basis (according to your preference), we make comprehensive statements available for your account. You can request a variety of optional reports including Paid Checks, Outstanding Checks, and Stop Payments. You can receive these reports daily, weekly, or monthly in PDF, Excel, CSV, flat file text (transmission), and paper formats. The PDF and paper formats can include sorting and subtotaling by location or high-order prefix.

### Optional reports

You can easily access reports through our online banking portal. With our Full ARP service, you can customize your reporting to match your accounting needs.

Choose from the following 14 optional reports.

#### ARP optional reports

- Bank Originated Entries
- Credits
- Deposit Location
- Issue Notices Not Received<sup>†</sup>
- Issues This Cycle<sup>\*</sup>
- Matched Paid Items<sup>†</sup>
- Outstanding Checks<sup>\*</sup>
- Paid Checks
- Posted Items
- Prior Payments<sup>\*</sup>
- Reversed Checks<sup>†</sup>
- Stop Payments
- Unpaid Checks<sup>\*</sup>
- Voids and Cancels<sup>\*</sup>

\* Only available with Full ARP.

† Only available with Full ARP or Partial ARP with Positive Pay.

## Electronic fraud protection

Our ACH Fraud Filter service helps protect your accounts by identifying potentially fraudulent transactions and allowing you to review these transactions, and decide what to return, stop, or allow. You can access our service through both our online banking portal and mobile service,<sup>\*</sup> so you always have a convenient way to make pay or return decisions.

\* Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

### Convenient and customizable

More than debit blocking, our service allows you the option to review and stop debits, credits, or all transactions. You can preauthorize the ACH transactions that you want to post to your account without review. You can also customize your preauthorizations, setting dollar thresholds and date ranges. You will also receive all ACH payment information, so you know who is attempting to send transactions to your account.

You will have 24 hours to make a return request. And since we filter through the transactions for you, we present only the ones we feel may be a threat.

### How it works

#### Review option: You decide what to return

1. **Review:** You preauthorize ACH transactions to post to your account. You can review and make decisions on all, just credit, or just debit transactions. You can further look at transactions that exceed a dollar amount, date range, or number of occurrences.
2. **Decision:** Through our online fraud manager tool, we notify you of any transactions that are not preauthorized. You review those transactions and tell us whether you want them paid or returned.\* When you tell us to return a transaction, we create a reversing adjustment and then return it as unauthorized.

\* If you do not make a pay or return decision on an item by the specified deadline, the item is automatically paid or returned based on the default action you select during implementation.



### **Best practice: Monitor your transactions daily**

We recommend that you log in once a day to monitor your ACH transactions. You can also receive a notice by email or text\* when an unauthorized ACH transaction posts to your account. You can request that we inform you about:

- All ACH transactions posted to your account
- All ACH transactions that exceed a predetermined dollar amount
- ACH credit or ACH debit transactions only
- ACH credit or debit transactions that exceed a predetermined dollar amount
- ACH credit or debit transactions outside a specified date range
- ACH credit or debit transactions that exceed a specified maximum number of occurrences

\* Our alerts service has an additional fee.

### **Stop option: Automatically stop unauthorized transactions**

With our stop option, we automatically return transactions that you did not preauthorize.\* You can request that we stop and return:

- All ACH transactions
- All ACH transactions that exceed a predetermined dollar amount
- All ACH credit or debit transactions only
- ACH credit or debit transactions outside a predetermined dollar range
- All ACH credit or debit transactions outside a specified date range
- All ACH credit or debit transactions that exceed a specified maximum number of occurrences

We recommend that you log in once a day to monitor your ACH transactions. You can also receive a notice by email or text† when an unauthorized ACH transaction posts to your account.

\* Excludes transactions originated by internal Wells Fargo originators, such as Account Analysis fees and settlement entries, that you've authorized to the account.

† Our alerts service has an additional fee.

## **Block converted checks**

Our electronic check (eCheck) option, for no additional fee, helps you monitor converted check entries for business-sized checks that have an auxiliary on-us field in the MICR line. This service includes eCheck Post and eCheck Stop options for accounts receivable check (ARC), back office conversion (BOC), and point-of-purchase (POP) transactions.

### **eCheck Post**

If you use the eCheck Post option in conjunction with our next-day positive pay service, you can see unmatched items that will post to your account. You use our online fraud manager tool to indicate your decision to pay or return them.

If you use the eCheck Post option with our same-day positive pay service, we do not match ACH converted checks against your check issue records. Instead, we call you for instructions to pay or return the converted checks.

## eCheck Stop

If you choose the eCheck Stop option, we automatically stop all ineligible items inadvertently converted before they post to your account.

### 6. Stop Payments

#### a. How are stop payment orders placed? Can stop payments be placed online?

You can submit stop payment orders online or by electronic transmission in your Account Reconciliation or Positive Pay check issue file. With both methods, you can place stop payments 24 hours a day, seven days a week, from multiple locations. We process stop payments in real time.

Online stop payments are effective immediately when successfully initiated through our Transaction Search service. The system automatically reviews the previous 180 days and intraday teller-cashed activity to determine whether a requested check has paid.

You can submit a stop payment by transmission as late as 8:00 p.m. Pacific Time and still receive same-day processing. The system automatically reviews the previous 90 days and intraday teller-cashed activity to determine whether a requested check has paid.

#### b. Are stop payment requests effective immediately? If not, how long does it take for a stop payment request to be effective?

Yes. Stop payments are effective immediately after you successfully initiate the request online or by electronic transmission.

#### c. Will the system verify if a check has been paid before processing the stop payment request?

Yes. The system automatically reviews the previous 180 days and intraday teller-cashed activity to determine whether a requested check has paid.

#### d. What term options are available for stop payments?

Stop payments remain in effect for six months. You can renew an individual stop payment on an as-needed basis through our online service or choose to use our automated renewal option.

The renewal option lets you:

- Extend a stop payment for up to an additional six years (in 12-month increments)
- Predetermine a dollar threshold for automatic stop payment renewals
- Limit the number of times a stop payment is automatically renewed

#### e. Can Stop payments be automatically renewed? If so, for how long? What is the associated fee for each renewal?

Yes. Please see the response to the previous question d. We include all fee related information in the Appendix section of our response.

## 7. ACH Processing

### a. What ACH file transmission options are available?

The City can use direct origination, send consolidated payables files, or upload files to our online banking portal. Based on the business case you've outlined, we recommend direct origination for the City.

#### **Direct origination**

With our direct origination service, the City sends us Nacha-formatted files that contain required ACH transaction information such as routing and transit number, account number, dollar amount, and effective date.

Our customers use our direct origination service to originate ACH transactions through 33,608 ACH Company IDs. This count represents 32.84% of our ACH Company IDs.\*

#### **Consolidated payables origination**

The City can send a consolidated payables file with multiple payment types and remittance information directly from your ERP, treasury management, or AP system. Using our Payment Manager service, we accept almost any type of file format that your system generates and provide you with formatting instructions during implementation.

Our customers use this service to originate ACH transactions through 18,594 ACH Company IDs. This count represents 18.17% of our ACH Company IDs.\*

#### **Online origination**

Our online ACH payment service allows the City to initiate ACH transactions without needing to create Nacha-formatted files.

Our customers use our online ACH services to initiate ACH transactions through 43,506 ACH Company IDs. This count represents 42.51% of our ACH Company IDs.\*

#### **Origination with ACH Payments API**

You can use our ACH Payments API service to initiate requests one at any time — with no batch requirements — from your ERP, account platform, or payment system. Transactions using application programming technology originate through 296 ACH Company IDs. This count represents less than one half of one percent of our ACH Company IDs.\*

\* Internal reports on ACH Company IDs, April 2022.

**b. What are the transmission deadlines for ACH files? When does the financial institution need the file from the City and when are the funds debited from the City's accounts?**

The following table lists the cutoff times for our ACH initiation methods.

### ACH file deadlines (Pacific Time)

Input method	Two-day settlement (day cycle)	Next-day settlement (night cycle)	Same-day book transfer (on us)*	Same-day settlement (transit)†
Direct origination	9:00 p.m.	6:00 p.m.	6:00 p.m.	6:00 a.m. 10:00 a.m. 12:00 p.m.
Consolidated payables file	5:30 p.m.	5:30 p.m.	5:30 p.m.	6:00 a.m. 10:00 a.m. 12:00 p.m.
Online	6:00 p.m.	6:00 p.m.	6:00 p.m.	6:00 a.m. 10:00 a.m. 12:00 p.m.
ACH API	5:00 p.m.	5:00 p.m.	5:30 p.m.	6:00 a.m. 10:00 a.m. 12:00 p.m.

\* Both the originating and receiving accounts must be Wells Fargo accounts. The \$1,000,000 transaction limit for Nacha's Same Day Rule does not apply to on-us transactions.

† Transactions for more than \$1,000,000 and international transactions (IAT) are not eligible for same-day settlement. Funds from incoming credits are available by 5:00 p.m. local time.

**c. How are returned and rejected ACH transactions handled? What information does the financial institution provide to assist in identifying returned and rejected ACH transmissions? When is this information available?**

We list returned entries individually through our information reporting services. We consolidate the settlement of returned transactions before posting them to your account.

Our proprietary ACH return processing system matches returns automatically with your originating transactions. This effort can simplify your reconciliation process and save your staff the time and effort to handle unresolved returns.

## Information provided

Regardless of the delivery method you choose, the return information includes the details listed in the following table.

Information provided	
Individual ID and name	Dollar amount
Effective date and descriptive date	Return reason and return description
Receiving bank and account number	Original sequence number
Original entry description and return sequence number	Correction (NOCs only)
Account (demand deposit or savings) and transaction type (debit or credit)	Comments (if applicable)

To assist you further in reconciling returned entries, we can include optional information from the following fields (imported from the original entries) with your ACH returns and NOC reporting:

- Company discretionary data
- Original descriptive date
- Original effective entry date

## Report options

We post ACH rejects as a separate settlement item on reports and statements.

We consolidate rejects from the same file with the same settlement date as a lump sum before posting them to your account.

To reconcile your rejects, the City can receive returned entries and NOCs online, by transmission, and by fax.\*

\* Return status is a feature of ACH Payments API. You track and manage any ACH returns using your existing methods, not by the ACH Payments API service.

**d. Describe the financial institution's procedures for handling debits to the City's accounts that were not authorized by the City. Does the financial institution notify the City of the receipt of an unauthorized ACH debit?**

We offer two options that block ACH debits to your account.

We can automatically return transactions that you did not preauthorize\* and process all that you preauthorized. Alternatively, we can block all ACH activity from posting to your account.

\* ACH reversals bypass the ACH Fraud Filter service and post to your account automatically.

We provide notification of unauthorized ACH debits through our online banking portal and mobile service. Additionally, our optional Alerts service sends notification of unauthorized transactions proactively. You receive alerts by email and text at the frequency you choose.

**e. If the financial institution provides ACH debit blocking, what level of filtering can be applied?**

You can request that we inform you about:

- All ACH transactions posted to your account
- All ACH transactions that exceed a predetermined dollar amount
- ACH credit or ACH debit transactions only
- ACH credit or debit transactions that exceed a predetermined dollar amount
- ACH credit or debit transactions outside a specified date range
- ACH credit or debit transactions that exceed a specified maximum number of occurrences

**f. Does the financial institution offer ACH Positive Pay (ability to make pay/no pay decisions on unidentified ACH transactions)?**

Yes. Using the review option of our ACH Fraud Filter service, you review ACH transactions that you did not preauthorize and then make a pay or return decision for each item through our online banking portal or mobile service. When you return an item, we create a reversing adjustment to your account and return the transaction to the originator.

**g. Does the financial institution offer Universal Payment Identification Codes (ability to mask visible account numbers to reduce the risk of unauthorized direct debits)?**

Yes. We support Universal Payment Identification Codes (UPICs) for business-to-business transactions.

Our Perfect Receivables service is similar to UPICs, but offers additional features that help you to reconcile accounts more efficiently. You can:

- Assign a unique account number for each originator or sender
- Group incoming ACH and wire payment transactions into a single settlement credit

## **8. Wire Processing**

**a. Describe the process of initiating wire transfers including USD domestic wires, repetitive wires, USD international wires, and foreign currency international wires.**

### **Outgoing wires**

We process outgoing wire transfers on a straight through basis according to your instructions. We manually review, correct, and verify a wire that does not pass our initial screening and that our system cannot correct automatically.

Our wire system confirms your available funds automatically and verifies that wires are not going to a country or beneficiary on the U.S. Treasury's Office of Foreign Assets Control (OFAC) Specially Designated Nationals Blocked Persons list. If a wire meets these requirements, we release it.

## Initiation methods

Method	
<b>Online and mobile</b>	You can sign on to our online banking portal to initiate repetitive or free-form domestic and international wires.
<b>Consolidated payables</b>	<p>You can send one file with multiple payment types (including wires, ACH payments, credit card payments, and USD and CAD paper checks) and remittance information. You can send a file directly from your treasury workstation or your ERP, AP, or other internal system.</p> <p>We accept most file formats and offer several file transmission protocols, as well as an option to upload your file online.</p>
<b>Telephone<sup>1</sup></b>	You can call a single toll-free number and provide an account number, personal identification number (PIN), and voiceprint. We validated these credentials through a voice response unit (VRU).
<b>In person<sup>2</sup></b>	You can go to any Wells Fargo branch to initiate a wire. You must have signing authority on the account to initiate the request.
<b>Online foreign exchange</b>	You can manage your FX transactions and reporting online. <sup>3</sup> Our service combines the advantages of our live market FX rates with the convenience of sending payments online throughout the world.
<b>SWIFT<sup>4</sup></b>	If your organization is a member of SWIFT, you can submit your wire payment instructions for processing using SWIFT FIN messages.
<b>Wire Payments API</b>	For domestic and international transactions, you can initiate free-form or template wires (including book transfers) from your ERP, account platform, or payment system.
<b>Foreign Exchange API</b>	You can book, validate, and offset FX contracts, process wire settlement instructions, and receive FX rates and static rate sheets — transmitting requests directly to our FX system.

1. Book transfer initiation option is not available by telephone.

2. Book transfer initiation option is not available in person.

3. While our online system is available 24 hours a day, seven days a week, FX markets close at 5:00 p.m. Pacific Time on Friday and reopen at 2:30 p.m. Pacific Time on Sunday.

4. SWIFT bills membership and volume fees.

## Wire processes

In the following paragraphs, we describe the initiation and approval process for each of our wire service options. In the last paragraph of this response, we describe the release process, which is the same for all wire initiation methods.

### Telephone

#### Initiation

Users call a single toll-free number and provide an account number, PIN, and voiceprint. We validate the information using our VRU.

You can complete repetitive wires set up on our system through the VRU. You will be connected to a Wells Fargo employee in the wire department to complete free-form wires and repetitive wires.

## Approval

To help ensure the safety and accuracy of your telephone-initiated free-form wire transfers, you can choose to use our optional callback approval procedure. We call a designated approver prior to releasing telephone-initiated free-form wires. We release the wire after the approver provides his or her PIN and voiceprint.

## Online and mobile wire transfer

### Initiation

To sign on to our online banking portal or mobile service, you use a company ID, user ID, and password. Then, you enter a PIN and token code. Once authenticated, you can perform wire functions based on your authorizations. Functions include initiating repetitive or free-form wires and approving wires. We include the steps to create and submit wires in the following table.

Repetitive wires*	Free-form wires
<ol style="list-style-type: none"> <li>1. Access the appropriate template by searching or selecting from a drop-down list.</li> <li>2. Enter information not built into the template (for example, the value date or amount).</li> <li>3. Submit the wire. You receive a confirmation that you can print.</li> </ol>	<ol style="list-style-type: none"> <li>1. Input all required wire transfer fields. If needed, you can use our bank lookup feature to search for financial institution information — for example the beneficiary bank identifier routing number — and insert it into the appropriate field.</li> <li>2. Submit the wire. You will receive a confirmation that you can print.</li> </ol>

\* For repetitive wires, you must set up the wire template in advance.

## Approval

You can approve free-form and repetitive wires through our online and mobile wire transfer services. You can customize your setup to require up to four approvers. You can also require an additional approver for wires over a specific dollar amount.

We display items that require approval in the Pending Payments queue. From that screen, you see all pending wires for your authorized accounts. You can approve or reject one or more wires from the Pending Payments summary list based on your approval authority. Before approving or rejecting a wire, you can also review full wire details and modify the wire (if you have the authority). After all required approvals are in place, we release the wire.

## Consolidated payables transmission or upload

### Initiation

You can transmit or upload a consolidated payables file in a standard or custom format to initiate wires.

### Approval

You can choose to require secondary approval for some or all of the wires you send by consolidated payables file. You can require an approval at the file or transaction level through our online consolidated payables service.



Our consolidated payables service sends emails to each approver when:

- We receive your file
- Payments remain awaiting an approval
- Payments expire without an approval

We describe the approval steps at the file and transaction level in the following table.

Approval steps at file level	Approval steps at transaction level
1. Select the file ID to view the details of the file	1. Select the file ID to view the details of a file
2. Select to approve or delete the file	2. View the transactions
3. Select submit or cancel	3. Select the checkbox next to the transaction to approve or delete
	4. Select submit or cancel

## Automatic standing transfer (Standing Order)

### Initiation

You complete paper setup forms for standing repetitive wire transfers and drawdowns. On the specified dates and times, we automatically initiate outgoing or drawdown wire transfer requests.

### Approval

Once you have completed the setup forms authorizing your scheduled transactions, we require no further intervention or approval from the City.

### Release process

Our wire transfer system, regardless of initiation method, automatically verifies there are adequate funds available to process the wire, and performs all standard security and risk checks. For example, our system verifies that the transfer is not going to a country or beneficiary on the U.S. Treasury's OFAC Specially Designated Nationals and Blocked Persons list. Once approved, our system releases the wire immediately.

#### **b. During what hours is the wire transfer system available?**

We accept incoming Fedwires until 4:00 p.m. Pacific Time and, incoming CHIPS wires until 3:00 p.m. Pacific Time, for same-day credit. We process incoming SWIFT transactions for same-day credit until 4:00 p.m. Pacific Time.

The City can initiate wires 24 hours a day, seven days a week. Wires are however subject to business-day outgoing wire processing deadlines.

Please also see the upcoming response to question e.

**c. If wire transfers can be initiated online, describe the system's security features. Can varying degrees of authorization be set (i.e. multiple authorizers, maximum dollar amounts, etc.)?**

Our required and recommended levels of security safeguards for initiating and releasing wires vary by method. We do not offer fax, PC, or LANed PC wire initiation services.

## Internet

Your company administrator assigns user functionality and account access through our online self-administration service. We require a second administrator to approve access to our online wire service. Your administrator also establishes wire initiation and approval dollar limits by payment type for each user. We require two-factor authentication to access our online services. Each user must enter the following information:

- Company ID
- User ID
- Password
- PIN and token code

We require dual approval for all free-form wire origination and template creation or modifications. Additionally, the City can set controls to require up to four approvals. Users can't approve wire or templates that they originate. Additionally, if multiple approvals are required, the same person can't perform more than one approval.

## Mobile

With the optional use of biometric technology, you can use a compatible mobile device to scan your face or fingerprint as a replacement to entering a password when signing on to our mobile banking service.\* As with using the online banking portal, you will need to carry a token for mobile transactions that require two-factor (strong) authentication, such as releasing a payment.

Biometric solutions use your unique physical characteristics to identify you, making spoofing difficult.

\* Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

## CPU to CPU

### Automated consolidated payables

Within your ERP, treasury workstation, or AP system, the City establishes the levels of authority you require for transmissions sent directly to us.

Unless you choose to use secondary approval, we consider any wires initiated and transmitted to us by the City as ready for release. If you use the secondary approval option, we release wires after your secondary approver approves the file. Each approver (you can require up to three) reviews, modifies, approves, or deletes the wires online.

Files you transmit to us are authenticated and encrypted. Security elements vary according to the internet protocol you choose and may include:

- Digital certificates issued by us
- ID
- Key
- Password
- PIN and token code
- PGP encryption
- Connect:Direct (NDM) with Secure+

## Manual consolidated payables

You can upload your wire payment file and perform secondary approvals for uploaded or transmitted files through our online banking portal.

If you use the secondary approval option, we won't release wires until we receive an approval. Each approver (you can require up to three) reviews, modifies, approves, or deletes the wires online.

We require two-factor authentication to access our online services. Each user must enter the following information:

- Company ID
- User ID
- Password
- PIN and token code

### **d. Does the financial institution offer dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe.**

Yes. We offer multiple methods for electronically initiating transfers. All methods provide the ability to require dual control release capability. This includes wires sent to other Wells Fargo customers and beneficiaries at other banks.

### **e. What is the cutoff time for same-day wire transfers?**

The following table includes the opening times and cutoff times — by transfer type — for same-day execution of initiated wires on U.S. accounts. The same times apply for all of our wire initiation methods, including the internet, mobile service, file transmission, and telephone service.

**Pacific Time**

Wire type	Opening time (PT)	Cutoff time (PT)
Fedwire	5:00 a.m.	3:15 p.m.
CHIPS	5:00 a.m.	2:00 p.m.
Drawdown request	5:00 a.m.	2:30 p.m.
SWIFT	5:00 a.m.	2:30 p.m.
Request for Funds Transfer (RFT)	5:00 a.m.	2:30 p.m.
U.S. Federal tax payments	5:00 a.m.	2:00 p.m.
Within Wells Fargo*	5:00 a.m.	5:00 p.m.

\* Transactions within Wells Fargo are moving funds from one Wells Fargo account to another. You can originate these from all origination channels to all our available accounts.

**f. What is the financial institution's maximum retention period for future dated transactions? For future dated transactions, at what time are warehoused wire transfers automatically released on the transaction date? What types of wire transfers can be warehoused? Are there warehousing charges?**

Our system can warehouse instructions for future value dated USD wire transfers, up to 60 calendar days in advance of the value date, through all of our initiation channels.

Our FX channel can warehouse instructions for future value dated wire transfers in foreign currencies, up to two years in advance of the value date.

We execute (release) future value dated wires automatically as systems come online in each of our available regions. Typically, this occurs by 5:30 a.m. Pacific Time on the value date. The City cannot request a specific release time.

We do not charge a fee for warehousing these instructions.

- g. Describe the financial institution's procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of the wire transfer request, including the availability and method of delivery of internal confirmation/sequence number and clearing system reference number.**

## All wire origination channels

For all wire origination channels, you can find wire transfer confirmation information through our online Wire Transfer Detail and Intraday Composite reports. Both reports contain timely information about outgoing wire transfers and include the internal bank and Federal Reserve reference numbers.

Additionally, SWIFT users can receive debit confirmations, which includes information on wire transfers sent from your accounts.

## Online wire initiation

If you initiate wires online, you can view our Wires Payment report, which shows all wires processed online, and includes our internal confirmation or sequence number. It also includes the Federal Reserve reference number.

## Consolidated payables file

If you send wires in a consolidated payables file, you can receive confirmation of your wire transfer instructions by transmission, secure email, or both. The confirmation includes our internal confirmation or sequence number and the Federal Reserve reference number.

- h. Describe the financial institution's policy for handling a failed wire transfer. How and when would the City be notified?**

## Reports

If the receiving bank rejects a wire transfer, it returns the wire to Wells Fargo. We report the returned wire to the City as an incoming wire on your current and prior day information reporting. We make this reporting available to you online or by transmission.

### Online

We update current day reporting multiple times throughout the day, and previous day information reporting at 3:30 a.m. Pacific Time each business day.

### Transmission

You can receive current day transmission files at various times throughout the day based on prescheduled times that you specify at the time of setup. Previous day transmission files are available to the City at 3:30 a.m. Pacific Time each business day.

We also offer a detailed, intraday wire return report. This report provides details on each originated wire returned to the bank along with the matching original transaction and the reasons the return occurred. We deliver the wire return report twice daily at 10:00 a.m. Pacific Time and 5:00 p.m. Pacific Time through transmission or using Electronic Document Delivery.

## Notifications

You can receive optional notifications\* (immediately or at specific time intervals) about incoming wires by email, fax, and text message. These notifications let you know when to sign on to our online banking portal to retrieve information about an incoming wire.

\* Additional fees may apply.

### 9. Bank Compensation

**a. Can the City compensate the bank for services with fees, balances, or a combination of the two at its own election? Please describe any differences in related costs to the City with either option.**

Yes. We accept compensation in fees, balances, or a combination of the two. The same price schedule applies, regardless of compensation method. We can take all your collected balances that are not part of your sweep program and apply the earnings credit for all accounts in the City relationship.

**b. Can the City choose between paying for analysis deficiencies by check, auto debit, or ACH credit?**

Yes. The City can pay your fees through direct account debit, or pay an invoiced amount by ACH or check each month. We prefer automatic billing after the statement cycle.

Wells Fargo Merchant Services fees are billed monthly and directly debited from your account.

**c. What is the bank's Earning Credit Rate (ECR) based on, and how is it calculated each month?**

We set our standard earnings credit rate (ECR) internally each month after evaluating a combination of factors including changes in the Fed Funds Target rate and competitor ECRs. We do not use indexes, such as the Treasury Bill (T-Bill), to set the standard rate.

We set the rate at our discretion and may adjust it during the month to react to market changes.

We use the following formula to calculate the earnings allowance:

**(Investable balance (also called average daily positive collected balance)) × (number of calendar days in the month) × (ECR) ÷ actual number of days in the year**

We do not deduct a reserve requirement prior to calculating the ECR. We calculate your earnings allowance based on 100% of your investable balance (also called average daily positive collected balance).

**d. List the bank's average ECR for each the last six months (October 2021 thru March 2022).**

The government ECR rate for the past 6 months has been 0.25%. The ECR went up to 0.32% on June 1, 2022, and increased to 0.49% on July 1, 2022.

### 10. Utility Billing services

The city currently utilizes lockbox service for utility bill payment processing. Utility bills are printed and mailed bimonthly and average 17,000. Lockbox transactions processed average 1,900 per month.

- a. Does the bank have the capability to provide lockbox and electronic lockbox payment processing service? If so, please describe the service and any costs associated.

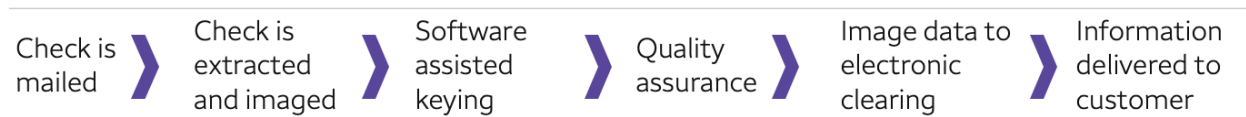
## Wholesale lockbox

Yes. You can streamline your payment processing by directing payments accompanied by non-scannable remittance documents (mostly business-to-business) to a wholesale lockbox at Wells Fargo for processing.

By using our wholesale lockbox to process your payments, you may be able to accelerate collection of funds and reduce in-house processing expenses. You may also be able to meet early deposit deadlines and benefit from improved cash forecasting with intraday availability of funds.

### How it works

The following workflow shows the wholesale lockbox process flow.



### Our network

You can choose from several image-enabled sites strategically located across the United States. This broad coverage means your payments can arrive at our lockbox site — and we can begin processing them — a day or two sooner than if you use a more geographically distant site.

The following table shows the lockbox sites in our network.

Wholesale lockbox sites	
Atlanta	Los Angeles
Charlotte	Minneapolis
Dallas	Philadelphia
Denver	Seattle

### Site recommendation

Based on the information you provided, we recommend you use our Los Angeles lockbox site.

## Post office pickup schedule

The following table lists the post office pickup schedule (in local time) for your recommended site. Holiday schedules vary by location. During the implementation phase of this project, we will provide you with the holiday schedule for the location or locations you select.

Post office location	Weekdays	Saturday	Sunday
<b>Los Angeles</b>	<b>AM</b>	<b>AM</b>	<b>AM</b>
<b>Main Postal Facility</b>	12:00, 2:00, 4:00, 6:00, 8:00, 11:00	12:00, 2:00, 4:00, 6:00, 8:00, 11:00	12:30, 2:00, 4:00, 6:00, 8:00, 11:00
	<b>PM</b>	<b>PM</b>	<b>PM</b>
	1:30, 3:30, 10:00	10:00	10:00

## Deposit deadlines

The following table lists our deadlines for the Los Angeles site. At sites with more than one deadline, you can choose the time that best meets your internal balance reporting or transmission requirements.

We include payments received after your established deadline (including any payments processed during the weekend or on a holiday), in the following business day's work.

Lockbox site	Deposit times*
<b>Los Angeles</b>	• 4:50 a.m., 10:00 a.m., 5:00 p.m., 7:00 p.m.

\*All times are local.

## Reports

Lockbox reports help you track and manage your cash flow more effectively. You can view availability and detail reports online.

When you're not near your computer, you can use your smartphone to access the availability report and view deposit totals for each of your accounts.

## Image options

When you use our image service, you'll have less paper to store and access to the information you need to research and apply payments without the hassle of storing paper documents. You can view images of all lockbox documents, including checks, remittance documents, correspondence, and envelopes. Online and transmission are available.

## Online

Your images are available within two hours of your deposit deadline. As a standard, we archive images for seven years. However, we do offer shorter retention periods (90 days, one year, or two years) to customers who don't have a business need to access images for seven years.

Our online image service is the quickest option to help resolve exceptions and satisfy customer needs.



You can search for transactions using various criteria (including keyed data) by entering either a single value or a range of values. Additionally, you can assign a payer name to a unique account number and routing transit number combination, which lets you search for payments from a particular payer.

## Transmission file

We post a daily transmission file on our secure website that contains images of your lockbox checks and any corresponding documents. You can download the file from our website and archive the images on your internal system. You have the option of intraday or next-day file transmissions.

- Intraday - A separate image file for each batch of work we process is available within two hours of your deposit cutoff in either a zip or a PDF file.
- Next day - A consolidated zip file containing all of your images from the previous day is available by 4:00 a.m. Pacific Time the following business day.

## Optional features

### Accounts receivable transmission

To help eliminate errors associated with manual keyed entry, you can receive an electronic transmission of your remittance detail. You can use it to update your AR system, treasury workstation, or ERP platform automatically. Your file can include data from other sources, such as wire and ACH.

We generate transmissions to your specifications for frequency and format, including standard BAI V2 and EDI layouts. We offer customization for non-standard formats for an additional fee.

### Multiple deposit processing

Using a single lockbox, you can collect payments efficiently and cost-effectively by using multiple deposit accounts. We sort your payments by location, business, or other criteria that you select, and prepare separate deposits for each of your accounts.

### Credit card processing

If your customers provide credit card information, we'll process their payments by keying the information into our credit card processing application. They can use any card with the Visa®, Mastercard®, American Express®, or Discover logo.

### Exception processing

Using our online decision tool, you can submit additional processing information for payments that would normally be returned. We present images of each payment to you and give you the following options:

- Accept the payment and enter any additional processing information (such as invoice data required to balance a transaction or missing required keyed data)
- Reject the payment and mail it to you
- Reject the payment and mail it back to the remitter's name and address that you provide to us; we'll include a City-specific letter template to detail the reason for rejection

### Virtual lockbox

You can scan and send us images of checks, correspondence, and invoices you receive at your location. We can then process and deposit them like your other lockbox payments. We'll include these items in the image and data transmission files we send you for uploading to your AR system.

We include all pricing information in the Appendix section of our response.

### Electronic lockbox

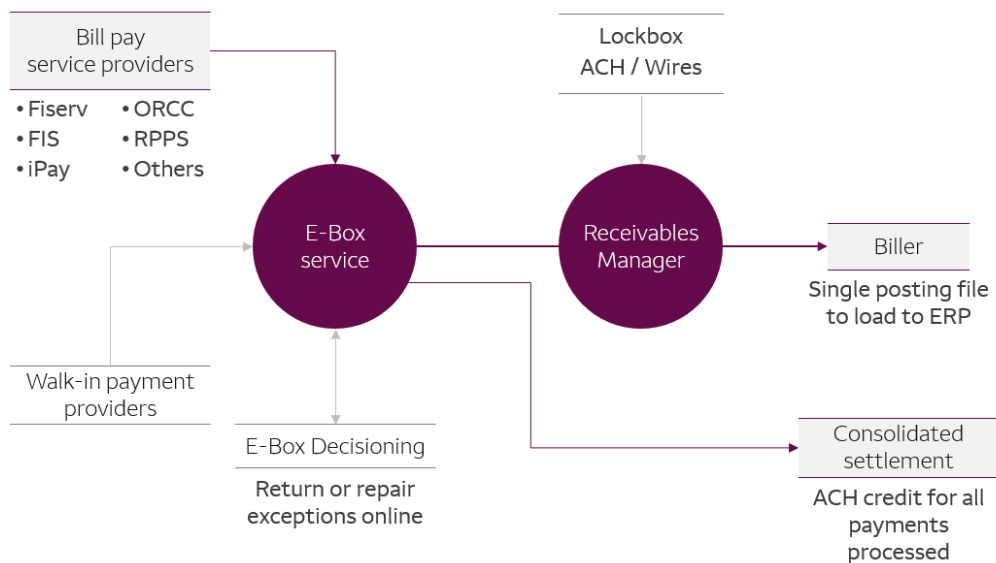
Online bill payments provide a convenient, simple, and paperless way for your customers to pay you. However, many bill payments initially submitted online can still end up as mailed paper checks by bill service providers. These check payments create exceptions and often have incomplete or inaccurate remittance details, which can result in processing delays for you.

With our E-Box service, you can increase your straight-through processing rate of receivables and minimize your staff's time spent handling exceptions — so that you achieve your goal to simplify bill payments. Our E-Box service repairs exceptions and merges all your customers' online bill payments into a consolidated electronic remittance file. You use the file to automatically update your AR system and apply credits to your customers' accounts. Our service accepts payments from all major bill service providers and walk-in bill payment providers.

- Convenient
- Simple
- Paperless

### How it works

When you sign up, we notify the bill service providers in our network that you can receive payments through our E-Box service. The following graphic shows the flow of a bill payment through the various channels using our E-Box and Receivables Manager services.



The City receives a single ACH credit to your deposit account.

## Automated payment validation

To improve the quality and standardization of the remittance file you receive, you can instruct us to use one or more validation routines to identify, filter, and repair invalid payments or other exceptions. We suspend payments that include errors or exceptions. You have the option to review the suspended payments online and decide what to do with them. You can also instruct us to reject and return payments that don't meet your validation routines to the originator.

The following table provides descriptions of the validation routines the City can choose from.

Validation routine	Description
Account mask	Confirms that the inbound account number matches your billing account number structure
Check digit*	Uses a mathematical equation to determine if an account number is valid
Cross-reference database processing	Translates consumer-initiated account numbers we receive and corrects the account number prior to validation and processing (This database can correct inaccurate account information your customers enter and can make account number changes that may occur due to a merger, acquisition, or system change.)
Positive file processing	Compares inbound account numbers to a file of valid account numbers you provide
Stop file processing	Compares inbound account numbers to a file of unacceptable accounts you provide

\* Applies to credit card billers.

## Online payment management and research

### Manage payments

With our E-Box service, you can perform the following functions online:\*

- View exception payments
- Initiate returns on exception and processed payments
- Update processed payments requiring account number changes for future processing
- Make decisions about exception transactions, including repairing payments with invalid account numbers
- Update your cross-reference database with valid account numbers and generate NOCs to payment originators

#### Dual control

For added security, a second person can review and approve all changes initiated by another user.

\* The functions you can perform depend on the features you select during implementation.

### Research

The City can view and research processed payments and access information for reporting and trend analysis.

## Payment history

You can locate transactions using the search criteria in the following table.

Account number	Consumer name or account number
Amount	Processed date
Biller ID	Trace number

You can access all successfully processed payments for the previous 180 days. You can view and print full record-level data in HTML and PDF formats, and you can export data for manipulation and analysis in XLS and CSV formats.

## Reporting

Our Return and Repair report provides a detailed, payment-level audit of all user activity performed during the past 180 calendar days. You can tailor it to show only payments that meet your search criteria.

You can view and print activity in HTML and PDF formats, or export in CSV and XML formats.

We include all pricing information in the Appendix section of our response.

### 11. State Activity/LAIF Transfers

The city transacts State of California Local Agency Investment Fund (LAIF) transfers on a regular basis and receives State electronic payments.

- a. Please describe the LAIF transfer process. Are the transfers done by telephone, email, fax, wire transfer, etc.? How is the accuracy of transfers assured?

The City can originate a direct wire transfer to and from the Local Agency Investment Fund (LAIF).

LAIF transfers are handled as follows:

- **Funds transfer to LAIF** — The City will contact the State of California LAIF office to advise of a funds transfer. A LAIF representative will provide a transfer confirmation number. The deadline is 10:00 a.m. Pacific Time. You will initiate the funds transfer electronically by wire.
- **Funds transfer from LAIF** — Contact the State of California LAIF office to request a withdrawal. The deadline is 10:00 a.m. Pacific Time. The funds will be transferred into your Wells Fargo account by wire transfer the same day.

- b. What is the charge per transfer to LAIF? From LAIF?

Each outgoing wire transfer will be charged \$4.00 and assessed through your account analysis.

The funds will be transferred into your Wells Fargo account by wire transfer the same day and be available immediately provided that it's received by Wells Fargo before the Federal Reserve closes.

**c. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's office and the State Controller's office?**

Yes. Wells Fargo maintains a direct DDA banking relationship the State of California's Controller and Treasurer.

**d. Is the bank an approved State of California depository?**

Yes. Wells Fargo is an approved California State depository of public funds in compliance with Sections 53635.2 and 53649 of the California Government Code.

**e. What is the charge for the deposit of State electronic payments? State warrant?**

If the items are collected as an incoming ACH, these items should post as an electronic payments received. If the items are posted as an incoming wire, then an incoming wire fee will be charged.

We include all pricing information in the Appendix section of our response.

**f. What is the bank's position on past issuance of IOU's by State of CA? Does the bank accept IOU's for deposits?**

In years past, we obtained a temporary agreement with the State of California to accept IOU's for a brief period of time. Should the need arise in the future, we would have to review the legal agreements presented to negotiate those items for deposit based on current laws and procedures.

## 12. Overdrafts

**a. What are the fees and interest charges associated with overdrafts? How are these charges calculated?**

We do not charge for daylight overdrafts, though we reserve the right to do so.

We charge for both overdrafts and the use of UCF. We charge overdraft fees on a per item basis. (Today, the overdraft fee is \$35 per item with a max of four fees charged per day.)

For UCF, the standard interest rate is based on the prime lending rate +3%. The formula for our UCF fee uses that interest rate basis as the overdraft rate, applying this formula:

$$\text{(average daily negative collected balance} \times \text{overdraft rate} \times \text{days in period)} \div (360) = \text{uncollected funds fee}$$

We can offset these fees (overdraft and UCF) by the earnings credit allowance.

**b. Is there a fee per check or per occurrence when there is an overdraft?**

Wells Fargo charges per item, with a max of four fees per day. Should additional items be presented on the following business day, the four-item max will be charged per items presented.

**c. Is there a daily cap on fees?**

Wells Fargo will set overdraft fees on a per item basis. We do have a daily cap on overdraft fees with a maximum of four overdraft fees per account per day.

**13. Describe the financial institution security procedures for its information reporting system, both for access and information protection.**

Our online banking portal uses the following access and information protection security features.

**Authentication**

The system requires multiple sign-on identifiers, including:

- Company ID, user ID, and password
- Strong or two-factor authentication for all online payment and administration services using a PIN and token code

**Internal access violations**

We record operating system sign ins and access violations, and monitor system logs for exceptions and suspicious activity. The system will lock out a user account when there are invalid password attempts.\* We investigate these activities and take appropriate actions, as necessary, to protect your banking information.

If an account becomes locked, the user must contact the City's administrator or a representative in our CC4B Service Office to reissue and reset the password.

\* Our online banking portal suspends a user after five unsuccessful sign-on attempts.

**Automatic signoff**

We automatically sign users off from your online and mobile banking session after a period of inactivity. This security feature reduces the risk of others accessing information from an unattended computer or mobile device.

**Access control**

You determine who can access protected resources and which resources are available for access. We can set up entitlements for each user, or, using our online administration service, your administrators can create user IDs and assign privileges.

**Dual custody**

To reduce your fraud risk, we require dual custody (separate users to initiate and approve) to release online payment transactions and for administration actions related to transaction-based services.

Dual custody is an industry standard best practice that helps protect against fraud attempts that could originate inside or outside your organization. For maximum effectiveness, dual custody should involve two users on different computers or mobile devices. You can choose to add dual custody to other administration features such as user setup and password resets.

## Encryption and browser requirements

We conduct user sign-ons and all session activities using 256-bit encryption. During sign-on or when using two-factor authentication, we mask passwords, PINs, and token codes for security reasons. Additionally, the system stores all passwords using one-way hashing. Our services only support browsers that adhere to our encryption standards.

## Security audits and assessments

Wells Fargo Audit Services performs regular reviews of our online banking portal and issues findings and audit summaries. Our management and technical partners review each finding. If changes are necessary, management prioritizes and schedules them for implementation. Audit Services tracks and monitors findings and completed changes.

We use internal resources to perform penetration testing on our online banking portal and mobile service on a regular basis. In addition, we leverage external resources to perform penetration testing on a periodic basis. Management reviews the results and makes appropriate changes to strengthen our existing security controls.

## Virus detection

Our security policies require that we deploy and maintain virus detection software on our servers, email gateways, desktops, laptops, and other devices.

### 14. Is system administration performed by the financial institution or the customer? What functions does the security administrator perform?

Your company administrator can perform a variety of functions through our online administration service, including:

- Creating, maintaining, and deleting user access, including password resets
- Restricting user access to services and accounts and setting transaction dollar limits
- Creating account or user lists to better organize your users and accounts — lists can be used throughout the administration service to easily select multiple accounts or users to administer
- Setting up multiple users with similar access controls at the same time
- Establishing additional controls for specified transactions and functions that require review and approval by a one or more approvers before the request is executed\*
- Setting up forced dual controls for all tasks performed through the online administration service\*
- Running management reports that show current user entitlements for a rolling 365 days of administration activity history

\* We require dual custody for money movement transactions and changes to user access.

## Audit features

We offer an online audit report that lists:

- Authorization activities performed by your administrators
- Access assigned to each user

We also internally log and monitor customer events that occur on our online system. The service event logs provide information about your user activities, including sign-in, user profile updates, and transactional activity. The logs identify the user, date and time of event, and other information relevant to the activity performed.

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

Yes. We internally log and monitor events that the City initiates through our online banking portal and mobile banking service.

## The City reports

### Audit trail

We provide audit trail reporting for many of our online banking portal services. You can access these online audit reports that show authorization activity and user access. The following screenshot is a sample from our online wire initiation service showing creation and approval audit history.

**Payment Detail**

Wire

Payment ID X0268

**Payment Information**

Confirmation #		Template Name	
Payment ID	X0268	Status	Queued
Type	Wire	Modified	12/17/20XX XX:XX PM ET

**Debit Account**

Debit Account 0000001636 (USD) SIGMA ETA

**Beneficiary**

Beneficiary	BETA ETA INC Account# 000006789	Beneficiary Bank	DELTA BANK, N.A. 123 MAIN STREET ANY CITY ANY COUNTRY FEDWIRE 000009593
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**Payment Details**

Debit Currency	USD - United States Dollar
Credit Currency	USD - United States Dollar
Amount	55.50 USD
Value Date	12/17/XX
	Cutoff time XX:XX PM ET

**References**

**Originator to Beneficiary Information**

**Payment References**

ID/Account #	0000001636
Third-party Reference	
Originator	WILLIAM SMITH SERVICES 345 MAIN STREET #XXX ANY CITY, ANY COUNTRY

**Audit History**

Created	WELLS02 12/17/20XX XX:XX PM ET	Approval 1	WELLS0312/17/20XX 05:17 PM ET
Rejected		Approval 2	
Modified		Approval 3	
		Approval 4	



Your treasury management sales consultant, Gurleen Pannu, will be happy to discuss additional audit reporting capabilities for your specific services.

### Online administration reports

You can also retrieve online audit reports that show authorization activities performed by your company administrators and the entitlements assigned to each user. We've included sample reports in the following screen shots.

### Administrator activity: Company preferences

Company Preferences Activity						
User (Role)	User ID	Date Range				
User, test(Admin)	XXXUSER	01/01/20XX through 05/16/20XX				
— Wires						
Date / Time	Initiated By	Accepted By	Account Number / Bank ID	Account Type / Account Name	Funds Transfer Type	Activity
02/16/20XX 02:49:40 PM	test_user	User, Test	N/A	N/A	N/A	Edit Default Wire Fee Assignment:OUR
User (Role)	User ID	Date Range				
Admin, test (Company Admin)	XXXXX01	01/01/20XX through 05/16/20XX				
— Account Name Maintenance						
Date / Time	Initiated By	Accepted By	Account Number / Bank ID	Account Type / Account Name	New Nickname / Old Nickname	Activity
02/08/20XX 08:24:07 AM	User, Test	N/A	#####1#####	Multi. Currency / #####GBP	5### / N/A	Edit Nickname
User (Role)	User ID	Date Range				
User, test (Admin)	XXXXB060	01/01/20XX through 05/16/20XX				
— Wires						
Date / Time	Initiated By	Accepted By	Account Number / Bank ID	Account Type / Account Name	Funds Transfer Type	Activity
02/16/20XX 03:20:33 PM	test_user1	User, Test	N/A	N/A	N/A	Edit Default Wire Fee Assignment:BEN

### User access: User profile activity

User Profile Activity						
User (Role)	User ID	Date Range				
User, Test (Admin)	XXXUSER1	01/01/20XX through 05/16/20XX				
— Updates						
Date / Time	Initiated By	Accepted By	User Name	User ID	Activity	Channel
04/03/20XX; 11:27:11 PM	User, Test	User, Test	Person, Test	XXXX193	Add User First Name: Test Last Name: Person Email Address: abcd@wellsfargo.com Credentials Delivery: Email - Send Now Assigned Admins: User2, Another (ANOTHER2)	SA
User (Role)	User ID	Date Range				
Admin, Test (Company Admin)	XXXXXX	01/01/20XX through 05/16/20XX				
— Updates						
Date / Time	Initiated By	Accepted By	User Name	User ID	Activity	Channel
04/10/20XX; 09:56:47 AM	Admin, Test	N/A	User, Test	XXXXX821	Update Target User First Name - USER	SA
04/10/20XX; 09:56:47 AM	Admin, Test	N/A	User, Test	XXXXX821	Update Target User Last Name - TEST	SA
04/10/20XX; 09:56:38 AM	Admin, Test	N/A	User, Test	XXXXX821	Update Target User First Name - USER	SA
04/10/20XX; 09:56:38 AM	Admin, Test	N/A	User, Test	XXXXX821	Update Target User Last Name - TEST	SA

— End of Report —

## Our internal reports

We record information about user activities, including sign-on history, profile updates, and transactions made. Reports identify users, dates and times of events, and other details.

We do not typically share our internal reports with customers. However, if there is a need to view a report, we would evaluate the request on a case-by-case basis.

We use audit controls to log, monitor, and report the key activities of our online banking portal. Audit logs provide transaction and activity records of events, including internal user activity related to customer accounts.

Our enterprise records management requirements determine our audit log retention periods. At a minimum, we retain logs for one year.

### **16. Describe the types of insurance and bonding carried.**

Protection for our customers and business partners with respect to theft or misappropriation of their assets is provided by the financial strength, integrity and contractual obligations of Wells Fargo.

The Wells Fargo & Company Corporate Insurance programs include, but are not limited to, Professional Liability insurance (also known as Errors and Omissions policy), Financial Institutions Bond coverage, which includes Fidelity (also known as Employee Dishonesty) coverage, and Commercial General Liability, and Automobile Liability insurance.

If you select Wells Fargo as your preferred provider for treasury management services, we will provide Certificates of Insurance as required by contract.

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

Wells Fargo Treasury Management contracts for an annual SSAE 18 examination. Results are issued in an SOC 1 report.

We can provide a copy of our SOC 1 reports upon receipt of a signed non-disclosure agreement. If we are chosen as a finalist in the City's selection process, we will obtain required signatures as needed.

Please refer to Tab B in the Appendix section of our response for our Information Security program letter.

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

**Business continuity and resiliency**

Recent history shows us that having a solid business continuity plan in place, no matter the cause of the disruption, can be critical to business success. Wells Fargo seeks to manage this risk in accordance with our Business Resiliency and Disaster Recovery Risk Management policy and business procedures to achieve business goals and comply with laws, rules, regulations, and regulatory guidance to protect our customers and ourselves.

Please refer to Tab C in the Appendix section of our response for our Business Continuity Plan Program letters.

We have formal teams dedicated to managing disruptions to our services. Our Enterprise Business Continuity Resiliency Planning office sets the standards for our organization. Each business, in conjunction with operational risk management partners, helps ensure preparedness and compliance at the organizational levels.

Standard elements of our business continuity and resiliency programs include:

Annual plan review, testing, and maintenance
Identification of alternate strategies and recovery procedures
Identification of internal and external dependencies including regular review of third party service providers
Identification of potential risks and controls for mitigation
Prioritization of business functions and technology
Procedures for communication with customers, suppliers, and essential staff
Recovery of technology and data

**General program elements for our enterprise**

**Testing recoverability**

We update and test our recovery procedures regularly, with the frequency and timing varying by business function or application. We exercise essential business recovery procedures and systems at least annually.

**Critical functions**

After a disruption, we prioritize restoring and maintaining normal service levels for our critical functions.

Components of our recovery plans vary based on the potential business disruption, such as a loss of facility, loss of technology, or significant reduction to our staff or of third party providers. We identify the main areas most commonly affected and then provide our general approach to each.

### **Data and operation centers**

We've dispersed our data and operation centers strategically across multiple locations to minimize potential disruption within a specific geographic region.

We engage our technology teams quickly when we detect a disruption at a primary data center. Our technology teams assess the situation and determine next steps based on the nature of the disruption. If we need to shift processing to an alternate data center, we can because we maintain redundant platforms for our business critical services. All alternate sites have sufficient capacity to maintain processing for an extended period. In most situations, we can restore service at a primary data center for critical services within 12 hours.\*

If a disruption occurs at one of our primary operation centers, we use an identified backup site to take over day-to-day processing and support. We use our backup site until the primary site returns to normal conditions.

\* This zero to 12 hour goal does not guarantee that certain events will not affect Wells Fargo systems or that we will achieve specific recovery times in the event of a disruption.

### **Third party providers**

We use third-party service providers and contractors to support a variety of functions. We evaluate each of them prior to the execution of a contract for services, and beyond. Our evaluation uses a risk-based approach to assess providers as we review, select, and monitor their performance.

Our Vendor Management Program conducts service provider validation and joint testing of our essential providers. It includes an assessment of the service provider's ability to meet our disaster recovery standards for service level agreements and recovery time objectives.

### **Program elements specific to treasury management**

In addition to our enterprise program elements, we've incorporated the following elements into our business continuity resiliency plans for our treasury management services.

### **Communication**

Notification methods to inform you of a service disruption include:

- Front-end messages from our CC4B Service Office advising the City about system issues when you contact us through our toll-free number
- System status alerts displayed on the homepage of our online banking portal

Client service officers are on call 24 hours a day, seven days a week, ready to respond to a disruption.

The method we use to communicate with you depends on the nature of a disruption.

If a disruption prevents you from accessing your information, your relationship team can help. They have access to bank systems and can provide the account information, balances, and other data you need to continue operating.

## Backup strategies for online channels

### Online banking portal

If the online banking portal experiences a disruption, we use our backup environment. The backup environment is a duplicate of our online banking portal and is in a separate location from the primary site.

### Mobile service

We have a backup environment for our mobile platform\* in the event of a system outage. Our mobile service and online banking portal channels use different web addresses and user interfaces. This arrangement means that, depending on the nature and root cause of an outage, users may be able to access services through the mobile service if our online banking portal experiences a disruption.

Additionally, our mobile token feature allows users to use their mobile devices in place of physical tokens to access secure services. This access can be helpful in instances when a disaster event separates users from their physical tokens.

\* Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

## Backup strategies for core services

### ACH payments

When we invoke our ACH recovery plan, processing diverts to a backup site. We can recover with minimal down time because we run ACH production simultaneously at our primary data center and at our backup sites.\*

The diverse geographic locations of our processing centers help to minimize potential disruption. However, the severity or nature of a specific event may require use of manual backup procedures.

As a contingency step, we recommend that you establish an alternate method of initiating payments, such as our online ACH services,<sup>†</sup> to upload files or manually key in payment information.

\* Running simultaneous ACH production does not guaranty that certain events will not affect Wells Fargo systems or that we will achieve specific recovery times in the event of a disruption.

<sup>†</sup> You will need to enroll in our online ACH service separately from the direct origination service and plan for implementation prior to an emergency.

### Wire transfer

When we invoke our business continuity resiliency plan, processing diverts to a backup site. Each backup site has the ability to accept transferred wire processing workloads, including wires initiated by telephone.

We maintain redundant connections to two different Federal Reserve Banks, which minimizes potential disruption within a geographic region. We conduct comprehensive joint testing with the Federal Reserve Bank on a quarterly basis.

You can also enroll in a backup wire transfer channel. For example, you can choose from telephone-initiated wires or our mobile service to access select functions of our wire transfer service.\*

\* You will need to enroll in backup wire services separately and plan for implementation prior to an emergency.

## Account reconciliation plans and positive pay

If you're unable to access our online banking portal or send files using data transmission because of a business interruption, you can key small-volume issues, cancellations, and voids through our mobile service.\*

\* You do not need to enroll in the mobile service in advance of a disruption. Download the latest version of the CEO Mobile app available for your device from the Apple App Store or Google Play store.

## Transmission service

We have a backup environment for our browser-based transmissions service. It includes an alternate website in case our online banking portal is unavailable. As a best practice, we recommend that customers leverage URLs if using automation scripts and not IP addresses, which are subject to change.

## Commercial card

Our business continuity resiliency plan includes contingency planning and routine data backups. We are on call 24 hours a day, seven days a week during incident response. In most situations, restoration of commercial card processing can occur within 12 to 24 hours, and restoration of our expense management service can occur within four hours of disaster declaration.\*

\* The forgoing does not constitute a representation or warranty that certain events will not affect Wells Fargo systems or that Wells Fargo will achieve specific recovery times in the event of a disruption.

## ACH Fraud Filter

Business disruptions can create opportunities for fraud. It's important that during a disruption you can continue to view details and make decisions on your ACH transactions. You can access our ACH Fraud Filter service online or through our mobile service. Alternatively, you can obtain ACH information by calling our CC4B Service Office.

## Cash vault

If a primary cash vault site is unable to accept, deliver, or process cash, we work through a backup site. We disperse our cash vault sites strategically so that we minimize potential disruption within a specific geographic region. Transportation issues and the additional distance between you and the backup site may cause delay of the cash delivery during a disaster or emergency. If such an event occurs, we take reasonable action to resume our normal cash delivery service levels as soon as possible, given the available transportation options.

## Remote deposit

We automatically store checks that you capture through our remote deposit service on our servers. If a power outage or other disruption prevents you from completing a deposit, it remains in a pending deposit status. It remains in this status until you can access the system again. You can view a summary of all your deposits that require review prior to completion. As a backup, you can make deposits using a mobile device with a camera through our CEO Mobile application or by taking your deposit to a Wells Fargo branch.

## Lockbox

If we invoke our business continuity resiliency plan, lockbox processing at the affected site diverts to a backup site, as needed. The specific location of the backup site will depend on the impact of the disruption. Alternative processing may include diverting mail delivery from the affected primary site to the backup site.\* In such a case, after we receive mail at the backup site, we follow customer-specific instructions to process checks, capture AR data, and image checks and invoices. We notify customers and couriers (as appropriate) about their impacted processing site or procedures.

\* Depending on the severity of a disaster, delayed mail delivery may affect processing time, which could impact normal service level agreements.

## Image cash letter

Image cash letter processing moves between two main locations. We mirror and back up all image cash letter files in a separate location. Because we back up and store your account data, we can provide it to you in an emergency.

If you're unable to make deposits through our image cash letter service, as an alternative, you can make deposits at any Wells Fargo branch.

## Keeping current

To keep current with changes in the business continuity resiliency and disaster recovery industry, we're active in forums that discuss and share best practices.

The forums include:

- 
- Disaster Recovery Institute International
  - Financial Industry Regulatory Authority
  - Global Financial Markets Association
  - The Institute of International Finance
- 

**19. Describe any additional security measures available to the City to minimize the risk of unauthorized transactions in its accounts.**

Please refer to the previous response to question 13.

## D. Implementation/conversion

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

Our experienced team will meet with the City. Together, we will discuss the process, set expectations, and document any potential issues that the team may encounter during the transition. In addition, we will conduct follow-up meetings as necessary.

We will assign an implementation consultant to the City and coordinate an implementation kickoff meeting. Your implementation consultant acts as your single point of contact throughout the implementation and help determine timelines and responsibilities.

This regular communication will help develop the relationship that’s required to achieve a smooth transition to your new banking or treasury management solutions.

Your implementation consultant collaborates with you and your staff to develop the schedule and document the process we will follow. A sample schedule for our product implementation follows. While the sample schedule shows many crucial tasks, it is not comprehensive. After we meet with you to discuss your needs, we will customize it.

The implementation lead time represents the length of time it takes to make the service available to the City once:

- Your relationship team completes all required know your customer due diligence processes\*
- Your implementation consultant gathers all necessary information from you and our internal sources needed to implement your services
- The City completes the required agreements and returns them to Wells Fargo

\* Due diligence processes can take up to 30 days to complete.

## Sample implementation schedule

Online banking portal and information reporting		
Approximate time frame*	Wells Fargo actions	Your actions
9-day lead time to establish services in online banking portal	<ul style="list-style-type: none"> <li>• Review and confirm services</li> <li>• Coordinate training</li> </ul>	<ul style="list-style-type: none"> <li>• Review and confirm services</li> <li>• Attend training</li> </ul>
7-day lead time to establish information reporting service	<ul style="list-style-type: none"> <li>• Set up online administration for reports, and related services</li> </ul>	<ul style="list-style-type: none"> <li>• Review and sign forms</li> </ul>

\* The implementation time can be shorter (or longer), depending on the products being implemented.

Account opening		
Approximate time frame*	Wells Fargo actions	Your actions
1-day lead time	<ul style="list-style-type: none"> <li>• Identify all accounts to be opened</li> <li>• Provide account numbers</li> <li>• Provide MICR specifications</li> <li>• Order deposit tickets, check stock, and other supplies</li> <li>• Validate setup</li> </ul>	<ul style="list-style-type: none"> <li>• Identify all accounts to be opened</li> <li>• Order deposit tickets, check stock, and other supplies</li> </ul>



**ACH direct transmission**

Approximate time frame*	Wells Fargo actions	Your actions
13-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide file layout specifications</li> <li>Determine transmission method and issue IDs</li> <li>Issue transmission ID</li> <li>Review test file format</li> <li>Perform transmission testing (additional time may be needed for outbound transmission testing, such as for a returned item)</li> <li>Move transmission IDs into production</li> <li>Validate and finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Determine transmission method and issue IDs</li> <li>Create test file</li> <li>Perform transmission testing (additional time may be needed for outbound transmission testing, such as for a returned item)</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission testing.

**ARP and Positive Pay**

Approximate time frame*	Wells Fargo actions	Your actions
36-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Coordinate training</li> <li>Provide file layout specifications</li> <li>Issue transmission ID</li> <li>Perform transmission testing</li> <li>Move transmission ID into production</li> <li>Validate and finalize setup</li> <li>Activate Positive Pay</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Complete training</li> <li>Perform transmission testing</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission testing. Also, adding ARP or Positive Pay to an existing account is cycle dependent and can only be done at the beginning of a statement cycle.

## Payee Validation

Approximate time frame*	Wells Fargo actions	Your actions
30-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Share manual review fee with the City<sup>†</sup></li> <li>Share key implementation requirements, guidelines, and video tour</li> <li>Request customer limits check stock order</li> <li>Confirm checks are ready to monitor</li> <li>Set up for production</li> <li>Begin monitoring test checks</li> <li>Review check stock and monitor issue file for three weeks</li> <li>Address any issue file corrections</li> <li>If checks pass three weeks of testing, there is no further follow-up</li> <li>Validate and finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Acknowledge understanding of requirements</li> <li>Request customer limits check stock order</li> <li>Confirm checks are ready to monitor</li> <li>Begin monitoring test checks</li> <li>Review check stock and monitor issue file for three weeks</li> <li>Address any issue file corrections</li> <li>If checks pass three weeks of testing, there is no further follow-up</li> <li>If checks fail testing, you have 60 days to fix issues<sup>†</sup></li> </ul>

\* Dependent upon results of check stock monitoring.

† If checks still fail, the manual review fee will be assessed.

## ACH Fraud Filter

Approximate time frame*	Wells Fargo actions	Your actions
9-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Coordinate training</li> <li>Set up service on ACH platform</li> <li>Set up optional 30-day review (before considering stop option)</li> <li>Implement stop option if needed</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Complete training</li> <li>Identify default decisions and preauthorizations</li> </ul>

\* This service becomes active after users complete training. The City's responsiveness will affect the implementation lead time; delays in completing training can increase the implementation time frame.

**Bank Administration Institute (BAI) transmissions**

Approximate time frame*	Wells Fargo actions	Your actions
27-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Determine transmission method</li> <li>Issue transmission ID</li> <li>Perform transmission testing</li> <li>Move transmission ID into production</li> <li>Validate and finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Develop capacity to receive and parse BAI file and data</li> <li>Perform transmission testing</li> </ul>

**Remote deposit**

Approximate time frame*	Wells Fargo actions	Your actions
13-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Order supplies</li> <li>Complete and validate setup</li> <li>Send fulfillment package</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> </ul>

**Remote deposit with detail reporting**

Approximate time frame*	Wells Fargo actions	Your actions
21-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide transmission specifications</li> <li>Set up transmission and test connectivity</li> <li>Issue transmission ID</li> <li>Provide test results</li> <li>Move transmission ID into production</li> <li>Monitor live files</li> <li>Validate setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Review and approve forms</li> <li>Send test file</li> </ul>

\* A Deposit Detail Report can be set up for both our remote deposit and image cash letter services. The timeframe for either requires at least a 21-day lead time to establish, create, and test IDs for transmission.

**Image File Import (non-lockbox)**

Approximate time frame*	Wells Fargo actions	Your actions
20-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide reference guide</li> <li>Determine transmission method</li> <li>Issue transmission ID</li> <li>Send live files</li> <li>Validate and finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Download test file and confirm connectivity and format</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission method and testing.

**Returned Items**

Approximate time frame*	Wells Fargo actions	Your actions
11-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Issue transmission IDs</li> <li>Implement instructions</li> <li>Validate setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Send test file</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission testing.

**Sweep accounts**

Approximate time frame*	Wells Fargo actions	Your actions
7-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Implement sweep</li> <li>Establish sweep statement access</li> <li>Validate setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> </ul>

### WellsImage® Media

Approximate time frame*	Wells Fargo actions	Your actions
13-day lead time*	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide MICR check specifications</li> <li>Perform check testing (MICR and image)</li> <li>Finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide test checks</li> </ul>

\* The implementation time can be shorter (or longer) depending on check testing. It is also cycle dependent and can only be added at the beginning of a statement cycle if adding WellsImage Media to an existing account.

### Wholesale Lockbox

Approximate time frame	Wells Fargo actions	Your actions
10-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Perform invoice testing</li> <li>Provide lockbox number and live date</li> <li>Finalize setup</li> <li>Coordinate image training</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide sample invoices (for image)</li> <li>Complete image training</li> </ul>

### Wholesale Lockbox with transmission

Approximate time frame	Wells Fargo actions	Your actions
30 to 40-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide file layout specifications</li> <li>Perform invoice testing</li> <li>Issue transmission ID</li> <li>Perform transmission testing</li> <li>Provide lockbox number and live date</li> <li>Move transmission ID into production</li> <li>Finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Provide sample invoices (for image)</li> <li>Perform transmission testing</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission testing. Lockbox can begin receiving deposits 10 business days after the lockbox number is assigned; however, we cannot provide remittance details electronically until transmission testing is complete.

### Zero balance account (ZBA)

Approximate time frame*	Wells Fargo actions	Your actions
7-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Implement ZBA</li> <li>Validate setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> </ul>

### Consolidated receivables service

Approximate time frame*	Wells Fargo actions	Your actions
14- to 42-day lead time*	<ul style="list-style-type: none"> <li>Complete setup forms</li> <li>Begin setup of all treasury management-related products</li> <li>Finalize setup</li> <li>Test transmission</li> <li>Move services into production</li> <li>Coordinate training</li> </ul>	<ul style="list-style-type: none"> <li>Complete training</li> </ul>

\* The implementation time can be shorter (or longer), depending on transmission testing

### Consolidated payables service

Approximate time frame*	Wells Fargo actions	Your actions
48-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Determine use of manual or automation process and method of transmission</li> <li>Provide user guides and coordinate training, if using Payment Manager Online (PMOL)</li> <li>Develop statement of work</li> <li>Approve and sign statement of work</li> <li>Validate SIT/UAT test files</li> <li>Add any additional accounts</li> <li>Move services into production</li> <li>Transmit and monitor production files</li> <li>Verify and finalize setup</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Determine use of manual or automation process and method of transmission</li> <li>Establish automation connection</li> <li>Validate SIT/UAT test files</li> <li>Add any additional accounts</li> <li>Transmit and monitor production files</li> </ul>

\* The times for all action items can vary depending on your choice of a standard or custom format and the availability of your internal resources for development and testing.

**Wires (online initiation)**

Approximate time frame*	Wells Fargo actions	Your actions
4-day lead time	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Implement and validate services</li> <li>Coordinate training</li> </ul>	<ul style="list-style-type: none"> <li>Review and confirm services</li> <li>Complete training</li> </ul>

## Commercial card implementation

The following schedule includes a description of each implementation phase. It includes approximate timeframes for completion and actions required of both parties. Factors that can affect the estimated time needed to implement our services include the City's requirements, preferred file format (standard versus custom), technical capabilities and testing requirements.

### Pre-implementation

Prior to your commercial card program implementation, your Wells Fargo relationship team gathers information to satisfy credit, legal, and regulatory requirements for the service. We also work with you to collect signatures for the required agreements. The lead time for this information gathering is typically one to three weeks.

### During implementation

During implementation, your commercial card program implementation consultant gathers additional details for your program and cardholders, coordinates any necessary technical resources, and develops a training plan for your program administrators.

Once your setup is complete, your commercial card payables account manager works with you to develop your customized program rollout and training for cardholders and approvers.

## Sample implementation schedule

Implementation begins once we complete all pre-implementation activities.

**Pre-implementation**

Approximate time frame	Wells Fargo actions	Your actions
1 to 3 weeks	<ul style="list-style-type: none"> <li>Finalize services and pricing</li> <li>Complete any credit or regulatory requirements</li> <li>Complete necessary commercial card contracts</li> </ul>	<ul style="list-style-type: none"> <li>Finalize services and pricing</li> <li>Complete any credit or regulatory requirements</li> <li>Gather additional commercial card details</li> </ul>

Implementation		
Approximate time frame	Wells Fargo actions	Your actions
3 to 4 weeks lead time standard 4 to 6 weeks with transmission	<ul style="list-style-type: none"> <li>• Gather additional commercial card details</li> <li>• Provide GL interface file format detail</li> <li>• Train administrators and provide cardholder training material</li> <li>• Rollout cardholder training and card distribution</li> </ul>	<ul style="list-style-type: none"> <li>• Gather additional commercial card details</li> <li>• Provide cardholder list and profile details</li> <li>• Complete merchant category code (MCC) template worksheet</li> <li>• Complete GL mapping spreadsheet</li> <li>• Provide GL interface file format detail</li> <li>• Complete internal cardholder agreement and application</li> <li>• Rollout cardholder training and card distribution</li> </ul>

### Virtual card payments

Completion of a new standard implementation of our Virtual Card Payments and consolidated payables services can take four to six weeks. Factors that can affect the estimated time needed to implement our services include:

- The City’s requirements
- Preferred file format (standard versus custom)
- Technical capabilities
- Testing requirements

### Sample implementation schedule

The following schedule includes a description of each implementation phase. It includes approximate timeframes for completion and actions required of both parties.



**Pre-implementation\***

Approximate time frame	Wells Fargo actions	Your actions
1 to 3 weeks	<ul style="list-style-type: none"> <li>• Provide standard file format specifications</li> <li>• If you will use a custom file format:</li> <li>• Provide you with a data matrix of required fields</li> <li>• Analyze and approve your file specification format</li> <li>• Provide template for your suppliers</li> <li>• Segment and profile suppliers for enrollment</li> <li>• Provide signature card and card agreements</li> <li>• Reserve account numbers</li> <li>• Complete credit approval</li> <li>• Assign project manager(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Review Wells Fargo standard file and document format specifications</li> <li>• Self-validate that input file meets standards using our file validation tool</li> <li>• If you will use a custom file format:                             <ul style="list-style-type: none"> <li>• Return completed data matrix</li> <li>• Produce file specification and sample file</li> </ul> </li> <li>• Return supplier list</li> <li>• Update ERP system to take new payment type</li> <li>• Sign and return completed documents</li> </ul>

\* All pre-implementation actions run concurrently.

**Implementation kick off and Business Requirements Document (BRD)\***

Approximate time frame	Wells Fargo actions	Your actions
1 to 3 weeks	<ul style="list-style-type: none"> <li>• Provide standard file format specifications</li> <li>• If you will use a custom file format:                             <ul style="list-style-type: none"> <li>• Provide you with a data matrix of required fields</li> <li>• Analyze and approve your file specification format</li> </ul> </li> <li>• Provide template for your suppliers</li> <li>• Segment and profile suppliers for enrollment</li> <li>• Provide signature card and card agreements</li> <li>• Reserve account numbers</li> <li>• Complete credit approval</li> <li>• Assign project manager(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Review and approve BRD</li> <li>• Review and approve the supplier enrollment strategy</li> <li>• Return signed agreements</li> </ul>

\* All implementation actions run concurrently.

**Development\***

Approximate time frame	Wells Fargo actions	Your actions
2 to 4 weeks	<ul style="list-style-type: none"> <li>Establish services</li> <li>Provide training for our consolidated payables and online services</li> <li>Contact targeted suppliers and provide a weekly enrollment report</li> </ul>	<ul style="list-style-type: none"> <li>Complete training</li> <li>Update ERP or AP system weekly, to reflect changes in supplier enrollment</li> <li>Confirm all setups and test specifications</li> </ul>

\*All development actions run concurrently.

**User acceptance testing\***

Approximate time frame	Wells Fargo actions	Your actions
2 weeks	<ul style="list-style-type: none"> <li>Conduct connectivity testing and validation. We also make file update recommendations and repeat testing until all issues are resolved</li> </ul>	<ul style="list-style-type: none"> <li>Produce system-generated file and receive test files with acknowledgments and confirmations</li> </ul>

\* All user acceptance-testing actions run concurrently.

**Go live**

Approximate time frame	Wells Fargo actions	Your actions
	<ul style="list-style-type: none"> <li>Coordinate any additional training needed</li> <li>Move your services to a live environment with your approval</li> <li>Monitor the first live file that you send to us</li> <li>Introduce you to our customer service team, CC4B Service Office</li> </ul>	<ul style="list-style-type: none"> <li>Complete any additional training</li> <li>Modify transmission scripts to send the first live file</li> </ul>

**Merchant services implementation**

To successfully implement your merchant services, several important tasks need to take place in a timely manner. In the following paragraphs, we provide an overview of the steps and responsibilities involved with implementing your merchant services solution. We will create a customized plan and share it with you during the implementation process.

## **Wells Fargo steps and responsibilities**

### **Pre-implementation phase**

During pre-implementation discussions with you, we will determine which merchant processing solutions will best meet your needs. Additionally, we will work with you to finalize your solution and requirements, complete and sign any required documentation, and gather additional details.

### **Implementation phase**

We will assign a merchant services implementation consultant who will guide you through the implementation process. He or she will be your main contact throughout the implementation process. Your merchant services implementation consultant will provide an overview of the implementation experience, gather additional details review the Statement of Work (if applicable), and provide additional resources and support for your internal technical setup, including issue resolution.

### **Merchant account and product setup**

We will build and configure your merchant processing solution to meet your needs.

### **Testing**

As your implementation progresses, you will submit test transactions to help ensure a successful setup.

### **Training**

Your merchant services implementation coordinator will provide you with training, so you will be ready to use your new merchant solution.

### **Start date and monitoring**

You and your merchant services implementation consultant will coordinate a go-live date for your new services. We will monitor your account for the first 30 days to help ensure transactions are processing correctly. Upon receipt of your first monthly merchant account statement, your implementation manager will conduct a statement review and introduce you to your ongoing support team.

## **The City's steps and responsibilities**

One of the ways to help ensure we meet your merchant services needs is through a customized implementation process and timeline. We build this based on information you provide. We will depend on you before and during the implementation process to do the following:

- Provide additional information that may be needed to complete the implementation as requested
- Help ensure your technical and financial resources are available and prepared to participate as needed
- Be prepared to discuss your reporting and reconciliation requirements
- Partner with your implementation consultant to coordinate your setup, training, test transactions, and go-live date

## Timeframes

Implementation timeframes for our merchant services solutions vary based on the type of processing you require and the size and scope of your implementation. In the following table we list general implementation timeframes.\* Once we establish your specific needs, we will present you with a mutually agreed upon timeframe for implementation.

Service	Time to implement*
Terminal 1 – 20	• 2 – 4 weeks
Terminal 21+	• 4 – 8 weeks
Clover Go	• 4 – 6 weeks
Clover POS 1 – 20	• 2 – 4 weeks
Clover POS 21+	• 4 – 8 weeks
Decision Manager	• 2 – 4 weeks
Direct Connect	• 8 – 10 weeks
FD gift card	• 12 – 14 weeks
Independent software vendor (ISV)	• 4 weeks
Wells Fargo Payment Gateway® API integration	• 8 – 12 weeks
Wells Fargo Payment Gateway Secure acceptance	• 4 – 8 weeks
Wells Fargo Payment Gateway Virtual terminal	• 2 – 4 weeks

\*Actual timeframe of implementing may vary by individual merchant or vendor.

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

Your assigned implementation consultant will act as your single point of contact throughout the implementation and help determine timelines and responsibilities. This regular communication will help develop the partnership that's required to achieve a smooth transition to your new banking and treasury management solutions.

After your implementation is complete, you can call or email our CC4B Service Office who can help you and your staff with questions about your new services. CC4B Service Office representatives are available Monday through Friday from 4:00 a.m. to 7:00 p.m. Pacific Time and Saturday from 6:00 a.m. to 12:30 p.m. Pacific Time.

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

During implementation, we will work with you to determine your training needs. Based on your needs, we can create a customized plan that consists of a variety of solutions. In the following paragraphs, we describe the training options available to you.

## Online learning resources

Training for services provided through our online banking portal is available to the City during all phases of your implementation. You will also have access to these tools on an ongoing basis once implementation is completed. Training includes on-demand modules and a variety of self-paced learning tools.

### On-demand modules

We provide on-demand training modules that are available through our online banking portal 24 hours a day, seven days a week. This approach offers greater flexibility so that your users can train when it is most convenient for them.

### Self-paced learning tools

If you prefer to learn at your own pace, we offer the following resources:

- **User guides** — provide an overview of your services, along with detailed information about your services
- **Quick reference guides** — offer you at-a-glance information about specific tasks related to your services
- **Online demo tool** — allows you to become familiar with and practice navigating our online banking portal

## Training with your implementation consultant

Your implementation consultant can provide additional training options, as needed, and will supplement online learning solutions so you receive full training support.

## Post-implementation training

After your implementation is complete, you can call or email our CC4B Service Office who can help you and your staff with questions about your new banking services. CC4B Service Office representatives are available Monday through Friday from 4:00 a.m. to 7:00 p.m. Pacific Time and Saturday from 6:00 a.m. to 12:30 p.m. Pacific Time.

The CC4B Service Office has a centralized structure with a presence in all time zones. It's our goal to answer your call within 30 seconds; we resolve most questions on the first call.\* We hold the same high standards across our organization; all client service officers follow the same policies and procedures.

Our Treasury Management Client Delivery teams, along with other customer support teams, are the recipients of many prestigious awards and accolades judged by industry professionals.

\*Automatic Virtual Contact Center (VCC) system calculation based on total queue (wait time for both answered and abandoned calls), divided by calls answered.

#### 4. Will the City be allotted a fixed number of hours and training?

No. Training hours are not counted. Your assigned implementation consultant will ensure that the City is comfortable with using services before transitioning support to our CC4B Service Office.

## E. New services and ideas

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

We put our customers at the center of every decision we make. We keep these key points in mind as we enhance our services:

- Focus on the customer
- Stay current with technology
- Keep things simple
- Make services easy to implement
- Help customers keep pace globally

Through ongoing conversations, we hear what customers want from their treasury services — and how they want to use and access them.

## Sweep accounts

Sweep accounts provide you with an automated solution for optimizing funds and earning interest on balances invested overnight. Because investments are either overnight or short-term, the City has daily access to your money.

We also offer a credit sweep service that allows you to use bank account balances to pay down a line of credit. You can use the line of credit to fund a bank account that has fallen below a target balance amount. You can also choose to tie an investment sweep to the credit sweep account structure.

Once you determine a target amount (which you can set to zero), we sweep excess collected balances over the target amount from your checking account to an investment. Alternately, we sweep excess collected balances over the target amount to pay down a line of credit, depending on your cash flow needs.

### Benefits

<b>Automated investment of funds</b>	By sweeping automatically each night, our service eliminates the need for costly and time-consuming manual funds movement to and from investment accounts.
<b>Accuracy of funds transfer</b>	Sweep transfers occur after all the day's debits and credits post to your account. Transferring funds after debits and credits post helps ensure that the sweep won't accidentally overdraw your account.
<b>Consolidated reporting</b>	You receive a monthly statement that includes information on your balances and the interest or dividends paid on your investment. Our confirmations provide you with sweep transaction activity and daily rates. You can monitor your sweep activity online using our information reporting service. We can also deliver your statements and notifications electronically.

## Money Market Mutual Fund Sweep

Our Money Market Mutual Fund\* automatically sweeps excess collected balances into one of our Allspring Money Market Mutual Funds:

- Government Money Market Fund
- Treasury Plus Money Market Fund

**\* Not FDIC insured, no bank guarantee, and may lose value.**

Because funds stay invested until you need them, you can generate earnings without sacrificing access to your cash.

If your checking account balance is above your target balance at the end of the day, we automatically sweep the excess balance from your account into an FDIC-insured omnibus account\* at the bank. At the beginning of the **next business day**, we transfer the funds to the money market mutual fund custodian. The custodian invests funds in a non-FDIC insured, non-bank guaranteed money market mutual fund.†

\* Funds transferred to the omnibus account are eligible for FDIC insurance up to the allowable limit. Additionally, government deposits remain collateralized in accordance with state or federal law. We hold funds in the City's name until released for investment the following business day.

† This statement is just a summary. For complete information, please see the Wells Fargo Stagecoach Sweep Service Description and the current prospectus for the Allspring Funds ALLSPRING FUNDS MANAGEMENT, LLC, A WHOLLY OWNED SUBSIDIARY OF ALLSPRING GLOBAL INVESTMENTS HOLDINGS, LLC ("ALLSPRING GLOBAL"), PROVIDES INVESTMENT ADVISORY AND ADMINISTRATIVE SERVICES FOR THE ALLSPRING FUNDS. OTHER SUBSIDIARIES OF ALLSPRING GLOBAL PROVIDE SUB-ADVISORY AND OTHER SERVICES FOR THE FUNDS. THE FUNDS ARE DISTRIBUTED BY ALLSPRING FUNDS DISTRIBUTOR, LLC, MEMBER FINRA/SIPC, A SUBSIDIARY OF ALLSPRING GLOBAL. Your investment in a money market mutual fund will be pooled with funds belonging to other investors in an omnibus investment account in the name of Wells Fargo as agent on behalf of all its customers invested in the money market mutual fund. An investment in a money market mutual fund is not insured by the FDIC or any other government agency. Although the mutual funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market mutual fund. In addition, mutual funds are not guaranteed by Wells Fargo and may lose value. For more information regarding the money market mutual fund investment sweep option, obtain a current prospectus for the money market mutual fund by visiting [allspringglobal.com](http://allspringglobal.com), by calling 1-800-260-5969, or by contacting your Wells Fargo relationship manager. Consider the investment objectives, risks, charges, and expenses of the investment carefully before investing. This information can be found in a current prospectus.

## Rate report

[Money Market Fund Rate Report - Allspring Global Investments](#)

Stagecoach Sweep as of 6-22-22						
Fund	Daily factor	1-day (%)	7-day current (%)	7-day current pre-waiver (%)	7-day effective (%)	
Government Money Market Fund - Select	0.000034253	1.25	1.24	1.20	1.25	
Government Money Market Fund - I	0.000032613	1.19	1.18	1.16	1.19	
Government Money Market Fund - Admin	0.000028786	1.05	1.04	1.04	1.05	
Treasury Plus Money Market Fund - I	0.000033914	1.24	1.23	1.21	1.24	
Treasury Plus Money Market Fund - Svc	0.000027064	0.99	0.98	0.92	0.99	
Treasury Plus Money Market Fund - A	0.000022954	0.84	0.83	0.82	0.83	
100% Treasury Money Market Fund - Svc	0.000015614	0.57	0.54	0.52	0.54	

## Remote cash capture (smart safe)

The remote cash capture process through our SafeVantage service provides daily provisional credits to your bank accounts. The smart safe holds your deposit until your armored courier picks it up. The service can help the City accelerate cash flow by one to two days.

The deposit procedures increase employee efficiency and productivity, improve deposit accuracy, and improve employee safety.

### How it works

To implement our remote cash capture solution, the City will choose an armored courier (Brinks, Garda, or Loomis) to install bill validating and counterfeit detecting safes in your locations. Your employees will simply insert currency into the bill validators. The safe counts the cash, examines the bills, and rejects any bills suspected of being counterfeit. It also tracks deposits by employee PIN.

The smart safe prepares your deposits and then reports them to Wells Fargo. You receive provisional credit for the cash in the safe before it physically reaches the bank.

The safe holds your cash until your armored courier picks it up for delivery to the courier's cash vault. The courier also brings the coin and currency you ordered to your safe.\* Depending on your safe's capacity and cash volume, you may be able to reduce the number of courier pick-ups that you need per week.

\* Smart safes do not dispense coin or currency.



### In addition to currency deposits, the remote cash capture safe handles:

- **Manual deposits** — used for unfit and rejected bills as well as occasional checks or travelers' checks
- **Change order deposits** — used to allocate a deposit to offset the debit charge for a change order made, which simplifies your reconciliation process

## Reporting

You can access transaction information either directly from the safe or through the armored courier's online portal.

You can program your safe to print deposit reports in amounts by employee, shift, and day. Reports identify each type of deposit — currency and manual — by a different description on your reporting services, which helps simplify reconciliation.

## Deposit cutoff times

The City receives provisional credit for check and cash deposits that you make in the safe's manual drop slot. The service level determines the (local) cutoff time, as noted in the following table.

Service level	Cutoff time (local time)	Provisional credit received*
Standard	4:00 a.m.	Next business day at end of day
Premium intraday†	4:00 a.m.	Next business day by 8:00 a.m.

\* At implementation, we can discuss questions you may have about receipt of provisional credit.

† Premium intraday is available to customers who contract with Loomis. Additional fees apply.

## Advantages

Our remote cash capture solution offers many potential benefits to the City.

### Increased staff efficiency

Because the safe counts cash, your employees can focus on customer and business needs. They'll spend less time handling cash, preparing deposits, and making trips to the bank.

### Improved safety and fraud prevention

Criminals may target operations where cash is unsecured. Remote cash capture:

- Reduces the risk of losses for cash in transit
- Reduces the risk of fraud because a point-of-sale system tracks funds — the totals shown on the system should equal the amount deposited
- Provides an audit trail with the reporting of deposit data by location and employee

### Expedited credit

You receive provisional credit and faster access to working capital without being dependent upon a daily armored courier pickup.

## Easy reconciliation

All transactions flow through our regular information reporting channels, including direct BAI file transfer and our online reporting service. Several reports provide detailed information about your deposits and your coin and currency orders.

## Lower transportation and supply costs

Because we credit deposits to your account through an electronic data transmission from the safe, the City can reduce the number of armored car pickups and trips to the bank. Our remote cash capture service also reduces your need for deposit bags and tickets.

## Flexibility

You can choose from a variety of safe models to meet the size requirements of your locations and suit your business processes.

## Wells Fargo Merchant Services

The City wants to offer your consumers the latest, most efficient payment methods in a cost-effective manner. To achieve your goals, you need to work with an electronic payments provider that understands your business model.

Serving 105,000 customers in the U.S., Wells Fargo Merchant Services has experience working with organizations of all sizes in a variety of sectors. As of January 2022, we supported 9.3 billion annual credit and debit transactions and \$738 billion in total sales volume.\* We're the second largest eCommerce (card-not-present) merchant acquirer in the country.† A number of prominent fintech companies choose to process transactions with us.\*



\* Information based on internal reporting.

† The Nilson Report, March 2022.

### Industries and sectors

Government	Restaurants	Technology and telecoms
Higher education	Hospitality	Media
Healthcare	Business-to-business	Energy and utilities
Nonprofit	Payment facilitators	Commercial real estate
Retail	Financial services	

Our team draws on this depth and breadth of experience to support you with strategies designed to help you control cost, manage risk, and offer consumers convenient payment options.

## Manage working capital

Manage cash flow effectively by accessing your funds faster. You can receive funds as soon as the next business day to your Wells Fargo commercial account.\*

Funding as soon as the next business day\*

\* When depositing into a Wells Fargo commercial account. Please refer to the Merchant Services Terms and Conditions and Operating Rules for additional information.

You may settle your Merchant Services funds to an account at the financial institution of your preference. When you use a Wells Fargo account for settlement or other Merchant Services purposes, you must use a Wells Fargo business deposit account. We settle by ACH to other institutions, and projected funding may vary. The actual time could be longer than two days, depending on the financial institution's status with the Federal Reserve.

Deposit products offered by Wells Fargo Bank, N.A. Member FDIC.

Merchant Services are provided by Wells Fargo Merchant Services L.L.C. and Wells Fargo Bank, N.A. Merchant Services are not deposit products. Wells Fargo Merchant Services L.L.C. does not offer deposit products, and its services are not guaranteed or insured by the FDIC or any other governmental agency. Merchant Services are subject to application, credit review of the business and its owners, and approval.

## Help control cost

Card processing costs are complex and impacted by many variables. Interchange can be affected by merchant category codes (MCCs), file transmission times, availability of transaction data, and transaction security. A payment environment that includes inefficiencies, such as redundant systems and outdated solutions, can also impact overall costs. We can help you manage costs by suggesting processes you can implement to help optimize interchange clearing and streamline your payment environment.

## Identify ways to help reduce risk

Meeting Payment Card Industry Data Security Standard (PCI DSS) requirements can be complex and costly. Our teams work to understand your PCI scope and educate you about steps you can take to achieve and maintain PCI compliance. To help you transact securely, our solutions support security protocols, such as encryption and tokenization.

## Anticipate consumer needs

Consumer payment options continue to multiply; we can help you understand these changes and provide guidance to help make effective use of solution technology. Whether the City requires online or in-person payments, we can support you with payment gateways, electronic bill presentment and payment solutions, point-of-sale and mobile technologies, and fraud management tools.\*

\* Additional fees apply for these services.

If you choose to use your own or a third-party solution, we can typically support you with core processing. Our processor's system is compatible with thousands of ISVs (independent software vendors). The majority of third-party gateways and point-of-sale systems are certified to the processing platforms we use.\*

\* Your eReceivables consultant, Todd Reed, can provide additional information.

To help you reconcile and track transactions, we also offer detailed reporting and convenient dispute management tools, at no additional cost.

## Get support

Our customer service model is designed to provide the City with consistent support based on a solid understanding of your organization and industry.

An implementation project manager will help guide you through your transition. Our customer service center will be your day-to-day point-of-contact for merchant services. They can also provide resources to help you address PCI DSS compliance concerns, regulatory requirements, consumer payment preferences, and technology changes. Your eReceivables consultant, Todd Reed, can provide guidance as your payment acceptance requirements evolve.

Our treasury management and commercial banking teams work in coordination with our merchant services team. Your treasury management sales consultant, Gurleen Pannu, and relationship manager, Jamie O'Connell, will also offer insights to create a comprehensive receivables strategy.

## Market rate competitive pricing

The payment networks govern and periodically update interchange and assessments; however, the interchange and assessments are only one pricing component for merchant services.

We provide competitive pricing based on a number of other factors, including the following:

- Sales volume
- Average transaction amount
- Number of locations
- Processing needs
- Card acceptance environment
- Connectivity method

## Clover Go

### Card reader paired to your mobile device



With Clover Go, you can use your mobile phone or tablet to accept payments wherever you do business. You download an app to your iOS or Android device. Then, with the use of one card reader, cardholders can dip or tap to pay. The card reader, which connects using Bluetooth, is EMV chip card enabled. The service can capture signatures for card transactions. In addition, you can record cash and check transactions for reporting purposes.

You connect using your device's cellular data plan or Wi-Fi supported with a wireless router or hotspot.

## Security and fraud protection tools

With all devices, encryption and tokenization help protect card data, while EMV chip card technology helps prevent in-person fraudulent transactions.

To help potentially reduce your PCI compliance scope, you can configure the Clover Station Solo, Clover Station Duo, Clover Mini, and Clover Flex devices to provide point-to-point encryption (P2PE) and PCI P2PE-certification at no additional cost.\*

\* Because Clover Go uses a Bluetooth card reader linked to your own mobile device, the solution cannot be PCI P2PE-certified and you cannot accept PIN-debit transactions.

## Customize the service with the apps you need

The Clover App Marketplace offers more than 500 apps and is continually growing\*. This helps you customize the software to meet your business needs. You can tailor the service to include apps for managing inventory, employee scheduling and time cards, menus, sales tax management, and more.

\* Additional fees apply for usage of Clover apps from the Clover App Market. Please refer to the Clover App Market terms and conditions for details.

## Accept a variety of payment types

You can potentially help increase sales and customer satisfaction by accepting a variety of payment types, including:

- Credit and signature-debit transactions
- PIN-debit transactions<sup>1,2</sup>
- EBT cash benefit cards<sup>2</sup>
- Gift cards<sup>2,3</sup>
- Mobile payments — Apple Pay, Google Pay, and Samsung Pay<sup>2,4</sup>
- Checks<sup>3</sup>

1. PIN-debit transactions are available with the Clover Station Duo, Clover Mini, and Clover Flex devices.

2. Not available with Clover Station Solo and Clover Go.

3. Not available with Clover Go.

4. Mobile payment products are trademarked by their respective owners.

Apple, the Apple logo, Apple Pay, Apple Watch, Face ID, iPad, iPad Pro, iPhone, iTunes, Mac, Safari, and Touch ID are trademarks of Apple Inc., registered in the U.S. and other countries. Apple Wallet is a trademark of Apple Inc. App Store is a service mark of Apple Inc.

Android, Chrome, Google Pay, Google Pixel, Google Play, Wear OS by Google, and the Google Logo are trademarks of Google LLC.

Samsung, Samsung Pay, Galaxy S (and other device names) and Samsung Knox are trademarks or registered trademarks of Samsung Electronics Co., Ltd.

## Receive fast funds availability

If you deposit into a Wells Fargo commercial account<sup>1</sup> for settlement, you will typically receive funds as soon as the next business day<sup>2</sup> for Visa, Mastercard, and Discover Network transactions received before the established cutoff time of 11:00 p.m. Pacific Time.

If you settle transactions for these cards to another financial institution, your funds are typically available in two business days.<sup>3</sup>

Funds availability for American Express transactions depends on the City's contractual arrangements with the card issuer.

1. Deposit products offered by Wells Fargo Bank, N.A. Member FDIC.

Merchant services are provided by Wells Fargo Merchant Services, L.L.C. and Wells Fargo Bank, N.A. Merchant services are not deposit products. Wells Fargo Merchant Services, L.L.C. does not offer deposit products and its services are not guaranteed or insured by the FDIC or any other governmental agency.

2. Please refer to the Merchant Services Terms and Conditions and Operating Rules or Program Guide for additional information.

3. For ACH deposits, projected funding may vary. The actual time could be longer depending on the financial institution's status with the Federal Reserve.

## Electronic lockbox

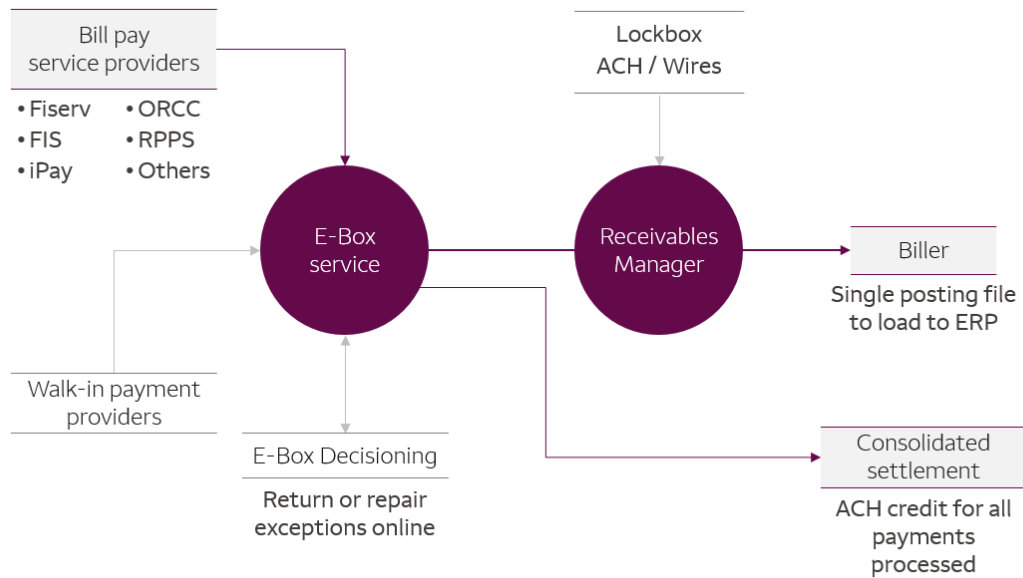
Online bill payments provide a convenient, simple, and paperless way for your customers to pay you. However, many bill payments initially submitted online can still end up as mailed paper checks by bill service providers. These check payments create exceptions and often have incomplete or inaccurate remittance details, which can result in processing delays for you.

With our E-Box service, you can increase your straight-through processing rate of receivables and minimize your staff's time spent handling exceptions — so that you achieve your goal to simplify bill payments. Our E-Box service repairs exceptions and merges all your customers' online bill payments into a consolidated electronic remittance file. You use the file to automatically update your AR system and apply credits to your customers' accounts. Our service accepts payments from all major bill service providers and walk-in bill payment providers.

- 
- Convenient
  - Simple
  - Paperless
- 

## How it works

When you sign up, we notify the bill service providers in our network that you can receive payments through our E-Box service. The following graphic shows the flow of a bill payment through the various channels using our E-Box and Receivables Manager services.



The City receives a single ACH credit to your deposit account.

### Automated payment validation

To improve the quality and standardization of the remittance file you receive, you can instruct us to use one or more validation routines to identify, filter, and repair invalid payments or other exceptions. We suspend payments that include errors or exceptions. You have the option to review the suspended payments online and decide what to do with them. You can also instruct us to reject and return payments that don't meet your validation routines to the originator.

The following table provides descriptions of the validation routines the City can choose from.

Validation routine	Description
Account mask	Confirms that the inbound account number matches your billing account number structure
Check digit*	Uses a mathematical equation to determine if an account number is valid
Cross-reference database processing	Translates consumer-initiated account numbers we receive and corrects the account number prior to validation and processing (This database can correct inaccurate account information your customers enter and can make account number changes that may occur due to a merger, acquisition, or system change.)
Positive file processing	Compares inbound account numbers to a file of valid account numbers you provide
Stop file processing	Compares inbound account numbers to a file of unacceptable accounts you provide

\* Applies to credit card billers.

## Online payment management and research

### Manage payments

With our E-Box service, you can perform the following functions online:\*

- View exception payments
- Initiate returns on exception and processed payments
- Update processed payments requiring account number changes for future processing
- Make decisions about exception transactions, including repairing payments with invalid account numbers
- Update your cross-reference database with valid account numbers and generate NOCs to payment originators

#### Dual control

For added security, a second person can review and approve all changes initiated by another user.

\* The functions you can perform depend on the features you select during implementation.

### Research

The City can view and research processed payments and access information for reporting and trend analysis.

### Payment history

You can locate transactions using the search criteria in the following table.

Account number	Consumer name or account number
Amount	Processed date
Biller ID	Trace number

You can access all successfully processed payments for the previous 180 days. You can view and print full record-level data in HTML and PDF formats, and you can export data for manipulation and analysis in XLS and CSV formats.

### Reporting

Our Return and Repair report provides a detailed, payment-level audit of all user activity performed during the past 180 calendar days. You can tailor it to show only payments that meet your search criteria.

You can view and print activity in HTML and PDF formats, or export in CSV and XML formats.

## Virtual lockbox

Our virtual lockbox service integrates payments that arrive at your location with those we receive in your lockbox.

Using an approved scanner, you'll scan and submit payments that arrive at your location and we'll integrate them with those we receive in your lockbox.



You'll receive same-day ledger credit for payments we receive prior to your submission deadline, which you will establish during the implementation process. We process transactions we receive after your deadline (including any items we process during the weekend or on a holiday) in the following business day's work.

Your lockbox reports and transmissions will include payments you submit using the virtual lockbox service. Images are available for viewing through the same image channel you use for your lockbox.

## Data entry capabilities

Each payment you submit undergoes the same lockbox processing currently in use, including data entry, deposit windows, and special instructions.

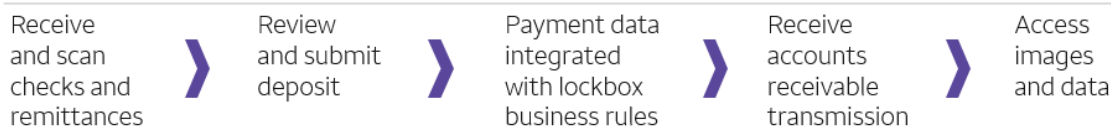
## Remittance document imaging

You can scan checks, invoices, coupons, envelopes, and correspondence (up to 8½" x 11" in size). We store all check and remittance document images — regardless of source — in a convenient, searchable electronic archive.

## Remittance file integration

We combine the payments we receive into your lockbox with those you submit to us using our virtual lockbox service and provide you a single electronic transmission of your remittance detail. The file is in the same format as your current transmission file.

## How virtual lockbox works



## E-Bill Express

Our electronic bill presentment and payment service\* is designed to provide secure and convenient options for your customers to view and pay their bills.

It may help you reduce:

- Collection time
- Manual exception processing
- Days' sales outstanding
- Receivables processing costs

A turnkey solution that works with your existing systems and doesn't require webpage development or extensive support from your information technology resources.

Convenient email and mobile wallet notifications remind your enrolled customers that payments are due. Additionally, the service may help lower your print and mail costs because fewer customers may require paper bills.

\* Standard bill presentment and payment fees apply. Additional fees may apply for optional services.

The service, which hosts the bill payment webpages, is designed to be cost-effective, easy to implement, and branded to your identity.

## Flexible bill presentment and payment options

At implementation, you choose the configuration options that are most efficient for your organization and designed to meet your customers' expectations. This may increase the likelihood that your customers will choose to view and pay their bills electronically.

## Decide how much information your customers see

You can provide your customers with detail or summary bill presentment in HTML format or you can provide PDF bill presentment.

The payment page displays:

- A list of open bills
- Amount due
- Due date
- Invoice number
- Other optional fields, for example, a purchase order number or invoice line item details

## Detail presentment

We offer more than 50 billing information fields, including several fields that you can customize. The fields include line item details about items ordered and shipped, unit price, and the previous balance that is past due.

### Biller information fields

- |                      |                    |
|----------------------|--------------------|
| • Invoice number     | • Previous balance |
| • Invoice date       | • Current balance  |
| • Minimum amount due | • Total amount due |
| • Due date           |                    |

## Summary presentment

With the summary presentment option, you can provide high-level billing information such as the information fields listed in the following table. In addition to the standard fields, there are several customizable fields.

## PDF presentment

If you'd like your customers to view an exact replica of your invoice, the service can present the invoice in PDF format. We offer several options for providing invoices in PDF format. We will discuss the options with you during implementation.\*

\* Additional fees may apply based on your choice of PDF storage options.

## Sending us your data

You can use batch files or an API to provide your billing data.

## Batch files

You can submit your bill files in comma-separated values (CSV) format using one of our secure internet transmission protocols or through the service's administrative portal.

If we receive your bill files by 8:00 p.m. Pacific Time, your customers can view their billing information the next business day.

## API

You can provide your billing data in real time through an API that uses:

- Representational State Transfer (REST) for communication
- JavaScript Object Notation (JSON) messaging format
- Auth 2.0 authorization protocol

Your customers can view their billing information immediately, 24 hours a day, 7 days a week, depending on the City's internal system configuration.

## Notifications help encourage prompt payments

When your customers enroll for electronic bill presentment and payment, they'll receive notifications that remind them to view and pay their bills. Notifications are available by email, text, or through your customer's mobile wallet.

### Email notification

We offer the following types of email notifications for enrolled users:

Ready-to-view bills
Scheduled payments
Processed payments, including confirmation number
Expiring credit cards
Upcoming bill date
Past due bills

The email includes a link to the sign on screen. Once the customer signs on, they can view billing information.

## Choose the payment channels available to your customers

### Online

Your customers will access our service through a link on your website, or by bookmarking our online presentment and payment URL. We host the website and it's branded with your logo.

When customers access the website, they can select one of three languages: English, Spanish, or French. This may increase customer engagement and reduce the number of calls to your customer service representatives.

### **Telephone payments made through your customer service representatives**

Your customer service representatives can accept payments over the phone and process them through the administrative portal of the bill presentment and payment service.

### **Accept payments from enrolled users and one-time payers**

You can choose to accept payments from customers enrolled in the online service and those making one-time online payments.

#### **Enrolled users**

Enrolled users can save payment methods, set up recurring or future-dated payments, and view their online payment history.

#### **One-time payments**

Customers can make one-time online payments, including future-dated payments, but they cannot save their payment methods or setup recurring payments. These customers won't have access to online payment history.

### **Accept multiple payment types**

With our electronic bill presentment and payment service, you can accept:

- eCheck payments
- Major credit cards (Visa, Mastercard, Discover, or American Express)
- Debit cards (with the Visa or Mastercard logo)
- Corporate and purchasing cards (Level III data supported)

### **Keep card information up to date**

Maintaining updated card information for electronic bill presentment and payment users can help increase customer satisfaction and potentially minimize declined transactions. However, even if prompted by email, the customer may not update their card expiration date or card number.

You can take advantage of our Account Updater service\*, which automatically updates information for Visa and Mastercard cards. Once per month, the service updates information for cards used within predetermined number of days in the past, or cards that are expiring within a predetermined number of days in the future.

\* Additional fees apply for the Account Updater service.

## Receive funds as soon as the next business day

Funds for payments processed before the cutoff time are typically available in your Wells Fargo commercial account<sup>1</sup> as soon as the next business day.<sup>2,3</sup> You can choose a cutoff time of 5:00 p.m., 3:00 p.m., or 2:00 p.m. Pacific Time.<sup>4</sup>

1. You can settle your merchant services funds to an account at the financial institution of your preference. When you use a Wells Fargo account for settlement or other merchant services purposes, you must use a Wells Fargo commercial account.

Deposit products offered by Wells Fargo Bank, N.A. Member FDIC.

Merchant services are provided by Wells Fargo Merchant Services, L.L.C. and Wells Fargo Bank, N.A. Merchant services are not deposit products. Wells Fargo Merchant Services, L.L.C. does not offer deposit products and its services are not guaranteed or insured by the FDIC or any other governmental agency.

2. Please refer to the Merchant Services Terms and Conditions and Operating Rules for additional information related to card transactions.





3. Visa, Mastercard, and Discover card transactions and eCheck only. American Express card transactions settle in one to three business days depending on the City' contract with American Express.

4. You choose the cutoff time when we implement your service.

## Online reports and search capability

### Reports

Through the administrative portal, you can access a variety of reports, including:

	User reports that provide information about your customers' payment activity, status, and enrollment
	Financial reports that provide information about deposits and payment batches
	Bill payment and management reports that show payments, recurring payments, suspended payments, and stops
	File management reports that show the status of your billing files

Online reports are available 24 hours a day.\* You can download reports in CSV, Excel, and PDF formats. In addition, you can customize the columns and filters for further analysis.

You have access to 12 months of payment and invoice history as a standard part of the service. However, you can request that we set you up for extended history of up to seven years.<sup>†</sup>

\* Availability exclusive of unplanned outages.

† There is an additional monthly fee for extended history.

### Search capabilities

To assist with customer inquiries, the City's customer service representatives can search and query by date range, customer ID, payment amount range, and invoice number.

## Streamline receivables posting

You will receive all of the information you need to post and reconcile payments, including:

- Your internal customer reference number, for example a customer or account number
- Payer's name
- Invoice number
- Amount paid per invoice number
- Fee amount (if applicable)
- Total amount paid, includes multiple invoices and fee amounts (if applicable)
- Payment method and channel

In the following paragraphs, we describe the options you can choose for receiving this information.

### Receive a daily accounts receivable file

To streamline receivables posting and reconciliation, you receive a daily\* AR file that automatically uploads to your ERP or financial system. The file, which includes remittance information for all payment types, provides details of your electronic bill payment activity for eCheck payments and returned items and credit and debit card payments.

The AR file is available in a fixed-width flat file or in a pipe-delimited flat file. If you need a customized file to integrate with your system, you can use our consolidated receivables service.

You will receive this file by secure file transmission. As an alternative, you can download it in CSV format through the online administrative portal of our bill presentment and payment service. Your AR file is available four hours after your daily cutoff time.

\* Excludes federal holidays and weekends.

### Memo post payments with real-time payment notification\*†

Using an API, you can receive real-time payment data that your representatives can use to help provide a better customer service experience for your payers.

Our system sends the data to a URL that you provide, letting you automatically memo post payments to your receivables system. The real-time data includes the same information you will receive in the daily AR file.

\* Payments can be cancelled up to 15 minutes before your daily cutoff time. Therefore, we recommend that you use the real-time data only to memo post payments and use the daily AR file for final posting and reconciliation.

† Additional fees apply.

## Consolidated receivables (Receivables Manager)

With our consolidated receivables service, you can **post payments automatically** to your ERP platform or AR system when you **receive an electronic receivables file** from us. This consolidated file helps accelerate cash application while reducing the number of errors caused by manual data entry.

Your file can contain receivables data from any combination of the payment sources listed in the following table.

### Payment types for online origination

- |                                   |                               |
|-----------------------------------|-------------------------------|
| • ACH                             | • Online bill payments        |
| • Electronic billing service      | • Real-time payments          |
| • Foreign currency wires          | • Remote deposit              |
| • Image cash letter               | • Wells Fargo Payment Gateway |
| • International letters of credit | • Wires                       |
| • Lockbox                         |                               |

## How it works

We translate your receivables data and deliver it to you in a format compatible with your ERP platform or AR system. **Our service is compatible with most accounting and ERP solutions**, including Oracle and SAP. We can also accommodate many custom and proprietary file formats.

Your customers can forward their emailed remittance details sent separately from their ACH and wire payments to Wells Fargo; the remittance details can be automatically matched to payments as they're received. If we can't match payments to the remittance automatically, we will flag exceptions in our online banking portal. You can then manually match payments to remittance details based on system suggestions. Finally, we can transmit all transactions with remittance data to you for automated upload to your ERP system.

## Flexible file options

### Delivery

We deliver an electronic receivables file to you by transmission.

Our transmission platform offers a variety of communication protocols including:

- SFTP
- FTPS
- HTTPS
- AS2

The following tables describe the formats we support.

## Formats

<b>Standard formats</b>	Using a standard format can minimize your implementation cost and time, and you can choose a different format for each payment type.
<b>Flat file formats</b>	We offer two flat file formats — the universal and simplified formats. The universal format contains comprehensive EDI detail for ACH payments you receive. The simplified format contains data available in STP 820, which is also a simplified EDI format for received ACH payments.
<b>ISO 20022 XML</b>	When you receive your information in this format, it streamlines the City's integration and reconciliation process because you are receiving the same information from all banks that use the ISO 20022 XML format.
<b>Custom formats</b>	If you cannot work with one of our ERP-specific formats, we can develop a custom format for you.*

\* Additional fees may apply.

## Formats

ANSI X12 820 (Payment Order or Remittance Advice)	Proprietary and custom formats (by request)
ANSI X12 823 (Lockbox)	Wells Fargo standard file format
BAI 80/300 (Lockbox)	Wells Fargo flat file formats
ISO 20022 XML format	<ul style="list-style-type: none"> <li>• Simplified</li> </ul>
Modified Nacha	<ul style="list-style-type: none"> <li>• Universal</li> </ul>

## File availability

We process your files Monday through Friday (excluding holidays). Because some payment types have multiple processing runs and available release times, you can choose to receive more than one file each day.

Choose one or more of the following release times for each file you request. Your file will be available within one hour\* of the time or times you select.

Release times (PT)			
4:00 a.m.*	9:00 a.m.	1:00 p.m.	5:30 p.m.
5:00 a.m.*	10:00 a.m.	2:00 p.m.	10:00 p.m.*
6:00 a.m.*	11:00 a.m.	3:00 p.m.	
7:00 a.m.	11:30 a.m.	4:00 p.m.	

\* Certain times may take longer than one hour.



## Consolidated receivables through our online banking portal

### Advice matching

Advice matching offers the ability to match payments to remittance advices, which are sent separately from the payments. These separate advices are typically sent by the payer through email. Our service automatically matches payments to existing payer profiles. We can automatically generate a new payer profile for payments that don't have an existing profile. You can maintain payer profiles through our online banking portal.

### Remittance repair

ACH and wire repair correct improperly formatted remittance data sent within an ACH or wire payment. We automatically repair remittance data based on your business rules. If we are unable to repair the data, the payment is available to you through our online banking portal as an exception for you to manually decision.

**Automate** more of your AR processing and **manage exceptions** through our online banking portal.

### Decisioning

The City can perform a return or repair for payment transactions through our online banking portal.

## Commercial card

### One card, one workflow

Help maximize convenience, efficiency, and control with one card and one platform that handles your employee spending, travel, general procurement, AP disbursements, and more. When you consolidate expenses into one program, the City gains access to comprehensive information for smart decision making. You have the potential to realize significant savings in time, transaction-processing costs, and internal resources required to support the program. A single-card platform integrates multiple processes and creates a solid foundation for future growth.

Additionally, you will gain an ally with more than 28 years of experience in the card industry and knowledge to help make your program successful.

### Accepted almost everywhere

We issue both Visa and Mastercard, with both platforms boasting millions of global acceptance locations.\*† This coverage means your employees can make purchases almost everywhere cards are accepted. We will help you determine which issuer best meets your needs.

\* Visa. 2021. "[Visa Annual Report 2021](#)." [Visa](#) > Investor Relations > Annual Reports & Meeting.

† Mastercard. November 10, 2021. "[Mastercard Investment Community Meeting](#)." [Mastercard](#) > Investor Relations > Events and Presentations.

## Corporate liability: A best practice

Organizations typically choose a corporate liability program because it's designed to:

- Increase visibility of spending across the entire organization
- Decrease costs, losses, and risk
- Eliminate individual liability and unnecessary burdens on employees

Corporate liability also means that your earned revenue share doesn't depend on cardholder reconciliation — giving you the potential to earn more.

## Online program management

For low IT burden and flexibility, manage your program through our expense management service, which offers self-administration functionality and customizable components. There is no need to install hardware or software on your system. Our service provides:

- Intuitive coding of common expenses
- Real-time online card management
- Comprehensive standard, custom, and ad hoc reports
- Customizable transaction fields
- Secure multi-level approvals

You can upload expense data from the application to most ERP and treasury workstation platforms, which eliminates any manual data entry to your general ledger.

Your employees can use our expense management service to:

- Review and approve transactions
- View and upload receipts
- Input cash expenses
- Reclassify line items to multiple cost centers

## Handle tasks on the go

Employees can manage their expenses when away from their desks using our end-to-end mobile service.\* Cardholders and approvers can complete almost all of their card-related activities using their mobile devices. For example, they can snap receipt images at the time of purchase, manage charges and expenses, approve transactions, and view available credit and declines.

To help keep accounts secure, cardholders can receive text alerts<sup>†</sup> when transactions are complete or when nearing their card limit. They can set notifications by dollar threshold.

\* Functionality for our WellsOne Expense Manager mobile application requires a WellsOne Commercial Card, use of our WellsOne Expense Manager service, and access to the CEO portal. Download the latest version of the application for your device from the Apple App Store or Google Play store.

† Your mobile device's coverage area can affect availability. Your mobile carrier's message and data rates may apply.

## Digital business-to-business payments

Don't miss the potential time and cost savings of digital payments. With our Virtual Card Payments service, you can pay suppliers using unique virtual card numbers. Initiate a payment through our online application or by API file transmission. We produce a unique virtual card number and send it, along with transaction details, to your supplier in a secure email. Use an electronic transaction detail file to close transactions within your accounting system. For added control and ease of reconciliation, you can additionally limit payments to an exact dollar amount or make the payment available for a limited time.

## Help make it easier for suppliers to accept your payments

With our Straight Through Processing\* solution, you can make it easier for your suppliers to do business with you. Suppliers can arrange to receive your card payments in their bank accounts instead of processing the payments themselves.

\* We offer our Straight Through Processing solution as part of a relationship with Mastercard, and in conjunction with our WellsOne Virtual Card Payments service. Additional fees and restrictions apply.

## One file for all payments

To help simplify your payables process even further, send us an electronic payment file directly from your treasury workstation, ERP, or AP system. **You can consolidate multiple payment types — check, ACH, wire transfer, and virtual card transactions — in a single file.** Upon receipt of the file, we separate payments by type, process them accordingly, and send human-readable remittance information to the payee.

## We help onboard your suppliers

Our experienced Supplier Analysis and Onboarding team can help strengthen your supplier trading partner relationships through a single program that covers both commercial card and ACH payments. We use proprietary analysis tools to analyze your supplier base and then create a customized strategy and targeted outreach campaign specific to your needs.

## Help protect yourself from fraud

It's important to have the best fraud protection for your cardholders and accounts. We use proprietary fraud mitigation technology, customized transaction monitoring, and convenient reconciliation tools to help keep your cardholders and accounts safe.

Enhanced fraud alerts are just one of the capabilities we use to fight fraud. We send your cardholders alerts by email or text\* when we identify a suspicious purchase. They can confirm whether or not the transaction is fraudulent by simply responding to our email or text. Their responses help us detect and prevent fraud almost instantly.

\* Your mobile device's coverage area can affect availability. Your mobile carrier's message and data rates may apply.

Additionally, our commercial cards adhere to the rigorous security protections of the Visa and Mastercard networks.

### **Full implementation support**

We approach implementation as a partnership. We commit our full-time resources and experienced members of our commercial card team to guide the design, installation, and rollout of your program.

#### **Liability protection through Visa and Mastercard**

Each commercial card program is eligible for a liability waiver offered through Visa and Mastercard up to \$100,000. This waiver can help protect your organization from certain employee misuse or other unauthorized charges.

### **Dedicated account manager**

We assign a dedicated account manager to new card programs to provide ongoing guidance and support. Your account manager meets with you regularly to track program statistics and measure them against your key goals. In addition to this benchmarking, your account manager updates you on industry developments and best practices that promote card use.

### **Around the clock support**

We have two commercial card service centers within the U.S. dedicated exclusively to serving our commercial card customers. Our representatives assist with card maintenance services, such as reporting a card as lost or stolen and answering questions about cardholder transactions. The City can call our service team for support, 24 hours a day, seven days a week.

## **Virtual card payments**

With our Virtual Card Payments service, the City can make payments to your suppliers using unique, virtual card numbers. When you initiate a payment file, we assign a unique virtual card number to that specific transaction. The City can specify the transaction amount and payment tolerances — percentages above or below the amount or both — that allow for variation in the actual transaction amount. Your recipient has a specified number of days to use the virtual card number. You can also initiate payments within our Virtual Card Payments service application instead of sending a transmission file. This option gives you the flexibility to make off-cycle payments when needed.

Our Virtual Card Payments service sends the unique virtual card number and transaction details to your recipient automatically by secure email. Your recipient processes your payments just like any other credit card payments. Alternatively, with our Straight Through Processing service, you can make it even easier for suppliers to do business with you. Suppliers can arrange to receive your card payments in their bank accounts instead of processing the payments themselves.\*

\* We offer our Straight Through Processing in conjunction with our WellsOne Virtual Card Payments service. Additional fees may apply.

The City can access all settled transactions through our expense management service. You also have the option of receiving an electronic remittance file to expedite the reconciliation of transactions in your system.

## Help getting your suppliers on board

Our dedicated Supplier Analysis and Onboarding team helps analyze your supplier base and strategically targets them for card payment acceptance. Based on our findings, we strategize with you on payment methods and terms to offer each supplier. Then, we onboard your suppliers by explaining the benefits and helping them understand the value of digital payment acceptance.

## On-demand payments

Our On Demand payments service uses API technology to connect your system to ours. When you initiate an API call, your system connects to our bank systems through secured credentials so that we can provide the virtual card numbers you want, when you need them. You use these virtual card numbers to facilitate individual payments to your recipients.

We send each virtual card number, along with transaction details, by secure email to your recipients or make the virtual card number available for delivery using an alternative process you choose. You don't need to wait long for batch processing; each transaction is almost instantaneous — helping improve processing efficiency.

## Consolidated payables (Payment Manager)

Our consolidated payables service, Payment Manager, can help you **streamline** and **automate** your payment and remittance processes, help strengthen trading partnerships and drive working capital, and help improve operational efficiencies.

By reducing the use of paper documents and manual data entry, you can **minimize mistakes** and **increase efficiency**.

## Payment types

In a **single file**, you can provide payment instructions and include all related remittance information. Your file can include multiple payment types; **we separate the payments by type** and process them accordingly.

### Your file can include the following payment types:

- USD and CAD\* paper checks
- U.S. ACH transactions in USD
- Global ACH transactions in foreign currencies
- USD wires
- Foreign currency wires
- Requests for transfer (SWIFT MT101 messages)
- Wells Fargo virtual card payments
- Disbursements with Zelle®†

\* CAD paper checks are available only for off-us accounts. You must be the owner of the account.

† Zelle and Zelle-related marks are wholly owned by Early Warning Services, LLC and are used herein under license.

## Online services

Through our online banking portal, you can:

- Upload a payment file
- Perform additional approvals after sending the file
- Access acknowledgments and optional confirmations
- Generate reports on payment files
- Run an audit report on settings and user entitlements

## Compatibility

Our service is compatible with the treasury workstations, ERP systems, and AP systems listed in the following table. We can also work with additional systems outside of this list.

### Treasury workstations and ERP systems

GTreasury	PeopleSoft
JD Edwards	SAP
Kyriba	SunGard
Lawson	Wall Street Systems
Microsoft Dynamics Great Plains	Yardi
Oracle*	

\* If you use Oracle, you can use our software solution to manage data translation to the file.

## Flexible file options

### Delivery

Transmit your payment file using a variety of communication protocols (including multiple internet options) or upload it online.

### Formats

Our service accepts:

- Standard Wells Fargo flat file (delimited or positional)
- Wells Fargo XML
- ANSI X12 820 version 4010
- Lawson AP 161
- Excel CSV
- SAP IDoc – Extended Payment Order (PEXR 2002)
- ISO 20022 (CGI common XML standard)
- Custom and proprietary formats

Our service accepts and acknowledges your file for initial processing, **24 hours a day, seven days a week**

## Processing deadlines

Depending on the payment type you send, we process your file the same business day if we receive it by our cutoff time. For a file that arrives after our cutoff time, we process it on the next business day. If you require secondary approval, it must be completed by the applicable deadline for same-day processing. If a file includes multiple payment types, the earliest applicable deadline applies to the entire file.

## Cutoff times (Pacific Time)

Payment type	File cutoff time
<b>Checks</b>	
Standard	7:00 p.m.
Same day <sup>1</sup>	9:00 a.m.
<b>ACH</b>	
On-us same-day settlement	5:30 p.m.
Transit same-day settlement	6:00 a.m., 10:00 a.m., and 12:00 p.m.
One-day settlement	5:30 p.m.
Two-day settlement	5:30 p.m.
<b>Wires</b>	
Fedwire	3:15 p.m.
SWIFT	2:30 p.m.
CHIPS	2:00 p.m.
Drawdown request	2:30 p.m.
Request for Funds Transfer (RFT)	2:30 p.m.
U.S. Federal tax payments	2:00 p.m.
Within Wells Fargo <sup>2</sup>	5:00 p.m.
<b>Wells Fargo virtual card payments</b>	Accepted when received
<b>Zelle® payments<sup>3</sup></b>	Accepted when received

1. Subject to volume limitations and additional fees.

2. Transactions within Wells Fargo are moving funds from one Wells Fargo account to another. You can originate these from all origination channels to all of our available accounts.

3. For Zelle® payments with the check completion option, if an electronic payment fails to originate, transactions will change over to checks. Checks are mailed on the next business day.

## Safety and security

### Secondary approval

You can make optional secondary approvals for some — or all — of your payments after we receive your file. The system can hold an entire file of payments or an individual payment for an authorized user to approve or delete. We then generate the payments and send remittance information based on your instructions.

## History

You can search for payment information, view standard reports, create custom reports, and schedule report reminders. **Data is available for 90 calendar days after we receive your payment file.**

Users with administrative authority have access to an audit report, which provides snapshots of setups and user entitlements. You can also view all changes made to setups and user entitlements within the last 90 calendar days.

## Acknowledgments

We let you know by transmission, secure email, or both that your file has reached our system and undergone initial processing. You can choose from the following formats:

- XML
- ANSI X12 997 (standard EDI)
- ISO 20022
- Human-readable report

If you'd like delivery by both transmission and email, each can be in a different format. You can also view and download acknowledgments online.

## Confirmations

You have the option to receive payment confirmations for wire transfers, virtual card, and ACH payments by **transmission, secure email, or both**. You can also **view and download confirmations online**. You can choose from the following formats:

- XML
- ANSI X12 824 (standard EDI)
- Excel CSV
- ISO 20022
- Human-readable report

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

We're in one of the most exciting times in our history, with rapid technological advancements leading the progress in so many areas that touch our daily lives. That's why we've invested heavily in innovation and strengthening our digital foundation while reducing risk and transforming our business to meet evolving customer needs.

## Our approach to innovation

We focus on ideas that make banking faster, easier, and safer. We start with the solution — how we can leverage a new capability to make customers' lives easier. We don't implement technology just for technology's sake. With that mindset, we're explore emerging technologies such as distributed ledger technology and predictive personalization. We think creatively to understand how it can help us deliver transformative customer experiences. For example, we're using artificial intelligence to help simplify processes for both our employees and customers.



Innovation also includes thinking beyond our walls. The future of banking relies on investing in critical partnerships such as those with fintechs. Leveraging the data and scale of Wells Fargo with the nimbleness and precision of fintechs and technology firms can help create results that are better than the sum of its parts.

## People to drive change

We have a dedicated group serving as the catalyst for transformational change across Wells Fargo. This group focuses on fostering the growth of big ideas that influence business models, processes, and programs throughout our organization. With this structure in place, we are better positioned to manage our digital foundation and transform our business models to meet evolving customer needs and grow.

Our priorities include:

- 
- Delivering better customer experiences faster
  - Enhancing our end-to-end mobile experience
  - Advancing the use of APIs to personalize customer experiences
- 

## Mobile first

As the pandemic has proven, we've reached the tipping point for the way customers manage their money, with digital adoption growing at an unprecedented rate. And if you're like many others, you live on your smartphone — you accomplish every task and plan your next important life moment using the tool in your pocket. You expect your banking app to not just keep up, but possibly even anticipate your needs. That's why we've invested in personalizing your mobile experience — to take it from banking app to lifestyle money manager.

## Integrated financial services

Imagine viewing your Wells Fargo account balance in an online retailer's checkout flow without having to open our mobile app or sign into your online bank account. That's Embedded Banking in action and a key area of interest for us as we look to the future.

Additionally, we will continue to build upon our Wells Fargo Gateway — our award-winning\* API channel. The Wells Fargo Gateway allows customers and third parties to integrate customer-permissioned financial information into their own digital environments. APIs can transform how you do business by allowing services to be delivered online and on demand. For example, customers can leverage APIs to:

- Initiate banking transactions
- Receive real-time responses with banking data or the status of payments
- Supplement the batch processing of more time-sensitive payments by originating them at any time

\* Celent. March 9, 2021. "Winner of Celent Model Bank 2021 Award for Embedded Finances." [celent.com](https://www.celent.com) > Reports and Insights > Wells Fargo: Enabling Customers to Offer Financial Products.

## F. References

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

Based on our current understanding of your needs, we have chosen references with services that most closely resemble the setup we have proposed for the City. We provide contact information for these references in the following table.

References	
<p><b>Sylvia Molina</b> Finance Department Beaumont Cherry Valley Water District</p> <p>951-845-9581 sylvia.molina@bcvwd.org</p> <p>560 Magnolia Ave. Beaumont, CA 92223</p>	<p><b>The Beaumont Cherry Valley Water District uses the following Wells Fargo services:</b></p> <ul style="list-style-type: none"> <li>• ACH</li> <li>• Desktop Deposit</li> <li>• Previous day reporting</li> <li>• Wires</li> </ul>
<p><b>Lorena Rocha</b> Finance Director City of Hemet</p> <p>951-765-2387 lrocha@hemetca.gov</p> <p>445 E. Florida Ave. Hemet, CA 92543</p>	<p><b>The City of Hemet transitioned to Wells Fargo in August 2021 and uses the following Wells Fargo services:</b></p> <ul style="list-style-type: none"> <li>• ACH</li> <li>• Cash Vault</li> <li>• Desktop Deposit</li> <li>• Previous day reporting</li> <li>• Wires</li> </ul>
<p><b>Cheryl Stafford</b> Accountant II City of Banning</p> <p>951-849-2414 cstafford@banningca.gov</p> <p>99 E. Ramsey St. Banning, CA 92220</p>	<p><b>The City of Banning uses the following Wells Fargo services:</b></p> <ul style="list-style-type: none"> <li>• Cash Vault</li> <li>• Desktop Deposit</li> <li>• E-Box</li> <li>• Lockbox</li> </ul>

\* Reference information is confidential.

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

In the last five years, your relationship manager, Jamie O'Connell, has acquired eight new government relationships and lost one due to pricing terms.

## G. Sample contract

- 1. Provide a sample of the proposed contract for your financial institution's services. Please also provide samples of all other documents which will need to be signed/entered into related to the provision of the services requested in this RFP, including any documents referenced or incorporated into the contracts/agreements.**
- 2. It is the intention to incorporate the RFP and your financial institution's proposal response as part of the overall contract. Is this acceptable? If not, why?**

Wells Fargo has included with our response copies of our account and service documentation for the deposit and treasury management products and services requested in the RFP, which we require to serve as, or be incorporated into, any final agreement. Wells Fargo is willing to discuss the order of precedence of any of the City's additional documents upon award of the contract.

Our disclosures and legal exceptions can be found in Appendix Tab F.

The account and service agreements appear in Appendix Tab G.

## H. Pricing and account analysis

- 1. For how long is the financial institution willing to guarantee the proposed fees?**

The price schedule that we include in this proposal is valid for 180 days from the date the proposal is submitted to you.

- 2. Can fees be debited direct from the City's account rather than billed to the City?**

Yes. The City can pay your fees through direct account debit or pay an invoiced amount by ACH or check each month. We prefer automatic billing after the statement cycle.

- 3. Provide a complete fee schedule for all the services described in your financial institution's proposal using Association of Finance Professionals (AFP) Service Codes, if possible.**

**Fees related to all services described in the proposal must be listed, even if the service is not shown on the schedule. Also, include any one-time or set-up charges, research fees, minimum fees and all other fees that will be charged. Include any incentives or price breaks offered based on volume, timeliness of payment, rebates or other measures.**

Please refer to Tab A in the Appendix section of our response for pricing.

#### 4. Are you willing to offer any transition or retention incentives?

Yes. Wells Fargo wants to earn the City's relationship. Should you move your full relationship to Wells Fargo, we will grant the City a conversion allowance of \$35,000 to be used in the first 12 months upon account opening.\* It would be to the City's benefit to implement new technology offered and to try those services you have been considering. If the City implemented lockbox, E-Box, or other high-tech solutions, the conversion allowance could pay for the City to initially try the solutions at no cost — and transition for free to Wells Fargo. The 12-month cycle begins after the first month cycle following the new account opening.

\* Wells Fargo Merchant Services fees are not subject to this conversion credit and are billed separately.

#### 5. Are there any additional price breaks or incentives?

We have tailored pricing according to our assumptions of the City's volumes. If Wells Fargo is chosen as the finalist, we can work with the City to reassess the services to ensure that they are the best fit and the best priced.

## Additional services

**The bank may desire to offer the City additional services not otherwise specified in this RFP. In this event, a supplemental attachment should be prepared and included with the proposal describing the additional services offered in detail and indicating the cost, if any, for these services.**

If the City would like additional pricing quotes for our high-tech solutions, we may need additional data from the City to complete the quote.

As we were reviewing your statements, there are a number of technology improvements we would like to offer the City, if interested. If chosen as a finalist, we can share these ideas and supply a proposal for services you find value in.

## V. Pricing of banking services

### Overview

**The City requires banks to offer the following options for payment of service charges:**

#### Direct payment of service charges (option 1)

**Under this approach, no compensating balance will be maintained by the City. The City will pay for actual charges for services provided on all City accounts. If the City elects this option, payment will be made by bank debit against the City's general checking account. The bank will link all City accounts for analysis and provide individual as well as a summary report on the charges and fees on a monthly basis. The bank will provide information identifying the volume of service transactions, unit prices and total amounts owed, and an account analysis which will be submitted to the City within fifteen (15) working days of the end of the month. The City will receive an earnings allowance that will be used to reduce the monthly service charges.**

Acknowledged. This is an option for the City.

Please refer to Tab A in the Appendix section of our response for pricing.

#### Variable compensating balance method (option 2)

**Under this approach, the compensating balance required to be maintained by the City will vary monthly based on the City's transaction volumes for the previous month and the bank's unit prices for services, reserve requirement and earnings allowance. The earnings allowance rate to be utilized is the three-month U.S. Treasury Bill average weekly auction results (coupon equivalent yield) for the previous month. Written notification to the Director of Finance will be required to adjust the compensating balance amount.**

**The City reserves the right to select either of the two options or a combination of both options as the method of payment for banking services. The City also reserves the right to change from one option to another.**

Acknowledged. At this time, Wells Fargo is only offering a managed rate based on the current market conditions. With this flexibility, you can maximize your earnings potential on balances as you transition. We are offering the City an ECR of 0.70% which is variable based on market conditions and bank discretion. In addition, we offer investment sweep options for excess balances. Should the City elect a sweep option, those balances do not earn an earnings credit nor are charged recoupment fees, but sweep interest is paid directly to the City's checking account. Fees are posted and debited monthly. The City may also elect to keep some funds in the checking account and sweep the rest. The funds not swept are subject to an earnings credit to offset fees.

Please refer to Tab A in the Appendix section of our response for pricing.

## Alternative method

**Banks may desire to propose an alternative to the two options described above. In this event, a supplemental attachment should be prepared and included with the proposal describing in detail the alternative method along with computation detail.**

Acknowledged.

Please see the proposal included in the pricing Appendix Tab A.

The City can elect to go with a managed rate that is variable and subject to market conditions and bank discretion. All collected balances are subject to this rate as an earnings credit to offset fees.

The City may look at adding a sweep option to your checking account. You may choose to sweep all balances, or leave some collected balances that will earn ECR and offset bank fees. All swept balances are subject to earn dividends at the current rate, and those are paid monthly. Swept balances are not charged recoupment fees, as those balances are part of the investment options chosen by the City. Balances that are swept are money market funds Please see the link that follows for prospectus information.

### Rate report

[Money Market Fund Rate Report - Allspring Global Investments](#)

# Appendix

Pricing .....	Tab A
Information security program letter .....	Tab B
Business continuity program letters .....	Tab C
Merchant services information.....	Tab D
Community involvement.....	Tab E
Disclosures .....	Tab F
Account agreements and service descriptions.....	Tab G

We provide our pricing and fees in this section. Pricing and fees are valid for 180 days. All pricing information is confidential.

## A Message from your Relationship Manager, Jamie O'Connell

Thank you for the opportunity to review banking services for the City. This is a big decision for you and I want to make sure that I have fully explained Wells Fargo's position on our quotes, services included, and enhancements that we can offer you in the future. Our goal is to earn your business and show you that Wells Fargo is the obvious choice for Beaumont.

Wells Fargo is offering the City a transition allowance of \$35,000 to be used in the first 12 months after account opening. This credit may be used at your discretion and can be applied to analysis fees or banking supplies. (Merchant services fees are excluded.) Implementing our lockbox solution could potentially cover the first year of services for transitioning to Wells Fargo. You also have the opportunity to maximize your balances by investing them with one of our sweep options. With the transition allowance offered, you will have the peace of mind to transition to Wells Fargo and not have to worry about being charged fees at two banks.

The pricing elements offered are locked for the three-year term you requested and the ECR is a variable rate subject to change based on market conditions. We are offering an ECR rate of 0.70% upon new account opening, which is a managed rate and variable based on current market conditions and bank discretion. As rates fluctuate, your analysis fees may be covered with the average balances you maintain today. If the City would like to set up quarterly analysis statements, that period reviews activity and balances on a three-month basis and months with excess allowance can cover months with a deficit within the same quarter. We are confident you will find value in our technology and automation services.

If the City chooses Wells Fargo, we can look at other areas in finance to assist. You mentioned the payroll account being processed at another bank, utilizing a third party to pay your vendors by ACH, and having to put all your checks in the cash vault bag for processing. As a city with utilities, we can help streamline incoming bill payments with an electronic file for processing. We are excited to share our best practices and offer the technology available to our customers today.

We have two branches located in the city to serve the residents and employees of Beaumont. Wells Fargo offers many services and webinars that can assist your community in succeeding financially. If City employees do not bank with Wells Fargo, we will waive the check cashing fee as long as the City is our customer and provides positive pay check information on the checks the employees are cashing.

Catherine Ramos is the local manager of the Wells Fargo branch across the street from the City. Over the years, the local banking team has been involved with community support initiatives and volunteer activities. From teaching hands on banking and financial literacy to students at Beaumont High School and the Beaumont library — to donating artifacts previously owned by generations of Beaumont residents to the San Gorgonio Pass Museum — giving back to our communities is important and part of Wells Fargo's vision and values.



Every customer is unique and with that they have unique needs. At Wells Fargo, we understand that. Our job is to build a strong foundation of services that focus on efficiency and risk management, and from there introduce new ideas to strategize and address areas of opportunity. Because our government banking team only works with municipalities like the City, we can pull from experiences, challenges, and efficiencies of other city customers and be true consultants for you.

## Banking services including remote deposit, cash vault, ACH, and fraud tools

This proposal is based on the numbers you provided and information from the bank statements. We included enhancements you were looking for in the RFP, and want to ensure the totals are correct. This includes:

- **Balances**: We used \$17MM in balances based on the average provided in the RFP. When reviewing the statements submitted, the balances were much higher than this, but we noticed there is an opportunity for the City to review other liquidity options on the excess balances. The City could potentially sweep all balances if desired, and once the transition allowance has concluded, we can review balances and activity to strategize the best solution for the City.
- **Account structure**: We priced one account to compare with what you have today; however, there are many benefits to having your relationship at one institution, and if chosen as a finalist, we would like to explore consolidating your payroll account as well.
- **Remote deposit**: This was an important area of focus for the City and an area we have highlighted in the response. Depositing paper check items daily through a scanner is more efficient and cost effective which can reduce your armored pick-ups at the City. Our Desktop Deposit solution has a scanner driver that is linked to our website for installation and updated on our platform. We inserted the 250 items in this scenario to show you how much that would be.
- **Cash vault**: When reviewing this section, it is important to note that our cash vault volumes look at the actual cash and currency being deposited. Per your analysis statements, this was approximately \$25,000 per month, so that is the amount we adjusted it to. Submitting checks through cash vault counts as a paper item deposit through analysis. We assumed 350 deposits per month to our cash vault in Los Angeles, but this amount could be greatly reduced by having your checks submitted through remote deposit or another option. We also included access to request change orders from our online banking platform; these change orders can be delivered by your armored courier during your scheduled pick up.
- **Lockbox services**: We used the 1900 items requested in the RFP to come up with the estimate. There may be some additional need to adjust your payment coupon per lockbox specifications, but we can explore that if chosen as a finalist. This quote includes the price for images, documents scanned, reporting, and other elements related to lockbox. Our lockbox center is in El Monte, California, and is serviced multiple times per day. The City has access to reports online and can sort by many fields relevant to your reconciling needs.
- **Returned items with redeposit instructions**: We can accommodate your returned item instructions and offer images and a report so you can respond quickly to items that are being returned unpaid.

- **Positive Pay with Payee Validation:** The City will send us your check file so we can pay items that match your issue file. Payee Validation will also review the payee information to help prevent fraud. If you have any unmatched items, we notify the City to make a pay or return decision. You will also set a default decision for items that aren't decided. For your protection, we recommend a default decision to return items.
- **ACH Fraud Filter:** We offer ACH Fraud Filter (stop) and ACH Fraud Filter (review) options. If the City expects no vendor activity on the account, we can block all debits from posting. If an account has approved vendors listed, we can add our review option and all unfamiliar ACH attempts would be presented to the City to decision (pay or return). We recommend you set a default decision to return items.
- **ACH services:** We entered one ACH ID in place today and completed the expected activity for your ACH items. We recommend sending your transmission file one to two days using prepaid settlement, but offer same day for individual items less than \$100,000. We disclose the elements as a possibility should they occur.
- **Wire transfers:** All of your incoming, outgoing and LAIF wire activity will be found in this section. Wires are sent through our online banking portal and require dual custody.
- **Reports:** We are giving quotes for previous day and intraday reporting with 120 days of storage, wire transfer, remote deposit, and lockbox reporting, and access to search online for transactions.
- **Set up charges:** We are waiving all set up charges for services quoted in the Treasury Management Pro forma. There will be some development and programming hours for the setup of lockbox services, but the City may use the transition allowance for this cost.
- **Merchant Services and Wells Fargo Payment Gateway:** Thank you for providing the statements. Please refer to the Merchant Services pricing pages attached.

## Enhancements to consider in the future

During the Q and A period, we asked many detailed questions and appreciate your responses. Some of our services require additional information to propose, but we would like to explore those if chosen as a finalist. These include:

- **Commercial card:** Please refer to section E, New services and ideas. With a completed vendor analysis from the City, we can identify an annual spend. Card payments are also a payment channel offered with our Payment Manager solution.
- **Payment Manager:** Wells Fargo can automate your payables by sending us one file for all of your payments — ACH, wire, credit card and check. We welcome the opportunity to review this service in more detail and perhaps provide the City a demo if chosen as a finalist. We can offer the City a full payables analysis if the vendor match template is completed. We match the data against the Visa or Mastercard database to identify the vendors taking card or ACH payments, which will help the City move to an electronic payables environment, decreasing checks over time. There is also a new feature that allows the City to pay electronically through Zelle®. This would allow you to pay constituents by email address or phone number, rather than wait for small dollar items to clear.

- **E-Bill Express**: This service takes your utility billing file and presents the bill online through the City's website for payment. Your residents can view their bill and pay online by credit card, debit card, or directly through their bank account. The City gets a detailed report outlining who paid and provides many reconciling tools. To provide a quote, we require additional billing information. We are happy to discuss this further if you have interest in this solution.
- **E-Box**: As your residents pay their bill through their bank provider, we can make the City an electronic receiver in the bill pay network. We work with 26 bill pay service networks and can send the City one file of the payments received and provide online decisioning to identify those payments that are not recognized. Once the City gives instructions on where to apply the payment, the next time it arrives, the payment will be automatically matched to that customer. We will need more information on the number of bill pay items that are sent to the City today to provide a quote, but we would like to follow up on this conversation.
- **Virtual lockbox**: Since the City is looking to relocate your lockbox facility, you can incorporate our virtual lockbox service for the over-the-counter checks you receive. This is one option to get the paper check items received at City Hall deposited to Wells Fargo. Virtual lockbox takes a file from the City and incorporates those items into the lockbox file we receive today. For reporting purposes, this will mirror your lockbox report for consistency — whether the items are received at City Hall or our lockbox facility in Los Angeles.
- **Wells Fargo Electronic Deposit**: This service is another option to process your check payments in-house. It is our version of image cash letter and can process check payments at a higher speed.
- **Remote cash capture (smart safe)**: We work with preferred vendors Garda and Loomis to install safe(s) at your locations. Cash is dropped in the safe at night and picked up by your armored courier on your schedule. The bank receives a daily transmission total from the safe, and it offers other fraud prevention tools as well. The contract with the City and armored courier is separate from the contract between the City and Wells Fargo.
- **Sweep options**: We provide a lot of details and information about the sweep options that can be added to your checking account. These options are only offered to municipalities and adhere to government investment codes. Please review options for excess cash and let me know if you would like more information.

If you choose Wells Fargo, you are choosing an innovator in banking technology. We will provide the City, a complimentary business process review to identify ways to help streamline your efficiencies further. As your relationship manager, it is my honor to grow our relationship over time and assist with future enhancements the City needs. As technology progresses, so will your payment options. For convenience, I am very local to the City of Beaumont and have expertise in many financial needs of the public sector.

Once this RFP period has closed, it would be my pleasure to go over any of these details or address additional questions you have regarding our services. We look forward to working with the City of Beaumont.

Thank you!





# Treasury Management Pro Forma

This proposal is based on our understanding of your requirements and the services in the RFP. This proposal includes volumes provided in your Estimated Monthly Activity Detail with anticipated line items and volumes for the products requested in the RFP. Please see the conversion allowance in the RFP response that can be used to offset the fees and setup costs below.

## City of Beaumont

Pricing as of June 2022

### ANALYSIS SUMMARY

Average Positive Collected Balance	\$ 17,000,000.00
Reserve Requirement @ 0.00%	\$ 0.00
Investable Balance Available for Services	\$ 17,000,000.00
Monthly Analyzed Charges	\$ 5,372.59
Earnings Allowance @ 0.70%	\$ 9,780.82
<b>Net Monthly Analyzed Charges (EXCESS)</b>	<b>\$ 4,408.23</b>
*Monthly Fee Based Charges	\$ 0.00
Total Monthly Analyzed Charges	\$ 0.00
*Charges not offset by balances	

### SERVICE DETAILS

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>BALANCE &amp; COMPENSATION INFORMATION</b>					
IAMTH	000230	RECOUPMENT MONTHLY	0.12750	17,000	2,167.50
<b>BALANCE &amp; COMPENSATION INFORMATION Subtotal</b>					<b>2,167.50</b>
<b>GENERAL ACCOUNT SERVICES</b>					
22051	010000	ACCT MAINTENANCE	10.00000	1	10.00
CK021	010100	DEBITS POSTED	0.10000	25	2.50
15007	010101	DESKTOP DEPOSIT-DEPOSIT CREDITED	0.55000	21	11.55
<b>GENERAL ACCOUNT SERVICES Subtotal</b>					<b>24.05</b>
<b>LOCKBOX SERVICES</b>					
03302	050400	LBX TRANSMISSION BASE	125.00000	1	125.00
36709	05011R	LBX WHOLESALE BASE	220.00000	1	220.00
36755	050100	LBX STANDARD CHECK PROCESSED	0.20000	1,900	380.00
03905	05011R	LBX DOCUMENT SCANNED	0.03500	3,800	133.00
34222	05031Z	LBX CEO TIR REPORT PER ITEM	0.05000	21	1.05
<b>LOCKBOX SERVICES Subtotal</b>					<b>859.05</b>

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>DEPOSITORY SERVICES</b>					
08173	100100	CASH VAULT DEPOSIT	3.00000	350	1,050.00
CK061	100400	RETURN ITEM - CHARGEBACK	10.00000	10	100.00
CK069	100401	RETURN ITEM SPECIAL INSTRUCTIONS	0.60000	0	0.00
CK075	100402	RETURN ITEM REDEPOSITED	5.00000	0	0.00
08110	100144	CASH VAULT COIN ROLLS FURNISHED	0.12000	27	3.24
08416	100199	CASH VAULT CURRENCY FURNISHED	0.00130	9	0.01
08290	100199	CASH VAULT CURRENCY/COIN DEPOSITED	0.00130	25,000	32.50
08160	100501	CASH VAULT DEP - ADJUSTMENT	6.50000	20	130.00
08025	100015	MISCELLANEOUS CREDITS POSTED	0.55000	21	11.55
706	100224	DESKTOP DEPOSIT-DEPOSITED ITEM	0.06000	250	15.00
311	100225	WHOLESALE LOCKBOX - DEPOSITED CHECK	0.14000	1,900	266.00
<b>DEPOSITORY SERVICES Subtotal</b>					<b>1,608.30</b>
<b>PAPER DISBURSEMENT SERVICES</b>					
DS191	150122	PAYEE VALIDATION STANDARD-ITEM	0.01000	40	0.40
12907	150030	POSITIVE PAY MONTHLY BASE	15.00000	1	15.00
22202	150100	DDA CHECKS PAID	0.10000	40	4.00
<b>PAPER DISBURSEMENT SERVICES Subtotal</b>					<b>19.40</b>
<b>PAPER DISBURSEMENT RECON SERVICES</b>					
12377	200201	ARP FULL RECON-ITEM	Minimum	40	75.00
12060	200010	ARP MONTHLY BASE - FULL	15.00000	1	15.00
12604	200306	ARP OPTIONAL REPORTS	5.00000	42	210.00
12430	200301	ARP OUTPUT - TRANSMISSION	2.00000	21	42.00
34350	200306	CEO ARP STMT & RPTS MONTHLY BASE	8.00000	1	8.00
12694	200100	OUTGOING TRANSMISSION - PER ITEM	0.01000	40	0.40
<b>PAPER DISBURSEMENT RECON SERVICES Subtotal</b>					<b>350.40</b>
<b>GENERAL ACH SERVICES</b>					
CK018	250201	ELECTRONIC CREDITS POSTED	0.10000	10	1.00
34342	250400	ACH CEO RETURN SUBSCRIPTION - ITEM	0.20000	6	1.20
34340	250400	ACH CEO RETURN SUBSCRIPTION-ACCOUNT	10.00000	1	10.00
ES280	250000	ACH MONTHLY BASE	15.00000	1	15.00
ES211	250102	ACH FUTURE DATED ITEM	0.05000	1,847	92.35
ES344	250202	ACH RECEIVED ITEM	0.10000	35	3.50
06502	250302	ACH RETURN ITEM-ELECTRONIC	6.50000	5	32.50
ES801	250501	ACH TRANSMISSION CHARGE	2.00000	4	8.00
34333	251050	ACH CEO FRAUD FILTER REVIEW MO BASE	10.00000	1	10.00
06525	250302	ACH NOC - ELECTRONIC	6.50000	1	6.50
<b>GENERAL ACH SERVICES Subtotal</b>					<b>180.05</b>

WF Code	AFP Code	Service Description	Unit Price	Volume	Service Charges
<b>WIRE &amp; OTHER FUNDS TRANSFER SERVICE</b>					
ES030	350300	WIRE IN TO USA ACCT-USA DOMESTIC	10.00000	2	20.00
CS063	350510	WIRE OUT USA ACCT- STANDING	3.00000	0	0.00
ES074	350580	WIRE VERIFY CALL BACK	15.00000	1	15.00
ES139	350100	WIRE OUT DOMESTIC CEO/API	4.00000	2	8.00
<b>WIRE &amp; OTHER FUNDS TRANSFER SERVICE Subtotal</b>					<b>43.00</b>
<b>INFORMATION SERVICES</b>					
34123	40022Z	CEO ALERTS SERVICE - EMAIL	0.04000	21	0.84
34121	400274	CEO INTRADAY REPORTING ITEMS RPTD	0.10000	100	10.00
34120	400055	CEO INTRADAY REPORTING SUBSCRIPTION	25.00000	1	25.00
34115	400271	CEO PREV DAY REPORTING ITEMS LOADED	0.10000	500	50.00
34100	400052	CEO PREV DAY REPORTING SUBSCRIPTION	25.00000	1	25.00
15017	400003	DESKTOP DEPOSIT MONTHLY BASE	10.00000	1	10.00
<b>INFORMATION SERVICES Subtotal</b>					<b>120.84</b>
<b>SETUP CHARGES</b>					
<b>LOCKBOX SERVICES</b>					
03850	050138	LOCKBOX SET UP	0.00000	1	0.00
<b>LOCKBOX SERVICES Subtotal</b>					<b>0.00</b>
12021	200410	ARP SET UP	0.00000	1	0.00
<b>PAPER DISBURSEMENT RECON SERVICES Subtotal</b>					<b>0.00</b>
ES201	251000	ACH SET UP	0.00000	1	0.00
06094	251001	ACH FRAUD FILTER - SET UP	0.00000	1	0.00
<b>GENERAL ACH SERVICES Subtotal</b>					<b>0.00</b>
<b>Total Analyzed Charges</b>					<b>0.00</b>
<b>*Total Fee Based Charges</b>					<b>0.00</b>
<b>Total Service Charges</b>					<b>0.00</b>



## Disclosures

We created this proposal for you based on our understanding of your requirements and the services in which you expressed interest. This proposal confirms the deposit and treasury management services and the pricing we plan to provide you based on certain assumptions including projected volumes and other relevant information you provided.

This document is confidential. Please do not share it without first obtaining our written permission. The services and pricing contained in this proposal are valid for 90 days. The pricing is subject to change if the actual volume or scope of services differs from the assumptions upon which we based the pricing.

Please let us know if you believe this proposal does not accurately represent the prices or services we discussed with you. If you have questions about the services in this proposal, please contact your Treasury Management Sales Consultant or visit: [www.wellsfargo.com/accountanalysis](http://www.wellsfargo.com/accountanalysis) for additional information about the services.

### Regarding your services

#### Alerts Service

Charges are assessed against the volume of Alerts per user, per company, per month basis. Users are only charged for the first 80 events/alerts per month, per delivery mechanism (email or text). There is no per company cap for billing.

#### Wire Book Transfer

A CEO Wire book transfer is between two accounts initiated via CEO Wires Book Transfer workflow. A Payment Manager Book transfer is charged when the debit and credit accounts are setup in a single CEO Company id and entitled to Book Transfer.

#### Services with No Volumes

Services listed with zero volume are not included in the estimated monthly analysis fee but are included in the event the service is used in the future.



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# Wells Fargo Treasury Management Pricing

City of Beaumont

Pricing as of June 2022

**Additional Service Charges for Disclosure**

WF Code	AFP Code	Service Description	Charge Basis	Price
<b>Cash Vault</b>				
08160	100501	CASH VAULT DEP - ADJUSTMENT	Adjustment	6.50000
08110	100144	CASH VAULT COIN ROLLS FURNISHED	Coin roll	0.12000
08416	100199	CASH VAULT CURRENCY FURNISHED	Dollar	0.00130
08190	100140	CASH VAULT CASH ORDER-CALL IN	Cash order	3.75000
08116	100145	CASH VAULT COIN FURN-STD HALF BOX	Coin box	4.00000
08115	100146	CASH VAULT COIN FURNISHED-STD BOX	Coin box	4.00000
08071	100111	CASH VAULT DEP - NONSTD COIN BAG	Coin bag	12.00000
08008	100110	CASH VAULT DEP - ROLLED COIN	Coin roll	0.12000
08067	100113	CASH VAULT DEP - STD COIN BAG	Coin bag	3.50000
08181	100141	CASH VAULT ORDER - AUTOMATED	Transaction	3.75000
08630	100147	CASH VAULT ORDER - FED STD BAG	Coin bag	3.00000
08114	100147	CASH VAULT ORDER - HALF STD BAG	Coin bag	3.00000
08210	100154	SAFEVANTAGE EXPEDITED CREDIT	\$ pass through	0.00010
08208	100154	SV PREMIUM DEPOSIT CREDIT	Location	5.00000
<b>General Account Services</b>				
08025	100015	MISCELLANEOUS CREDITS POSTED	Transaction	0.55000
24250	150340	OVERDRAFT CHARGE-PAID ITEM	Transaction	35.00000
CK049	010310	DDA STATEMENT - PAPER	Statement	5.00000
CK030	010410	CLIENT ANALYSIS STATEMENT-PAPER	Statement	5.00000
CK672	010630	BANK CONFIRMATION AUDIT REQUEST	Request	65.00000
CK673	010640	CREDIT RATING AUDIT REQUEST	Inquiry	50.00000
<b>Gen Acct Services Recoupment</b>				
IAMTH	000230	RECOUPMENT MONTHLY	Deposit assessr	0.12750



WF Code	AFP Code	Service Description	Charge Basis	Price
<b>Image Delivery</b>				
64104	151350	IFI MAINTENANCE PER PRODUCT	Customer ID	75.00000
27707	400340	CEO SEARCH	Inquiry	0.16000
12812	151352	CEO IMAGE VIEW < 90 DAYS - ITEM	Image retrieved	0.01000
12815	151352	CEO IMAGE VIEW > 90 DAYS - ITEM	Image retrieved	0.01000
<b>MSC-TM</b>				
03303	050410	LBX PKG US MAIL DELIVERY	\$ pass through	1.00000
22222	150810	PRINTING & SUPPLIES-VENDOR	Account	0.01000
<b>Paper Checks Deposited</b>				
002	100225	DEPOSITED CHECK	Check depositer	0.15000
<b>Wholesale Lockbox</b>				
36703	050135	LBX MATCHING FILE BASE	Lockbox	60.00000
03102	050000	LBX REMIT PROCESSED CASH	Remittance	12.00000
03611	050000	LBX REMIT PROCESSED EXPRESS MAIL	Remittance	2.50000
36731	050530	LBX CORRESPONDENCE OR REJECTS	Envelope	0.70000
52035	050425	LBX IMAGE FILE IMPORT	Image	0.03000
36745	050129	LBX VALUE ADDED KEYING	Keystroke	0.02500
34222	05031Z	LBX CEO TIR REPORT PER ITEM	Item accessed	0.05000
<b>ACH Fraud Filter</b>				
34334	251050	ACH CEO FRAUD FILTER STOP MTHLYBASE	Account	10.00000
34338	251052	ACH CEO FRAUD FILTER STOP - ITEM	Transaction filte	5.00000
34335	251053	ACH CEO FRAUD FILTER REVIEW - ITEM	Transaction filte	5.00000
<b>ACH Origination</b>				
ES216	250102	ACH SAME DAY	Transaction	0.50000
ES206	250120	ACH ORIGINATED - ADDENDA REC	Addenda record	0.05500
ES254	250501	ACH ORIGATION/REJECT DATA - FILE	Batch/file	3.50000
ES240	250310	ACH RETURN ITEM-REDEPOSITED	Transaction	6.50000
ES362	250311	ACH RETURN ITEM - DISHONORED	Transaction	6.50000
06507	250312	ACH RETURN UNAUTHORIZED -ELECTRONIC	Return	6.50000
06511	250312	ACH RETURN UNAUTHORIZED QUALITY FEE	Return	5.00000
ES230	250620	ACH DELETE - ITEM	Delete	10.00000
ES361	250642	ACH REVERSAL - ITEM	Reversal	10.00000
06510	251010	ACH AUTHORIZATION INVESTIGATION	Investigation	50.00000
06508	251010	ACH COMPLEX SPECIAL INVESTIGATION	Hour	210.00000
ES231	250620	ACH DELETE/REVERSE - BATCH/FILE	Batch/file	15.00000
34285	250703	CEO ACH HYP ITM DET INQ - PER ITEM	Inquiry	1.50000

WF Code	AFP Code	Service Description	Charge Basis	Price
<b>ACH Receive</b>				
ES349	250220	ACH RECEIVED ADDENDA	Addenda record	0.03000
<b>Account Reconciliation</b>				
34421	400272	ARP STMTS & RPTS (CSV/EXCEL) / ITEM	Transaction	0.00500
34420	400051	ARP STMTS & RPTS (CSV/EXCEL) BASE	Account	5.00000
34337	200201	CEO CHECK ISSUES-ITEM	Check issued	0.30000
12687	209999	ARP AGED ISSUE RECORDS ON FILE-ITEM	Record	0.02000
12609	200310	ARP PAPER STATEMENT/REPORT DELIVERY	Statement	20.00000
12684	200310	ARP PAPER STMT/REPORT MONTHLY BASE	Account	20.00000
12615	200304	ARP PDF STMTS/RPTS-TRANSMISSION	Account	50.00000
<b>Desktop Deposit/Electronic Check</b>				
790	100230	ELECTRONIC DEPOSIT - DEP ADJUSTMENT	Adjustment	18.00000
<b>General Disbursement Services</b>				
22030	150412	STOP PAYMENT - AUTO RENEWAL	Stop payment	4.00000
12677	150300	MICR CHECK REJECTS >1% THROUGH 2%	Reject	0.80000
12678	150300	MICR CHECK REJECTS OVER 2%	Reject	1.75000
22225	150240	CHECK CASHING THRESHOLD MO BASE	Account	10.00000
MD091	150240	PYMT AUTH MAX CHECK MTHLY BASE	Account	17.00000
12670	150410	STOP PAYMENT - ONLINE	Stop payment	12.00000
12671	150420	STOP PAYMENT - OPERATOR ASSISTED	Stop payment	30.00000
12673	150411	STOP PAYMENT - RANGE	Stop payment	15.00000
<b>Incoming Wire Transfers</b>				
ES030	350300	WIRE IN TO USA ACCT-USA DOMESTIC	Transfer	10.00000
ES191	350320	WIRE IN XBDR CORRESP BANK-USD/FX	Transfer	7.00000
ES076	350310	WIRE IN XBDR USA ACCT-USD OR FX	Transfer	20.00000
18030	350330	WIRE IN REPAIR	Exception	9.00000
<b>Positive Pay</b>				
DS191	150122	PAYEE VALIDATION STANDARD-ITEM	Check paid	0.01000
DS194	150299	PAYEE VALIDATION MANUAL REVIEW/ITEM	Check	0.25000
34336	150724	POSITIVE PAY EXCEPTION - CEO IMAGE	Image retrieved	0.50000
12908	150310	POS PAY CHECKS WITH NO ISSUE RECORD	Check	0.50000
12505	150222	POSITIVE PAY EXCEPTION CHECKS RETND	Check returned	10.00000
12903	150310	POSITIVE PAY EXCEPTIONS - ITEM	Exception	5.00000
12906	150401	POSPAY VERIFICATION CALL-CASHED	Call	20.00000
<b>Returned Items</b>				
CK064	100416	CEO RETURN ITEM SERVICE MTHLY BASE	Customer ID	0.00000
CK081	100401	RETURN ITEM SPECIAL INST MTHLY BASE	Account	38.00000

WF Code	AFP Code	Service Description	Charge Basis	Price
<b>Wires Origination and Reporting</b>				
18901	350115	WIRE OUT XBDR FX CEO/API	Transfer	25.00000
ES141	350120	WIRE BOOK TRANSFER CEO/API	Transfer	4.00000
18602	350560	WIRE INVESTIGATION	Investigation	65.00000
18031	350541	WIRE OUT REPAIR	Exception	9.00000
<b>Branch Services</b>				
08172	100501	ADJ FOR CASH DEPOSITED IN WF BRANCH	Adjustment	13.00000
CK161	100006	CASH DEPOSITED IN WF BRANCH	Dollar	0.00300
CK771	100010	LOOSE COIN DEPOSITED IN BRANCH	Coin bag	10.00000
CK197	100040	CASH ORDER FEE IN A WF BRANCH	Transaction	9.00000
CK131	100040	ROLLED COIN FURNISHED BY WF BRANCH	Coin roll	0.50000
CK141	100040	CURRENCY FURNISHED BY WF BRANCH	Dollar	0.00300
22810	150500	WF CHK CASHED FOR NONACCT HOLDER	Check cashed	0.00000
08052	100006	BRANCH DEPOSIT	Deposit	3.50000
22812	019999	NON ACCT HOLDER CHK CASHING - PAYEE	Check cashed	0.00000
<b>Other Non TM</b>				
ODACT	000210	DAILY USE OF UNCOLL FUNDS-ACCT LVL	\$ pass through	1.00000
<b>Sweep</b>				
34110	450405	SWEEP ACCOUNT POSITION REPORT	Sweep master a	10.00000
22087	450403	SWEEP STAGECOACH MUTUALFND ELECTNIC	Statement	0.00000
22094	450200	SWEEP STAGECOACH MUTUAL FND MO BASE	Account	0.00000
<b>Setup Charges</b>				
64100	151357	IFI SETUP PER PRODUCT	Customer ID	0.00000
03850	050138	LOCKBOX SET UP	Lockbox	0.00000
03082	050137	LBX PROGRAMMING	Hour	100.00000
34375	251120	CEO ACH ORIG NEW CO ID SETUP	Setup	0.00000
06092	251001	ACH ORIGINATION NEW COMP ID-SET UP	Setup	0.00000
18325	359999	WIRE ACCOUNT ADD CEO/API	Account	0.00000

For additional service definitions, please contact your Treasury Management Sales Consultant or visit:  
[www.wellsfargo.com/accountanalysis](http://www.wellsfargo.com/accountanalysis)

**Banking Services Proposal — Required Services**  
**Estimated Monthly Activity Detail**

Service Description	Unit Volume	Activity Price	Unit total
<b>General account services:</b>			
Account maintenance	1	10.0000	10.00
Checks Returned with Statements	7	N/A	0.00
<b>Depository Services</b>			
Deposits	350	3.0000	1,050.00
Checks Paid	40	0.1000	4.00
Deposited Items - On Us	60	0.0600	3.60
Deposited Items – Local Clearing	90	0.0600	5.40
Deposited Items – Other	100	0.0600	6.00
Currency Deposited <sup>1</sup>	<b>\$25,000</b>	0.0013	32.50
Returned Item Debit	10	10.0000	100.00
ACH Returned Item Debit	5	6.5000	32.50
Returned Item Reclear Fee	0	5.0000	0.00
Returned Item Special Handling	0	0.6000	0.00
<b>Controlled Disbursement Services</b>			
Checks Paid (on Accounts Payable) <sup>2</sup>	40	Minimum <sup>2</sup>	75.00
Positive Pay Package	1	15.0000	15.00
Cash Reporter/Information Reporting	1	15.0000	15.00
<b>ACH Services</b>			
File Input	0		0.00
Credit - Incoming	10	0.1000	1.00
Debit – Incoming	25	0.1000	2.50
Notification of Change	1	6.5000	6.50
<b>Wire Transfer Services</b>			
Incoming Domestic Wire	2	10.0000	20.00
Outgoing Domestic Wire	2	4.0000	8.00
Non-PC Repetitive Outgoing Domestic Wire	0	3.0000	0.00
Wire Notification (Phone)	1	15.0000	15.00
<b>Information Reporting Services</b>			
Basic Online A/C Maintenance	1	25.0000	25.00
Basic Online Detail Transactions	500	0.1000	50.00
Online CM ACH Maintenance (Stand Alone)	1	15.0000	15.00
ACH Upload Expense	1	N/A	0.00
	Grand total	\$	1,492.00

**NOTES:**

<sup>1</sup> Updated volume to reflect the average dollar amount of cash and coin deposited monthly.

<sup>2</sup> There is a minimum fee for our ARP Full Reconciliation Per Item charge. The per item charge is .12 if the minimum is exceeded.

Please reference the attached Wells Fargo Treasury Management Pro Forma to see the full detailed proposed pricing. Please see the conversion allowance in the RFP response that can be used to offset monthly fees and setup costs.

**Banking Services Proposal — Required Services**  
**ADDITIONAL Standard Monthly Activity Detail**

The below activity detail reflects *additional* charges and volumes anticipated based on our understanding of the City's requirements and the services in the RFP. We have used data from the Q & A responses, the analysis statements provided, as well as the services requested in the RFP scope. Please reference the attached Wells Fargo Treasury Management Pro Forma to see the full detailed proposed pricing which includes all volumes provided as well as the below volumes added. Please see the conversion allowance in the RFP response that can be used to offset monthly fees and setup costs.

Service Description	Unit Volume	Activity Price	Unit total
<u>General Account Services:</u>			
RECOUPMENT MONTHLY	17,000	0.1275	2,167.50
<u>Account Reconciliation:</u>			
ARP OPTIONAL REPORTS	42	5.00000	210.00
ARP OUTPUT - TRANSMISSION	21	2.00000	42.00
PAYEE VALIDATION STANDARD-ITEM	40	0.01000	0.40
CEO ARP STMT & RPTS MONTHLY BASE	1	8.00000	8.00
OUTGOING TRANSMISSION - PER ITEM	40	0.01000	0.40
<u>Depository Services</u>			
CASH VAULT DEP - ADJUSTMENT	20	6.50000	130.00
CASH VAULT COIN ROLLS FURNISHED	27	0.12000	3.24
CASH VAULT CURRENCY FURNISHED	9	0.00130	0.01
DESKTOP DEPOSIT MONTHLY BASE	1	10.00000	10.00
DESKTOP DEPOSIT-DEPOSIT CREDITED	21	0.55000	11.55
<u>Wholesale Lockbox</u>			
LBX WHOLESALE BASE	1	220.00000	220.00
LBX TRANSMISSION BASE	1	125.00000	125.00
MISCELLANEOUS CREDITS POSTED	21	0.55000	11.55
WHOLESALE LOCKBOX - DEPOSITED CHECK	1,900	0.14000	266.00
LBX STANDARD CHECK PROCESSED	1,900	0.20000	380.00
LBX DOCUMENT SCANNED	3,800	0.03500	133.00
LBX CEO TIR REPORT PER ITEM	21	0.05000	1.05
<u>ACH Services</u>			
ACH RECEIVED ITEM	35	0.10000	3.50
ACH CEO FRAUD FILTER REVIEW MO BASE	1	10.00000	10.00
ACH CEO RETURN SUBSCRIPTION - ITEM	6	0.20000	1.20
ACH CEO RETURN SUBSCRIPTION-ACCOUNT	1	10.00000	10.00
ACH FUTURE DATED ITEM	1,847	0.05000	92.35
ACH TRANSMISSION CHARGE	4	2.00000	8.00
<u>Information Reporting Services</u>			
CEO ALERTS SERVICE - EMAIL	21	0.04000	0.84
CEO INTRADAY REPORTING ITEMS RPTD	100	0.10000	10.00
CEO INTRADAY REPORTING SUBSCRIPTION	1	25.00000	25.00
Grand total		\$	3,880.59
<u>ONE TIME Setup Charges</u>			
ACH FRAUD FILTER - SET UP	1	0.0000	0.00
ACH SET UP	1	0.0000	0.00
ARP SET UP	1	0.0000	0.00
LOCKBOX SET UP	1	0.0000	0.00

Please submit information on any standard monthly service charges that are not listed in the Monthly Activity Detail and use the same format shown in the Monthly Activity Detail. If any service charges are one-time set-up or service charges, or are to be no charge to the City, please make note of this.

All proposals for additional service must be accompanied by supplemental attachments describing in full the services offered along with monthly cost detail.

### BANKING SERVICES PROPOSAL – ADDITIONAL SERVICES

ITEM NO.	SERVICE DESCRIPTION SUMMARY	Cost	
		Per unit	Monthly
08160	CASH VAULT DEP - ADJUSTMENT		6.5000
08190	CASH VAULT CASH ORDER-CALL IN		3.7500
08116	CASH VAULT COIN FURN-STD HALF BOX		4.0000
08115	CASH VAULT COIN FURNISHED-STD BOX		4.0000
08110	CASH VAULT COIN ROLLS FURNISHED		0.1200
08416	CASH VAULT CURRENCY FURNISHED		0.0013
08071	CASH VAULT DEP - NONSTD COIN BAG		12.0000
08008	CASH VAULT DEP - ROLLED COIN		0.1200
08067	CASH VAULT DEP - STD COIN BAG		3.5000
08181	CASH VAULT ORDER - AUTOMATED		3.7500
08630	CASH VAULT ORDER - FED STD BAG		3.0000
08114	CASH VAULT ORDER - HALF STD BAG		3.0000
08210	SAFEVANTAGE EXPEDITED CREDIT		0.0001
08208	SV PREMIUM DEPOSIT CREDIT		5.0000
24250	OVERDRAFT CHARGE-PAID ITEM		35.0000
CK049	DDA STATEMENT - PAPER		5.0000
CK030	CLIENT ANALYSIS STATEMENT-PAPER		5.0000
CK672	BANK CONFIRMATION AUDIT REQUEST		65.0000
CK673	CREDIT RATING AUDIT REQUEST		50.0000
IAMTH	RECOUPMENT MONTHLY		0.1275
64104	IFI MAINTENANCE PER PRODUCT		75.0000
27707	CEO SEARCH		0.1600
12812	CEO IMAGE VIEW < 90 DAYS - ITEM		0.0100
12815	CEO IMAGE VIEW > 90 DAYS - ITEM		0.0100
03303	LBX PKG US MAIL DELIVERY		1.0000
22222	PRINTING & SUPPLIES-VENDOR		0.0100
002	DEPOSITED CHECK		0.1500
36703	LBX MATCHING FILE BASE		60.0000
03102	LBX REMIT PROCESSED CASH		12.0000
03611	LBX REMIT PROCESSED EXPRESS MAIL		2.5000
36731	LBX CORRESPONDENCE OR REJECTS		0.7000
52035	LBX IMAGE FILE IMPORT		0.0300
36745	LBX VALUE ADDED KEYING		0.0250

ITEM NO.	SERVICE DESCRIPTION SUMMARY	Cost	
		Per unit	Monthly
34334	ACH CEO FRAUD FILTER STOP MTHLYBASE		10.0000
34338	ACH CEO FRAUD FILTER STOP - ITEM		5.0000
34335	ACH CEO FRAUD FILTER REVIEW - ITEM		5.0000
ES216	ACH SAME DAY		0.5000
ES206	ACH ORIGINATED - ADDENDA REC		0.0550
ES254	ACH ORIGATION/REJECT DATA - FILE		3.5000
ES240	ACH RETURN ITEM-REDEPOSITED		6.5000
ES362	ACH RETURN ITEM - DISHONORED		6.5000
06507	ACH RETURN UNAUTHORIZED -ELECTRONIC		6.5000
06511	ACH RETURN UNAUTHORIZED QUALITY FEE		5.0000
ES230	ACH DELETE - ITEM		10.0000
ES361	ACH REVERSAL - ITEM		10.0000
06510	ACH AUTHORIZATION INVESTIGATION		50.0000
06508	ACH COMPLEX SPECIAL INVESTIGATION		210.0000
ES231	ACH DELETE/REVERSE - BATCH/FILE		15.0000
34285	CEO ACH HYP ITM DET INQ - PER ITEM		1.5000
ES349	ACH RECEIVED ADDENDA		0.0300
34421	ARP STMTS & RPTS (CSV/EXCEL) / ITEM		0.0050
34420	ARP STMTS & RPTS (CSV/EXCEL) BASE		5.0000
34337	CEO CHECK ISSUES-ITEM		0.3000
12687	ARP AGED ISSUE RECORDS ON FILE-ITEM		0.0200
12609	ARP PAPER STATEMENT/REPORT DELIVERY		20.0000
12684	ARP PAPER STMT/REPORT MONTHLY BASE		20.0000
12615	ARP PDF STMTS/RPTS-TRANSMISSION		50.0000
08172	ADJ FOR CASH DEPOSITED IN WF BRANCH		13.0000
CK161	CASH DEPOSITED IN WF BRANCH		0.0030
CK771	LOOSE COIN DEPOSITED IN BRANCH		10.0000
CK197	CASH ORDER FEE IN A WF BRANCH		9.0000
CK131	ROLLED COIN FURNISHED BY WF BRANCH		0.5000
CK141	CURRENCY FURNISHED BY WF BRANCH		0.0030
22810	WF CHK CASHED FOR NONACCT HOLDER		0.0000
08052	BRANCH DEPOSIT		3.5000
22812	NON ACCT HOLDER CHK CASHING - PAYEE		0.0000
790	ELECTRONIC DEPOSIT - DEP ADJUSTMENT		18.0000
22030	STOP PAYMENT - AUTO RENEWAL		4.0000
12677	MICR CHECK REJECTS >1% THROUGH 2%		0.8000
12678	MICR CHECK REJECTS OVER 2%		1.7500
22225	CHECK CASHING THRESHOLD MO BASE		10.0000
MD091	PYMT AUTH MAX CHECK MTHLY BASE		17.0000
12670	STOP PAYMENT - ONLINE		12.0000
12671	STOP PAYMENT - OPERATOR ASSISTED		30.0000
12673	STOP PAYMENT - RANGE		15.0000
ES030	WIRE IN TO USA ACCT-USA DOMESTIC		10.0000
ES191	WIRE IN XBDR CORRESP BANK-USD/FX		7.0000

ITEM NO.	SERVICE DESCRIPTION SUMMARY	Cost	
		Per unit	Monthly
ES076	WIRE IN XBDR USA ACCT-USD OR FX		20.0000
18030	WIRE IN REPAIR		9.0000
ODACT	DAILY USE OF UNCOLL FUNDS-ACCT LVL		1.0000
DS194	PAYEE VALIDATION MANUAL REVIEW/ITEM		0.2500
DS191	PAYEE VALIDATION STANDARD-ITEM		0.0100
34336	POSITIVE PAY EXCEPTION - CEO IMAGE		0.5000
12908	POS PAY CHECKS WITH NO ISSUE RECORD		0.5000
12505	POSITIVE PAY EXCEPTION CHECKS RETND		10.0000
12903	POSITIVE PAY EXCEPTIONS - ITEM		5.0000
12906	POSPAY VERIFICATION CALL-CASHED		20.0000
CK064	CEO RETURN ITEM SERVICE MTHLY BASE		0.0000
CK081	RETURN ITEM SPECIAL INST MTHLY BASE		38.0000
34110	SWEEP ACCOUNT POSITION REPORT		10.0000
22087	SWEEP STAGECOACH MUTUALFND ELECTNIC		0.0000
22094	SWEEP STAGECOACH MUTUAL FND MO BASE		0.0000
18901	WIRE OUT XBDR FX CEO/API		25.0000
ES141	WIRE BOOK TRANSFER CEO/API		4.0000
18602	WIRE INVESTIGATION		65.0000
18031	WIRE OUT REPAIR		9.0000
64100	IFI SETUP PER PRODUCT		0.0000
03082	LBX PROGRAMMING		100.0000
34375	CEO ACH ORIG NEW CO ID SETUP		0.0000
06092	ACH ORIGINATION NEW COMP ID-SET UP		0.0000
18325	WIRE ACCOUNT ADD CEO/API		0.0000






# Quick Reference Guide

**Prices effective July 1, 2022**

Prices listed are base prices, subject to change without notice, and do not include shipping, handling, or tax.

Suggested daily check volume	Scanner type	Description	Warranty	Charge basis	\$ Price
Fewer than 20 per day	CEO Mobile® Deposit	Desktop Deposit users with scan and balance authorizations can deposit checks from a camera-enabled iPhone, iPad, or Android smartphone through the downloadable CEO Mobile app available from the Apple App Store and Google Play Store.	N/A	N/A	N/A
		Digital Check CheXpress CX 30-IJ – single feed	12 month	per unit	\$496.00
			24 month	per unit	\$533.00
Fewer than 500 per day		Digital Check TS 240-50 • 50 documents per minute	12 month	per unit	\$760.00
			24 month	per unit	\$810.00
		Panini Vision X 50 • 50 documents per minute	12 month	per unit	\$763.00
		• Mac Compatible	24 month	per unit	\$813.00
More than 500 per day		Digital Check TS 240-100 • 100 documents per minute	12 month	per unit	\$998.00
			24 month	per unit	\$1,048.00
		Canon CR190i II • 190 documents per minute	12 month	per unit	\$2,734.00
		<b>Note:</b> Allow five to seven extra business days for delivery.	24 month	per unit	\$3,093.00

The following scanners are not sold through Wells Fargo's scanner fulfillment partner, but are compatible with our service.

- Digital Check TS240-75
- Canon CR190i
- Panini Vision X 75
- Panini Vision X 60 AGP

## Desktop Deposit price schedule (continued)

<b>12-month extended warranty – purchased at expiration</b>		
Panini Vision X 50	per unit	\$102.91
Digital Check CX30 single feed	per unit	\$89.00
Digital Check TS240 batch scanners	per unit	\$108.00
<b>24-month extended warranty – purchased at expiration</b>		
Panini Vision X 50	per unit	\$194.44
Digital Check CX30 single feed	per unit	\$171.00
Digital Check TS240 batch scanners	per unit	\$204.00
<b>36-month extended warranty – purchased at expiration</b>		
Panini Vision X 50	per unit	\$277.86
Digital Check CX30 single feed	per unit	\$245.00
Digital Check TS240 batch scanners	per unit	\$292.00
<b>Maintenance fees</b>		
Cleaning: Includes removal of loose dirt and debris, complete cleaning of the magnetic head, and cleaning of all rubber roller surfaces.	per unit	\$68.89
Checkout: Includes evaluation and testing of unit/parts to specified standards. <b>Note:</b> Only applies if no problem is found.	per unit	\$66.95
Preventive maintenance: Includes a standard cleaning plus replacement of all O-rings and the drive belt.	per unit	\$159.00
Expedite: One day turnaround on warranty or service procedures.	per unit	\$55.06
Expedite: Same day turnaround on warranty or service procedures.	per unit	\$105.99
Repairs: Not covered under warranty	per hour plus parts	\$159.00
Repairs: Not covered under warranty	Flat rate covers all work (except camera or motherboard)	\$177.00
<b>Supplies</b>		
Franker for Panini i:Deal	per franker	\$24.00
Ink cartridge for Panini Vision X	per cartridge	\$23.09
Ink cartridge for Digital Check	per cartridge	\$23.09
3-pack ink cartridge for Panini or Digital Check	per 3-pack of cartridges	\$60.90
Ink cartridge for Panini AGP	per cartridge	\$58.88
Check retention bags	per 100 bags	\$25.08
Replacement box w/inserts (CX30)	per kit	\$19.66
Replacement box w/inserts (TS240)	per kit	\$24.95
Replacement box w/inserts (Panini)	per kit	\$35.95
Cleaning kit for Panini	per kit	\$61.00

Cleaning kit for Digital Check	per kit	\$58.00
Cleaning kit for Digital Check (small)	per kit	\$18.71
Cleaning cards for Canon	per pack	\$22.84
Cleaning swabs for Digital Check	per pack	\$7.30
<b>Other</b>		
Billing adjustments	per occasion	\$15.75
Restocking – Cancelled orders (unopened units only)	per unit	\$75.00

**\*\*\*\*FOR INFORMATIONAL PURPOSES ONLY\*\*\*\***

**Wells Fargo Merchant Services, L.L.C.- ("WFMS") - Pricing Terms**

**City of Beaumont, CA**

**Proposal Date: 06/24/2022**

**Merchant Services Product Sales Consultant: Todd Reed**

**Assumptions**

Credit Card Volume		\$6,237,962
Average Transaction Size		\$136
Number of Locations		4
Anticipated Interchange <sup>11</sup> Levels	Internet: 020 089/077/317/973	
	Internet: 020 089/077/317/9H4	
	Retail: 001 009/023/310/972	
	Retail: 001 009/023/310/9H3	
MCC Code	Various - Refer to "Additional Notes" Section of Pricing Terms	
MCC Description	Various - Refer to "Additional Notes" Section of Pricing Terms	
American Express® Industry Type	Services & Professional Services / Emerging Market	
Discover® Network Card Program	Yes	
Communications Method	line charges quoted separately	Frame Relay / IPN
Gateway		Authorize.net
Pricing Option		<b>Interchange + Assessments + Rate</b>

**Credit Card Processing Fees <sup>1</sup>**

**Interchange Plus the Following Fees:**

**0.25%** On Gross Visa®, MasterCard®, Discover® Network Card and American Express Sales

**PIN Debit & Electronic Benefits Transfer (EBT) Processing Fees**

\$0.30 Per PIN Debit Transaction (applies to completed and declined transactions)

EBT NOT ENTITLED

Applicable PIN Debit Network, Switch, Service and Administrative fees are passed through on all PIN Debit transactions (completed and declined). Applicable PIN Debit Network Interchange fees are passed through on completed PIN Debit transactions only.

**Applicable Fee Schedules:**

**Payment Networks Qualification Matrix** <https://www.wellsfargo.com/biz/creditinterchangeplus>

**Payment Networks Pass-Through Fees** <https://www.wellsfargo.com/biz/merchantpassthroughfees>

**PIN Debit Networks Fee Schedule (if applicable)** <https://www.wellsfargo.com/biz/merchantdebitfees>

**Merchant Statement Fee Description Glossary** <https://www.wellsfargo.com/interchangefeeeglossary>

Dues, assessments and pass-through fees are disclosed in the schedules above.

Fee schedules are updated periodically. To obtain the current applicable fee schedules, as well as a glossary of fee descriptions that may appear on your merchant statement, please refer to the URLs above for more information. If you have questions or cannot access the schedules, please contact your Merchant Card Representative and request that a copy of the applicable fee schedules be mailed or faxed to you.

As noted in your Merchant Agreement, Payment Networks change their rates/fees from time to time. They are likely to revise rates/fees in April and October, but this timing is subject to change. To learn more about impacts to fee schedules resulting from Payment Network changes, please visit the URLs above or request an updated schedule.

**Other Processing Fees**

Set-Up Fee	\$	-	per location
Monthly Minimum Processing Fee <sup>9</sup>	\$	-	per month
Incoming Chargeback Fee <sup>2</sup>	\$	15.00	per incoming chargeback
Incoming/Outgoing Exception Chargeback Fee <sup>2</sup>	\$	15.00	per exception chargeback
Chargeback Fax/Mail Fee <sup>12</sup>	\$	10.00	per Fax/Mail response
Monthly Service Fee (per location)	\$	10.00	per month
Statement Billing Fee (Paper Statement) <sup>7</sup>	\$	-	per month
Voice Authorization Fee	\$	0.75	per attempt
Annual Fee	\$	-	per location
Authorization/EDC Fee - Visa, MasterCard, Discover Network Card (Credit and Non-PIN Debit) <sup>3</sup>		N/A	per attempt
Authorization/EDC Fee - American Express (Credit and Prepaid) <sup>3</sup>		N/A	per attempt
TransArmor Token & Encrypt <sup>13</sup>	\$	0.01	per attempt
TransArmor Token Registration Fee <sup>13</sup>	\$	0.01	per attempt
Legacy Data Conversion Fee <sup>14</sup>	\$	0.01	per conversion
Electronic Address Verification Service Fee	\$	0.02	per attempt
Voice (Manual) Address Verification Fee	\$	2.00	per attempt
Annual Compliance Support Fee <sup>5</sup>	\$	-	per location
PCI Compliance Service Program Fee <sup>8</sup>	\$	-	per month, per location
Non-validation PCI Compliance Fee <sup>8</sup>	\$	25.00	per month, per location

**\*\*\*\*FOR INFORMATIONAL PURPOSES ONLY\*\*\*\***

**Wells Fargo Merchant Services, L.L.C.- ("WFMS") - Pricing Terms**

**City of Beaumont, CA**

**Proposal Date: 06/24/2022**

**Merchant Services Product Sales Consultant: Todd Reed**

<b>Assumptions</b>	
Credit Card Volume	\$6,237,962
Average Transaction Size	\$136
Number of Locations	4
Anticipated Interchange <sup>11</sup> Levels	Internet: 020 089/077/317/973 Internet: 020 089/077/317/9H4 Retail: 001 009/023/310/972 Retail: 001 009/023/310/9H3
MCC Code	Various - Refer to "Additional Notes" Section of Pricing Terms
MCC Description	Various - Refer to "Additional Notes" Section of Pricing Terms
American Express® Industry Type	Services & Professional Services / Emerging Market
Discover® Network Card Program	Yes
Communications Method	line charges quoted separately      Frame Relay / IPN
Gateway	Authorize.net
Pricing Option	<b>Interchange + Assessments + Rate</b>

**Other Processing Fees Continued**

American Express EDC and Discover EDC Authorization <sup>6</sup>	N/A	per attempt
American Express EDC and Discover EDC Capture	N/A	per attempt
GeP Services Fee Visa/Mastercard (refunds, credits, returns and chargebacks are independent transactions)	1.00%	per transaction
GeP Services Fee American Express (refunds, credits, returns and chargebacks are independent transactions)	0.00%	per transaction
Terminal Reprogramming Fee (Terminal) - Applies to Customer Owned Terminals Only	\$ 75.00	per unit
Terminal Reprogramming Fee - Integrated Terminal - Applies to Customer Owned Integrated Terminals Only	\$ 150.00	per unit
Security Swap Fee for PIN Debit - Applies to Customer Owned PIN Pads Only	\$ 75.00	per unit
Card Imprinter Option	\$ -	
Rush Shipping Option	N/A	

- 1) Clients may elect to participate in the Discover Network Card program or the Discover EDC program, but not both. Under the "Discover Network Card program," Clients receive all Discover-related authorization, processing and settlement services from WFMS. Under the "Discover EDC program," Clients enter into a direct agreement with Discover, and WFMS provides only authorization and capture services related to Discover Network Cards. Clients may also elect to participate in the American Express program or the American Express EDC program, but not both. Under the "American Express program," Clients receive all American Express-related authorization, processing and settlement services from WFMS. Under the "American Express EDC program," Clients enter into a direct agreement with American Express, and WFMS provides only authorization and capture services related to American Express Cards. In all cases, any services provided by WFMS for Discover and American Express transactions are subject to the terms of Client's Agreement with WFMS.
- 2) Client acknowledges and understands that an authorization only indicates the availability of the Cardholder's credit at the time the authorization is requested. It does not warrant that the person presenting the card is the rightful Cardholder, nor is it an unconditional promise or guarantee that Client will not be subject to a chargeback or debit. A chargeback fee applies to all chargebacks processed by WFMS.
- 3) Authorization/EDC Fee applies to Visa and Discover Network Card credit authorizations, all Visa, MasterCard, Discover Network Card and American Express approvals (pre-authorizations, authorizations and authorization reversals), denials, batch inquiries, batch entry transactions and includes any transaction fees and capture fees. This fee does not apply to Discover EDC and American Express EDC.
- 5) The Annual Compliance Support Fee will be assessed and deducted from Client's Settlement Account at each anniversary date after the effective date.
- 6) American Express EDC/Discover EDC Authorization Fees apply to all approvals (pre-authorizations, authorizations and authorization reversals), denials, batch inquiries and batch entry transactions.
- 7) The monthly Statement Billing Fee can be waived if Client elects to access the monthly statement through Business Track or the Clover Dashboard instead of receiving a paper copy by mail. Once enrolled online, please contact Customer Service at 1-800-451-5817 to request that paper statements no longer be mailed. If online access is terminated by Client or as a result of at least 180 days of online inactivity, paper statements will be reinstated with the applicable monthly Statement Billing Fee. For information about online enrollment, please see Additional Services or contact Customer Service.
- 8) The monthly PCI Compliance Service Program Fee and Non-validation PCI Compliance Fee are part of the mandatory PCI Compliance Service Program. These fees apply to Level 3 and Level 4 Clients who utilize a card not present solution, a gateway or value added reseller (VAR). The program includes access to SecureTrust, a PCI compliance solution to help Client comply with the Payment Card Industry Data Security Standards (PCI DSS) requirements. Clients are required to register and complete a PCI DSS certification process by visiting <https://pci.securetrust.com/wellsfargo>. If Client does not comply or fails the PCI DSS certification process, Client will be charged a monthly Non-validation PCI Compliance Fee until the account becomes compliant.
- 9) If the total discount fee billed to the Client for Visa, MasterCard, Discover Network Card and American Express transactions in one month is less than the Monthly Minimum Processing Fee, then an additional fee will be charged to the Client equal to the Monthly Minimum Processing Fee less the total discount fee.
- 11) American Express charges Program Pricing fees and not interchange. Program Pricing fees and interchange fees are subject to change.
- 12) If Client elects to respond to a Chargeback via fax or mail, a dispute fee will be assessed for each response submitted. Business Track Dispute Manager and Clover Disputes are available as an online option at no additional cost. If not already enrolled, Client can self-enroll by logging into BusinessTrack.com and accessing Dispute Manager or logging into their Clover Dashboard and choosing Clover Disputes.
- 13) A TransArmor authorization fee for Token and Encryption or Token Registration processing. The fee applies to Visa, MasterCard and Discover Network Card (Credit and Non-PIN Debit), Discover EDC, American Express, American Express EDC, PIN Debit and EBT authorizations. Based on your current processing, the TransArmor authorization fee will be billed under one of the following statement descriptor, "TransArmor Token & Encrypt" or "TransArmor Token Registration". However, if your processing method changes, the TransArmor authorization fee may be billed under one or more of the following statement descriptors: (i) TransArmor Token & Encrypt, (ii) TransArmor Token Only or (iii) TransArmor Token Registration.
- 14) A fee that applies to each unique conversion of: (i) a Primary Account Number to a Token or (ii) a Token to a Primary Account Number.

**\*\*\*\*FOR INFORMATIONAL PURPOSES ONLY\*\*\*\***

**Wells Fargo Merchant Services, L.L.C.- ("WFMS") - Pricing Terms**

**City of Beaumont, CA**

**Proposal Date: 06/24/2022**

**Merchant Services Product Sales Consultant: Todd Reed**

**Assumptions**

Credit Card Volume		\$6,237,962
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Discover® Network Card Program	Yes	
Communications Method	line charges quoted separately	Frame Relay / IPN
Gateway		Authorize.net
Pricing Option		<b>Interchange + Assessments + Rate</b>

15) The price for the Clover Flex and/or the Clover Mini device(s) includes a starter kit and Clover Payments software. Client may choose a more advanced version of Clover software at an additional monthly fee per device and/or account, which will be assessed by Clover directly, and will not appear on Client's WFMS statement.

17) The fees for Clover Go are charged by WFMS. Clover Hardware is not required to use Clover Go. If Client adds Clover Hardware and chooses to upgrade to a more advanced version of Clover software, Client will be assessed by Clover directly with an additional monthly fee per device and/or account, which will not appear on Client's WFMS statement.

If Client has selected to accept TeleCheck Services, if applicable, the Additional Services page will contain the fees and rates billed to Client by TeleCheck.

If Client does not follow proper authorization procedures, a \$50 chargeback handling fee will be assessed on MasterCard transactions.

American Express may Chargeback without first sending an Inquiry any time a Cardmember disputes a charge for any reason other than actual or alleged fraud. If in any three (3) consecutive months, the monthly ratio of Chargebacks (less Chargeback Reversals) to gross Charges (less Credits) exceeds one percent (1%), then an Excessive Chargeback fee for in the amount of \$25 per Chargeback will be applied after the "excessive chargeback" threshold has been met.

If Client elects to respond to a Chargeback via fax or mail, a \$10 dispute fee will be assessed for each response submitted. Business Track Dispute Manager and Clover Disputes are available as an online option at no additional cost. If not already enrolled, Client can self-enroll by logging into BusinessTrack.com and accessing Dispute Manager or logging into their Clover Dashboard and choosing Clover Disputes.

Client is responsible for any charges assessed by outside third parties that are not disclosed on the proposal. To the extent that this pricing proposal includes pricing for third party products and services, WFMS disclaims legal liability and responsibility for said products and services. Client's agreement with the third party provider shall govern Client's relationship with the third party provider. In the event that WFMS is billed for the third party's services, Client will reimburse WFMS for such services.

Client acknowledges and understands that WFMS shall have no responsibility or liability for any third party hardware or software procured and used by Client. To the extent Client has any issues, concerns or liability related to such hardware or software, Client must deal directly with the third party provider from whom Client procured the hardware or software. In no event will WFMS be responsible for any indirect, incidental or consequential damages that Client may incur as a result of using any third party hardware or software.

WFMS' proposal and associated pricing is based on the information provided. Any difference to our stated understanding may affect the proposed pricing. Without a signed agreement, this proposal expires 60 days from the proposal date stated above.

Rounding. In the event the amount being billed to Client for any line item on this pricing proposal includes a total ending in less than a full cent, WFMS will either round such amount up or down to the nearest cent.

Fees for supplies, shipping, handling, and applicable sales tax may apply and are subject to change without notice. Additional information is available upon request.

By acknowledging these Pricing Terms, Client is expressly agreeing that WFMS may share all of Client's personally identifiable information (for example, postal and email addresses, tax identification numbers, names and social security numbers of the authorized signer on the Client's Agreement with WFMS, account information, etc.), as well as Client's American Express transaction information (for example, all information required by American Express evidencing charges or credits, including information obtained at the point of sale, information obtained or generated during authorization and settlement, and any chargeback or other fee information related to an American Express payment card transaction), with American Express. American Express may use and share this information to perform its responsibilities in connection with the American Express payment card acceptance services that Client receives under the Client's Agreement with WFMS. American Express may also use and share this information to promote the American Express Network, to perform analytics and create reports, and for any other lawful business purpose including to call Client or send Client communications or materials via direct mail, email, SMS, text or facsimile regarding American Express products, services and resources available to Client. Client consents and agrees to receive autodialed, automated and/or prerecorded calls and communications (which may include SMS or text messages) at the telephone number(s) Client has provided. If Client has provided a fax number, Client consents and agrees to receiving fax communications from American Express. In connection with the foregoing, Client understands that the calls made or communications sent to Client by American Express may be subject to charges or fees by Client's telecommunications or other applicable service provider that are Client's responsibility to pay. If Client does not wish to receive marketing or other communications from American Express, or if Client wishes to discontinue accepting American Express payment cards, Client must contact WFMS at 1-800-451-5817 to disable Client's American Express acceptance services, and Client will no longer be permitted to accept American Express payment cards.

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**Wells Fargo Merchant Services, L.L.C.- ("WFMS") - Pricing Terms**

**City of Beaumont, CA**

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**Assumptions**

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Discover® Network Card Program	Yes	
Communications Method	line charges quoted separately	Frame Relay / IPN
Gateway		Authorize.net
Pricing Option	<b>Interchange + Assessments + Rate</b>	

The Operating Rules include summaries of some of the key rules and regulations from the Card Payment Networks that merchants must adhere to in connection with their card acceptance practices. For example, they describe the process for submitting card transactions for payment, obtaining authorizations, responding to chargebacks and media retrieval requests, and other aspects of our services. Client is required to comply with these Operating Rules in addition to all other applicable payment network rules. **The Operating Rules also include additional terms and conditions applicable to Client's American Express Card Acceptance. By accepting American Express cards after the effective date of these Pricing Terms, Client is expressly agreeing that the terms and conditions of Client's agreement with WFMS, including the terms and conditions of the Operating Rules, also apply to Client's American Express acceptance.** To obtain the latest copy of the Operating Rules that includes updates from American Express, please download them from this website: [www.wellsfargo.com/operatingrules](http://www.wellsfargo.com/operatingrules). Client may also contact WFMS at 1-800-451-5817 to request a paper copy of the Operating Rules.

**Additional Notes:**

<u>MCC Code</u>	<u>MCC Description</u>
9399	GOVERNMENT SERVICES, NOT ELSEWHERE
4900	UTILITIES-ELECTRIC,GAS,WATER

Terms and Conditions of WFMS - Pricing Terms:

- 1) WFMS pricing as provided in its response to this RFP is based upon the information provided by City of Beaumont, CA (e.g., existing processing technology, number of merchant accounts, etc.) as of the date the pricing provided in WFMS RFP response was created. In responding to this RFP, WFMS only agrees to be bound to the pricing WFMS provided therein to the extent that the assumptions upon which it was based, was reasonably derived in relation to the information provided by City of Beaumont, CA as of the date of the creation of that pricing, are accurate and unchanged. In the event that WFMS is the successful bidder, and City of Beaumont, CA subsequently provides additional information to WFMS that would affect the pricing (including pass through fees paid by City of Beaumont, CA), WFMS shall not be bound by the pricing provided in the RFP response and shall have the right to revise the pricing based upon the corrected information provided by City of Beaumont, CA. Further, should WFMS be the successful bidder for this RFP, City of Beaumont, CA shall be required to execute a Final Pricing Terms document.
- 2) Pricing may require an re-evaluation if the annual net sales volume or average transaction size are not as expected or if you significantly alter your method of doing business.

Card Type	Annual Net Sales Volume	Annual Net Transactions	Transaction Size
Visa / MasterCard / Discover	\$6,237,962	45,965	\$135.71

- 3) Should any terminal require a reprogramming for credit card, non-bankcards or debit cards, the reprogramming charge is \$75 per terminal and \$150 per terminal with an integrated PIN Pad. This price includes download and telephone training. Customer owned PIN Pads require encryption and are charged a security swap fee of \$75 per PIN Pad.
- 4) This pricing proposal assumes that City of Beaumont, CA will utilize First Data Merchant Services' North authorization network and First Data Merchant Services' North settlement/reporting platform.
- 5) Should City of Beaumont, CA require development needs of unique functionalities outside of certification, the City of Beaumont, CA will be billed \$85 per hour of programming needed.
- 6) On-site service, outside of training provided by the Account Manager, will be billed at a rate of \$70 per hour. Travel related costs will be passed through to City of Beaumont, CA.

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**Wells Fargo Merchant Services, L.L.C.- ("WFMS") - Pricing Terms**

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Communications Method	line charges quoted separately	Frame Relay / IPN
Gateway		Authorize.net
Pricing Option	<b>Interchange + Assessments + Rate</b>	

**Processing Solutions**

Type	Quantity	Financing Method	Total w/o TAX
Authorize.net	2	Purchase	N/A
Clover® Flex 2nd Gen WiFi <sup>15</sup>	5	Purchase	\$ 565.00 per device
Clover® Go 3rd Gen Reader <sup>17</sup>	5	Purchase	\$ 69.00 per reader

**\*Prices and equipment availability are subject to change without notice.**



## CITY OF BEAUMONT

Pricing as of June 2022

WF Code	AFP Code	Service Description	Charge Basis	Price	Monthly Volume	Activity Charges
<b>MERCHANT CARD SERVICES</b>						
41912	070223	PMT GATEWAY CREDIT CARD TRANS	Transaction	\$ 0.10	0	\$ -
41913	070223	PMT GATEWAY ELECTRONIC CHECK TRANS	Transaction	\$ 0.15	0	\$ -
		ACH Origination fees apply to eCheck Trans				
41910	070223	PMT GATEWAY MONTHLY BASIC	Account	\$ 30.00	0	\$ -
41938	070223	PMT GATEWAY SUBSCRIPTION TRANS	Request	\$ 0.05	0	\$ -
		<b>Subtotal</b>				\$ -
<b>Total Monthly Activity Charges</b>						\$ -

<b>Setup Charges</b>						
41918	070223	PMT GATEWAY SET UP	Account	\$ 125.00	0	\$ -
<b>Total Setup Charges</b>						\$ -

### Disclosur

We created this proposal for you based on our understanding of your requirements and the services in which you expressed interest. This proposal confirms the deposit and treasury management services and the pricing we plan to provide you based on certain assumptions including projected volumes and other relevant information you provided.

This document is confidential. Please do not share it without first obtaining our written permission. The services and pricing contained in this proposal are valid for 90 days. The pricing is subject to change if the actual volume or scope of services differs from the assumptions upon which we based the pricing.

Please let us know if you believe this proposal does not accurately represent the prices or services we discussed with you. If you have questions about the services in this proposal, please contact your Treasury Management Sales Consultant or visit: [www.wellsfargo.com/accountanalysis](http://www.wellsfargo.com/accountanalysis) for additional information about the services.

### Regarding your services

#### Services with No Volumes

Services listed with zero volume are not included in the estimated monthly analysis fee but are included in the event the service is used in the future.



This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose, or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply email and delete this message. Thank you for your cooperation.

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April 18, 2022

Dear Customer:

This letter provides an overview of the Wells Fargo Information Security Program for our commercial, government, institutional, and other customers.

## Information Security Risk Management Program

Wells Fargo considers the security of our customers' data a top risk priority. We have a comprehensive, enterprise information security risk management program (IS Program) designed to safeguard the security and confidentiality of customer information globally. The IS Program is designed to:

- Safeguard the security and confidentiality of customer information;
- Defend against anticipated threats or hazards to the security of information;
- Protect against unauthorized data access or use that results in substantial harm to the customer; and
- Ensure proper disposal of customer and consumer information.

The IS Program is designed to enhance information security governance and effective information security risk management. The IS Program is structured around an information security domain program that is influenced by prevailing industry standards and Wells Fargo experts (described below under Information Security Domains).

## Information Security Governance

The Wells Fargo Board of Directors annually approves the Wells Fargo IS Program and receives regular updates. Wells Fargo's Information and Cyber Security organization (ICS) is led by the Chief Information Security Officer (CISO). ICS is responsible for managing information security enterprise and ensuring information security risks are managed within the company's risk appetite. ICS defines and executes core front-line information security controls to protect Wells Fargo systems, networks, and customer data through the design, execution, and oversight of the IS Program. ICS also dedicates Business Information Security Officers (BISOs) to each line of business to serve as security experts and provide strategic guidance.

All Wells Fargo organizations, employees, and contingent resources with access to Wells Fargo systems or sensitive information are required to adhere to Wells Fargo's IS Program. Third parties and other non-employees with access to Wells Fargo systems or sensitive information are required to adhere to ISO 27001/27002 Standards on Information Security Management, or any successor standard (or alternate information security industry-recognized standards, e.g., Interagency Guidelines Establishing Information Security Standards, FFIEC IT Handbook – Information Security Booklet, and NIST SP-800-53 Security and Privacy Controls for Federal Information Systems and Organizations). The IS Program includes requirements to ensure that information and cyber security risks are effectively identified, assessed, mitigated, and reported throughout Wells Fargo in and outside the United States.

## IS Program Standards

The Wells Fargo IS Program consists of policies, procedures, and controls adopted from industry standards and best practices, including:

- National Institute of Standards and Technology (NIST) Cybersecurity Framework;
- NIST 800-53 Revision 5: Security and Privacy Controls for Federal Information Systems and Organizations;
- International Organization for Standardization (ISO) 27001:2013 standard;
- COBIT 5; and
- Federal Financial Institutions Examination Council (FFIEC) IT Handbook.

Through its independent information security risk management oversight program, Wells Fargo Information Security Risk Management Oversight (ISRMO), oversees and credibly challenges ICS on its control requirements and risk posture. ISRMO works closely with the CISO to ensure implementation and sustainability of an effective IS Program.

## Cloud

Wells Fargo's approach to cloud security is based on three key focus areas:

- **Cloud Control Framework:** To manage risk in the cloud, we developed a cloud security strategy and defined a proprietary cloud security control framework based on industry authoritative sources (e.g., CSA and NIST) that applies to all cloud computing service models like Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) and deployment types, such as private, public, and hybrid. The framework is continuously refined to adapt to evolving threats and emerging regulations. Cloud service providers are required to adhere to the Wells Fargo cloud security control framework.
- **Control Implementation:** In alignment with the cloud security control framework, we deploy cloud security controls and enable consistent security configuration of cloud platforms and applications.
- **Continuous Monitoring:** Repeatable and scalable processes monitor cloud security control requirements and effectiveness across the cloud computing environment, leveraging automated capabilities wherever possible.

## Information Security Domains

The IS Program is organized around asset domains (what we protect) and process domains (how we protect). It is designed to improve transparency, accountability, and consistency across the enterprise. The information security domains support existing information security risk management governance and are managed by domain owners who report to the CISO.

The information security domain model supports information security governance, transparency, and consistency across Wells Fargo's global enterprise. The nine domains are:

### **Asset Domains**

Application Information Security  
Information Protection  
Infrastructure Information Security  
Workforce Accountability

### **Process Domains**

Cyber Defense Management  
Identity and Access Management  
Information Security Risk Management  
Third Party Information Security Management  
Vulnerability Management

Each domain is described below.

## Application Information Security

The Application Information Security Domain provides an enterprise-wide set of policies, standards, controls, processes, and education necessary to reduce vulnerabilities that can be introduced through the software development lifecycle in Wells Fargo business applications. Effective Application Security reduces the risk that the company will have a material security breach or other significant impact resulting from our application portfolio.

Application security standards are a set of control requirements that must be met within the software development life cycle. From development, design, pre-production security (final) reviews before implementing or deploying the application within the Wells Fargo environment, through ongoing security monitoring, to final retirement. Application security controls are provided through security practices and capabilities, enabling these requirements to be met and validated as part of the lifecycle. A governance function provides oversight and assurance to validate that the controls remain effective.

The Application Information Security domain has developed secure software development requirements, which have been integrated into the Enterprise Software Development Lifecycle (SDLC). These requirements reduce application security defects before source code is promoted to production, including mobile software. As part of this domain, Wells Fargo Technology teams must complete specified application security practices in each phase of the enterprise software development lifecycle whenever code changes are introduced and, in the absence of code changes, at least once every 12 months. In each phase of the SDLC, standards and tools highlight the required application security activities. Completion of application security practices is supported by a comprehensive project methodology from trained project management staff and validated through pre-production security and compliance reviews.

## Information Protection

The Information Protection domain provides high quality, stable, and scalable security solutions that enable Wells Fargo to deploy secure products and services to our customers and across the company. These security solutions include network security services that provide policies, perimeter controls, and network security compliance support; security authentication and access for privileged access, high-risk transactions, and remote access; endpoint security and server infrastructure management, distributed platform management; and content filtering and relationship management for infrastructure critical security controls.

The Information Protection domain includes policies and controls related to Wells Fargo's global operations, which are supported by employees and third parties (collectively "Personnel") located in the United States and a number of other countries. The IS Program includes policies to appropriately protect and control access to customer information and related data at all of Wells Fargo international operations, and limits access to customer information and related data to Personnel with an approved business need to know.

The Information Protection domain includes data protection management policies and procedures that reduce the risk to Wells Fargo from incidents related to information theft, loss, or disclosure. Hard-drive encryption is required by policy and implemented on all laptops and desktops. Email encryption is required by policy and implemented for all restricted data and confidential data sent via email externally. Corporate workstations and laptops disable by default the ability to read or write from a USB port, unless approved through an exception process that requires use of an approved device.

Data classification, Cryptography, Data Loss Prevention (DLP), and media handling are key components of information protection management and are discussed below.

## **Classification**

Information protection policy requires data classification (i.e., public, internal use, confidential, restricted) and controls based on data type. Approved controls (at a minimum, encryption or tokenization) are required for confidential information transmissions over any non-Wells Fargo network; storage on workstations, portable digital storage media, and backup tapes; and storage on servers, storage devices, and externally hosted services.

## **Cryptography**

Cryptographic algorithms, key lengths, and solutions must be approved by Information Security Architecture and Information Protection Engineering and follow the latest American National Standards Institute (ANSI), ASC X9, International Organization for Standardization (ISO), Payment Card Industry (PCI), and United States National Institute of Standards and Technology (NIST) standards. There is an established cryptographic key management process to manage, exchange, and distribute keys within Wells Fargo or with third-party vendors. Encryption keys are rotated according to established timeframes based upon Key Management Lifecycle (KML) requirements.

## **Data Loss Prevention**

The Data Loss Prevention (DLP) Program focuses on monitoring data in motion, data in use, and data at rest, in order to reduce the risk of accidental or malicious transmission of certain sensitive information, including credit card numbers, various types of account numbers, and select personal information data elements. The DLP applications alert and conditionally block data transfers when policy violations are detected. DLP controls have been deployed for monitoring and content-sensitive blocking of outbound email, web posts (HTTP, HTTPS), and content saved to removable media. Certain data-at-rest environments are scanned for unsecured files containing sensitive data.

## **Media Handling**

Wells Fargo is responsible for information in its possession on all types of media. We have established standards to govern handling of information media containing personal, financial, and other sensitive data.

In addition, Wells Fargo has taken additional precautions during the COVID-19 pandemic to protect our customer and related data, infrastructure and systems due to the increase in the number of our global Personnel working remotely.

# **Infrastructure Information Security**

The Infrastructure Information Security domain provides the controls, processes, and education necessary to reduce vulnerabilities that can be introduced through technology solutions deployed within the Wells Fargo infrastructure and used by company personnel. Effective security infrastructure management reduces the risk that Wells Fargo will have a material security breach or other significant impact from the computing infrastructure.

## **Malware and Mobile Code Protection**

Malware protection and anti-virus controls are distinct components of Wells Fargo's IS Program standards. The standards require the installation, use, and maintenance of anti-virus and anti-malware software to detect malicious code on hardware, software, networks, and/or mobile devices. Testing and employment of the software is required, and virus definitions are updated as they become available. It is Wells Fargo's practice to perform anti-virus scanning at predefined intervals. In addition, corporate practices prescribe requirements for malicious code protection and provide instructions that prohibit the introduction of any computer code designed to self-replicate, damage, or otherwise hinder the performance of, or access to corporate information resources. The malicious code protection controls include consequences for violating these prohibitions.

## **Network Architecture and Security Monitoring**

The Wells Fargo network security architecture is reviewed and approved by the Wells Fargo Architecture Review Board. Device types connecting to the Wells Fargo Network are also reviewed by the Architecture Review Board. The company has

a compliance policy and continuously scans network devices for compliance and vulnerabilities. Results are provided to the relevant authority for remediation based on risk and severity.

Changes to our production systems must adhere to the corporate change control management process. Proposed environment changes are reviewed to ensure compliance with standards and approved by management prior to execution. Validation is performed when change activity is executed. System level updates (such as security updates, software upgrades, and so forth) are reviewed and periodically applied as appropriate.

Wells Fargo has a mature, risk-based security monitoring program that functions as part of a larger defense-in-depth model. This program uses guidance from many industry best practices (e.g., SANS, OWASP) to ensure high-risk vulnerabilities are identified. As a part of the program, both automated and manual testing is conducted at least annually, depending on scope and risk.

The monitoring program includes:

- Vulnerability scanning, web application testing, and penetration testing;
- Examining routing tables, validating all registered and internal IP addresses;
- The use of commercial, non-commercial, and internally developed scanning tools;
- Scans originating from both the internet and from within the internal network; and
- A defined process for remediating findings and retesting based on risk and management directives.

### **Physical and Environmental Security**

Wells Fargo has a Physical Security Policy that defines the necessary physical access control systems, exterior security controls, camera surveillance, mantraps, security guards, physical security, and environmental controls. In addition, our Physical Security Policy outlines how the company ensures the safety and security of Wells Fargo employees and the data center computer operations.

Wells Fargo data centers are unmarked, non-descript facilities that are located in geographically dispersed locations throughout the United States. They are located in single-tenant facilities that are owned and operated by the company. Physical security controls are regularly tested to ensure they are functioning properly.

## Workforce Accountability

Wells Fargo employs controls and processes to ensure employees, contingent resources, and third-party service providers are aware of and able to execute information security responsibilities.

### **Personnel Training**

All employees and non-employees with access to Wells Fargo's systems or customer and consumer information must take annual training relating to information protection. Enterprise training, policies, and information handling standards continue to be updated to provide employees the information they need to understand their role in protecting customer and consumer information. In addition, employee and non-employee background checks are performed prior to onboarding and hiring. Background check contract requirements and oversight are also in place for all third-party service providers that handle Wells Fargo's customer information.

## Cyber Defense Management

The Cyber Defense Management domain is led by the Cyber Security Defense & Monitoring (CSD&M) team within ICS. By monitoring, analyzing, and assessing the threat landscape this team leads enterprise efforts to reduce Wells Fargo's exposure to cyber-attacks and track adversary activity data. CSD&M is responsible for reducing exposure to cyberattacks through 24/7/365 monitoring of several key information and cyber security control areas including:

- Cyber Threat Fusion Center (CTFC)
- Security Content Development (SCD)
- Threat Detection Services (TDS)
- Cyber Threat Management (CTM)
- Threat intelligence
- Adversarial simulation
- Cyber resiliency
- Data, analytics and reporting
  - Vulnerability reporting
  - Patch management reporting
  - Security configuration reporting

CSD&M often uses various evaluation tools to periodically measure how well cybersecurity risk management practices are integrated into the company's overall risk management practices.

### Cyber Security Incident Management and Response

Wells Fargo has a comprehensive process in place to detect and report security breaches, loss of equipment that contains customer information, loss of files, and unauthorized access to our networks. The company reports actual and reasonably possible information and cyber security and/or privacy breaches when required to appropriate regulatory bodies, including the Office of the Comptroller of the Currency (OCC), Federal Reserve Board (FRB), and Federal Deposit Insurance Corporation (FDIC), along with notification to the impacted customers and state regulatory authorities.

There is an established incident management program that has been approved by management, shared with appropriate constituents, and assigned an owner to maintain and review the program. The incident management program includes an incident response plan and guidance for escalations, procedures to collect and maintain a chain of custody for evidence during incident investigation, and a feedback process to ensure those reporting information security events are notified of the results after the issue has been addressed and closed. The program also contains actions to be taken in the event of an information security incident, a formal disciplinary process for dealing with those employees or contingent workers who commit a security breach, and a process for assessing and executing customer and third-party legal, regulatory and contractual notification requirements. Events relevant to supporting incident investigations are also regularly reviewed using a specific methodology to uncover gaps and areas of improvement.

## Vulnerability Management

The Vulnerability Management domain identifies, communicates, and mitigates vulnerabilities that can be exploited to compromise Wells Fargo's technology assets. Vulnerability detection tools and techniques, including penetration testing and vulnerability scanning, are required for Wells Fargo-owned and managed systems, as well as for third-party service provider infrastructure and products, in order to identify system security vulnerabilities. Vulnerability Management primarily focuses on promptly and accurately identifying and accessing vulnerabilities using best-in-class methodologies, tools, industry expertise, and the following practices:

- Mature and continually improve scanning coverage and build automation;
- Monitor and report on remediation timelines to show adherence to policy;
- Mature reporting and metrics measure risk associated to detected vulnerabilities;
- Execute an industry-leading offensive security program; and
- Continually mature our capabilities to assess risk within Wells Fargo through mature asset discovery, scanning, and correlation of near real-time cyber threat intelligence.

## Identity and Access Management

The Identity and Access Management (IAM) domain is an ongoing practice to ensure the right access is granted to the right individuals while restricting access and reducing risk to sensitive enterprise systems, assets, and information. This is accomplished through five key controls: provisioning, de-provisioning, certifications, authorization, and authentication.

The type and extent of logical access controls to the Wells Fargo network and systems are determined by risk criteria. Corporate standards prohibit access without a strict business need-to-know. The company issues unique user identifications (user IDs) for access to networks and systems, which do not contain confidential or identifying information. Wells Fargo standards prohibit the sharing of user IDs.

To the extent possible, centralized IAM technologies are utilized to grant access rights based upon the user role and need to access certain systems, applications, and data. User access rights are regularly reviewed through validation of continued business need. Passwords use non-display or masked fields for entry. Standards are in place to establish password complexity, change timeframes, and reuse criteria. All passwords are required to be encrypted. Multi-factor authentication is used as appropriate throughout the enterprise to further strengthen access controls and in compliance with regulations for high-risk transactions and asset access.

Network systems use an approved logon banner with appropriate prompts. System logon failures display a generic error message without specific reference to the error. System access and activity logs are reviewed for evidence of unauthorized activities and password violations.

### Privileged Access Program

As part of IAM, the Privileged Access Program provides strategic leadership and execution for managing privileged access on enterprise-wide platforms and applications. This program provides oversight and governance concerning privileged access, including metrics and reporting, to ensure that privileged access across Wells Fargo is managed to the appropriate level of risk.

## Information Security Risk Management

Wells Fargo is committed to protecting customer, employee and company information by managing information security risks that are prevalent in nearly every aspect of the company's business. Wells Fargo meets this commitment through the Information Security Risk Management (ISRM) domain which includes well-defined information security risk management processes, controls, procedures, and tools.

The ISRM domain provides the day-to-day risk management and governance necessary to strengthen information security risk management at Wells Fargo by:

- Providing timely risk intelligence to individuals who own, manage and report on information security risk;
- Promoting informed business decisions through earlier engagement and a more complete risk profile and the enterprise, line of business, and asset levels; and
- Providing information security risk assessments for all information assets and reporting on the results of security measures of performance.

Information owners must create a detailed adherence plan for any system or application that is not in compliance with information security policies and control requirements, and they must use the Information Security Policy Exception Management process to track non-adherence.



## Third Party Information Security Risk Management

Wells Fargo has an established Third Party Risk Management Program. The program reviews and evaluates third parties prior to engagement and throughout the third-party relationship using risk assessments conducted at intervals driven by the services provided.

Third parties and their employees are required to adhere to ISO 27001/27002 Standards on Information Security Management, or any successor standard (or alternate information security industry-recognized standards, e.g., Interagency Guidelines Establishing Information Security Standards, FFIEC IT Handbook – Information Security Booklet, and NIST SP-800-53 Security and Privacy Controls for Federal Information Systems and Organizations). These standards also apply to all Wells Fargo non-employees located outside of the United States who have access to company and consumer information for purposes of delivering services to or on behalf of the company. As part of this compliance obligation, contracts are in place with each third party that include the appropriate confidentiality language, non-disclosure agreements, and information security provisions.

Thank you for using or considering Wells Fargo to support your business and helping achieve your goals.

Sincerely,



**Sunil Seshadri**  
Chief Information Security Officer  
Wells Fargo Bank, N.A.

This document provides an overview of Wells Fargo's IS Program as of the date of publication and is provided as a non-binding description of the program. This description does not modify, amend, or supplement any agreement, warranty or representation unless expressly stated. Wells Fargo may modify or replace the IS Program and related domains, policies, or procedures described here, without providing notice, where such modifications do materially alter the protections to your information. The only information-security terms, obligations, or commitments binding Wells Fargo will be in an agreement in which an authorized representative signed on behalf of Wells Fargo as a party.



# Business Continuity Planning

**Overview for Wells Fargo Clients and Business Partners**

Wells Fargo is committed to service excellence. A strong and viable business continuity planning program is a key component of Wells Fargo's commitment to service and is part of our normal, ongoing business practice. Business continuity entails proactively developing procedures that enable an organization to respond to events impacting business operations in a manner that allows critical functions to continue without customer impact. The material presented below provides an overview of the approach endorsed by Wells Fargo's management and adopted throughout the enterprise.

### **Business Continuity Methodology**

The objective of business continuity planning at Wells Fargo is to provide continuous service, and to meet business and legal obligations to customers. Business continuity plans are created and maintained for business and technology areas within each line of business. These plans are designed to safeguard and protect team members, customers, cash flow and long-term market share in the event of an unplanned interruption to lines of business. Standard elements of the Wells Fargo business continuity program include:

- Procedures for communication with customers, suppliers, and essential staff
- Prioritization of business functions and technology
- Identification of potential risks and controls for mitigation
- Identification of alternate strategies and recovery procedures
- Training staff on implementation of recovery procedures
- Recovery of technology and data
- Identification of internal and external dependencies
- Annual plan review, maintenance and testing

Wells Fargo understands that it has a responsibility to prepare for any type of disruption, and is committed to meeting the needs of our customers, while being supportive of our employees. As interruptions may vary in nature and scope, Wells Fargo plans for the following high-level scenarios:

- Loss of Technology (e.g., data center impacts, telecommunications failures, cyber response, etc.)
- Loss of Facility (e.g., building fire, flooding, etc.)
- Pandemic Loss/Reduction of Human Capital (e.g., pandemic, transit strikes, etc.)
- Loss of Third Party Service Provider

In order to maintain readiness of business continuity plans, Wells Fargo has established the following requirements for both business and technology:

- Business continuity plan units identify inherent risks, taking into account the probability and impact of those risks, and document the associated risk-mitigation controls within the plan.
- Each group is required to store a copy of their plan off-site. Additionally, all plans across the organization are stored in a centralized electronic repository managed by the Enterprise Business Continuity Planning Group.
- Each group is required to perform exercise and maintenance tasks throughout the year.
- Business continuity plans containing critical functions are validated via simulations at least annually. Plans containing critical functions may also be reviewed during regularly-scheduled internal and external audits.
- Wells Fargo ensures key third party providers align with and support Wells Fargo business continuity recovery requirements.

An independent review of business continuity plans containing critical functions is conducted annually by the Enterprise Business Continuity Planning Group. This review examines plan content to ensure compliance with current requirements established by the Enterprise Business Continuity Planning Group.

## Technology Planning Methodology

Wells Fargo provides for internal recovery of its major data centers. It is Wells Fargo's strategy to place production within primary data centers, while technology recovery and development should be located at other data center sites. Wells Fargo's strategy is to maintain sufficient equipment at a recovery location to enable critical processing to be restored in a minimal amount of time. For applications supporting critical functions, in order to facilitate a quicker recovery, as production data changes, corresponding data may also be updated at the recovery site.

Steps are taken to mitigate the impacts of threats to all major processing centers through redundant systems or other protective measures. In spite of the preventative measures, if a disaster should occur, plans are in place to restore processing as quickly as possible.

- A common approach and methodology has been implemented for the recovery of Wells Fargo data centers.
- Network Services between all store locations and the data centers can be restored utilizing automated rerouting technology. This rerouting capability is tested on a regular basis.
- Wells Fargo's comprehensive business continuity planning program includes the maintenance of documentation associated with technology recovery into the overall business continuity plans within each line of business. Completeness of plans that support applications for critical function is verified during annual internal reviews, regular audits, and various testing during technology recovery exercises throughout the year.

## Risk Avoidance

Wells Fargo has implemented many features designed to mitigate the effects should a business interruption occur. These features are continually under review and upgraded as necessary to ensure they are accurate to support the changing enterprise environment and needs.

Features include:

- Physical Access Controls – Data centers, operations centers, and many sensitive business units have implemented card access to control physical access to work areas. In addition, data centers and operational centers have security personnel on site.
- Logical Access Controls – Wells Fargo utilizes software on all computing platforms to appropriately restrict access to data and transactions to authorized persons only.
- Virus Protection - Virus protection software has been installed on all workstations, laptops, servers and local area networks.
- Network Access Controls – Network access controls have been established in the form of a gateway between Wells Fargo's internal network and the public sector. A firewall is in place between the public segment and Wells Fargo's internal network to restrict unauthorized access. All access to the Wells Fargo internal network is designed to pass through the firewall component.
- Alternate Power Sources – Wells Fargo's data centers and major operations centers have uninterruptible power supply (UPS) devices to provide short-term, uninterrupted power to critical hardware; and diesel generators provide long-term power. These devices are automatically triggered so that a loss of commercial power will not shut down the facility. The generators are tested on a regular basis.

## Summary

Wells Fargo takes seriously its obligation to use all financially reasonable means to assure business continuity for the company and its customers. However, the forgoing does not constitute a representation or warranty that certain events will not affect Wells Fargo systems or that Wells Fargo will achieve specific recovery times in the event of a disruption. This document is intended only to provide an overview of the business continuity planning process at Wells Fargo, and nothing in this document modifies, amends or supplements any agreement or other warranty or representation with respect to Wells Fargo products or services, including the availability of such products or services. Wells Fargo may change procedures and protections described in this document, without providing notice, as it deems appropriate.

For further information, please contact your Wells Fargo Representative.

# Business continuity and resiliency

## Business continuity and resiliency

Recent history shows us that having a solid business continuity plan in place, no matter the cause of the disruption, can be critical to business success. Wells Fargo seeks to manage this risk in accordance with our Business Resiliency and Disaster Recovery Risk Management policy and business procedures to achieve business goals and comply with laws, rules, regulations, and regulatory guidance to protect our customers and ourselves.

We have formal teams dedicated to managing disruptions to our services. Our Enterprise Business Continuity Resiliency Planning office sets the standards for our organization. Each business, in conjunction with operational risk management partners, helps ensure preparedness and compliance at the organizational levels.

Standard elements of our business continuity and resiliency programs include:

Annual plan review, testing, and maintenance
Identification of alternate strategies and recovery procedures
Identification of internal and external dependencies
Identification of potential risks and controls for mitigation
Prioritization of business functions and technology
Procedures for communication with customers, suppliers, and essential staff
Recovery of technology and data

## General program elements for our enterprise

### Testing recoverability

We update and test our recovery procedures regularly, with the frequency and timing varying by business function or application. We exercise essential business recovery procedures and systems at least annually.

Teams on call 24 hours a day, seven days a week, ready to respond to a disruption.

### Critical functions

After a disruption, we prioritize restoring and maintaining normal service levels for our critical functions. We have teams on call 24 hours a day, seven days a week, ready to respond disruptions.

Components of our recovery plans vary based on the potential business disruption, such as a loss of facility, loss of technology, or significant reduction to our staff. We identify the main areas most commonly affected, and provide our general approach to each.

We've dispersed our data and operation centers strategically across multiple locations to minimize potential disruption within a specific geographic region.

### Data centers

We engage our technology teams quickly when we detect a disruption at a primary data center. Our technology teams assess the situation and determine next steps based on the nature of the disruption. If we need to shift processing to an alternate data center, we can because we maintain redundant platforms for our business critical services. All alternate sites have sufficient capacity to maintain processing for an extended period.

In most situations, we can restore service at a primary data center for critical services within 12 hours.\*

\*This 0-12 hour goal does not guarantee that certain events will not affect Wells Fargo systems or that we will achieve specific recovery times in the event of a disruption.

### Operation centers

If a disruption occurs at one of our primary operation centers, we use an identified backup site to take over day-to-day processing and support. We use our backup site until the primary site returns to normal conditions.

## Program elements specific to treasury management

In addition to our enterprise program elements, we've incorporated the following elements into our business continuity resiliency plans for our treasury management services.

### Communication

Notification methods to inform you of a service disruption include:

- Phone calls or emails from your client service officer
- Recorded messages from our Customer Care for Businesses (CC4B) Service Office advising you about system issues when you contact us through our toll-free number
- System status alerts displayed on the homepage of our online banking portal

The method we use to communicate with you depends on the nature of a disruption.

If a disruption prevents you from accessing your information, your relationship team or client service officer can help. They have access to bank systems and can provide the account information, balances, and other data you need to continue operating.

## Backup strategies for online channels

### Online banking portal

If the online banking portal experiences a disruption, we use our backup environment as needed. We maintain a duplicate environment of our online banking portal in a separate location. We monitor the readiness of the alternate site actively by using it to deploy code enhancements and enact disaster preparedness simulations.

### Mobile service

We have a backup environment for our mobile platform\* in the event of a system outage. Our mobile service and online banking portal channels use different web addresses and user interfaces. This arrangement means that, depending on the nature and root cause of an outage, users may be able to access services through the mobile service if our online banking portal experiences a disruption.

Additionally, our mobile token feature allows users to use their mobile devices in place of physical tokens to access secure services. This access can be helpful in instances when a disaster event separates users from their physical tokens.

\* Download the latest version of the CEO Mobile® app available for your device from the Apple App Store® or Google Play™ store.

## Backup strategies for core services

### ACH

When we invoke our ACH recovery plan, processing diverts to a backup site. We can recover with minimal down time because we run ACH production simultaneously at our primary data center and at our backup sites.\*

The diverse geographic locations of our processing centers help to minimize potential disruption. However, the severity or nature of a specific event may require use of manual backup procedures.

As a contingency step, we recommend that you establish an alternate method of initiating payments, such as our online ACH payments service,<sup>†</sup> to upload files or manually key in payment information.

\* Running simultaneous ACH production does not guaranty that certain events will not affect Wells Fargo systems or that we will achieve specific recovery times in the event of a disruption.

† You will need to enroll in the CEO® ACH Payments service separately from the direct origination service and plan for implementation prior to an emergency.

### ACH Fraud Filter

Business disruptions can create opportunities for fraud. It's important that during a disruption you can continue to view details and make decisions on your ACH transactions. You can access our ACH Fraud Filter service online or through our mobile service. Alternatively, you can obtain ACH information by calling our CC4B Service Office or your client service officer.

### Lockbox

If we invoke our business continuity resiliency plan, lockbox processing at the affected site diverts to a backup site, as needed. The specific location of the backup site will depend on the impact of the disruption. Alternative processing may include diverting mail delivery from the affected primary site to the backup site.\* In such a case, after we receive mail at the backup site, we follow customer-specific instructions to process checks, capture accounts receivable data, and image checks and invoices. We notify customers and couriers (as appropriate) about their impacted processing site or procedures.

\* Depending on the severity of a disaster, delayed mail delivery may affect processing time, which could impact normal service level agreements.



## **Cash vault**

If a primary cash vault site is unable to accept, deliver, or process cash, we divert functions to an identified backup site, as needed. The transportation distance between you and the backup site may delay receipt or delivery of cash. If such an event occurs, we take reasonable action to resume our normal cash delivery service levels as soon as possible, given available transportation options.

## **Wires**

When we invoke our business continuity resiliency plan, processing diverts to a backup site. Each backup site has the ability to accept transferred wire processing workloads, including wires initiated by telephone.

We maintain redundant connections to two different Federal Reserve Banks, which minimizes potential disruption within a geographic region. We conduct comprehensive joint testing with the Federal Reserve Bank on a quarterly basis. You can also enroll in a backup wire transfer channel. For example, you can choose from telephone-initiated wires or our mobile service to access select functions of our wire transfer service.\*

\* You will need to enroll in backup wire services separately and plan for implementation prior to an emergency.

## **Check outsourcing**

Our facilities, employees, and business functions are geographically disbursed, and if one site is unable to function, we move check printing to our other site. The sites mirror each other and operate in the same way, making it easy to transition print jobs from one site to another.

## **Foreign exchange online**

If you are unable to complete a foreign exchange transaction through our online banking portal, you can call or email your foreign exchange specialist for help to complete your transaction.

## **Account reconciliation plans and positive pay**

If you're unable to access our online banking portal or send files using data transmission because of a business interruption, you can key small-volume issues, cancellations, and voids through our mobile service.\*

\* You do not need to enroll in the mobile service in advance of a disruption. Download the latest version of the CEO Mobile® app available for your device from the Apple App Store® or Google Play™ store.

## **Remote deposit**

We automatically store checks that you scan through our remote deposit service on our servers. If a power outage or other disruption prevents you from completing a deposit, it remains in a pending deposit status. It remains in this status until you can access the system again. You'll have the opportunity to review the deposit before submission to the bank, which helps ensure the inclusion of all your checks. As a backup, you can make deposits using our mobile deposit service\* or take your deposit to a Wells Fargo branch.

\* You do not need to enroll in the mobile service in advance of a disruption. Supported devices include iPhone, iPad, and Android. Download the latest version of the CEO Mobile® app available for your device from the Apple App Store® or Google Play™ store.

## **Transmission service**

We have a backup environment for our browser-based transmissions service. It includes an alternate website in case our online banking portal is unavailable. As a best practice, we recommend that customers leverage URLs if using automation scripts and not IP addresses, which are subject to change.

## Commercial card

Our business continuity resiliency plan includes contingency planning and routine data backups. We are on call 24 hours a day, seven days a week during incident response. In most situations, restoration of commercial card processing can occur within 12 to 24 hours, and restoration of our expense management service can occur within four hours of disaster declaration.\*

\* The forgoing does not constitute a representation or warranty that certain events will not affect Wells Fargo systems or that Wells Fargo will achieve specific recovery times in the event of a disruption.

## Third party providers

We use third-party service providers and contractors to support a variety of functions. We evaluate each of them prior to the execution of a contract for services, and beyond. Our evaluation uses a risk-based approach to assess providers as we review, select, and monitor their performance.

Our Vendor Management Program conducts service provider validation and joint testing of our essential providers. It includes an assessment of the service provider's ability to meet our disaster recovery standards for service level agreements and recovery time objectives.

## Keeping current

To keep current with changes in the business continuity resiliency and disaster recovery industry, we're active in forums that discuss and share best practices.

The forums include:

- 
- Disaster Recovery Institute International
  - Financial Industry Regulatory Authority
  - Global Financial Markets Association
  - The Institute of International Finance
-

# Wells Fargo's point-of-sale solutions

## Take payments with ease – at the counter, curbside or on the go



### Choose the equipment that's right for your business

We offer a full range of point-of-sale options to meet your individual business needs – from a simple solution you can pair with your mobile device to a comprehensive, full-service payment processing and business system for your countertop.

### Offer your customers more ways to pay

Increase sales by giving your customers more ways to pay, including contactless and digital wallet payment options like Apple Pay® and Google Pay™.

### Help protect your transactions

Help safeguard your customers' card data with the latest security technology – including end-to-end encryption and tokenization. All solutions are PCI PTS certified.

### Access convenient technology

Minimal equipment setup needed so you can get started taking payments without delay. And all options are convenient for business owners, employees, and customers to use.

### Additional features

- Real-time access to transaction activity, and custom reports to identify trends and opportunities.
- Choose from a variety of features such as touch screen, large batch capacity, wired, or Wi-Fi connectivity.
- Some point-of-sale solutions have optional apps available to help you manage your business.

### Use your current payment devices

We'll help you transfer your current system to minimize disruptions and avoid the additional expense of new hardware. If your device is not eligible for transfer, we can recommend an alternate solution.

**View our options for point-of-sale systems to find the solution that's right for your business.**

**Point-of-sale devices and accessories are subject to availability.**

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To learn more, contact your Merchant Services specialist.

You may settle your Merchant Services funds to an account at the financial institution of your preference. When you use a Wells Fargo account for settlement or other Merchant Services purposes, you must use a Wells Fargo business deposit account.

Deposit products offered by Wells Fargo Bank, N.A. Member FDIC.

Merchant Services are provided by Wells Fargo Merchant Services L.L.C. and Wells Fargo Bank, N.A. Merchant Services are not deposit products. Wells Fargo Merchant Services L.L.C. does not offer deposit products and its services are not guaranteed or insured by the FDIC or any other governmental agency.

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WFMS-462 (12/2021)

# Accept payments with a terminal that's as adaptable as your business – from a flexible portable device to a compact countertop solution

Point-of-sale devices and accessories are subject to availability



**FD150**



**RP10 PIN pad**  
(to use with FD150)



**Verifone V400c Plus**



**Verifone P200 PIN pad**  
(to use with Verifone V400c Plus)



**Verifone V400m**

<b>Designed for</b>	<ul style="list-style-type: none"> <li>Retail, restaurant, quick service, petroleum, and mail order/phone order</li> <li>Multi-merchant (supports up to 99 merchants in same location)</li> <li>Businesses that want to settle batches multiple times in a day</li> </ul>	<ul style="list-style-type: none"> <li>Restaurants, retail, and personal service businesses that want a customer facing option for chip card insertion and PIN entry</li> <li><b>RP10 PIN pad must be connected to the FD150</b></li> </ul>	<ul style="list-style-type: none"> <li>Retail, restaurant, quick service, and mail order/phone order</li> <li>Businesses that want a compact countertop device</li> </ul>	<ul style="list-style-type: none"> <li>Restaurants, retail, and personal service businesses that want a customer facing option for chip card insertion and PIN entry</li> <li><b>Verifone P200 PIN pad must be connected to the Verifone V400c Plus</b></li> </ul>	<ul style="list-style-type: none"> <li>Retail, restaurant, and quick service</li> <li>Businesses that want a compact mobile device</li> </ul>
<b>Device features</b>	<ul style="list-style-type: none"> <li>Dial<sup>1</sup>, wired internet or Wi-Fi connectivity</li> <li>Combination terminal, PIN pad, chip card reader, contactless card, and mobile payment reader</li> <li>Allows tax prompting on Visa and Mastercard commercial cards</li> <li>Supports RP10 external PIN pad (optional)</li> <li>Large batch capacity (450 transactions)</li> <li>Software updates every 30 days</li> <li>Supports industry-specific transaction information for auto rental and lodging businesses</li> </ul>	<ul style="list-style-type: none"> <li>Combination PIN pad, chip card reader, contactless card, and mobile payment reader</li> <li>Interactive payment process and ergonomic keypad, with visual display prompts and lights, and audio cues</li> </ul>	<ul style="list-style-type: none"> <li>Wired Internet or 2.4GHz/5GHz Wi-Fi internet connectivity</li> <li>Combination terminal, PIN pad, chip card reader, contactless card, and mobile payment reader</li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> <li>Allows for tax prompting on Visa and Mastercard commercial cards</li> <li>Supports Verifone P200 PIN pad (optional)</li> <li>Supports Spanish language terminal prompting and receipt text</li> <li>Software updates daily</li> </ul>	<ul style="list-style-type: none"> <li>Combination PIN pad, chip card reader, contactless card, and mobile payment reader</li> <li>Interactive payment process and ergonomic keypad, with visual display prompts and lights, and audio cues</li> </ul>	<ul style="list-style-type: none"> <li>4G LTE AT&amp;T Wireless Network functionality<sup>3</sup></li> <li>Supports 2.4GHz/5GHz Wi-Fi connectivity</li> <li>Combination terminal, PIN pad, chip card reader, contactless card, and mobile payment reader</li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> <li>Allows for tax prompting on Visa and Mastercard commercial cards</li> <li>Supports Spanish language terminal prompting and receipt text</li> <li>Software updates daily</li> </ul>
<b>Security features</b>	<ul style="list-style-type: none"> <li>PCI PTS approved. Version 5.x</li> <li>Transport Layer Security (TLS) encryption</li> <li>Password protection</li> <li>Retail Address Verification Service</li> </ul>	<ul style="list-style-type: none"> <li>PCI PTS approved. Version 5.x</li> </ul>	<ul style="list-style-type: none"> <li>PCI PTS approved. Version 5.x</li> <li>Transport Layer Security (TLS) encryption</li> <li>Password protection</li> <li>Retail Address Verification Service</li> </ul>	<ul style="list-style-type: none"> <li>PCI PTS approved. Version 5.x</li> </ul>	<ul style="list-style-type: none"> <li>PCI PTS approved. Version 5.x</li> <li>Transport Layer Security (TLS) encryption</li> <li>Password protection</li> <li>Retail Address Verification Service</li> </ul>
<b>Hardware size</b>	<ul style="list-style-type: none"> <li>3.50" H x 3.70" W x 7.87" L</li> </ul>	<ul style="list-style-type: none"> <li>2.32" H x 2.87" W x 5.27" L</li> </ul>	<ul style="list-style-type: none"> <li>2.76" H x 3.15" W x 7.48" L</li> </ul>	<ul style="list-style-type: none"> <li>1.73" H x 3.15" W x 6.57" L</li> </ul>	<ul style="list-style-type: none"> <li>1.00" H x 2.98" W x 6.33" L</li> </ul>
<b>Display screen</b>	<ul style="list-style-type: none"> <li>Touch-screen capability with 320 x 240 color display</li> </ul>	<ul style="list-style-type: none"> <li>2.4" 320 x 480 full color TFT display</li> </ul>	<ul style="list-style-type: none"> <li>3.5" Touch Screen capability with 320 x 480 color display</li> </ul>	<ul style="list-style-type: none"> <li>2.8" color screen</li> </ul>	<ul style="list-style-type: none"> <li>3.5" Touch Screen capability with 320 x 480 color display</li> </ul>
<b>Printer</b>	<ul style="list-style-type: none"> <li>Yes – 18 lines per second</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>Yes – 30 lines per second</li> </ul>	<ul style="list-style-type: none"> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>Yes – 30 lines per second</li> </ul>

1. Dial connection requires an analog phone line.

2. Offline payments, or store & forward capability allows merchants to take transactions, even when their device is not connected to the Internet. Offline payments, or store & forward capability allows authorizations to be attempted later when the device's connection has been restored. There are risks to accepting offline transactions. Payments accepted offline are not guaranteed to be approved. If an offline payment is declined, the merchant is responsible for working with the customer to collect the payment. Merchants must monitor all transactions they take offline, and they assume the risk for any chargebacks associated with offline transactions.

3. A monthly wireless fee will apply.

# Combine payment processing and business management support with a Clover® point-of-sale system

Point-of-sale devices and accessories are subject to availability



**Clover Station Duo<sup>4</sup>**  
(formerly known as Clover Station Pro)



**Clover Station Solo<sup>4</sup>**



**Clover Mini**



**Clover Flex**



**Clover Go**

<b>Designed for</b>	<ul style="list-style-type: none"> <li>Businesses that want robust payment processing, business management capabilities, contactless PIN entry, and an interactive customer display</li> <li>Counter/Quick service restaurants, retail, and personal services businesses that want an interactive customer display<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>Businesses looking for robust payment processing and business management capabilities</li> <li>Table service restaurants, retailers, and personal services businesses that don't need a customer display</li> </ul>	<ul style="list-style-type: none"> <li>Businesses that want robust payment processing and business management capabilities in a compact, space saving device</li> <li>Restaurants, retail, and personal services businesses that want to replace a larger terminal with an all-in-one device</li> </ul>	<ul style="list-style-type: none"> <li>Businesses that want to accept on-the-go payments and want the benefits of an onscreen signature pad, built-in printer, camera and QR scanner</li> <li>Restaurants, retail, and other mobile businesses</li> </ul>	<ul style="list-style-type: none"> <li>Businesses that want to use their own phone or tablet to accept payments, and email or text receipts</li> <li>Caterers, florists, home appliance delivery and repair, and other mobile or delivery-based businesses</li> </ul>
<b>Device location/ uses</b>	<ul style="list-style-type: none"> <li>Counter-top</li> </ul>	<ul style="list-style-type: none"> <li>Counter-top</li> </ul>	<ul style="list-style-type: none"> <li>Counter-top</li> </ul>	<ul style="list-style-type: none"> <li>Counter-top</li> <li>Mobile</li> </ul>	<ul style="list-style-type: none"> <li>Mobile</li> <li>Works with phone or tablet</li> </ul>
<b>Software</b>	<ul style="list-style-type: none"> <li>Register</li> <li>Counter Service Restaurants</li> <li>Table Service Restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Register</li> <li>Counter Service Restaurants</li> <li>Table Service Restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Payments</li> <li>Essentials</li> <li>Register</li> <li>Counter Service Restaurants</li> <li>Table Service Restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Payments</li> <li>Essentials</li> <li>Register</li> <li>Counter Service Restaurants</li> <li>Table Service Restaurants</li> </ul>	<ul style="list-style-type: none"> <li>Payments</li> <li>Essentials</li> </ul>
<b>Hardware size</b>	<ul style="list-style-type: none"> <li>Merchant display base plate: 8.73" x 8.9"</li> <li>Customer display base plate: 6.52" x 8.0"</li> <li>Cash drawer: 16.5" x 16.5"</li> </ul>	<ul style="list-style-type: none"> <li>Display base plate: 8.73" x 7.25"</li> </ul>	<ul style="list-style-type: none"> <li>6.5" x 8.0" x 3.7"</li> </ul>	<ul style="list-style-type: none"> <li>7.5" x 3.0"</li> </ul>	<ul style="list-style-type: none"> <li>3.2" x 2.2" x 0.47"</li> </ul>
<b>Display</b>	<ul style="list-style-type: none"> <li>Merchant: 14" (1920 x 1080 hi-def)</li> <li>Customer: 7" (1280 x 800)</li> </ul>	<ul style="list-style-type: none"> <li>14" (1920 x 1080 hi-def)</li> </ul>	<ul style="list-style-type: none"> <li>7" (1280 x 800)</li> <li>Color TFT LCD</li> </ul>	<ul style="list-style-type: none"> <li>5" (720 x 1280)</li> <li>Color TFT LCD</li> </ul>	<ul style="list-style-type: none"> <li>Uses your phone or tablet screen</li> </ul>
<b>Printer</b>	<ul style="list-style-type: none"> <li>External (included)</li> </ul>	<ul style="list-style-type: none"> <li>External (included)</li> </ul>	<ul style="list-style-type: none"> <li>Built-in</li> </ul>	<ul style="list-style-type: none"> <li>Built-in</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Optional accessories (unless marked as included)</b>	<ul style="list-style-type: none"> <li>Cash drawer (included)</li> <li>Kitchen printer<sup>5</sup> (Wi-Fi or LAN)</li> <li>Weight scale</li> <li>2D handheld barcode scanner</li> <li>2D hands-free barcode scanner</li> </ul>	<ul style="list-style-type: none"> <li>Cash drawer (included)</li> <li>Kitchen printer<sup>5</sup> (Wi-Fi or LAN)</li> <li>Weight scale</li> <li>2D handheld barcode scanner</li> <li>2D hands-free barcode scanner</li> </ul>	<ul style="list-style-type: none"> <li>Cash drawer</li> <li>Kitchen printer<sup>5</sup> (Wi-Fi or LAN)</li> <li>Weight scale</li> <li>2D handheld barcode scanner</li> <li>2D hands-free barcode scanner</li> </ul>	<ul style="list-style-type: none"> <li>Kitchen printer<sup>5</sup> (Wi-Fi)</li> <li>Flex Extender</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Internet connectivity</b>	<ul style="list-style-type: none"> <li>Wi-Fi or Ethernet</li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Wi-Fi, Ethernet, or up to 4G LTE wireless<sup>6</sup></li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Wi-Fi, Ethernet, or up to 4G LTE wireless<sup>6</sup></li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Wi-Fi or up to 4G LTE wireless<sup>6</sup></li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Wi-Fi or up to 5G LTE wireless, if your device has Wi-Fi or 5G LTE<sup>6</sup></li> <li>Can accept payments when device is offline using store &amp; forward feature<sup>2</sup></li> </ul>
<b>Embedded camera</b>	✓	✓	✓	✓	N/A
<b>2d barcode scanner</b>	✓	✓	✓	✓	
<b>Compatible with Clover Check Acceptance</b>	✓	✓	✓	✓	
<b>Fingerprint sign in</b>	✓	✓		✓	If available on your device

2. Offline payments, or store & forward capability allows merchants to take transactions, even when their device is not connected to the Internet. Offline payments, or store & forward capability allows authorizations to be attempted later when the device's connection has been restored. There are risks to accepting offline transactions.

Payments accepted offline are not guaranteed to be approved. If an offline payment is declined, the merchant is responsible for working with the customer to collect the payment. Merchants must monitor all transactions they take offline, and they assume the risk for any chargebacks associated with offline transactions.

4. If you use Clover Flex or Clover Mini with Clover Payments or Clover Essentials and choose to add a Clover Station device on the same location, then you will be required to upgrade the software plan to either Register, Counter Service Restaurants or Table Service Restaurants so that all your devices are on the same software plan.

5. Kitchen printers must always be hardwired to a router. The kitchen printer connectivity methods in the table show how specific Clover devices can communicate with a kitchen printer.

6. A monthly wireless fee may apply for 4G LTE wireless usage.

# Clover® solutions offer powerful software, robust reporting, and a choice of 500+ apps<sup>7</sup> to help you manage your business

Clover software comparison	Payments	Essentials	Register	Counter Service Restaurants	Table Service Restaurants
Software description	Entry-level Clover software plan that enables payment acceptance	Includes the features of Payments, plus basic inventory and order management	Full-featured plan with enhanced inventory and order management	Full-featured POS software designed for counter and quick service restaurants	Full-featured POS software designed for table service restaurants
Device required?	Optional	Optional	✓	✓	✓
Acceptance of credit, debit, gift cards, EBT and chip cards. Also, acceptance of checks and mobile wallet payments like Apple Pay <sup>8</sup>	✓	✓	✓	✓	✓
Order Management		Basic	Basic	Basic + online ordering + takeout/delivery	Basic + online ordering + takeout/delivery + table mapping
Reporting	Basic	Basic + tax	Basic + tax + item cost	Basic + tax + item cost + order type	Basic + tax + item cost + order type
Inventory Management		Basic	Basic + item variants + categories	Basic + cost tracking + menu item modifiers + menu management	Basic + cost tracking + menu item modifiers + menu management
Customer Management (purchase tracking)	✓	✓	✓	✓	✓
Customer Engagement (Promos, loyalty programs and feedback)		With device only	✓	✓	✓
Employee Management (managing user access and roles)	✓ (Basic)	✓ (Basic)	✓	✓	✓
Order type definition and Clover weight scale support			✓	✓	✓
Kitchen printer/display integration, pre-authorize a tab				✓	✓
Dining features: Table mapping, tableside ordering/firing/payment, multiple bill splitting, and scan to pay					✓
Monthly Software Cost	Included in Merchant Services monthly service fee	\$9.95 per device <sup>9</sup>	\$39.95 first device; \$9.95 additional device(s)	\$39.95 first device; \$9.95 additional device(s)	\$69.95 first device; \$9.95 additional device(s)

7. Clover solutions made available through Wells Fargo Merchant Services, L.L.C. (WFMS) come with Clover Payments software that allows you to take payments through a web browser, mobile app, or your Clover device. The cost of this software is included in the monthly service fee WFMS charges each month per account. Clover Station products will not work with the Clover Payments software alone, and require a more advanced software plan. Upgraded software plans, including those for Clover Station products, require an additional monthly fee per device, and will be billed directly from Clover. All your devices must use the same software plan. Availability of certain software plans, applications, or functionality may vary based on your selected Clover equipment, software, or industry. All fees are subject to change.

WFMS and Wells Fargo Bank, N.A. do not provide, and are not responsible for, third-party software or applications, including those offered by Clover. Clover software, applications and other third-party applications that may be available through Clover or in the App Market are subject to the terms and conditions of the developer and may include additional fees subject to change at any time. Software and App Market application fees are disclosed in the Clover App Market or your Clover dashboard and are in addition to the fees listed within your Agreement with us.

8. Dependent on Clover device used.

9. Merchants that are using Payments only without hardware or Clover Go only, can upgrade to the Essentials plan at a cost of \$9.95/month.

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The Clover® name and logo are trademarks owned by Clover Network, Inc., an affiliate of First Data Merchant Services LLC, and registered or used in the U.S. and many foreign countries.

# Community involvement

Wells Fargo is committed to opening pathways to economic advancement, championing safe and affordable homes, empowering small businesses to thrive, and enabling a just, low-carbon economy.

Through our businesses and the Wells Fargo Foundation, we align our resources and expertise to make a positive impact in communities, address complex societal issues, and help build a more inclusive, sustainable future for all.

“We believe we have both an obligation to do all we can and are in a position to provide meaningful support to our employees, communities, and customers.”

Charles W. Scharf, CEO  
Wells Fargo & Company

## Investing in our communities

Wells Fargo is dedicated to making meaningful, inclusive, and enduring contributions as our communities address and recover from recent social and economic challenges. We’re focused on addressing systemic issues and supporting an inclusive recovery as we aim to break down barriers to enable a better future.

The following table shows some of the major investments we made in local communities in 2020.

2020 highlights	
~\$475 million	• Donated to nonprofits through our businesses and the Wells Fargo Foundation
~\$80 million	• Donations to support housing affordability initiatives, including efforts to help provide or maintain housing for more than 200,000 people affected by the COVID-19 economic downturn
~\$420 million	• In grants committed to nonprofits serving small businesses through the Open for Business Fund, to be paid out over the next several years
~\$75 billion	• Deployed in financing to sustainable businesses and projects to accelerate the transition to a low-carbon economy (2018 – 2020)

Additional highlights and commitments can be found in our most recent Environmental, Social, and Governance (ESG) report, which is accessible through the following link:

[wellsfargomedia.com/assets/pdf/about/corporate-responsibility/environmental-social-governance-report.pdf](https://wellsfargomedia.com/assets/pdf/about/corporate-responsibility/environmental-social-governance-report.pdf)

Through these commitments, we work to strengthen the resiliency of our communities and our planet, with a focus on supporting nonprofits that strategically align with our funding priorities, which are:

- Financial health
- Housing affordability
- Small business growth
- Sustainability and environmental justice

## **Financial health**

We're opening pathways to economic advancement for racially and ethnically diverse and low- and moderate-income individuals and families through programs that increase financial inclusion and access, reduce debt, drive savings and wealth-building behavior, and transform systems that provide a better context within which people lead their financial lives.

### **Banking Inclusion Initiative**

One such program is our Banking Inclusion Initiative — a 10-year commitment to helping unbanked individuals gain access to affordable, mainstream, digitally enabled transactional accounts. The initiative will focus on reaching unbanked communities and helping to remove barriers for Black and African American, Hispanic, and Native American and Alaska Native families, which account for more than half of America's seven million unbanked households.\*

\* Source: 2019 FDIC data.

### **Clear Access Banking**

In 2020, we launched Clear Access Banking, a new low-cost and checkless bank account with no overdraft or insufficient funds fees to make it easier for customers to manage their money, make payments, and save. Clear Access Banking meets the Cities for Financial Empowerment Fund's Bank On National Account Standards for safe and appropriate financial products that can help people enter or reenter the financial system.

### **Virtual Financial Coaching**

We've also expanded free financial counseling and coaching services and access to other emergency financial recovery resources. This includes supporting national nonprofits in expanding virtual financial coaching services, cost-free, to help the public adapt in these challenging times.

### **Housing affordability**

We're working to increase access to safe, stable, and affordable places to live, including transitional housing, rentals, and home ownership, especially for individuals and families historically shut out of the market.

To that end, we've made two significant commitments to increase Hispanic and Black homeownership over 10 years by making \$185 billion in home purchase loans to Hispanic and Black borrowers, increasing the diversity of our mortgage sales team, and providing \$25 million in homebuyer education and counseling.

### **Dream. Plan. Home.**

In November of 2020, Wells Fargo Home Lending launched "Dream. Plan. Home." — a new program that provides a closing cost credit on a limited basis in five metropolitan areas. The program addresses one of the key barriers facing first-time homebuyers by providing up to \$5,000 toward closing costs to make it easier for low- and moderate-income families to purchase a home. This program aligns with our efforts to help drive economic growth, sustainable homeownership, and neighborhood stability in low- and moderate-income communities.



## Small business growth

Small businesses are the heartbeat of our communities, and they're the key to millions of local jobs. Wells Fargo is committed to helping small businesses impacted by COVID-19 stay open and get back to growth.

Through the initial phase of the Paycheck Protection Program (PPP), we:

- Approved lending to companies representing a total of 1.3 million jobs
- Submitted 259,000 PPP applications to the U.S. Small Business Association (SBA)
- Funded approximately 194,000 loans totaling more than \$10.5 billion

## Open for Business Fund

In July 2020, Wells Fargo established the Open for Business Fund, an approximately \$420 million small business recovery effort across the U.S. to help small businesses navigate the pandemic, with an emphasis on those with Black and racially diverse owners. The initiative focuses on three key areas: increasing access to capital through Community Development Financial Institutions (CDFIs), technical assistance, and long-term recovery and resiliency programs.

## Sustainability and environmental justice

As trillions of dollars of sustainable capital flows will be required to adequately avoid, sequester, and redirect greenhouse gas (GHG) emissions, we continue toward our goal of achieving **net zero greenhouse gas emissions by 2050**.

In March 2021, Wells Fargo set an ambitious climate goal to achieve net-zero greenhouse emissions by 2050 — including our financed emissions.

To help meet this goal, we're focusing on the following near-term priorities:

- Measure and disclose financed emissions for select carbon-intensive portfolios
- Set interim emission reduction targets by the close of 2022
- Advocate for policy initiatives that support our clients' low-carbon transitions, as well as those that advance the goals of the Paris Agreement
- Integrate climate considerations into Wells Fargo's Risk Management Framework
- Launch Institute for Sustainable Finance to manage the deployment of \$500 billion in financing to sustainable businesses and projects by 2030

## Wells Fargo in Beaumont, California

In addition to being a strategic financial partner, we hold ourselves accountable to supporting and having a measurable positive impact in the communities where we do business. Investing in our communities is a way for us to help create future economic growth and prosperity where we live and work.

Here's how Wells Fargo makes an impact in your community.

Our presence in Beaumont	Total
Employees	41 <sup>1</sup>
Community banking branches	2 <sup>1</sup>
ATMs	5 <sup>1</sup>
Deposit share (ranking)	20.67% (3 <sup>2</sup> )
Total deposits	\$201,365 million <sup>2</sup>

### Lending in the City of Beaumont<sup>3</sup>

#### Home mortgage<sup>4, 5</sup>

We provided 136 mortgage loans (total HMDA), extending \$30.8 million in credit

- Of that, 29 mortgage loans were made in low-to-moderate income (LMI) borrowers, providing \$5.9 million in credit

Wells Fargo is the largest lender in low- and moderate-income communities and the largest affordable housing lender in America.\*

\*According to the Mortgage Bankers Association, 2020

#### Small business<sup>5</sup>

We provided 80 small business loans, extending \$4.3 million in credit

- Of that, 17 small business loans were in LMI communities, providing \$1.3 million in credit

### Community development in Riverside County<sup>6, 7</sup>

- We provided 8 community development loans, totaling \$69.5 million
- We provided 27 community development investments, totaling \$30.5 million

### Philanthropic investing in Riverside County<sup>8</sup>

- 32 grants totaling over \$1 million to nonprofits and schools through corporate and foundation giving

1. Twelve-month company data as of June 2022.

2. FDIC Deposit Market Share report as of June 30, 2021.

3. Information provided is as of June 2022.

4. Mortgage includes home purchase, home improvement, home refinance, and multi-family originated and purchased loans.

5. Totals include census tract income level classified loans only.

6. Some investments and grants cannot be tracked to the county or city level.

7. Investments include grants and are subject to change as updates are received.

8. Twelve-month company data as of 2021.

# Investing in California

Helping local communities grow

Wells Fargo is committed to local California communities

More than **\$65.5 million** donated to California nonprofits, schools, and community organizations in 2020, as well as more than **\$10.2 million** from its Open for Business Fund

**31,900** employees

**909** Consumer Banking branches

**\$140.7 million** in Small Business Administration loans in federal fiscal year 2020

**\$60.2 billion** in **106,045** mortgage loans, including those for low- and moderate-income families and individuals in 2019

**\$5.5 billion** for loans to more than **110,309** small businesses in 2019



## Los 3 Pollos keeps pleasing palates amid the pandemic

Efrain Mejorada Jr. wasn't even out of high school the first time his dad, Efrain Sr., took him to a Wells Fargo branch in greater Los Angeles.

It was one of his dad's regular 50-minute drives to meet Senior Business Banking Specialist Mario Murillo. The banker had returned to his Latino community to help small businesses like Mejorada's restaurants thrive.

The Mejoradas credit Murillo's financial guidance and advice with helping them start their first restaurant in 2009, grow the concept to three restaurants in California, and add the payment processing technology and other support to keep Los 3 Pollos going amid COVID-19.

"My father does not speak English, so he had to have someone he could turn to who was bilingual and who knew small business in and out and that he could trust with our future," said Mejorada Jr. of Murillo's role in the company's success.

Although COVID-19 has reduced profits and required changes in the kitchen and other operations for safety, Mejorada Jr. said the pandemic hasn't dented Los 3 Pollos' outlook. The establishment is one of an estimated 5 million Latino-owned U.S. businesses according to Stanford Latino Entrepreneurship Initiative's fourth annual survey of Latino business owners. ■



## COVID-19: Helping families at risk of eviction stay in their homes

To help families at risk of losing their homes due to the economic slowdown caused by the COVID-19 pandemic, Wells Fargo created The United Way Bay Area Rental Relief Fund to provide rental assistance to 300 families through UWBA's existing network of SparkPoint Centers and community partners.

"Wells Fargo is committed to being part of the solution and help people from slipping into homelessness. Our initial donation of \$750,000 will help hundreds of families get caught up or stay current on paying their rent," said Erica Trejo, community relations senior manager for Wells Fargo.

"We are excited that Wells Fargo is providing much-needed assistance to families impacted by our Bay Area housing crisis. The UWBA Rental Relief Fund is a great example of how the nonprofit and private sectors can strengthen our communities by partnering together. We hope that this initiative can serve as a model as we continue to work on our region's most pressing community issues," said Kevin Zwick, chief executive officer, UWBA.

UWBA is leveraging Wells Fargo's \$750,000 donation to raise an additional \$2.5 million over the next six months to serve more families.

The funds are part of the \$175 million donation Wells Fargo announced to support nonprofits and communities playing a key role in COVID-19 relief efforts. ■



## Cultivating kidpreneurs for success

As a little girl in Mexico, Leonor Hipólito was called the “mango lady”— teased for selling mango preserves on the streets made from her dad’s fruit harvest.

“I always dreamt of someone going to my parents and telling them, ‘Your daughter is smart and she needs to go to school,’” Hipólito said. “I wish someone would have grabbed me by the arm and taken me to school.”

In one of the most underbanked areas in the U.S. — Fresno and Bakersfield in the Central Valley were among the top 10 nationally — Hipólito is now that encourager, changing futures and growing entrepreneurship among children through her nonprofit Pequeños Empresarios.

Spanish for “young entrepreneurs,” Pequeños Empresarios teaches courses on language, leadership, personal growth, finance, business operations, manners, environmental stewardship, and more to children ages 7 to 12.

Hipólito said Wells Fargo has been a key ally for Pequeños Empresarios, providing its first corporate support in 2014 and encouraging others to follow suit, which ended a reliance on hot chocolate and tamale sales to fund operations.

To date, Wells Fargo has awarded Pequeños Empresarios more than \$75,000 in grants and provided volunteers and other guidance. ■



## Forging a pathway for veterans in manufacturing

With more than 200,000 U.S. service members leaving the military each year, San Diego-based nonprofit Workshops for Warriors® (WFW) is working to ensure veterans are fully supported for a successful transition back to civilian life. WFW offers two 16-week machining and welding programs that help train, certify, and place veterans and transitioning service members into advanced manufacturing careers.

Since 2008, WFW has graduated more than 700 veterans and transitioning service members who have earned more than 6,200 nationally recognized credentials. With a 94% job placement rate, WFW alumni have gone on to work for top manufacturing companies across the country in every state.

WFW credits its sustainability and success to the hard work and dedication of its staff and students, as well as the support from private and corporate donors, including Wells Fargo. Since 2013, Wells Fargo has donated more than \$680,000 in support of WFW’s overall programming and operations.

Despite having to pivot to instructor-led online education in response to the COVID-19 pandemic, newly implemented hygiene and safety protocols — including mandatory face masks, constant disinfecting and handwashing, social distancing, and remote working — have allowed Workshops for Warriors to responsibly continue operations. ■

## Our commitment to sustainable housing

In 2019, Wells Fargo provided more than \$15 million in philanthropic investments to boost local homeownership through their NeighborhoodLIFT program in Los Angeles and Sacramento, creating nearly 600 homeowners. Since 2012, NeighborhoodLIFT and other LIFT programs have invested \$77 million through 10 program launches in California. They will create more than 3,000 homeowners by offering homebuyer education and down payment assistance grants for low- and moderate-income buyers.

Wells Fargo has also donated 19 mortgage-free homes to support military veterans and their families in California and donated more than 400 homes valued at over \$60 million in all 50 states since 2012

## Our history in California

In 1852, Henry Wells and William Fargo founded Wells Fargo & Co. in the Gold Rush port of San Francisco to serve the West. The new company offered banking and express services. The bank was soon doing business across the state of California. In the boom and bust economy of the 1850s, Wells Fargo earned a reputation of trust by dealing rapidly and responsibly with people’s money.



Learn more: [stories.wf.com/California](https://stories.wf.com/California)

[wellsfargo.com/impact](https://wellsfargo.com/impact)

## **Municipal Advisor RFP Disclosure**

This proposal is submitted in response to your Request for Proposal (RFP) for Banking and Merchant Services dated June 2022. The contents of this proposal and any subsequent discussions between us, including any and all information and analysis with respect to product is provided to you in reliance upon your compliance with the guidance of the staff of the SEC's office of Municipal Securities in order for a request for proposal to be consistent with the exemption for responses to requests for proposals or qualifications provided under the municipal advisor rules (the "Muni Advisor Rules") of the Securities and Exchange Commission (the "SEC") (240 CFR 15Ba1-1 et seq.).

In submitting this proposal (a) Wells Fargo Bank, N.A. ("Wells Fargo") is not acting as an advisor to the City of Beaumont ("you") and does not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the information and material contained in this proposal; (b) Wells Fargo is acting for its own interests; and (c) you should discuss any information and material contained in this proposal with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

# Treasury Management RFP disclosures

Upon award of business, Wells Fargo will negotiate and enter into mutually acceptable agreements with the City of Beaumont (the City) in connection with the deposit and treasury management products and services requested under the RFP. Wells Fargo's right to negotiate all contract terms upon award of business will not be affected or diminished by any language in the RFP, including language that purports to require specific comments (or to prohibit general exceptions) to the City's contractual requirements or to bind Wells Fargo to the City's contractual requirements unless specifically commented upon.

Wells Fargo has included with its response copies of its account and service documentation for the deposit and treasury management products and services requested in the RFP, which we would request serve as the starting point for contract negotiations or be incorporated into any final agreement.

<b>Page_Section</b>	<b>Description</b>
Wells Fargo Treasury Management exceptions	
<b>II. Proposal Terms and Conditions</b> <b>Pg. 7_Item #15</b> <b>Collateral</b>	Wells Fargo takes exception. There is no requirement in which the bank is required to notify the customer.
<b>II. Proposal Terms and Conditions</b> <b>Pg. 7_ Item #16</b> <b>Causes for termination</b>	Wells Fargo reserves the right to terminate subject to reasonable termination periods and/or grounds, which may be negotiated upon award of business.
<b>IV. Information Requested</b> <b>C. General Banking Services</b> <b>Pg. 14_ Item # 12</b> <b>Overdrafts</b>	The decision to allow overdraft is a discretionary credit decision by the Bank. Unless otherwise agreed in writing, any overdraft shall be immediately due and payable by the Customer to the Bank. If the Bank permits an overdraft, the Bank is authorized to charge interest on the amount of the overdraft as long as the overdraft is outstanding, at a rate determined by the Bank, up to the maximum rate permitted by law at the time of the overdraft.
Wells Fargo Merchant Services exceptions	
<b>II. Proposal Terms and Conditions</b> <b>Pg. 6_Item #7</b> <b>Property of the City / Ownership of Intellectual Property</b>	Other than possibly statements, there will be no work product or intellectual property under the Agreement that the City will own. Any work product or intellectual property under this Agreement shall be subject to a separate mutually negotiated statement of work (SOW), and ownership and usage rights of any such work as a result of any such SOW and/or work product or intellectual property shall be as set forth in the mutually negotiated SOW between the parties.
<b>II. Proposal Terms and Conditions</b> <b>Pg. 7_Item #12</b> <b>Assignment</b>	While we understand City's desire to include this provision, we retain certain rights regarding assignment in the Wells Fargo Merchant Services Terms and Conditions. As such we request to modify this section to start the sentence with "Subject to §13 of the Wells Fargo Merchant Services Terms and Conditions..."

Page_Section	Description
<b>II. Proposal Terms and Conditions</b> <b>Pg. 7_Item #14</b> <b>Termination for Convenience</b>	Our RFP response is based on the expectation that you will receive services for a three (3) year term. Your termination rights are as set forth in Section 14.4 of the Wells Fargo Merchant Terms and Conditions.
<b>IV. Information Requested</b> <b>H. Pricing and Account Analysis</b> <b>Pg. 15</b> <b>Pricing / Pricing set for period of days</b>	With respect to the merchant services, please understand that in addition to Wells Fargo Merchant Services' fees, the Card Organizations and other third-party fees will apply and may not be specifically outlined in the Wells Fargo Merchant Services Pricing Schedule/Cost Proposal. Such third party/Card Organization fees, are subject to change.

# Commercial Card RFP disclosures

Page_Section	Description
<p><b>General</b></p>	<p>Wells Fargo has reviewed the City of Beaumont Request for Proposal (the “RFP”) including the terms and conditions and/or sample contract contained therein, in the context of a commercial credit card program and advances thereunder. Based on such review, Wells Fargo believes that the provisions set forth in the RFP appear to be designed to accommodate a Treasury Management banking relationship and not a commercial credit card program specifically.</p> <p>As such, Wells Fargo respectfully proposes that the accompanying sample WellsOne® Commercial Card Agreement and related sample ancillary documents or service descriptions (collectively, the “Commercial Card Service Documentation”) would serve as the primary governing contract with respect to your commercial card program and advances thereunder. If Wells Fargo is the successful bidder, it is willing to consider and, where possible, negotiate changes and/or additions to the Commercial Card Service Documentation proposed by you, including changes and/or additions based upon the RFP. Nonetheless, and notwithstanding any language in the RFP to the contrary, Wells Fargo does not agree, with respect to the commercial credit card program, to any modifications or additions to the terms and conditions of the Commercial Card Service Documentation solely by virtue of submitting a response to the RFP.</p>



# Wells Fargo Merchant Services RFP Legal Disclosures

## Legal entity and contracting parties

Wells Fargo Merchant Services, L.L.C. (Wells Fargo Merchant Services) is an alliance between Wells Fargo Bank, N.A. and First Data Merchant Services, L.L.C.

**Any agreement for merchant services will be entered into between City of Beaumont (the City) and Wells Fargo Merchant Services, L.L.C. and Wells Fargo Bank, N.A.** This Agreement is separate from any new or existing agreement between the City and Wells Fargo Bank, N.A. for banking or treasury management services. Furthermore, the Merchant Processing Agreement is separate from agreements for those services, including agreements for any proposed or existing treasury management services used in addition to or in conjunction with merchant processing services.

## Disclosures

Our proposal is intended to be a description of the services we can provide in response to the requirements described in the request for proposal (RFP). If our proposal is accepted in principle, we are willing to negotiate mutually acceptable terms and conditions that shall govern our merchant services relationship with the City. However, by responding to the RFP, we are not indicating our acceptance of any of the terms or conditions contained in the RFP. Our right to negotiate all terms upon award of business will not be affected or diminished by any language in the RFP, including language that purports to be binding on Wells Fargo Merchant Services by virtue of our proposal, including, but not limited to, any signature page statements, certifications, confirmations and the like required as part of an RFP response.

We are providing links to our Wells Fargo Merchant Services Terms and Conditions ([wellsfargo.com/termscustom0920](https://wellsfargo.com/termscustom0920)) and our Operating Rules ([wellsfargo.com/operatingrules](https://wellsfargo.com/operatingrules)). We expect these documents to become the final Agreement or part of the final agreement (dependent on your product and service selections) between the City and Wells Fargo Merchant Services if you choose us as your provider.

The City should be aware that the processing of credit and debit card transactions is subject to the terms, conditions, policies, and procedures of the Card Organizations and the non-bankcard issuers. A summary of many of the key elements of those Card Organization requirements is provided in our Operating Rules ([wellsfargo.com/operatingrules](https://wellsfargo.com/operatingrules)). The terms, conditions, policies, and procedures of the Card Organization and the non-bankcard issuers are independently established and beyond the control of Wells Fargo Merchant Services to negotiate. The Card Organizations govern their mandated fees and assessments, which are subject to change during the term of the Agreement.

## **Pricing disclosures**

Wells Fargo Merchant Services pricing, as provided in our proposal, is based upon the information provided by the City (for example, processing requirements or number of merchant accounts) as of the date the RFP response was submitted.

In responding to this RFP, Wells Fargo Merchant Services only agrees to be bound to the pricing we provided therein to the extent that the assumptions upon which it was based were reasonably derived in relation to the information provided by the City as of the date of the creation of that pricing and are accurate and unchanged.

In the event that Wells Fargo Merchant Services is the successful bidder, and the City subsequently provides additional information to us that would affect the pricing (including pass through fees paid by the City), Wells Fargo Merchant Services shall not be bound by the pricing provided in the RFP response and shall have the right to revise the pricing based upon the corrected information provided by the City.

Furthermore, should Wells Fargo Merchant Services be the successful bidder for this RFP, The City shall be required to execute a Pricing Terms Schedule document, which is a part of your Agreement.

Information contained in this response is valid for 90 days from the date of submittal.

# Commercial Account Agreement

Effective May 2022

## Contents

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## Welcome to Wells Fargo

Thank you for opening an account with us. We value your relationship and hope we answered all your questions when you opened your account. Please review this account agreement for further details about your account and related services.

### What words do we use to refer to you (the customer), Wells Fargo, and this account agreement?

- Customer is "company", "you", "your", or "yours".
- Wells Fargo Bank, N.A. is "Wells Fargo", "bank", "we", "us" or "our".
- This Commercial Account Agreement and the disclosures listed below constitute the "Agreement":
  - The pricing information and other account-related information
  - Our privacy policy
  - Our rate sheets for interest-bearing accounts
  - Any additional disclosures we provide to you about your account and related services

### When can you begin using your account?

We will notify you when your account and related services may be used. We reserve the right to restrict use of your account and related services until we have approved your use of the account and services and completed setting them up.

You should not attempt to use your account or provide any information about your account to any third party until we have confirmed that your account is available to process transactions.

# About this Agreement

## What information does the Agreement contain?

The Agreement:

- Explains the terms of your banking relationship with Wells Fargo and applies to new and existing accounts and services, and
- Replaces all prior deposit agreements including any oral or written representations.

## You are responsible for ensuring that any signer on your account is familiar with this Agreement.

We suggest you keep a copy of this Agreement - and any further information we provide you about changes to this Agreement - for as long as you maintain your Wells Fargo accounts.

## Words with specific meanings

Certain words have specific meanings as they are used throughout this Agreement. These words and their meanings are defined in this section, and others are found later in this Agreement.

### **Affiliate**

A bank or other entity that is, directly or indirectly, a wholly or substantially owned subsidiary of Wells Fargo & Company.

### **Account**

Any business deposit account or commercial deposit account that is not held or maintained primarily for personal, family or household purposes. Examples of accounts include an account owned by an individual acting as a sole proprietor, a partnership, a limited partnership, a limited liability partnership, a limited liability company, a corporation, a joint venture, a non-profit corporation, an employee benefit plan or a governmental unit including an Indian tribal entity.

### **Business day**

Every day is a business day except Saturday, Sunday, and federal holidays.

### **Collected balance**

The collected balance is the ledger balance in your account less the deposit float.

### **Deposit float**

The deposit float is the total dollar amount of items deposited in your account that has yet to be credited as part of your collected balance as a result of the Bank's or applicable affiliate's collection schedule.

### **Investable balance**

The investable balance is the collected balance in your account less the portion required by law to be held at a Federal Reserve Bank and other adjustments.

### **Item**

An item is an order, instruction, or authorization to withdraw or pay funds or money from your account. Examples include checks, drafts, and electronic transactions, including ACH. Paper items may be referred to as checks in this Agreement.

### **Ledger balance**

The ledger balance is the balance in your account after all debits and credits for the business day have been posted.

## **Overdraft**

An overdraft is a negative balance in your account.

## **Signer**

A person who has your actual or apparent authority to transact business in connection with your account and services. We may rely solely on our records to determine the form of ownership of and the signers on your account.

## **Are we allowed to change the Agreement?**

Yes. We can change the Agreement by adding new terms or conditions, or by modifying or deleting existing ones. We refer to each addition, modification, or deletion to the Agreement as a modification.

**Notice of a modification:** If we are required to notify you of a modification to the Agreement, we will describe the modification and its effective date by a message in your account statement or by any other appropriate means.

**Waiver of a term of the Agreement:** If we waive a right related to your account under this Agreement on one or more occasions, it does not mean we are obligated to waive the same right on any other occasion.

## **How do you consent to the Agreement and any future modifications to the Agreement?**

By signing the Agreement or using your account or service, you consent to this Agreement. Continuing to maintain or use the account or service after a modification to the Agreement means that you have consented to the changes.

## **Can you consent to the Agreement electronically?**

Yes. You may consent to the Agreement using your "Electronic Signature", as defined in the Electronic Signatures in Global and National Commerce Act ("ESIGN Act"), and we may accept your Electronic Signature on any other account-related document. Under the ESIGN Act, your Electronic Signature will constitute your original and binding signature. The fact that you sign using your Electronic Signature will not, by itself, be grounds for invalidating the document.

## **What happens if a term of the Agreement is determined to be invalid?**

Any term of the Agreement that is inconsistent with the laws governing your account will be considered to be modified by us and applied in a manner consistent with those laws. Any term of the Agreement that a court of competent jurisdiction determines to be invalid will be modified accordingly. In either case, the modification will not affect the enforceability or validity of the remaining terms of the Agreement.

## **With whom will we communicate about your account?**

We may provide you or a signer with information about your account. When we receive information from a signer, we treat it as a communication from you. You agree to notify us promptly in writing if a signer no longer has authority on your account.

# **Resolving disputes through arbitration**

## **Arbitration Agreement between you and Wells Fargo**

Upon demand of by you or us, any dispute or claim arising from or relating to this Agreement, or the breach thereof, must be submitted to arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules, and must be heard before three arbitrators if the amount in dispute is U.S. \$5,000,000 or more or its equivalent in any other currency, and before one arbitrator for amounts less than U.S. \$5,000,000 or its equivalent in any other currency. Arbitration will proceed in a location selected by AAA in the state of the applicable Governing Law, and if there is no such state, the place of arbitration must be New York, NY. The language of the arbitration must be English.

Judgment on the award rendered by the arbitrators may be entered in any court having competent jurisdiction. This arbitration requirement does not limit the right of you or us to: (a) exercise self-help remedies, including setoff or (b) obtain provisional or ancillary remedies such as injunctive relief or attachment, before, during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of you or us to submit any dispute to arbitration hereunder, including those arising from the exercise of the actions detailed in (a) and (b) of this subsection.

### **Can either Wells Fargo or you participate in class or representative actions?**

No. Wells Fargo and you agree that the resolution of any dispute arising from the terms of this Agreement will be resolved by a separate arbitration proceeding and will not be consolidated with other disputes or treated as a class. Neither Wells Fargo nor you will be entitled to join or consolidate disputes by or against others as a representative or member of a class, to act in any arbitration in the interests of the general public, or to act as a private attorney general. If any provision related to a class action, class arbitration, private attorney general action, other representative action, joinder, or consolidation is found to be illegal or unenforceable, the entire Arbitration Agreement will be unenforceable.

## **Important legal information**

### **What laws govern your account?**

The laws governing your account include:

- Laws, rules, and regulations of the United States, and
- Laws of the state in which the office that maintains your account is located, without regard to its conflicts of laws principles.

If a different state law applies, we will notify you.

Any funds transfer (including a wire transfer) that is a remittance transfer as defined in Regulation E, Subpart B, will be governed by the laws of the United States and, to the extent applicable, the laws of the state of New York, including New York's version of Article 4A of the Uniform Commercial Code, without regard to its conflict of laws principles.

### **What are our rules on illegal transactions?**

You must not use your account or any relationship you may have with us for any illegal purpose, including "restricted transactions" as defined in the Unlawful Internet Gambling Enforcement Act of 2006 and its implementing regulation, Regulation GG. In our discretion, we may block or otherwise prevent or prohibit those transactions and, further, we may close the account or end our relationship with you.

### **Are we your fiduciary?**

No. Our relationship to you concerning your account is that of a debtor and creditor. There is no fiduciary, quasi-fiduciary, or special relationship between you and us.

### **Will any person or entity be considered a third party beneficiary under this Agreement?**

No. No other person or entity will be considered to be a third party beneficiary under this Agreement.

### **Can you use our name or refer to our relationship without our consent?**

No. You and we will not use each other's name or refer to our relationship in any solicitation, marketing material, advertisement, news release or other written, online or oral communication without specific prior written consent for each such use or release, except that we may use your name as a reference in service proposals if we obtain your prior oral or written approval for such use.

### **What is the controlling language of our relationship?**

English is the controlling language of our relationship with you. If there is a discrepancy between our English-language and translated materials, the English version prevails over the translation.

### **How will we contact you about your account?**

For us to service your account or collect any amount you owe, we may contact you by telephone, text, email, or mail. We are permitted to use any address, telephone number or email address you provide. You agree to provide accurate and current contact information and only give us telephone numbers and email addresses that belong to you.

When you give us a telephone number, you are providing your express consent permitting us (and any party acting on behalf of Wells Fargo) to contact you by calling or texting that telephone number. When we call you, you agree that we may leave prerecorded or artificial voice messages. You also agree that we may use automatic telephone dialing systems in connection with calls or text messages sent to any telephone number you give us, even if it is a mobile phone number or other communication service for which the called party may be charged.

### **What courts may be used to resolve a dispute?**

Wells Fargo and you each agree that any lawsuits, claims, or other proceedings arising from or relating to your account or the Agreement, including the enforcement of the Arbitration Agreement and the entry of judgment on any arbitration award, will be venued exclusively in the state or federal courts in the state whose laws govern your account, without regard to conflict of laws principles.

## **Statements and other notices relating to your deposit account**

### **How do we make account statements and notices available to you?**

We will mail, send electronically, or otherwise make available to you an account statement reflecting your account activity for each statement period. We will do the same with notices. We will send all account statements and notices to the postal or electronic address associated with your account.

**Combined account statements:** To reduce the number of separate account statements you receive each month, we may combine statements if you have more than one deposit account.

**If we provide a combined account statement for your accounts,** we consider your first account as your primary account. You will receive your account statement at the address listed for your primary account. Statements for accounts in a combined statement will be delivered according to the delivery preference of the primary account.

### **When are your account statements and notices considered received?**

If there is more than one signer on your account, we may send statements and notices to any one of them (unless you have otherwise instructed us in writing). You assume the risk of loss in the mail.

**Mailed account statements:** When we mail your account statement or notices, we consider it received by you on the second business day after mailing it.

**Electronic delivery of account statements:** Account statements will be made available through Wells Fargo Business Online<sup>®</sup> Banking or the Commercial Electronic Office<sup>®</sup>, as applicable, after the end of the statement period. You will be notified by email that the account statement is available for viewing. We consider the account statement to be delivered to you when it is available online.

### **What happens if your account statements or notices are returned or undeliverable?**

Unless otherwise prohibited by the laws governing this Agreement, your account statements or notices will be considered unclaimed or undeliverable if:

- Two or more account statements or notices are returned to us through the mail because of an incorrect address, or
- We notify you electronically that your account statement or notices are available for viewing at Wells Fargo Business Online<sup>®</sup> Banking or the Commercial Electronic Office<sup>®</sup>, as applicable, and we receive email notifications that our message is undeliverable.

In either event, we may:

- Discontinue sending account statements and notices, and
- Destroy account statements and notices returned to us as undeliverable

### **How can you or Wells Fargo change your address for your account?**

**Address change requests you make:** You can change the postal or email address or other means by which we make your account statements and notices available to you at any time by notifying us of your request by telephone or email. We will act on your request within a reasonable time after we receive it. Unless you instruct otherwise, we may change the postal or email address only for the accounts you specify or for all or some of your other accounts with us.

**Address changes we make:** We may update your listed address without a request from you if we:

- Receive an address change notice from the U.S. Postal Service,
- Receive information from another party in the business of providing correct address details that your actual address does not match the listed address for your account or card, or
- Identify a need to rely on another address you have provided us.

### **When are notices you send to us effective?**

Any notice from you is effective once we receive it and have a reasonable opportunity to act on it.

### **What obligations do you have to review account statements and notices and notify us of unauthorized transactions or errors?**

You are obligated to:

- Examine your account statements and notices promptly and carefully.
- Notify us promptly of any errors.
- Notify us **within 30 days** after we have made your account statement or a notice available to you of any unauthorized transaction on your account. *Note:* If the same person has made two or more unauthorized transactions and you do not notify us of the first one within this 30-day period, we will not be responsible for unauthorized transactions made by the same wrongdoer.
- Notify us **within 6 months** after we have made your account statement or a notice available to you if you identify any endorsements which are unauthorized or missing, or other errors relating to endorsements on your checks.

### **You can notify us of unauthorized transactions or errors on your account statement by promptly:**

- Calling the telephone number listed on your account statement or in notices, or
- Sending us a written report (if instructed by us) as soon as possible, and at least within the specified timeframes.

Funds transfers are subject to different time periods for notification of errors, as described in the "Fund transfer services" part of this Agreement. Common examples of fund transfers are ACH, wire transfers, and Real-Time Payments (RTP<sup>®</sup>).

### **What happens if you do not notify us of an unauthorized transaction within the time frames specified above?**

If you do not notify us of any unauthorized transaction, error, or claim for a credit or refund within the time frames specified above, your account statement or transaction will be considered correct. We will not be responsible for any unauthorized transaction, error, or claim for transactions included in this statement.



### **When is a check unauthorized?**

A check is unauthorized when it is:

- Not signed by a signer on your account, or you have not otherwise authorized or benefitted from it,
- Forged, or
- Altered (for example, the amount of a check or the payee's name is changed).

### **What happens when you report an unauthorized transaction?**

We investigate any reports of unauthorized activity on your account. After you submit a claim, we may require you to:

- Complete and return the claim form and any other documents we require,
- Notify law enforcement, and
- Cooperate fully with us in our investigation.

We can reverse any credit made to your account resulting from a claim of unauthorized transaction if you do not cooperate fully with us in our investigation or recovery efforts, or we determine the transaction was authorized.

### **Are you responsible for taking reasonable steps to help prevent fraud on your account?**

Yes. You agree to take reasonable steps to ensure the integrity of your account and items drawn on your account or deposited to it. You acknowledge that there is a growing risk of losses resulting from unauthorized items. To help prevent fraud and protect your assets, we recommend that you take these preventive measures:

- Assign responsibilities for your account to multiple individuals. The individuals who reconcile statements for your account should be different from the individuals who issue items drawn on your account.
- Reconcile statements for your account as you receive them; notify us promptly of any problem.
- Contact us promptly if you do not receive the statement for your account when you would normally expect to.
- Watch for checks cashed out of sequence or made out to cash. These are classic red flags for embezzlement.
- Secure your supply of checks at all times. Stolen checks are a common method of fraud.
- Periodically reassign accounting duties, such as reconciling your account or making a deposit.
- Review your transaction activity for unexpected fluctuations. For example, compare the percentage of cash deposits to total deposit size. Most businesses will maintain a constant average. A large fluctuation might indicate fraud.
- Destroy any checks that you do not intend to use.
- Use tamper resistant checks at all times.
- Notify us promptly when a signer's authority ends so that his/her name can be deleted from our records for your account, and any cards that we have issued to him/her or online access can be cancelled.
- Do not sign blank checks.
- Obtain insurance coverage for these risks.

This is not an exhaustive list and there may be additional preventive measures you may take to prevent fraud and protect your account.

## **Protection against unauthorized items**

### **Does Wells Fargo offer services to help prevent fraud on your account?**

Yes. We offer services for your account that provide effective means for controlling the risk from unauthorized items.

Examples of these services include:

- Positive Pay, Positive Pay with payee validation, and Reverse Positive Pay
- ACH fraud filter, and
- Payment authorization service.

In addition, we may recommend you use certain fraud prevention practices to reduce your exposure to fraud. Each of these practices is an "industry best practice." Dual custody is an example of an industry best practice. With dual custody, when one user initiates an action, like a payment or a change in the set-up of a service, the action does not take effect until a second user approves the action using a different computer or mobile device than one used to initiate the action.

**What are potential consequences if you do not implement a fraud prevention service or industry best practice Wells Fargo has recommended?**

If we have expressly recommended you use a fraud prevention service or industry best practice and you either (a) decide not to implement or use the recommended service or industry best practice, or (b) fail to use it in accordance with the applicable service description or other applicable documentation, then you will be treated as having assumed the risk of any losses that could have been prevented or mitigated by correct use of the recommended fraud prevention service or industry best practice.

**Lost or stolen checks; unauthorized items**

If any of your unissued checks have been lost or stolen, or if you learn that unauthorized items are being issued on your account, you agree to notify us at once. To the extent that your failure to notify us hampers our ability to prevent loss, we will be relieved of any liability for those items. Upon receipt of any notice from you, we - without any liability to you - will dishonor any item you, or any signer, has indicated is unauthorized and may:

- Close your account and open a new account for you, or
- Pay any item presented for payment on your account, provided you have instructed us to pay that item and given us its number.

If we open a new account for you and you have authorized a third party to automatically make regular deposits to or withdrawals from your account (such as wire or ACH transfers), we will have no liability to you if you do not receive any regularly scheduled deposit or if a regularly scheduled payment is not made for you because you did not notify that third party in a timely fashion of the number of your new account.

**When does your account become dormant?**

Checking accounts, savings accounts, and time accounts (*CDs*)

Generally, your account becomes dormant if you do not initiate an account-related activity for:

- 12 months for a checking account,
- 34 months for a savings account, or
- 34 months after the first renewal for a time account.

An account-related activity is determined by the laws governing your account. Examples of account-related activity are depositing or withdrawing funds at a banking location or ATM, or writing a check which is paid from the account.

Automatic transactions (including recurring and one-time), such as pre-authorized transfers, payments and electronic deposits (including direct deposits), set up on the account may not prevent the account from becoming dormant.

**What happens to a dormant account?**

We put safeguards in place to protect a dormant account which may include restricting the following transactions:

- Transfers by telephone,
- Transfers or payments through Wells Fargo Business Online<sup>®</sup> Banking or the Commercial Electronic Office<sup>®</sup>, and
- Wire transfers (incoming and outgoing).

Normal monthly service and other fees continue to apply (except where prohibited by law).

If you do not initiate an account-related activity on the account within the time period as specified by state unclaimed

property laws, your account funds may be transferred to the appropriate state. This transfer is known as "escheat." If your account becomes escheatable, account statements will no longer be available. Your account will be closed. To recover your account funds, you must file a claim with the state.

## Rights and responsibilities

### **What responsibilities do you and Wells Fargo have to each other?**

You and we are responsible for complying with the Agreement. We exercise ordinary care when we provide services. When we take a check for processing by automated means, ordinary care does not require us to examine the check. In all other cases, ordinary care requires only that we follow standards that do not vary unreasonably from the general standards followed by similarly situated banks.

Except to the extent we fail to exercise ordinary care or to comply with the Agreement, you agree to indemnify and hold us harmless from all claims, demands, losses, liabilities, judgments, and expenses (including attorney's fees and expenses) arising out of or in any way connected with our performance under the Agreement. You agree this indemnification will survive termination of the Agreement.

In no event will either Wells Fargo or you be liable to the other for any special, consequential, indirect, or punitive damages. The limitation does not apply where the laws governing your account prohibit it.

We will not have any liability to you if your account has non-sufficient available funds to pay your items due to actions we have taken according to the Agreement.

Circumstances beyond your control or ours may arise and make it impossible for us to provide services to you or for you to perform your duties under the Agreement. If this happens, neither Wells Fargo nor you will be in violation of the Agreement.

### **Are you obligated to pay our fees?**

Yes. By continuing to maintain your account you agree to pay our fees according to the pricing information.

### **Why do we charge a recoupment fee?**

We assess the recoupment fee to partially recover insurance premiums we pay to the FDIC for deposit insurance. The amount of the recoupment fee appears on the periodic statement or client analysis statement for your account and is based on the monthly average ledger balance you maintain in your account. The recoupment fee is subject to change by us at any time without notice.

*Note:* The FDIC charges each insured bank a fee to cover its share of the cost of providing deposit insurance to depositors. The FDIC does not charge a bank's depositors for deposit insurance or require banks to pass the cost of deposit insurance on to their depositors. The FDIC does, however, permit a bank to recoup the cost of deposit insurance from its depositors, so long as the fee the bank charges its depositors does not reveal information that could be used to determine the bank's confidential supervisory ratings or mislead depositors by implying the FDIC is charging the fee.

### **Is your account subject to a deposit balance fee?**

We reserve the right to assess a monthly deposit balance fee on the average positive collected balance in your business and commercial deposit account(s) with us. When we assess the deposit balance fee, the amount of the fee will appear on the periodic statement or client analysis statement for your account(s). The deposit balance fee is subject to change by us at any time without notice.

**Are you responsible for paying taxes?**

Yes. Fees may be subject to state and local sales taxes, which vary by location, and will be assessed as appropriate. You also agree to pay an amount equal to any other applicable taxes, including backup withholding tax.

**How do you pay our fees and expenses?**

We are permitted to either directly debit your account or invoice you for our fees, expenses, and taxes incurred in connection with your account and related services. We will debit service fees on the day of each calendar month we separately disclose to you, or if that day is not a business day, on the next business day. If there are non-sufficient funds in your account to cover the debit, we may create an overdraft on your account.

You agree to promptly pay any invoiced amount. We may assess finance charges on any invoiced amounts that are not paid within 45 days of the date of invoice. Finance charges are assessed at a rate of 1.5% per month (18% per annum) or the highest amount permitted by the laws governing this Agreement, whichever is less. Charges for accrued and unpaid interest and previously assessed finance charges will not be included when calculating finance charges. Payments and other reductions of amounts owed will be applied first to that portion of outstanding fees attributable to charges for accrued and unpaid interest and previously assessed finance charges, then to other fees and charges.

**If an earnings allowance accrues, do we apply it to your fees and expenses?**

Yes. If an earnings allowance accrues on your account, we will periodically apply your accrued earnings allowance to eligible fees and expenses (unless we otherwise indicate in writing). If both an earnings allowance and interest accrue on your account, the interest may be shown as an offset to the earnings allowance on the client analysis statement for your account. If your earnings allowance exceeds your total maintenance and activity fees for the statement cycle for your account, the excess credit is not paid to you, nor is it carried forward to the following statement cycle. We may debit your account (or any other account you maintain with us) or invoice you for any amount by which the fees and expenses exceed the accrued earnings allowance on your account.

*Note:* Your earnings allowance is calculated by applying the earnings credit rate to the investable balance available in your account. The earnings credit rate is a variable rate that we may change at any time.

**May we use the funds in your accounts to cover debts you owe us?**

Yes. We have the right to apply funds in your accounts to any debt you owe us. This is known as setoff. When we set off a debt you owe us, we reduce the funds in your accounts by the amount of the debt. We are not required to give you any prior notice to exercise our right of setoff.

A debt includes any amount you owe individually or together with someone else, both now and in the future. It includes any overdrafts and our fees. We may set off for any debt you owe us that is due or past due as allowed by the laws governing your account.

If your account is an unmatured time account, then we may deduct any early withdrawal fee or penalty. This may be due as a result of our having exercised our right of setoff.

If you have a sweep account, you authorize us to redeem your shares in the designated money market fund and apply the proceeds to any amount you owe us. Our right to setoff is in addition to and apart from any other rights under any other security interest you may have granted to us.

**Do you grant us a security interest in your accounts with us?**

Yes. To ensure you pay us all amounts you owe us under the Agreement (e.g., overdrafts and fees), you grant us a lien on and security interest in each account you maintain with us, including your accounts with any affiliate. By opening and maintaining each account with us, you consent to our asserting our security interest if the laws governing the Agreement require your consent. Our rights under this security interest are in addition to and apart from any other rights under any

other security interest you may have granted to us.

**Can Wells Fargo benefit from having the use of funds in customers' non-interest bearing accounts?**

Yes. We may use these funds to reduce our borrowing from other sources such as the Fed Funds market, or invest them in short-term investments such as our Federal Reserve Account. This benefit may be referred to as spread. It is not possible to quantify the benefit to us that may be attributable to a particular customer's funds. That's because funds from all customers' non-interest earning accounts are aggregated to reduce our borrowing costs and for investment, and our use of funds may vary depending on a number of factors including interest rates, Federal Funds rates, credit risks, and our anticipated funding needs. Our use of funds as described in this paragraph has no effect or impact on your use of and access to funds in your account.

**What is the applicable exchange rate?**

The applicable exchange rate is the exchange rate we set and use for you when we convert one currency to another currency. It includes a markup. The markup factors include without limitation costs incurred, market risks, and our desired return. The exchange rate we provide to you may be different from exchange rates you see elsewhere. Foreign exchange markets are dynamic and rates fluctuate over time based on market conditions, liquidity, and risks. We reserve the right to refuse to process any request for a foreign exchange transaction.

**What is FDIC "pass-through" insurance?**

FDIC "pass-through" insurance is FDIC insurance that could exceed the standard maximum deposit insurance amount (currently \$250,000 per depositor in the same ownership right and capacity). When you use your account to hold funds on behalf of third parties who are the beneficial owners of the funds, your account may qualify for FDIC pass-through insurance, provided you meet FDIC account titling and recordkeeping requirements. With FDIC pass-through insurance, each beneficial owner's funds held in your account are aggregated with other funds the beneficial owner holds in accounts with us in the same ownership right and capacity. The beneficial owner's aggregated funds are insured by the FDIC up to the standard maximum deposit insurance amount. Examples of holding funds on behalf of third parties include funds you hold as an agent, nominee, guardian, executor, custodian or funds held in some other capacity for the benefit of others.

**What are the FDIC's recordkeeping requirements for pass-through FDIC insurance when your account has "transactional features"?**

For any account with "transactional features" you agree to provide the FDIC (a) with the required information about the beneficial owners of the funds in your account, (b) in the required format, (c) within 24 hours of our failure. Your account has "transactional features" when funds can be transferred from the account, as detailed in 12 CFR 370.2(j).

**What are the consequences if you are unable to provide the FDIC with the necessary data on the beneficial owners of funds in your account in the required format in the specified time frame?**

As soon as the FDIC is appointed as our receiver, a hold may be placed on your account so that the FDIC can conduct the deposit insurance determination. This hold will not be released until the FDIC obtains the necessary data to enable it to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to the FDIC in the required format and in the specified time frame may result in a delay in receipt of insured funds by the beneficial owners of the funds in your account and legal claims against you from the beneficial owners.

Detailed information about the FDIC's requirements for pass-through FDIC insurance coverage are available at the FDIC's website. Notwithstanding other provisions in this Agreement, these three FDIC subsections survive after the FDIC is appointed as our receiver, and the FDIC is considered a third party beneficiary of these subsections.

**What are we allowed to do if there is an adverse claim against your account?**

An adverse claim occurs when:

- Any person or entity makes a claim against your account funds,
- We believe a conflict exists between or among the signers on your account, or
- We believe a dispute exists over who has account ownership or authority to withdraw funds from your account.

**In these situations, we may take any of the following actions without any responsibility to you:**

- Continue to rely on the documents we have on file for your account.
- Honor the claim against your account funds if we are satisfied the claim is valid.
- Freeze all or a part of the funds in your account until we believe the dispute is resolved to our satisfaction.
- Close your account and send a check for the available balance in your account payable to you or to you and each person or entity who claimed the funds.
- Pay the funds into an appropriate court.

We also may charge any account you maintain with us for our fees and expenses in taking these actions (including attorney's fees and expenses).

**How do we handle legal process?**

Legal process includes any levy, garnishment or attachment, tax levy or withholding order, injunction, restraining order, subpoena, search warrant, government agency request for information, forfeiture or seizure, and other legal process relating to your account.

We are permitted to accept and act on any legal process we believe to be valid, regardless of how and where it is served, including if process is served in locations, states, or jurisdictions other than the jurisdiction in which the account was opened or the account, property, or records are located. We may, but are not required to, provide notice of legal process relating to your account(s).

Any fees or expenses (including attorney's fees and expenses) or losses we incur as a result of responding to legal process related to your account(s) are your responsibility. We may charge these costs to any account you maintain with us.

**If you carry special insurance for employee fraud or embezzlement, can we require you to file your claim with your insurance company before making any claim against us?**

Yes. If you have special insurance for employee fraud or embezzlement, we reserve the right to require you to file your claim with your insurance company before making any claim against us. In that event, we will consider your claim only after we have reviewed your insurance company's decision, and our liability to you, if any, will be reduced by the amount your insurance company pays you.

**Are there any minimum balance requirements or other restrictions?**

We may impose minimum balance requirements or other restrictions on your account, which we may disclose to you.

**Are we allowed to restrict access to your account?**

Yes. If we suspect any suspicious, unauthorized, or unlawful activities, we can restrict access to your account and other accounts with us that you maintain or control.

**Are we allowed to convert your account without your request?**

Yes. We can convert your account to another type of account (by giving you any required notice).

**Are we allowed to terminate or suspend a service related to your account?**

Yes. We can terminate or suspend specific services (e.g., wire transfers) related to your account without closing your account and without prior notice to you. You can discontinue using a service at any time.

**When can we close your account?**

- We reserve the right to close your account at any time.
- If we close your account, we may send the remaining balance on deposit in your account by mail or credit it to another account you maintain with us.
- We will not be liable for any loss or damage that may result from not honoring items or recurring payments or withdrawals that are received after your account is closed.
- After your account is closed, you will remain responsible for any negative balance.

**When can you close your account?**

- You can request to close your account at any time if the account is in good standing (e.g., does not have a negative balance or restrictions such as holds on funds, legal order holds, or court blocks on the account). At the time of your request, we will assist you in withdrawing or transferring any remaining funds, bringing your account balance to zero. Whether you or we close the account, you agree to maintain on deposit in your account sufficient funds (determined in our sole discretion) to cover outstanding items to be paid from your account, charge-backs including returned deposited items, and our fees and expenses.
- All outstanding items need to be processed and posted to your account before you make a request to close. Once the account is closed, items will be returned unpaid.
- Any recurring payments or withdrawals from your account need to be cancelled before you make a request to close (examples include bill payments and direct deposits). Otherwise, they may be returned unpaid.
- We will not be liable for any loss or damage that may result from not honoring items or recurring payments or withdrawals that are received after your account is closed.
- At the time of your request to close:
- For interest-earning accounts, your funds stop earning interest from the date of your request.
- The Agreement continues to apply.
- If you have requested closing your account and a positive balance remains, we may send you a check for the remaining balance.
- After your account is closed, you will remain responsible for any negative balance.

**Are transactions subject to verification by us?**

Yes. All transactions are subject to our verification. This includes cash, items, or other funds offered for deposit for which we have provided a receipt. We do not verify all transactions. We reserve the right to reverse or otherwise adjust, at any time without prior notice to you, any debit or credit we believe we have erroneously made to your account.

**Are we required to accept all deposits to your account?**

No. We may decline all or part of a deposit, including a cash deposit. Some examples are:

- An item made out to a payee not on your account,
- An item with an endorsement we are unable to verify,
- A check or draft issued on a credit account,
- A very large cash deposit, and
- A non-U.S. item.

When we are unable to verify an endorsement on an item, we can also decline to pay, cash, or send the item for collection. We can require all endorsers to be present and we may require you to deposit the item instead of permitting you to cash it. For non-U.S. items, please see the response to "How do we handle non-U.S. items?". We may require any person wanting to make a cash deposit to provide an acceptable form of identification before we accept the deposit for processing.

**Who is responsible to make sure the declared amount of funds offered for deposit is accurate?**

It is your responsibility, and we have no obligation to make sure the declared amount of your deposit is accurate. If we find a discrepancy exists between the declared and the actual amount of the funds, we are permitted to debit or credit

your account and we may notify you if any adjustments are made. We are also permitted to use the declared amount as the correct amount to be deposited and to not adjust a discrepancy if it is less than our standard adjustment amount. We are permitted to vary our standard adjustment amount from time to time without notice to you and to use different amounts depending on account type.

You may arrange for us to adjust all discrepancies identified during any verification without using our standard adjustment amount by contacting your relationship manager.

**What happens if there is an error in the amount of a deposit?**

If you notify us of an error in the amount of a deposit shown on your account statement within 30 days after receiving your account statement or it is made available to you, we will review the deposit and make any adjustment we determine is appropriate, subject to any applicable fees. If you do not notify us during this timeframe, we will consider the deposit amount on your statement to be correct. This means that if the actual amount is less than the amount on the statement, the difference will become your property. If the actual amount is more than the amount shown on the statement, the difference will become our property.

**Are we allowed to obtain credit reports or other reports about you?**

Yes. We can obtain a credit or other report about you to help us determine whether to open or maintain an account. Other reports we can obtain include information from the following: 1) motor vehicle departments, 2) other state agencies, or 3) public records.

**Are we required to obtain a tax identification number certification from you?**

Yes. U.S. Treasury regulations require us to determine the tax residency of all customers and payees who could receive income that is reportable to the IRS. We accomplish this by obtaining a Form W-9 from all U.S. taxpayers and a type of Form W-8 from all foreign customers.

- For U.S. taxpayers, the Form W-9 is how we document U.S. tax residency and obtain a Taxpayer Identification Number ("TIN") from the primary owner of each account that earns reportable income. Until we have received the Form W-9 and TIN, we are required to apply backup withholding to that income.
- Foreign individuals (also referred to as nonresident aliens) and foreign entities document their tax residency outside the U.S. on the applicable type of Form W-8. That form also allows us to apply the correct withholding rate or exemption to your income earned in the U.S. If you do not provide a valid type of Form W-8, we are required to apply the 30% withholding rate, or in some cases, presume you are an uncertified U.S. taxpayer subject to backup withholding on all income and gross proceeds regardless of whether or not it is U.S. sourced.
- Accounts jointly owned by at least one foreign individual or entity must provide a Form W-8 or Form W-9 for all of the joint owners.
- Foreign individuals provide a Form W-8BEN. Foreign entities that are the beneficial owner of the income provide a Form W-8BEN-E unless they can make a special withholding exemption claim and instead provide either a Form W-8EXP or Form W-8ECI.
- Entities that act as intermediaries or flow-through entities receiving income on behalf of someone else provide a Form W-8IMY. In some cases, that Form W-8IMY must also include a withholding statement that allocates the income to each of the beneficial owners and copies of the tax certification documentation for those underlying beneficial owners.

If you own your account as an individual or sole proprietor, upon your death we must be provided with the estate's or successor's IRS Form W-9 or Form W-8. If these are not provided, we may either refuse to pay interest earned on your account from the date of your death or apply backup withholding on the income earned after the date of your death.

**When do we share information about your account with others?**

Generally, if we do not have your consent, we will not share information about your account. However, we may share information about your account under the following circumstances:

- To comply with the laws governing this Agreement;



- In connection with examinations by state and federal banking authorities;
- To comply with any legal process, including a subpoena, search warrant, or other order of a government agency or court;
- When we determine that disclosure is necessary or appropriate in order to complete a transaction;
- To verify the existence and condition of your account for a third party, such as a merchant or credit bureau;
- To provide information to your legal representative or successor;
- When reporting the involuntary closure of your account;
- When we conclude that disclosure is necessary to protect you, your account, or our interests;
- To our agents, independent contractors, and other representatives in connection with the servicing or processing of your account or account transactions, account analysis, or similar purposes;
- To our affiliates and affiliated companies; and
- If you give your permission.

### **How do we protect your data?**

We are part of an international business with affiliated companies, employees, and service providers (collectively "Personnel") located in the United States and a number of countries around the world. Any information or data we obtain in connection with or relating to your accounts or services, including personal information (collectively "Data"), may be accessed by Personnel in any of these countries. Any of these Personnel will be subject to the requirements of our information security program, which includes policies to protect Data and limit access to those Personnel with a reasonable business need to know.

### **Are we allowed to monitor and record our communications with you?**

Yes. We can monitor, record, and retain your communications with us at any time without further notice to anyone, unless the laws governing your account require further notice.

Monitored and recorded communications include:

- Telephone conversations,
- Electronic messages,
- Electronic records, or
- Other data transmissions.

### **Is your wireless operator authorized to provide information to assist in verifying your identity?**

Yes. As a part of your account relationship, we may rely on this information to assist in verifying your identity.

You authorize your wireless operator (AT&T, Sprint, T-Mobile, US Cellular, Verizon, or any other branded wireless operator) to use your mobile phone number, name, address, email, network status, customer type, customer role, billing type, mobile device identifiers (IMSI and IMEI) and other subscriber status details, if available, solely to allow verification of your identity and to compare information you have provided to Wells Fargo with your wireless operator's account profile information for the duration of the business relationship.

## **Checking and savings accounts**

### **What are the requirements for a correct endorsement?**

An endorsement is a signature, stamp, or other mark on the back of a check. If you have not endorsed a check that you deposited to your account, we may endorse it for you. We may also send for collection any unendorsed check that is payable to you that you have deposited to your account.

**Are we bound by restrictions or notations on checks?**

No. We are not bound by restrictions or notations, such as "void after six months," "void over \$50," or "payment in full." When you cash or deposit a check with a notation or restriction, you are responsible for any loss or expense we incur relating to the notation or restriction.

**What is a substitute check?**

A substitute check is created from an original check; under federal law, it is legally equivalent to that original check. A substitute check contains an accurate copy of the front and back of the original check and bears the legend: "This is a legal copy of your check." You can use it the same way you would use the original check. As noted in the legend, a substitute check is the same as the original check for all purposes, including proving that you made a payment. Any check you issue or deposit that is returned to you may be returned in the form of a substitute check. You agree that you will not transfer a substitute check to us, by deposit or otherwise, if we would be the first financial institution to take the substitute check, unless we have expressly agreed in writing to take it.

**What happens if you breach a warranty associated with an item?**

If you breach any warranty you make to us under the laws governing your account with respect to any item, you will not be released or discharged from any liability for the breach so long as we notify you of the breach within 120 days after we learn of the breach. If we fail to notify you within this 120-day period, you will be released from liability and discharged only to the extent our failure to notify you within this time period caused a loss to you.

**How do we handle non-U.S. items?**

A non-U.S. item is an item 1) payable in a currency other than U.S. dollars or 2) drawn on a financial institution that is not organized under U.S. law. We are not required to accept a non-U.S. item for deposit to your account or for collection. We may accept non-U.S. items on a collection basis without your specific instruction to do so. We can reverse any amount we have credited to your account and send the item on a collection basis even if we have taken physical possession of the item.

If we accept a non-U.S. item, the U.S. dollar amount you receive for it will be determined by our applicable exchange rate that is in effect at the time of deposit or our receipt of final payment (less any associated fees) of the collection item. If the non-U.S. deposited item is returned unpaid for any reason, we will charge the amount against your account (or any other account you maintain with us) at the applicable exchange rate in effect at the time of the return. For information on the applicable exchange rate, see "What is the applicable exchange rate?" in the "Rights and responsibilities" section of this Agreement.

**Our funds availability policy does not apply to a non-U.S. item.**

What is our responsibility for collecting a deposited item?

We are responsible for exercising ordinary care when collecting a deposited item. We will not be responsible for the lack of care of any other bank involved in the collection or return of a deposited item, or for an item lost in collection or return.

**What happens if we send an item for collection?**

We may, upon notice to you, send an item for collection instead of treating it as a deposit. This means that we send the item to the issuer's bank for payment. Your account will not be credited for the item until we receive payment for it.

Our funds availability policy does not apply to an item we accept for collection.

**What happens when a deposited or cashed item is returned unpaid?**

We can deduct the amount of the deposited or cashed item from your account (or any other account you maintain with us). We can do this when we are notified that the item will be returned. We do not need to receive the actual item (and usually do not receive it). We can do this even if you have withdrawn the funds and the balance in your account is not sufficient to cover the amount we hold or deduct and your account becomes overdrawn. In addition, we will charge you all applicable fees and reverse all interest accrued on the item.

We may place a hold on or charge your account for any check or other item deposited into your account if a claim is made or we otherwise have reason to believe the check or other item was altered, forged, unauthorized, has a missing signature, a missing or forged endorsement, or should not have been paid, or may not be paid, or for any other reason. When the claim is finally resolved, we will either release the hold or deduct the amount of the item from your account. We are not legally responsible if we take or fail to take any action to recover payment of a returned deposited item.

#### **What happens when an electronic payment is reversed?**

We may deduct the amount of an electronic payment credited to your account (e.g., direct deposit) that is reversed. We can deduct the amount from any account you have with us at any time without notifying you. You agree to promptly repay any overdrafts resulting from the reversed payment.

#### **Are you responsible for assisting in reconstructing a lost or destroyed deposited item?**

If a deposited item is lost or destroyed during processing or collection, you agree to provide all reasonable assistance to help us reconstruct the item.

## **Electronic check indemnifications**

#### **What warranties do we provide for electronic checks and electronic returned checks?**

An "electronic check" and an "electronic returned check" mean an electronic image of, and electronic information derived from, a paper check or a paper returned check. When we transfer or present an electronic check or electronic returned check, we provide the following warranties:

- **Image Quality Warranty:** We guarantee that the electronic image of a check accurately represents all of the information on the front of the check as of the time that the original check is truncated, and the electronic information includes an accurate record of all MICR line information required for a substitute check and the amount of a check.
- **No Double Debit Warranty:** We guarantee that the warrantee will not receive a presentment of or otherwise be charged for an electronic check, an electronic returned check, the original check, a substitute check, or a paper or electronic representation of a paper substitute check, in a way that the warrantee will be asked to make payment on a check that it has already paid.

When we transfer an electronic check for collection or payment, we make the image quality warranty and the no double debit warranty to the transferee bank, any subsequent collecting bank, the paying bank, and the drawer. When we transfer an electronic returned check for return, we make the image quality warranty and the no double debit warranty to the transferee returning bank, the depository bank, and the owner.

#### **What indemnities are applicable to electronic checks and electronic returned checks?**

You will indemnify, defend, and hold us harmless from and against all liabilities, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered (collectively, "losses and liabilities") by us arising directly or indirectly from or related to the transfer or return of an electronic check or an electronic returned check on your behalf. If we suffer any losses or liabilities arising directly or indirectly from or related to a breach of either the image quality warranty or the no double debit warranty, you will reimburse us and not hold us responsible or liable.

#### **What indemnities are applicable to remote deposit capture services?**

By providing the remote deposit capture service to you, we are required to indemnify and reimburse a depository bank that accepts the original check from which an electronic check is created for losses incurred by that depository bank if the loss is due to the check having already been paid. If we suffer any losses or liabilities arising directly or indirectly from or related to that type of depository bank indemnity obligation, you will indemnify and reimburse us and not hold us

responsible or liable.

### **What indemnities are applicable to electronically created items?**

If we transfer or present an "electronically created item" and receive settlement or other consideration for it, we are required to indemnify and reimburse each transferee bank, any subsequent collecting bank, the paying bank, and any subsequent returning bank against losses that result from the fact that:

- The electronic image or electronic information of the electronically created item is not derived from a paper check;
- The person on whose account the electronically created item is drawn did not authorize the issuance of the electronically created item or to the payee stated on the item; or
- A person receives a transfer, presentment, or return of, or otherwise is charged for an electronically created item in such a way that the person is asked to make payment based on an item or check it has paid.

If we suffer any losses or liabilities arising directly or indirectly from or related to that type of electronically created item indemnity obligation, you will indemnify and reimburse us and not hold us responsible or liable.

## **Funds availability policy**

### **When can you withdraw funds?**

Our funds availability policy is to make funds from your checking deposit available to you on the first business day after the day we receive your deposits.

Funds from the deposits listed below are available on the first business day after the day of your deposits, if you make the deposit in-person to one of our employees or agents and you use a special deposit slip we provide:

- State and local government checks that are payable to your company.
- Cashier's, certified, and teller's checks that are payable to your company where we are not the issuer or drawee.

While we generally make funds from your check deposits available to you on the first business day after the day we receive the deposits, our policy makes funds available according to an availability schedule or schedules we provide or make available to you, subject to, among other things, the location of the deposit transaction or the manner in which the deposit is made.

Our funds availability policy relating to other types of deposits is described below. If we delay the availability of a deposit, the length of the delay varies depending on the type of deposit as explained below.

Once they are available, you can withdraw the funds in cash. We will use the funds to pay checks and other items presented for payment and applicable fees that you have incurred.

### **When is your deposit considered received?**

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before our established cutoff time on a business day that we are open, we will consider that day to be the day your deposit is received by us. For deposits granted same calendar day availability as described below, the calendar day you make the deposit will be considered the day of deposit. For all other deposits, if you make a deposit after our cutoff time or on a day we are not open, we will consider the day your deposit is received by us to be the next business day we are open.

Our established cutoff time is when a branch closes for business and may vary by location. The cutoff time for checks deposited at a Wells Fargo ATM is 9:00 p.m. local time (8:00 p.m. in Alaska).

Any deposits placed in a "night depository" before the established deadline on a business day we are open will be credited to your account by the close of business that day. Deposits placed in the "night depository" after the established

deadline will be credited to your account by the close of the next business day we are open.

### **Same business day availability**

The following deposits will be available on the business day we receive the deposit:

- Incoming wire transfers.
- Electronic direct deposits.
- Cash deposited at a teller window.
- Checks drawn on us.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit. For example, if we receive your mailed deposit on Monday, the funds will be available on Wednesday.

Longer delays may apply.

In some cases, we will not make all the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check you deposit, funds may not be available until the second or third business day after the day of your deposit. The first \$225 of your deposit, however, may be available on the first business day after the day of your deposit.

Except as otherwise explained in this paragraph, if we are not going to make all funds from your deposit available on the business day of deposit or the first business day after the day of deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to a Wells Fargo employee, or if we decide to take this action after you have left the premises, we will mail you the notice by the first business day after we receive your deposit.

### **If you need the funds from a deposit right away, you may ask us when the funds will be available.**

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last 6 months.
- There is an emergency, such as a failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. The funds will generally be available no later than the seventh business day after the day of your deposit.

### **Holds on other funds (check cashing)**

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cash would have been available if you had deposited it.

### **Holds on other funds (other account)**

If we accept a check for deposit that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another account with us.

The funds in the other account would then not be available until the time periods that are described in this policy.

## Available balance, posting order, and overdrafts

### How do we determine your account's available balance?

- Your account's available balance is our most current record of the amount of money in your account available for your use or withdrawal. We use the available balance to process your transactions during the day (e.g., wire transfers and other electronic transactions). We also use the available balance when we process your transactions during our nightly processing. We calculate your available balance as follows: We start with the ending daily account balance from our prior business day nightly processing that includes all transactions deposited to or paid from your account.
- We subtract from this balance any holds placed on a deposit to your account and any holds placed due to legal process.
- We add pending deposits that are immediately available for your use (including cash deposits, electronic deposits, and the portion of a paper check deposit we make available; see "Funds availability policy" section for details).
- We subtract pending withdrawals we have either received (such as wire transfers and other electronic transactions) or are known to us (such as your checks we receive for payment from your account) but have not processed.

### How do we post transactions to your account?

We post transactions each business day (Monday through Friday except federal holidays) during our nightly processing. Once we process a transaction, we post the results to your account. There are three key steps to this process. The most common types of transactions are processed as described below.

- 1. We determine the available balance in your account (as described above) that we can use to pay your transactions.**
- 2. We sort your transactions into three categories: deposits, "must-pay" transactions, and checks and certain ACH payments.**
  - **Deposits.** We credit your account for deposits, including cash and check deposits and incoming electronic transfers, received before the cutoff time at the location the deposit or transfer was made.
  - **"Must-pay" transactions.** A "must-pay" transaction is a withdrawal/payment we have previously authorized and cannot return unpaid, such as account transfers, and teller-cashed checks. If we receive more than one of these transactions for payment from your account, we will generally sort and pay them based on the date and time we received them. Multiple transactions that have the same time will be sorted and paid from lowest to highest dollar amount.
  - **Checks and certain ACH payments.** Finally, we use your remaining funds to pay to pay your checks and preauthorized ACH payments (such as bills you pay by authorizing a third party to withdraw funds directly from your account). If there is more than one of these types of transactions, they will be sorted by the date and time we received them. Multiple transactions that have the same time will be sorted and paid from lowest to highest dollar amount.
- 3. If the available balance in your account is not enough to pay all of your transactions, we will decide whether to pay your transaction and overdraw your account or return your transaction unpaid.**

- **Important Note:** When we receive multiple transactions on the same day and the available balance in your account is not enough to pay all the transactions, we reserve the right to choose the order in which we pay the transactions, including paying the highest dollar amount first or in any other order we determine in our sole discretion.

#### **What is your responsibility if your account has an overdraft?**

If you have an overdraft on your account (including transactions we have paid on your behalf into overdraft, plus any fees), you must promptly make a deposit or transfer to return your account to a positive balance.

## **Additional rules for checks and withdrawals**

#### **What identification do we request to cash items presented over the counter by a non-customer?**

For these transactions, we require acceptable identification, which can include a fingerprint from the person presenting your item. We may not honor the item if the person refuses to provide us with requested identification.

#### **Are there special rules if you want to make a large cash withdrawal or deposit?**

We may place reasonable restrictions on a large cash withdrawal. These restrictions include requiring you to provide five business days' advance notice to ensure we have sufficient cash on hand. We do not have any obligation to provide security if you make a large cash withdrawal. If you want to deposit cash for a very large amount, we have the right to require you to provide adequate security or exercise other options to mitigate possible risks.

#### **Can you perform transactions at an affiliate?**

Yes. You may make deposits to and withdrawals from your account at an affiliate, provided the affiliate agrees. If you make a deposit to your account at an affiliate, that affiliate's collection schedule and funds availability policy will determine when the deposited funds will be considered collected and available. If an affiliate cashes an item for you, we may place a hold on your account for a corresponding amount of funds. If the item is later returned to the affiliate for any reason, we may debit one or more of your accounts for the amount of the item.

#### **Are we responsible for reviewing checks for multiple signatures?**

No. We are not responsible for reviewing the number of signatures on your account. We do not accept any duty to enforce multiple signature requirements. If you indicate that more than one signature is required, this indication is for your own internal procedures and is not binding on us.

#### **Are we required to honor dates and special instructions written on checks?**

No. We may, without inquiry or liability, pay a check even if it:

- Has special written instructions indicating we should refuse payment (e.g., "void after 30 days" or "void over \$100");
- Is stale-dated (i.e., the check's date is more than 6 months in the past), even if we are aware of the check's date;
- Is post-dated (i.e., the check's date is in the future); or
- Is not dated.

We may also pay the amount encoded on your check in U.S. dollars, even if you wrote the check in a foreign currency or made a notation on the check's face to pay it in a foreign currency. The encoded amount is in the line along the bottom edge of the front of the check where the account number is printed.

#### **Can you use a facsimile or mechanical signature?**

Yes. If you use a facsimile or computer-generated signature and/or a logo (including a stamp), any item appearing to use your facsimile or computer-generated signature and/or logo will be treated as if a signer on your account had actually signed it.

**Are we liable for paying a consumer ACH debit entry on your account?**

No. Under the ACH operating rules, certain types of ACH debit entries may only be presented on a consumer account ("a consumer ACH debit entry"). We will have no obligation to pay, and no liability for paying, any consumer ACH debit entry on your account.

**What is the acceptable form for your checks?**

Your checks must meet our standards, including paper stock, dimensions, and other industry standards. Your checks must include our name and address, as provided by us. Certain check features, such as security features, may impair the quality of a check image that we or a third party create.

We reserve the right to refuse checks that do not meet these standards or cannot be processed or imaged using our equipment. We are not responsible for losses that result from your failure to follow our check standards.

**How do you reorder checks?**

You can reorder checks by mailing the reorder form enclosed in your current order of checks or by calling us at the telephone number shown on your account statement. If you or a third party prints its items, we shall have no liability to you if we are unable to process these checks by automated means.

**How do you stop payment on a check?**

You may request a stop payment on your check in a time and manner allowing us a reasonable opportunity to act on it before we pay, cash, or otherwise become obligated to pay your check.

Each stop payment order is subject to our verification that we have not already paid or otherwise become obligated to pay the check from your account. This verification may occur after we accept your stop payment order.

In order to issue a stop payment order on a check, we request the following information:

- Your bank account number,
- The check number or range of numbers,
- The check amount or amounts,
- The payees' names, and
- The date on the check.

We are not responsible for stopping payment on a check if you provide incorrect or incomplete information about the check. We are also not responsible if we do not pay a check for which a valid stop payment order is in effect.

**What is the effective period for a stop payment order?**

A stop payment order on an item is valid for 6 months. We may pay a check once a stop payment order expires. If you do not have our STOP AUTO-RENEWAL Service on your account, you must place a new stop payment order if you do not want it to expire. We treat each renewal as a new stop payment order. We will charge you for each stop payment order you place (as well as each renewal).

If you have our STOP AUTO-RENEWAL Service on your account, your stop payment order renews annually for up to six 12- month periods, unless you otherwise notify us in writing.

**How do you cancel a stop payment order?**

To cancel a stop payment order, we must receive your request in a time and manner allowing us a reasonable opportunity to act on it.

**Are you still responsible if we accept a stop payment on a check?**

Yes. Even if we return a check unpaid due to a stop payment order, you may still be liable to the holder (e.g., a check cashing business) of the check, and potentially additional amounts that the holder may be due under the laws governing



this Agreement.

**How can you prevent a post-dated item from being paid before its due date?**

A post-dated item is an item you issue with a date in the future. We are not responsible for waiting to honor the item until that date, unless you instruct us to do so through the use of a stop payment order for the item. You are responsible for notifying us to cancel the stop payment order when you are ready to have that item paid.

**How do you stop payment for preauthorized electronic fund transfers?**

For information on placing a stop payment order on an ACH debit entry, please refer to "Fund transfer services" In the "Electronic banking services" section of this Agreement.

## Your account ownership

**Can you assign ownership of your account?**

No. No assignment of your account will be valid or binding on us, and we will not be considered to have knowledge of it, until we consent and the assignment is noted in our records. However, by noting the assignment, we do not have any responsibility to assure that the assignment is valid. Any permitted assignment of your account is subject to our setoff rights.

**What if an owner does not sign account documentation?**

If a customer identified in our records as an owner or a co-owner of an account does not sign the account application or other account-related documentation, it does not prevent us from treating the customer as an owner or a co-owner of that account; we are not liable to anyone as a result.

**Are all joint owners responsible for liabilities on your account?**

Yes. All joint owners are each individually and jointly responsible for any overdraft on your account, regardless of who caused or benefited from the overdraft. If there is a setoff, an enforcement of our security interest in your account, or legal action (such as a third party garnishment, seizure, forfeiture, or tax levy) affecting any co-owner, we have the right to treat all funds in the account as belonging to the customer against whom the setoff, enforcement of the security interest, or other legal action is directed. If your account is closed for unsatisfactory handling, we may report all joint owners to the consumer reporting agencies.

**What happens upon death or incompetence of a signer or account owner?**

Please notify us promptly if you learn or suspect an account owner or signer has been declared incompetent by a court or a legal authority, or has died. When we receive proper notice, we may:

- Freeze the account until we receive documents verifying the incapacity or death and instructions for the funds remaining in the account,
- Pay (without inquiring) any item authorized by the account owner before being declared incompetent or dying,
- Return or reverse deposits made to the account, and
- Apply funds in the account to any debt the account owner owes us before recognizing the rights to any remaining funds of a surviving joint owner or other person.

If we are liable for taxes because we released funds in an account after the account owner's death, the account owner's estate is responsible for reimbursing us for those taxes.

Upon notifying us of the death or incompetence of a business owner, the business entity will need to provide documentation evidencing any change in the ownership or control of the entity following applicable legal formalities.

## Interest earning accounts

### **What interest rate applies to an interest earning account?**

When you open an interest earning account, we will provide you with the current interest rate and Annual Percentage Yield (APY) for your account. Interest earning accounts earn interest at a variable rate, except time accounts. We may change the interest rate for variable-rate accounts at any time. The interest rate may vary depending on your daily balances.

### **How do we calculate earned interest?**

We may use either the daily balance method or the average daily balance method to calculate interest. Unless we have specified otherwise in writing, we will use the daily balance method to calculate interest. The daily balance method applies a daily periodic rate to principal each day.

The average daily balance method applies a periodic rate to the average daily collected balance for the period. The average daily balance is calculated by adding principal each day and dividing by the number of days in the period.

If your account is a tiered-rate account, we may pay the same interest rate on more than one tier.

### **When does a deposit begin accruing interest?**

Cash deposits begin accruing interest the same business day a deposit is credited to your account. If you deposit an item such as a check, interest begins accruing on the business day we receive credit for the item.

### **Is interest compounded and when is it credited?**

Interest will compound on a daily basis. For checking and savings accounts, interest will be credited on a monthly basis. For time accounts, we will notify you separately as to the frequency with which interest will be credited to your account.

### **Can you specify a target balance on your accounts?**

Yes. If you maintain multiple accounts with us, you may, with our consent, designate in writing one of these accounts as your "principal account" and one or more additional accounts as "target balance accounts." For each target balance account, you will separately specify to us in writing the ledger balance or collected balance which you wish to maintain in that account (the "target balance"). At the end of each business day, we will determine the applicable balance on deposit in each target balance account. If the applicable balance in a target balance account is greater than its target balance, we will transfer to the principal account the funds necessary to bring the applicable balance to the target balance. If the applicable balance is less than the target balance, we will transfer to the target balance account the funds necessary to bring the applicable balance to the target balance. We may, but will not be required to, transfer funds even if the transfer would create an overdraft or exceed the collected balance on deposit in the principal account.

### **When are interest adjustments disclosed in your account statement?**

An interest adjustment may be reflected on your account statement in a month later than the month in which it occurs.

### **What is the difference between Annual Percentage Yield (APY) and Annual Percentage Yield Earned (APYE)?**

- The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of interest paid on an account based on the interest rate and the frequency of compounding for a 365-day period.
- The Annual Percentage Yield Earned (APYE) is an annualized rate that reflects the relationship between the amount of interest actually earned on your account during the statement period and the average daily balance in the account for the statement period.

We calculate both your APY and APYE according to formulas established by federal regulations. The APYE appears on your account statement.

**Do we have the right to require 7 days written notice before you withdraw money from your savings account?**

Yes. We have the right to require 7 days written notice before you withdraw money from your savings account.

## Time accounts (CDs)

**What are time accounts?**

Time accounts include deposits which are payable at the expiration of a specified term, no less than seven calendar days after the date of deposit. We may also refer to a time account as a CD or a Certificate of Deposit, even though we do not issue a paper certificate when opening the account or require a paper certificate to close the account. The time account's maturity date is the last day of the term for the time account. The maturity date is printed on your receipt.

**When can you withdraw funds from your time account?**

You may withdraw funds from your time account on the maturity date without a penalty. You may also generally withdraw funds without a penalty within the seven calendar days after the maturity date (grace period). You may be charged a penalty if you make a withdrawal at any other time.

**How is the early withdrawal penalty assessed?**

If you withdraw funds from your time account before the maturity date, an early withdrawal penalty will be assessed. For terms:

- Less than three months (or less than 90 days), the fee is one month's interest.
- Three months (or 90 days) through 12 months (or 365 days), the fee is three months' interest.
- Over 12 months through 24 months, the fee is six months' interest.
- Over 24 months, the fee is 12 months' interest.

The minimum fee is \$100.

The early withdrawal penalty is based on the principal amount withdrawn, at the interest rate on your time account at the time of withdrawal. For purposes of determining the amount of the early withdrawal penalty, one month's interest is equal to one year's interest - at the interest rate in effect at the time of withdrawal - divided by 12. The amount of the early withdrawal penalty is deducted from earned interest. If the penalty is greater than the earned interest, the difference is deducted from the principal. In no event will the early withdrawal penalty for a withdrawal during the first six days after the date of deposit be less than seven days' simple interest.

**Can you deposit additional funds into your time account?**

You can only deposit additional funds during the grace period.

**Will your Annual Percentage Yield (APY) change if you withdraw interest before maturity?**

The APY we disclose to you assumes the interest you earn will remain on deposit until your time account matures. If you withdraw your earned interest before maturity, your account will earn less interest over time and the actual APY will be less than the disclosed APY.

**How does your time account renew?**

Your time account will automatically renew at maturity:

- Typically for a similar term unless we inform you prior to maturity of a different term; and
- At our interest rate in effect on the maturity date for a new time account of the same term and amount, unless we have notified you otherwise.

## Electronic banking services

### Fund transfer services

The following terms and conditions apply to funds transfers to or from your account. These terms and conditions are in addition to, and not in place of, any other agreements you have with us about funds transfers. The terms "funds transfer," "funds-transfer system," "payment order," and "beneficiary" are used here as defined in Article 4A of the Uniform Commercial Code, as adopted by the state whose laws govern this Agreement.

### Rules of funds transfer systems

Funds transfers to or from your account will be governed by the rules of any funds transfer system through which the transfers are made, including Fedwire, the National Automated Clearing House Association, the Electronic Check Clearing House Organization, any regional association (ACH), the Clearing House Interbank Payments System (CHIPS), the Society for Worldwide Interbank Financial Telecommunications (SWIFT), and the RTP system (RTP System).

We are under no obligation to honor, in whole or in part, any payment order or other instruction that could result in our violation of applicable law, including requirements of the U.S. Department of the Treasury's Office of Foreign Assets Control and the Financial Crimes Enforcement Network.

### Sending funds transfers

In acting on your transfer instructions, we may use any means of transmission, funds transfer system, clearing house, or intermediary bank that we reasonably select.

### Notice of funds transfers

We will notify you of funds electronically debited from or credited to your account through the account statement covering the period in which the transaction occurred. We are under no obligation to provide you with any additional notice or receipt

### Reliance on identification numbers

- If a payment order or other instruction to transfer funds describes the party to receive payment inconsistently by name and account number, we may make the payment based on the account number, even if it identifies a party different from the named recipient.
- If an instruction or order to transfer funds describes a participating financial institution inconsistently by name and identification number, we may rely on the identification number as the proper identification of the financial institution.

### Duty to report unauthorized or erroneous funds transfers

You will exercise ordinary care to determine whether a funds transfer to or from your account was either not authorized or erroneous. You will also notify us of the facts within a reasonable time, not exceeding 14 days after you have received your account statement from us on which the funds transfer appears or you otherwise have notice of the funds transfer, whichever is earlier. You must notify us within 14 days to be entitled to a refund from us. If you do not notify us within 14 days, we will be entitled to retain payment for the funds transfer.

### Erroneous payment orders

We have no obligation to detect errors you make in payment orders - for example, an instruction to pay a beneficiary not intended by you, or to pay an amount greater than the amount you intended, or a transmission of a duplicate payment order previously sent by you. If we detect an error on one or more occasions, we will not be obligated to detect errors in any future payment order.

### ACH transactions

In addition to the other terms in the Agreement, the following terms and conditions apply to payments to or from your account that you transmit through an ACH:

- Your rights for payments to or from your account will be based on the laws governing your account.

- When we credit your account for an ACH payment, the payment is provisional until we receive final settlement through a Federal Reserve Bank or otherwise receive payment.
- If a payment is credited to your account and we do not receive final settlement or payment, we are entitled to a refund from you for the amount credited to your account.
- You authorize any Originating Depository Financial Institution (ODFI) to initiate, according to ACH Operating Rules, ACH debit entries to your account for presentment or re-presentment of items written or authorized by you.

### **Reversal or return of ACH transactions**

Under the ACH Rules, we can return any non-consumer ACH debit entry as unauthorized until midnight of the business day following the business day we post the entry to your account. (For example, if we post the entry on Tuesday, we can return it up to midnight on Wednesday.) For us to meet this deadline, you are required to notify us to return any non-consumer ACH debit entry as unauthorized by the cutoff time we separately disclose. The cutoff time is currently 3:00 PM Central Time. (In the example above, you would need to notify us by 3:00 PM Central Time on Wednesday).

If you do not notify us in a timely manner of the unauthorized non-consumer ACH debit entry, we will not be able to return it without the cooperation and agreement of the originating bank and the originator of the debit entry. Any other effort to recover the funds must occur solely between you and the originator of the entry.

### **Stop payment orders on ACH debit entries**

You may request a stop payment order for an ACH debit entry that has not already been paid from your account. An "ACH debit entry" is an order or request for the withdrawal of money from your account through ACH. To be effective, a stop payment order must be received in a time and manner that gives us a reasonable opportunity to act on it. If you provide oral instructions to stop payment on an ACH debit entry, we may require confirmation in writing. If that written confirmation is not received, we may remove the stop payment order after 14 days. An instruction to revoke a stop payment order must be received in a time and manner that gives us a reasonable opportunity to act on it.

To place a stop payment order on an ACH debit entry, you must provide:

- Your account number,
- Amount of the ACH debit entry,
- Effective date of the ACH debit entry, and
- Name associated with the originator of the debit entry.

We may request additional information and may use only a portion of the required information to identify the ACH debit entry. We may be able to place a stop payment order based on the company identification number of the originator of the ACH debit entry, but this may stop all ACH entries received from this sender.

### **Additional information on ACH debit entries**

Any information provided by you that is incorrect or subject to change (for example, if the originator changes its company identification number or individual identification number) may result in payment of the ACH debit entry. You acknowledge this risk and agree that you are responsible for notifying the originator of the ACH debit entry that your authorization has been revoked. You agree to indemnify and reimburse us and hold us harmless from and against any loss incurred by us as a result of our paying an ACH debit entry if any of the information relied on in the stop payment order is incorrect or incomplete (or as a result of us not paying an ACH debit entry for which a valid stop payment order is in effect).

### **Receiving RTP payments**

The following additional terms apply to any real-time payments we receive for credit to your account through the RTP System. The terms "sender," "receiver," and "sending participant" are used here as defined in the System Rules governing RTP payments ("RTP Rules"). In addition to the RTP Rules, RTP payments will be governed by the laws of the state of New York, including New York's version of Article 4A of the Uniform Commercial Code, as applicable, without regard to its conflict of laws principles.

- The RTP System may be used only for eligible payments between a sender and receiver with accounts located in the

United States. You may not send or receive payments on behalf of any person or entity not domiciled in the United States. RTP payments that are permitted under the RTP Rules and our requirements will be considered eligible payments for purposes of this Agreement.

- RTP payments cannot be cancelled or amended by the sender. If we receive a message from a sending participant requesting return of an RTP payment received for credit to your account, we may notify you of that request. You are not obligated under the RTP Rules to comply with any such request for return of funds. Any dispute between you and the sender of an RTP payment should be resolved between you and the sender.
- If you do not wish to accept an RTP payment received for credit to your account, you may request that we return that payment to the sender. We may, at our sole discretion, attempt to honor that request, but will have no liability for our failure to do so.
- RTP payments are typically completed within 30 seconds of transmission of the RTP payment by the sender, unless the RTP payment fails or is delayed due to a review by us or the sending participant, such as for fraud, regulatory, or compliance purposes. Transaction limits imposed by the RTP System or sending participant may also prevent RTP payments from being received for credit to your account.

## Selected services

### **Stagecoach Deposit® - ATM Deposit Only Card Service.**

You may elect to use Wells Fargo's *Stagecoach Deposit*® Deposit Only Card Service by completing and returning to us the setup form for the service. This service allows you to make deposits to your account using a Stagecoach Deposit® ATM Deposit Only card ("Deposit Card") at a designated Wells Fargo ATM ("ATM") or in a Wells Fargo branch.

When you make deposits at a designated Wells Fargo ATM, you will make those deposits according to the instructions we provide. You will gain access to the ATM using the Deposit Card and a Personal Identification Number ("PIN"); you assume the risk of misuse of both. We will provisionally credit each deposit to your account based on the amount you key into the ATM. Your ATM deposits are subject to the standard cut-off time established for the ATM into which the deposit was made and our funds availability policy applicable to your account. If the dollar amount of your deposit - as determined by us - differs from your total (as shown on your ATM receipt), we will send you a statement showing the amount of this difference. You agree that our count of the dollar amount of your deposit will be conclusive and binding on you. You will have full responsibility for each deposit and its contents until the deposit has been completely and physically accepted into the ATM. If you claim any portion of a deposit was lost or stolen while in our custody, you acknowledge that you have the burden of proving your claim. If you order supplies for the ATM Deposit Service through the ATM, you authorize us to initiate debits to your account and credits to the accounts of third party vendors to cover the cost of those supplies provided to you. Those transfers may be processed through an automated clearing house or any other means chosen by us, and will be subject to the rules of the funds transfer system used by us. Your authorization for the transfers will remain in full force and effect until we have received written notification from you of its termination in a time and manner as to afford us and any third-party vendor a reasonable opportunity to act on it.

### **Stagecoach Deposit® - Post Verify Service.**

If you elect to use our Stagecoach Deposit® - Post Verify Service, you will prepare, package, and deliver Stagecoach deposits to us according to our instructions. We will provisionally credit your account for the currency shown on the deposit ticket enclosed in your Stagecoach deposit bag as follows:

- Same day credit for deposits delivered to one of our offices before that office's cut-off time on any business day we are open or for deposits placed in night depository before 6:00 a.m. on any business day we are open; or
- Next business day credit for deposits delivered to one of our offices on any business day we are open on or after the office's cut-off time or on any non-business day.

All Stagecoach deposits are subject to our acceptance and verification. We will verify the currency in your Stagecoach deposit bag either at a later time in our office or when your Stagecoach deposit bag is delivered to our cash vault. Checks will be verified when they are delivered to our check processing center. We reserve the right to adjust (debit or credit) your

account if we determine that the amount shown on your deposit ticket is incorrect. Because the frequency of armored courier transportation from our offices to our vaults varies from office to office, the time it takes to verify your Stagecoach deposit may vary, depending on the office to which your Stagecoach deposit bag is delivered. In most cases, adjustments will be made and notification will be sent within three business days. Adjustments will be effective when they are processed.

### **Overdraft Protection**

This is an optional service you can add to an eligible checking account by linking up to two eligible accounts (one savings, one credit). We will use available funds in your linked account(s) to authorize or pay your transactions if you don't have enough money in your checking account. If you link two accounts, you may tell us which account to use first to transfer/advance funds. If you do not specify an order, we will first transfer funds from your linked savings account.

- **Transfers from linked savings account.** If the available balance in your savings account is \$25 or more and can cover the overdraft, we will transfer the exact amount needed or a minimum of \$25. If the available balance in your savings account is less than either \$25 or the amount needed, we will transfer the available balance.
- **Advances from linked credit card or line of credit account.** If the available credit in your credit card account is \$25 or more and can cover the overdraft, we will advance the exact amount needed or a minimum of \$25. If the available credit in your credit card account is less than either \$25 or the amount needed, we will advance the available credit. Advances from an eligible linked Wells Fargo line of credit will be made in increments of \$100 or \$300 (See your Credit Account Agreement for specific details).

### **Debit Card Overdraft Service**

Debit Card Overdraft Service allows us to approve (at our discretion) your ATM and everyday (one-time) debit card transaction(s) if you do not have enough money in your checking account or in accounts linked for Overdraft Protection at the time of the transaction. With this service, ATM and everyday (one-time) debit card transactions may be approved into overdraft at our discretion and an overdraft fee may apply. If you make a covering transfer or deposit (subject to our funds availability policy) by the posted cutoff time on the same business day as the transaction, no fees will be assessed. Debit Card Overdraft Service does not apply to checks and other transactions such as Bill Pay, ACH, or recurring debit card transactions (such as utilities or health club memberships). We may continue to authorize or pay these transactions into overdraft, at our discretion, and our standard overdraft fees and policies will apply.

If Debit Card Overdraft Service is not added and there is not enough money in your checking account or accounts linked for Overdraft Protection, your ATM and everyday (one-time) debit card transactions will be declined, and there will be no fees for declined transactions. If the service is not added and your ATM or everyday (one-time) debit card transaction creates a negative balance during posting, there will not be an overdraft fee.

### **Debit Card Overdraft Service is automatically added to eligible business accounts at account opening.**

You can add or remove the service at any time. Debit Card Overdraft Service is not available for certain accounts, such as accounts for government entities or savings accounts. Debit Card Overdraft Service is a discretionary service that we may remove for a variety of reasons including excessive overdrafts or returned items, as we determine.

### **Wells Fargo's standard overdraft coverage**

Our standard overdraft coverage is when, at our discretion, we pay items, such as checks or automatic payments (e.g., ACH payments) into overdraft rather than returning them unpaid. You can request to remove our standard overdraft coverage from your account by speaking to a banker.

**Important:** If standard overdraft coverage is removed from your account, the following will apply if you do not have enough money in your checking account or in accounts linked for Overdraft Protection to cover a transaction:

- We will return your checks and automatic payments (such as ACH payments) and you could be assessed fees by merchants.
- We will not authorize ATM and everyday (one-time) debit card transactions into overdraft. If your account is enrolled in Debit Card Overdraft Service, the service will also be removed.

We will not authorize certain transactions (such as cashed checks, recurring debit card transactions, or Bill Pay transactions) into overdraft. However, if these transactions are authorized when your account has enough money but are later presented for payment when your account does not have enough money, we will pay the transaction into overdraft and charge an overdraft fee.

**Important information about fees:**

- Fees may be assessed with each item paid into overdraft subject to the following:
- No overdraft fee will be assessed on ATM and everyday (one-time) debit card transactions unless Debit Card Overdraft Service is added to your account. The merchant informs us if a debit card transaction is a one-time or recurring transaction. An overdraft fee can be assessed on recurring debit card transactions and any other item we pay into overdraft.
- Any overdraft fee assessed will be deducted from your account during the morning of the next business day following our nightly process.
- We will track transactions that reduced your available balance while pending and caused overdraft fees on other transactions. If these transactions are presented for payment within 10 business days after they first appeared as pending, we will waive any overdraft fees on those transactions. In rare circumstances, the merchant presents transactions for payment with a different identification code than was used when the transaction was sent for authorization and we are unable to match them.



# Treasury Management Product Enrollment

## Customer Information

Customer Name \_\_\_\_\_ CEO Company ID \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Country Name \_\_\_\_\_ Country Code (if applicable) \_\_\_\_\_

Primary Contact \_\_\_\_\_ Phone \_\_\_\_\_

Email Address \_\_\_\_\_ Fax \_\_\_\_\_

## CEO® Users Set-up

User Name	User ID (if existing)

Select one or more CEO Products for the user(s) listed above:

ACH Payments<sup>1</sup> User  
  ACH Payments<sup>1</sup> Administrator  
  ACH Fraud Filter  
  Cards<sup>2</sup>  
  Payment Manager Online  
 Other Treasury Management Products not in Administration<sup>3</sup>  
  Other Treasury Management Products in Administration<sup>4</sup>  
 Cash Vault (specify):  
 Deposit Inquiry  
 Change Orders Inquiry  
 Change Orders  
 Supply Order

Accounts: \_\_\_\_\_

ACH IDs (File ID/Company ID): \_\_\_\_\_

<sup>1</sup> This only covers giving users access to the high level product in the CEO and the ACH application. Additional approval is required to set up detailed product entitlement within the ACH application.

<sup>2</sup> Recognition Card.

<sup>3</sup> Autolink, Bill Manager, Document Retrieval, Electronic Document Delivery, Invoice Manager, Payment and Delivery Preferences, Receivables Manager, Retail Lockbox Image Archive, Reverse Positive Pay, Sweep and Fed Funds - Statements and Confirmations, and Wells Fargo Business Online (Single Sign On).

<sup>4</sup> Alerts, ARP Register Maintenance, Basic Banking, Canadian Treasury Services, Cash Concentration, Centralized Disbursements, Centralized Disbursements – Clients, Claims Payments, Deposit Maintenance (Smart Decision), Desktop Deposit, E-Box Decisioning, Fed Funds, Image, Image Positive Pay, Item Detail Inquiry Service, Lockbox, Lockbox Correspondence, Payment Manager File Validation Tool, Returned Items, SAFE Transmission, Statements and Notices (Client Analysis Statements, Commercial Checking/Savings Account Statements, Deposit Adjustment Notices, Merchant Notices, Multi Currency Account Statements and Stop Notices), Supplier Payments, Transaction Search, Treasury Information Reporting, and WellsTAX®.

### INTERNAL BANK USE ONLY

Does the customer have Administration, or is it included in the current request?  Yes  No

## CEO® Users Set-up

User Name	User ID (if existing)

User Name	User ID (if existing)

Select one or more CEO Products for the user(s) listed above:

- ACH Payments<sup>1</sup> User  
 ACH Payments<sup>1</sup> Administrator  
 ACH Fraud Filter  
 Cards<sup>2</sup>  
 Payment Manager Online  
 Other Treasury Management Products not in Administration<sup>3</sup>

- Cash Vault (specify):  
 Deposit Inquiry  
 Change Orders Inquiry  
 Change Orders  
 Supply Order

Accounts: \_\_\_\_\_

ACH IDs (File ID/Company ID): \_\_\_\_\_

<sup>1</sup> This only covers giving users access to the high level product in the CEO and the ACH application. Additional approval is required to set up detailed product entitlement within the ACH application.

<sup>2</sup> Recognition Card.

<sup>3</sup> Autolink, Bill Manager, Document Retrieval, Electronic Document Delivery, Invoice Manager, Payment and Delivery Preferences, Receivables Manager, Retail Lockbox Image Archive, Reverse Positive Pay, Sweep & Fed Funds - Statements & Confirmations, & Wells Fargo Business Online (Single Sign On).

<sup>4</sup> Alerts, ARP Register Maintenance, Basic Banking, Canadian Treasury Services, Cash Concentration, Centralized Disbursements, Centralized Disbursements – Clients, Claims Payments, Deposit Maintenance (Smart Decision), Desktop Deposit, E-Box Decisioning, Fed Funds, Image, Image Positive Pay, Item Detail Inquiry Service, Lockbox, Lockbox Correspondence, Payment Manager File Validation Tool, Returned Items, SAFE Transmission, Statements & Notices (Client Analysis Statements, Commercial Checking/Savings Account Statements, Deposit Adjustment Notices, Merchant Notices, Multi Currency Account Statements and Stop Notices), Supplier Payments, Transaction Search, Treasury Information Reporting, & WellsTAX®.

**INTERNAL BANK USE ONLY**

Does the customer have Administration, or is it included in the current request?  Yes  No

## RSA SecurID Token Request Set-up

Please complete the information below to manage RSA SecurID Tokens for Company and Users

*RSA SecurID tokens are mailed to Company Administrators. If the Company Administrator's mailing address is different than the address listed above in the Customer Information section, please indicate the correct mailing address below:*

<b>Company Administrator Name</b>	_____	<b>Phone Number</b>	_____
<b>Street Address</b> (tokens cannot be shipped to post office boxes):	_____	<b>City</b>	_____
		<b>State</b>	<b>Zip</b>
		_____	_____

For new users

- **New Token:** To order a token for the first time for a user.
- **Assign Token:** To assign a token to a new user from the supply of tokens accumulated in your Company Token Pool.

For users who have a token today (to request changes for existing users):

- **Replace Token:** To order a replacement token for an existing user if there are no tokens available in the Company Token Pool.
- **Assign Token:** To assign a token to a new user from the supply of tokens available in your Company Token Pool.
- **Un-assign Token:** To remove a token from a user and return the token to you Company Token Pool for reassignment. Please begin collecting and securely retaining unassigned tokens instead of discarding them.
- **Delete Token:** To delete a token completely. This option will remove the token from a user and your Company Token Pool. Once a token is deleted, it can no longer be reused and should be discarded. Follow your local e-waste disposal regulations to dispose of old tokens.

User Name # 1 _____	User ID (for existing CEO® users) _____
Token Serial #* _____	ACH Payments Admin <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>New User</b>	<input type="checkbox"/> New Token <input type="checkbox"/> Assign Token*
<b>Existing User</b> (Select one box only)	<input type="checkbox"/> Replace Token <input type="checkbox"/> Assign Token* <input type="checkbox"/> Un-Assign Token* <input type="checkbox"/> Delete Token*

## **CEO® Administration Set-up**

**Type of Request** - Select request type with corresponding start date.

New  Change (Make selections only for options that should change) Start Date: \_\_\_\_\_

**Company Administrator** - Complete applicable fields.

Company Administrators automatically gain access to all Administration functions. If selecting Administrator you will need to specify the detailed Administration functionality that should be entitled.

A minimum of two (2) Company Administrators is required for Dual Custody.

Each Administrator will be sent a token (unless one has been assigned already) and will be authorized as an administrator for all or specific company authorized *Commercial Electronic Office® (CEO®)* portal services.

Company Administrator Name	Email Address	Token Serial Number (If reassigning existing token)	User ID (if existing)

### **Administrators**

You will need to specify the detailed Administration functionality that should be entitled to an Administrator level user.

Each Administrator will be sent a token (unless one has been assigned already) and will be authorized as an administrator for all or specific company authorized *Commercial Electronic Office® (CEO®)* portal services.

### **Administrator # 1 Detailed Setup - Complete applicable fields**

Administrator Name	Email Address	Token Serial Number (If reassigning existing token)	User ID (if existing)

### **User Administration Options**

User Maintenance  Administrator Maintenance  Reset Password

If granting User Maintenance or Reset Password what users can the Administrator view and manage?

All Users  Specific Users

User

List: \_\_\_\_\_

If granting User Maintenance what CEO Services can the user administer?

All CEO Services  Specific CEO Services

CEO Services: \_\_\_\_\_

If granting User Maintenance what Accounts can the user administer?

- All Accounts  Specific Accounts

Accounts: \_\_\_\_\_

If granting User Maintenance what ACH IDs can the user administer?

- All ACH IDs  Specific ACH IDs

ACH IDs: \_\_\_\_\_

### WellsOne Commercial Card use only

- All Divisions  Specific Divisions

List Divisions that can be administered.

---

### Company Administration Options

- Manage User Defined Lists  
 All User List  Specific User List:

Specify User List(s) that can be administered.

---

- All Account List  Specific Account List:

Specify Account List(s) that can be administered.

---

- Manage Company Dual Custody Settings  Manage Account Nicknames  Manage ACH Custom Names  
 Access to Administration Reports  Manage Tokens

### Company Service Options

- Manage Company Alerts Settings  Manage Company Statement and Notices Settings  
 Manage Company Wires Settings

### Custody Option

**Single Custody - Non-Standard Security Procedure** - Customer has declined to use dual custody, which is part of Bank's standard CEO® Administration procedures. With dual custody, an authenticated second user approves select high-risk activities. Customer has instead elected to use single custody. With single custody Secure Validation is used for ACH Payments, Foreign Exchange, Wires, and Administration activities within CEO Administration. Customer acknowledges the significantly reduced security, and recognizes the risks and losses that may materialize as a result of its decision to use single custody.

**Dual Custody** - Bank's standard CEO® Administration procedures also include dual custody for select, high-risk activities. With dual custody, an authenticated second user approves these activities. There is no additional charge for dual custody.

**Forced Dual Custody** - By selecting this option, you agree that Wells Fargo will control the dual custody settings for all products and transactions initiated in the CEO® Administration service. You will not be able to change the dual custody settings in Administration, as these may only be modified by contacting your bank representative.

**Customized Forced Dual Custody** - By selecting this option, you agree to work with your banker to customize your dual custody preferences and select the Administration transactions that will require dual custody. Once these customizations have been established you will not be able to modify or remove them through the CEO® Administration service, as they may only be changed by contacting your banker. If you enroll in a new CEO® product, it will not automatically be placed in dual custody, unless you contact your bank representative.

**Customized Forced Dual Custody Settings** - Select the products you would like under dual custody in the CEO® Administration service. Only select products for which your company is enrolled. Additionally, specify the CEO® Administration service functions you would like under dual custody.

Product	Custody Settings	
ACH Payments (incl. Domestic and International)	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Administration	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Alerts	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Basic Banking	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Canadian Treasury Solutions	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Cash Concentration	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Centralized Disbursements	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Centralized Disbursements - Clients	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Claims Payments	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Credit Management	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Dealer Inventory Finance	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Deposit Maintenance	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Derivatives Access	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Desktop Deposit	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
E-Box Decisioning	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Fed Funds	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Foreign Exchange	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Fraud Manager:		
ACH Fraud Filter	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
ARP Register Maintenance	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Image Positive Pay	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Image	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Institutional Investing – Reporting	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Item Detail Inquiry Service	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Lockbox	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Payment Manager®	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Returned Items	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
SAFE Transmission	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Statements and Notices	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Supplier Payments	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Transaction Search	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody

Product	Custody Settings	
Treasury Information Reporting	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Warehouse Lending Finance	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
WFED - Wells Fargo Electronic Deposit	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Wells Capital Management	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
WellsOne Virtual Card Payments	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
WellsTAX Payments	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
WF Business Online Banking	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Wires	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Administration Settings	Custody Settings	
Add/Edit User	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Password Reset	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Hide Secret Question and Answer	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Wires Limits and Authorizations	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody
Desktop Deposit Company Preferences	<input type="checkbox"/> Forced Dual Custody	<input type="checkbox"/> Single Custody

## CEO® Wires Set-up

New       Change

**Company Authorization** - (For existing CEO Wires customers, only complete values in this section if an update is requested. For New requests confirm and update all fields in this section.)

Cumulative Funds Transfer Daily Limit (Default - 0)	Duplicate Check No. Of Days (Default - 10)	Default Wire Fee Assignment (select one)
\$ _____	<input type="text"/>	<input type="checkbox"/> Shared (Default) <input type="checkbox"/> Beneficiary <input type="checkbox"/> Originator
Value Date Roll Forward	File Import (File Import and Payment Manager Import)	Get Rate
<input type="checkbox"/> Yes <input type="checkbox"/> No (Default)	<input type="checkbox"/> Yes (Default) <input type="checkbox"/> No	<input type="checkbox"/> Yes (Default) <input type="checkbox"/> No
Additional Approver Limits (Optional)		
<input type="checkbox"/> Wires    \$ _____	<input type="checkbox"/> Book Transfer    \$ _____	<input type="checkbox"/> Drawdown    \$ _____

Complete the following regarding Funds Transfer Information for specific payment types – (For new and existing CEO Wires customers, only complete values in this section if an update is requested. For New requests; at least one (1) Wire Type must be selected).

Wire Type	Services Allowed	Number of Verifiers for Templated Wires (default is 1)	Numbers of Verifiers for Freeform Wires (default is 1)
Wire Transfers (Domestic, Intl and Federal Tax Payment)	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform	N/A - No Change	N/A - No Change

Drawdown	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform	N/A - No Change	N/A - No Change
Book Transfer	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform	N/A - No Change	N/A - No Change
Template Maintenance	Not Applicable	N/A - No Change	Not Applicable

**Account Authorization - Account Services Limits**

(For existing CEO Wires customers, only complete values in this section if an update is requested. For New customers at least one (1) account in this section is required).

Account Number	Cumulative Daily Limit	Associated Application
	\$	<input type="checkbox"/> Wires <input type="checkbox"/> Drawdowns <input type="checkbox"/> Book Transfers <input type="checkbox"/> Template Maintenance
	\$	<input type="checkbox"/> Wires <input type="checkbox"/> Drawdowns <input type="checkbox"/> Book Transfers <input type="checkbox"/> Template Maintenance
	\$	<input type="checkbox"/> Wires <input type="checkbox"/> Drawdowns <input type="checkbox"/> Book Transfers <input type="checkbox"/> Template Maintenance

**Company Default Settings (Optional User Limits)**

For companies choosing to utilize Company Default User Settings (Default User Limits); complete all fields to specify optional default limits for users. Enter User information below and select the Use Company Default Limit checkbox.

Application Type	Individual Create/Modify/Delete Limit	Cumulative Daily Create/Modify/Delete Limit	Individual Approve/Reject Limit	Cumulative Daily Approve/Reject Limit
Wire Transfers				
Drawdown				
Book Transfer				
Template Maintenance	-----	-----	-----	-----

**User # 1 Information** - Complete all fields

User Name \_\_\_\_\_ User ID (if CEO user) \_\_\_\_\_

**User Settings**

(For new and existing CEO Wires customers, only complete values in this section if an update is requested. For New customers without Administration; at least one (1) user in this section is required. Note: For customers in dual custody without Administration at least two (2) users are required).

Get Rate	File Import
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Services	Type Allowed	Individual Create/Modify/Delete Limit	Individual Approve/Reject Limit	Cumulative Daily Approve/Reject Limit	Additional Approver Limit*	Cumulative Create/Modify/Delete Limit
Wire Transfer	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform					
Book Transfers	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform					
Drawdowns	<input type="checkbox"/> Templated Only <input type="checkbox"/> Freeform Only <input type="checkbox"/> Templated and Freeform					

**User Account Authorizations** - Provide account number and funds transfer service authorization type.

Account Number			Account Number		
Wires	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject	Wires	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject
Book Transfers	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject	Book Transfers	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject
Drawdowns	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject	Drawdowns	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject
Template Maintenance	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject	Template Maintenance	<input type="checkbox"/> Create/Modify/Delete	<input type="checkbox"/> Approve/Reject

**Voice Wires Set-up**

Type of Request:  New  Update Existing Information  Delete Existing Information

Account Numbers (list accounts to be debited for each wire transfer)

1) \_\_\_\_\_ 2) \_\_\_\_\_ 3) \_\_\_\_\_  
 G/L  DDA  G/L  DDA  G/L  DDA

**Advice Information (additional fees apply for these services)**

For Fax or E-mail notification on intraday wire activity use the InfoFax setup form.

Mail Advice (this paper based service is no longer available to add)  Delete Mail Advice

**Mailing address for PINs (if blank, items will be mailed to address on primary statement mailing address)**

Mail PINs to:

**Authorized Callers** (people authorized to initiate wires)

**\$ Limit** = Use "N" if unlimited. The limit applies to all functions unless noted otherwise. If no limit is noted we will set the limit as unlimited.

**Initiation Type** = If no Initiation Type is noted, we will set the individual up for both Repetitive and Non-Repetitive Wire Initiation. Complete by checking appropriate box: R=Repetitive / B=Both Repetitive and Non-Repetitive.

Authorized Callers First and Last Name	\$ Limit	Phone Number including area code	Initiation Type
			<input type="checkbox"/> R <input type="checkbox"/> B

**Alternate Account to be Charged for Wire Fees**



List account only if wire fees are to be assessed to this account. (Alternate account to be charged must be an Analyzed account. Not available to Retail customers.)

DDA       AU and G/L

**Optional Verify Callback Service** (does not apply to repetitive wires)

Selecting this fee-based service requires a minimum of two persons with wire transfer authority because the initiator of a wire cannot also approve the wire. If the form does not indicate an Authorized Approver other than the initiator, the optional Verify Callback Service cannot be provided.

Authorized Approvers first and last name	\$ Limit	Phone Number including area code

**Payment Authorization Service**

This service is part of, and will be subject to the terms and conditions stated in the Commercial Account Agreement ("Agreement"). This set-up form supersedes any and all prior payment authorization service forms set up on the referenced account numbers.

Termination: The Service(s) may be immediately terminated by you or us at any time with or without cause by giving written notice to the other party.

**Type of Request** - Select request type. (Refer to the reference guide for complete instructions.)

<input type="checkbox"/> <b>Account-specific Request</b>	<input type="checkbox"/> <b>Add Payment Authorization Service features checked below to all existing Subaccounts listed under the Master Account –</b> NOTE: Must attach subaccount list. Does not apply to Maximum Check Amount Authorized Payment Service.	<input type="checkbox"/> <b>Blanket Company Level Approval –</b> Checking this box covers all future accounts and/or subaccounts owned by the specified legal entity. (A separate form must be completed for each legal entity.)
--	---	---

For Account-specific requests, enter individual account number or Master account number. Does not apply to Blanket Company Level Approval and do not list all Subaccounts.

**Maximum Check Amount Authorized Payment Service** (not available in conjunction with Positive Pay or Perfect Presentment)

SERVICE: Under the Maximum Check Amount Authorized Payment Service (the "Service") we will automatically (without your specific approval) return unpaid (marked "REFER TO MAKER") checks presented to us drawn against your account specified below which exceeds the Maximum Dollar Authorized Payment Amount specified below:

<b>Check one:</b> <input type="checkbox"/> Add Service <input type="checkbox"/> Change Amount <input type="checkbox"/> Delete Service
<b>Maximum Dollar Authorized Payment Amount:</b> _____
<b>Account Number(s):</b> _____

**Maximum Check Cashing Amount Authorized Payment Service** (not available in conjunction with Positive Pay or Perfect Presentment)

SERVICE: Under the Maximum Check Cashing Amount Authorized Payment Service (the "Service") we will (without your specific approval) refuse encashment of checks presented to us through our branch/store network drawn against your account specified below which exceed the Maximum Check Cash Amount specified below:

**Check one:**     Add Service     Change Amount     Delete Service

**Maximum Dollar Authorized Payment Amount:** \_\_\_\_\_

**Account Number(s):** \_\_\_\_\_

**Maximum Over the Counter Amount Authorized Payment Service**

SERVICE: Under the Maximum Over the Counter Amount Authorized Payment Service (the "Service") we will (without your specific approval) refuse withdrawal requests presented to us through our branch/store network drawn against your account specified below which exceeds the Maximum Over the Counter Withdrawal Amount specified below

**Check one:**     Add Service     Change Amount     Delete Service

**Maximum Over the Counter Withdrawal:** \_\_\_\_\_

**Account Number(s):** \_\_\_\_\_

**Checks to Individuals Authorized Payment Service**

SERVICE: Under the Checks to Individuals Authorized Payment Service (the "Service") we will (without your specific approval) refuse encashment of checks presented to us through our branch/store network drawn against your account specified below for any item made payable to an individual.

**Check one:**     Add Service     Delete Service

**Account Number(s):** \_\_\_\_\_

**Customer Legal Entity Information**

The enrollment contains ACH, Wire or Sweep services the following Customer Entities:

<u>Customer Legal Entity Name(s)</u>	<u>Entity ID Type</u>	<u>Entity ID</u>
	Select One	

**Designation of Wells Fargo Stagecoach Sweep® Option**

**Customer DDA(s)**

Statements and/or Confirmations will be sent to Customer by electronic means unless otherwise requested by Customer. Electronic means include Bank's *Commercial Electronic Office*®, facsimile and/or Secure E-Mail.

The Wells Fargo Stagecoach Sweep® Service Description can be viewed by pasting this link into an internet browser window: [https://wellsfargo.com/ceopub/assets/pdf/stgcoach-swp/Stagecoach\\_Sweep\\_Service\\_Description.pdf](https://wellsfargo.com/ceopub/assets/pdf/stgcoach-swp/Stagecoach_Sweep_Service_Description.pdf)

## **Investment Sweep**

Customer elects the Wells Fargo *Stagecoach Sweep* Preferred Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Wells Fargo *Stagecoach Sweep* Repurchase Agreement Option with secondary Wells Fargo *Stagecoach Sweep*, Preferred Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Wells Fargo *Stagecoach Sweep* Repurchase Agreement Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Wells Fargo *Stagecoach Sweep* Fed Funds Purchased Agreement Option. (Correspondent Bank Only)

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Wells Fargo *Stagecoach Sweep* Fed Funds Sold Agreement Option. (Correspondent Bank Only)

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Wells Fargo *Stagecoach Sweep* Fed Funds Purchased and Sold Agreement Option. (Correspondent Bank Only)

Add       Change

Target Balance: \_\_\_\_\_

## **Money Market Mutual Fund Sweep**

Customer elects the Allspring Treasury Plus Money Market Fund - Class A - Fund 453 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring Treasury Plus MMMF- Service Class - Fund 454 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring 100% Treasury Money Market Fund - Service Class - Fund 8 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring Government MMMF Admin Class - Fund 947 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring Government MMMF Institutional - Fund 1751 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring Government MMMF Select Class - Fund 3802 Option.

Add       Change

Target Balance: \_\_\_\_\_

Customer elects the Allspring Treasury Plus MMMF Institutional - Fund 793 Option.

Add       Change

Target Balance: \_\_\_\_\_

### **Credit Sweep**

Customer elects Bank's Credit Sweep Option.

Add       Change

Target Balance: \_\_\_\_\_

Obligor # (if applicable): \_\_\_\_\_

Loan # (Obligation): \_\_\_\_\_

## **Wire Transfer Services - Security Procedure Elections**

For detail on the Security Procedure for an applicable initiation method, refer to the language in the Treasury Management Security Procedures Reference Guide. The Initiation Method(s) and Security Procedure(s) Customer has elected for Wire Transfers are:

**Commercial Electronic Office® (CEO®) - Dual Custody**

**Commercial Electronic Office® (CEO®) - Single Custody**

**Payment Manager® - Secure Application File Exchange Transmission ("SAFE-T")**

**Payment Manager® - Machine-to-Machine ("M2M")**

**Payment Manager® - IBM® Connect:Direct® with Secure Plus+**

**Payment Manager® - Value-Added Network ("VAN")**

**Payment Manager® - SWIFT® FileAct**

## **Wells Fargo Gateway (API)**

### **Voice**

Bank's voice initiation security procedure consists of confirming (a) the personal identification number ("PIN") accompanying a Payment Order corresponds with a valid PIN assigned to Customer for voice-initiated Payment Orders and (b) the voice print provided when placing a Payment Order matches the print registered for the PIN holder.

**Optional Verify Callback Service.** If Bank receives a voice-initiated, non-repetitive Payment Order of \$ \_\_\_\_\_ or more, Bank will make one attempt to telephone an individual authorized to approve wires ("Authorized Approver"), not the initiator, to verify that Payment Order is authorized. A PIN and voice print are required to authenticate each Authorized Approver. If Bank is unable to (a) contact and authenticate or (b) obtain approval from an Authorized Approver, the wire will not be processed.

### **SWIFT®**

## **ACH Origination Services - Security Procedure Elections**

For detail on the Security Procedure for an applicable initiation method, refer to the language in the Treasury Management Security Procedures Reference Guide. The Initiation Method(s) and Security Procedure(s) Customer has elected for ACH are:

**Commercial Electronic Office® (CEO®) - Dual Custody**

**Commercial Electronic Office® (CEO®) - Dual Custody with User Approve Own Entitlements**

**Commercial Electronic Office® (CEO®) - Single Custody**

**Direct Origination - Secure Application File Exchange Transmission ("SAFE-T")**

**Direct Origination - IBM® Connect:Direct® with Secure Plus+**

**Direct Origination - SWIFT® FileAct**

**Wells Fargo Gateway (API)**

**Payment Manager® - Secure Application File Exchange Transmission ("SAFE-T")**

**Payment Manager® - Machine-to-Machine ("M2M")**

**Payment Manager® - IBM® Connect:Direct® with Secure Plus+**

**Payment Manager® - Value-Added Network ("VAN")**

**Payment Manager® - SWIFT® FileAct**

**Third Party Service Provider**

Third Party Service Provider: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

## **RTP Services**

For detail on the applicable initiation method, refer to the language in the Treasury Management Security Procedures Reference Guide. The Initiation Method(s) and Security Procedure(s) Customer has elected for RTP are:

**Wells Fargo Gateway (API)**

## **Bill Manager Service**

For detail on the applicable initiation method, refer to the language in the Treasury Management Security Procedures Reference Guide.

The Initiation Method and Security Procedure Customer has elected for Bill Manager is:

**Commercial Electronic Office® (CEO®)**

**E-Bill Express Service**

For detail on the applicable initiation method, refer to the language in the Treasury Management Security Procedures Reference Guide. The Initiation Method and Security Procedure Customer has elected for E-Bill Express is:

**Bill File Inbound - SAFE-T**

**AR File Outbound - SAFE-T**

**CEO® EDD, Electronic Document Delivery Set-up - For Company and Customer(Biller) ID**

Type of Request	Customer (Biller) ID <i>(must be associated with the CEO Company ID)</i>	CEO User Name	CEO User Id	Role (select one)
<input type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete				<input type="checkbox"/> View only (default) <input type="checkbox"/> View and Authorize <input type="checkbox"/> Customer (Biller) Administrator
<input type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete				<input type="checkbox"/> View only (default) <input type="checkbox"/> View and Authorize <input type="checkbox"/> Customer (Biller) Administrator
<input type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete				<input type="checkbox"/> View only (default) <input type="checkbox"/> View and Authorize <input type="checkbox"/> Customer (Biller) Administrator
<input type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete				<input type="checkbox"/> View only (default) <input type="checkbox"/> View and Authorize <input type="checkbox"/> Customer (Biller) Administrator

**Zero Balance Account (ZBA)**

Request Type	Master Account	Child Account	Cycle	Target Balance
<input type="checkbox"/> Add <input type="checkbox"/> Change				

## International Zero Balance Account (ZBA)

### Level 2 Accounts

Request Type	Child Account(s)	Currency	Transfer Funds To	Sweep Type	Target Balance	Minimum Balance	Maximum Balance
<input type="checkbox"/> Add <input type="checkbox"/> Change				<input type="checkbox"/> Debit* <input type="checkbox"/> Credit* <input type="checkbox"/> Target <input type="checkbox"/> Maximum			

\*One-way Sweep

### Level 3 Accounts

Request Type	Child Account(s)	Currency	Transfer Funds To	Sweep Type	Target Balance	Minimum Balance	Maximum Balance
<input type="checkbox"/> Add <input type="checkbox"/> Change				<input type="checkbox"/> Debit* <input type="checkbox"/> Credit* <input type="checkbox"/> Target <input type="checkbox"/> Maximum			

\*One-way Sweep

## Customer Approval - (Authorized Signature Required)

Each person who signs this form on Customer's behalf is authorized to do so by resolution, agreement or other legally sufficient action of the governing body of Customer, if Customer is not an individual, or is an Authorized Signer on Customer's account.

\_\_\_\_\_  
Printed Name of Authorized Signer

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### Voice Wire Only - Submitter Information and Instructions

\_\_\_\_\_  
Submitter Name

\_\_\_\_\_  
Submitter Phone

\_\_\_\_\_  
Submitter E-mail

\_\_\_\_\_  
Submitter Fax

**NOTE:** If Voice Wire is a component of this form, once the customer approves and signs the form, the Banker/Relationship Manager must approve and sign the form, then fax it to Wire Implementation at 866-922-6202 from a valid Wells Fargo Fax. File copies in your location's record-retention file.

# Acceptance of Services

## 1. Agreement to be Bound by Service Documentation

By signing this Acceptance of Services ("Agreement"), the customer identified on the signature block ("Customer" or "Company") confirms that it has received and agrees to be bound by the Service Documentation for the Treasury Management Services (each, a "Service"). Customer may also be referred to as "Company" in the Service Documentation. "Service Documentation" is defined in Wells Fargo Bank, N.A.'s ("Bank") Master Agreement for Treasury Management Services. Customer's use of any Service, including each Service Customer enrolls in, confirms Customer's receipt of and agreement to be bound by the Service Documentation relating to that Service.

## 2. Power and Authority of Signer

Customer has granted the person(s) signing this Agreement the authority on Customer's behalf to (i) enter into this Agreement and other agreements with Bank for Services on or after the Effective Date of this Agreement and (ii) amend, terminate or otherwise act on behalf of Customer with respect to this Agreement and the Services.

## 3. Security Procedures

Unless otherwise agreed, Customer agrees that "Security Procedure" is the applicable security procedure described in the Service Documentation for Customer's Initiation Method for the Service, which Bank will use to verify the authenticity of a Transaction. The term "Initiation Method" refers to the method Bank offers in the product enrollment form ("Set-up Form") or other Service Documentation for delivering Customer's Transaction instructions to Bank with respect to the applicable Service and includes any applicable transmission protocols. The term "Transaction" means (i) any funds transfer or payment instruction (including any communication cancelling or amending an instruction), and (ii) any instruction, data or other information which Bank receives in Customer's name with respect to a funds transfer.

The purpose of the Security Procedure is to verify the authenticity of the Transaction. Bank will not use the Security Procedure to detect an erroneous or duplicate transaction. Customer will be responsible for any erroneous or duplicate transaction Bank receives in Customer's name. Customer agrees to be bound by each Transaction, whether or not authorized by Customer, issued in Customer's name and accepted by Bank in compliance with the Security Procedure for the Service.



**4. Commercially Reasonable**

Customer acknowledges that it has had an opportunity to review the Security Procedures offered by Bank in the Security Procedure Reference Guide, available on our *Commercial Electronic Office* portal. Customer agrees that each Security Procedure for the Initiation Method Customer has elected in the Set-up Form or other Service Documentation for each of its Services (a) best meets Customer's requirements with regard to the size, type and frequency of its Transactions, and (b) is commercially reasonable.

If Customer has refused to use a standard Security Procedure and elects a non-standard Security Procedure, then Customer expressly agrees that the non-standard Security Procedure(s) Customer has elected better meets Customer's requirements than any standard Security Procedure with regard to the size, type and frequency of Transactions issued by Customer to Bank and is commercially reasonable.

**5. Confidentiality of Security Procedure and Authentication devices/passwords**

Customer and Bank will preserve the confidentiality of the Security Procedure(s) and any passwords, codes, security devices and related instructions provided by Bank. If one party becomes aware of a breach, or suspects that a breach may occur, it will promptly notify the other party. Customer will maintain effective internal procedures to safeguard against any unauthorized Transaction and warrants that no individual will be allowed to initiate a Transaction without proper supervision and safeguards.

**Customer Name(s)**

\_\_\_\_\_

Printed Name of Authorized Representative
Signature
Date

# Master Agreement for Treasury Management Services

The Service Documentation contains the terms under which Wells Fargo Bank, N.A. and the banks, branches or subsidiaries listed in Appendix X (collectively, "Bank") provide you treasury management services (each a "Service"). "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in a Service ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Master Agreement for Treasury Management Services ("Agreement") are defined in this document.

You and we agree:

1. Service documentation. The Service Documentation contains the terms governing each Service and includes:
  - a. The Service Description (which contains terms and conditions applicable to the specific Service),
  - b. The Acceptance (which indicates your acceptance of the Service Documentation),
  - c. This Agreement (which contains terms and conditions applicable to all Services),
  - d. The account agreement governing the account(s) (each, an "Account") you use in connection with the Service,
  - e. The Product Enrollment Form (which contains set-up information for each Service in which you are enrolling), and
  - f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Agreement and the Service Descriptions for Services you enroll in are posted at our Commercial Electronic Office® (CEO®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Agreement and all Service Documentation.

2. Services. You and we will agree upon the Services to be provided and the start date for each Service. Each Service is subject to the approval by our applicable branch or subsidiary. We will notify you when you have completed all requirements for enrolling in the Service and the Service is ready for you to use.
3. Changes to services. We may change (or add to) the terms and fees in the Service Documentation at any time. If a change to a Service requires a change to the Service Documentation, we will post the document(s) with the change on the CEO portal. When required by Applicable Law, we will notify you of the change. If you continue to use a Service after a change takes effect, you will be bound by the change. As used in this Agreement, the term "Applicable Law" means all applicable laws (including common or customary laws), statutes, constitutions, policies, decrees, judgments, treaties, regulations, directives, by-laws, rulings, orders or operating circulars governing our activities and/or any Transaction (see section 6-a) governed by this Agreement, including, but not limited to, the funds transfer system and clearing and settlement house rules.
4. Term and termination. Unless a Service is terminated in accordance with the Service Documentation, this Agreement and each Service will continue in effect until terminated by either party upon 30 days' prior written notice to the other party. When a Service is terminated for any reason, the Service Documentation governing the terminated Service is also terminated.

We may suspend or terminate any Service:

- a. After we notify you of a breach of any provision of the Service Documentation or any other agreement with us, and you fail to cure the breach (if it can be cured) within 15 days of the date of the notice; or
- b. Without prior notice to you if:
  - i. We reasonably suspect that an Account associated with a Service has been compromised or otherwise subject to irregular, unauthorized, fraudulent, or illegal activity,
  - ii. You become subject to any insolvency or bankruptcy proceeding, or any receivership, liquidation, reorganization, or other similar proceeding, or you enter into any agreement or proceeding for voluntary liquidation, dissolution, composition with or assignment for the benefit of creditors or other winding up,
  - iii. We determine in our sole discretion that continuing to provide a Service may place us at risk of financial loss or result in an unacceptable credit exposure,
  - iv. Any guaranty of your obligations to us ("Guaranty") is terminated, revoked, or its validity contested by the guarantor ("Guarantor"),
  - v. We determine in our sole discretion that a material adverse change has occurred in your ability to perform your obligations under the Service Documentation, or in the ability of a Guarantor to perform its obligations under a Guaranty, or
  - vi. The Account necessary to provide a Service is closed.

The termination of a Service will not affect your or our respective rights and obligations with respect to the Service(s) provided before the termination including without limitation Transactions. We will not be liable to you for any losses or damages you may incur as a result of any termination of any Service or termination or restriction of any CEO portal access rights under section 9(d) below.

- 5. Service fees. You will pay us the fees described in the Service Documentation and any taxes applicable to each Service, however designated, but excluding taxes based on our net income. We may debit your Account for any fees not covered by earnings credits and any taxes that are due, or we may send you an invoice for these amounts, which you will promptly pay. Our charges and fees are in the applicable fee schedule for Services used in connection with your Account.
- 6. Security procedures.
  - a. Unless otherwise agreed, you agree that "Security Procedure" is the applicable security procedure described in the Service Documentation for your Initiation Method for the Service, which we will use to verify the authenticity of a Transaction. The term "Initiation Method" refers to the method we offer in the product enrollment form ("Set-up Form") or other Service Documentation for delivering your Transaction instructions to us with respect to the applicable Service and includes any applicable transmission protocols. The term "Transaction" means (i) any funds transfer, payment order, or payment instruction (including any communication cancelling or amending an instruction), and (ii) any instruction, data or other information which we receive in your name with respect to a funds transfer. The purpose of the Security Procedure is to verify the authenticity of the Transaction. We will not use the Security Procedure to detect an erroneous or duplicate transaction. You will be responsible for any erroneous or duplicate transaction we receive in your name. You agree to be bound by each Transaction, whether or not authorized by you, issued in your name and accepted by us in compliance with the Security Procedure for the Service.
  - b. You agree that each Security Procedure for the Initiation Method in the Set-up Form or other Service Documentation for each of the Services (a) best meets your requirements with regard to the size, type and frequency of your Transactions, and (b) is commercially reasonable.
- 7. Confidential information. Unless otherwise stated in the Service Documentation, "Confidential Information" means all (a) User Guides and Terms of Use, and (b) Security Procedures, passwords, codes, security devices and related instructions. You will not acquire any ownership interest in or rights to Confidential Information as a result of your use of any Service.

You will:

- a. Maintain the confidentiality of the Confidential Information,

- b. Not disclose (or permit your employees or agents to disclose), copy, transfer, sublicense, or otherwise make any of it available to any person or entity, other than your employees who have a need to use the Confidential Information in connection with the applicable Service, and
- c. Not decompile, reverse engineer, disassemble, modify, or create derivative works of any Confidential Information.

You will notify us immediately if you know of or suspect any unauthorized disclosure, possession, use, or knowledge (each, an "Unauthorized Use") of any Confidential Information. If you (or your employees or agents) are responsible for the Unauthorized Use, you will, at your expense, promptly take all actions, including initiating court proceedings to recover possession and prevent further Unauthorized Use of the Confidential Information. You will also compensate us for any injury caused to us as a result of the Unauthorized Use.

8. Currency conversion. When your instructions require us to convert the amount of a Transaction from the currency in which the Account is denominated ("Account Currency") to another currency ("Foreign Currency"), we will do so using the Applicable Exchange Rate in effect at the time we execute your Transaction. "Applicable Exchange Rate" means the exchange rate we set and use for you when we convert one currency to another currency and includes a markup. The markup factors include costs incurred, market risks and our desired return. The exchange rate we provide to you may be different from the exchange rates you see elsewhere. Foreign exchange rates are dynamic, and rates fluctuate over time based on market conditions, liquidity, and risks.

If a financial institution designated to receive the funds does not pay the beneficiary specified in the Transaction, and the funds are returned to us, we will not be liable to you for a sum greater than the amount of the Transaction after we have converted it from the Foreign Currency to the Account Currency using the Applicable Exchange Rate in effect at the time the funds are returned to us. You accept the risks of any change in the Applicable Exchange Rate between the time you request a Transaction and the time the Transaction is either completed or is unwound due to a cancellation, an amendment, a rejection, or a return.

9. CEO portal.

- a. Description of the CEO portal. The CEO portal is our electronic banking portal that is accessed through the Internet. Your Authorized Agents (defined below) may use the CEO portal to access (i) Services in which you have separately enrolled and (ii) third-party sites we may make available through the CEO portal. We offer different channels through which you may access the CEO portal, including personal computers and mobile devices. We may add or eliminate channels at any time. A Service or third party site accessible through one channel may not be accessible through another channel.
- b. Access to the CEO portal. When you enroll in the CEO portal, and as we may determine is necessary after enrollment, we will provide Log-On Credentials (defined below) to the persons who are authorized to access the CEO portal on your behalf (each, an "Authorized Agent"). Log-On Credentials mean one or more secure methods we provide to access the Services and may include user IDs, passwords, token IDs, and other methods that we adopt from time to time. We have no obligation to separately verify or authenticate any communication we receive in your name through the CEO portal, whether or not it was actually from an Authorized Agent. You assume the entire risk of (i) unauthorized use of your Log-On Credentials and (ii) unencrypted electronic transmissions.
- c. Administration of the CEO portal. We offer two options for administering the CEO portal: (i) Administration and (ii) Bank administration.
  - i. Administration. If you enroll in the Administration option, there are three categories of Authorized Agents: Company Administrator, Administrator, or User. Unless you and we separately agree, we will provide Log-On Credentials only to your initial Company Administrator(s) who will (a) assign Log-On Credentials to other individuals and (b) designate those individuals as one of the following:
    - (1) A Company Administrator, who may perform all functions of your initial Company Administrator,
    - (2) An Administrator, who may perform all functions of an Administrator including designating other Administrator(s) and User(s), or
    - (3) A User, who may access the Services designated by a Company Administrator or an Administrator, as well as those Services in which we permit a User to self-enroll.

Each Company Administrator and Administrator has the authority to enroll you in additional Services. In addition to your use of Administration as described in this subsection, you may request that we assign Log-On Credentials to Users that you designate in writing to us. Your designation to us will specify the Services which the User is authorized to access in addition to those Services in which we permit a User to self-enroll.

- ii. Bank administration. For the Bank administration option, there is one category of Authorized Agent: Users. We will assign Log-On Credentials to each User you designate.

You will promptly revoke the Log-On Credentials of any Authorized Agent or User when that individual is no longer authorized to access the CEO portal. If you notify us in writing to revoke the Log-On Credentials of an Authorized Agent or User, we will have a reasonable time after receiving your written notification to revoke the individual's access.

- d. Terminating access. We may terminate or restrict any Authorized Agent's access to any Service through the CEO portal if we determine such use:
  - i. Does not comply with any term applicable to the CEO portal,
  - ii. Is not permitted by Applicable Law,
  - iii. Is not authorized by you or any third party whose authorization we believe is necessary, or
  - iv. Should be denied for your or our protection (without us agreeing to or being required to make this determination in any circumstance).
- e. Financial information. Financial market data, quotes, news, research, and other financial information developed by third parties and transmitted to us ("Financial Information") may be available to you at the CEO portal. The posting of any Financial Information or any other information or data at the CEO portal is not a recommendation by us of any particular Service or action. We do not guarantee the accuracy or completeness of any Financial Information, nor are we responsible for (i) the actions or omissions of the third parties developing or transmitting Financial Information or (ii) any decision you make or action you take by relying on any Financial Information.
- f. Miscellaneous. For purposes of this section 9 only, "Service" includes each service and product we or any of our affiliates offer that you access through the CEO portal. This section 9 will survive the termination of any Service or this Agreement.

#### 10. Alerts.

- a. Non-subscribed alerts. When you enroll in the CEO portal or other channels or Services, you consent to receiving by email or other delivery channels, servicing messages that we determine are important or urgent. You do not need to subscribe to receive such alerts and you do not pay additional service fees.
- b. Subscribed alerts. You may also enroll in fee-based alerts for applicable Services so that you can receive messages you subscribe to at the intervals and through delivery channels that you choose.

#### 11. Liability and indemnification.

- a. We are not obligated to honor, in whole or in part, any Transaction or other instruction that:
  - i. Exceeds the available balance in the Account, unless otherwise provided in the Service Documentation,
  - ii. Does not comply with the Service Documentation or our applicable policies, procedures, or practices made available to you,
  - iii. We have reason to believe may not have been duly authorized, should not be honored for our or your protection, or involves funds subject to a hold, dispute, restriction, or legal process, or
  - iv. Would possibly result in us not complying with Applicable Law.
- b. Neither we nor our software vendors make any express or implied representations or warranties with respect to the Services or any software used in connection with the Services, including any warranty as to the merchantability or fitness for a particular purpose, other than those expressly set forth in the Service Documentation.
- c. Any claim, action, or proceeding against us for losses or damages arising from a Service, must be brought within one year from the date of the act or omission, except as otherwise stated in the account agreement governing the Account.

- d. We will have no liability for our failure to perform or delay in performing a Service if the failure or delay is due to circumstances beyond our reasonable control. If we determine that any funds transfer or communications network, Internet service provider, or other system used to provide a Service is unavailable, inaccessible, or otherwise unsuitable for use by you or us, we may, upon notice to you, suspend or discontinue the affected Service.
- e. We will only be liable to you for actual damages incurred as a direct result of our failure to exercise reasonable care in providing the Services. Reasonable care requires only that we follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. Our policies and procedures are general internal guidelines for our use and do not establish a higher standard of care for us than otherwise established under Applicable Law. A mere clerical error or an honest mistake will not be considered a failure by us to perform any of our obligations. Our liability to you will be limited to an amount not greater than 10 times our fees incurred in the calendar month immediately before the calendar month in which the loss or damages were incurred (or, if no fees were incurred in that month, our fees incurred in the month in which the losses or damages were incurred).
- f. Except in the case of our negligence or intentional misconduct, you will indemnify and hold us, our directors, officers, employees and agents ("Representatives") harmless from all losses or damages that arise out of:
  - i. The performance of a Service in compliance with the Service Documentation, including any warranty we are required to make to a third party in connection with a Service,
  - ii. An act or omission of any of your agents, couriers, or Authorized Agents, and
  - iii. If the Service includes a license or sublicense of any software, any use or distribution of the software by you or any person gaining access to the software through you that is inconsistent with the license or sublicense.

You will promptly provide us with written proof of loss, and notify us if you become aware of any third party claim related to a Service. You will cooperate fully (and at your own expense) with us in recovering a loss. If we reimburse you, we or our designee will be subrogated to all of your rights (i.e., we will be entitled to assert any legal rights you had relating to the claim).

- g. Except as expressly provided otherwise in the Service Documentation, neither party nor its Representatives will be liable to the other party for:
    - i. Any special, consequential, incidental (including court costs and attorneys' fees), indirect, or punitive losses or damages, or
    - ii. Business interruption, loss of profits, loss of business, loss of revenue, loss of goodwill, loss of opportunity, loss or injury to reputation, or loss of anticipated savings, whether any claim is based on contract or tort, or whether the likelihood of these losses or damages was known to the other party and regardless of the form of the claim or action.
  - h. When you send payments on behalf of your third party customers, you agree you are solely liable to your customers for any and all losses those customers may suffer. We exclude all and any liability of whatever nature (including those losses detailed in subsection g above) arising out of your relationship with your customer.
12. Governing law. The Service Documentation will be governed by: (a) U.S. federal law and (b) the law of (i) the U.S. state in which the office of Bank that maintains the Account is located or, if there is no such state or no account associated with such Service, (ii) the State of New York, without reference to its principles of conflicts of laws ("Governing Law").
13. Arbitration agreement. Upon demand by you or us, any dispute or claim arising out of or relating to this Agreement, or the breach thereof, must be submitted to arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules, and must be heard before three arbitrators if the amount in dispute is U.S. \$5,000,000 or more or its equivalent in any other currency, and before one arbitrator for amounts in dispute of less than U.S. \$5,000,000 or its equivalent in any other currency. Arbitration will proceed in a location selected by AAA in the state of the applicable Governing Law, and if there is no such state, the place of arbitration must be New York, NY. The language of the arbitration must be English. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. This arbitration requirement does not limit the right of you or us to: (a)

exercise self-help remedies including setoff or (b) obtain provisional or ancillary remedies such as injunctive relief or attachment, before, during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of you or us to submit any dispute to arbitration hereunder, including those arising from the exercise of the actions detailed in (a) and (b) of this section.

14. Jurisdiction. For any proceedings regarding this Agreement (not subject to arbitration as provided in this Agreement), you hereby irrevocably submit to the jurisdiction of the courts of the Borough of Manhattan, New York City, in the State of New York or the federal courts located there and irrevocably agree that all claims in relating to the proceeding may be heard or determined in those courts.
15. Miscellaneous.
- a. Severability. Any portion of the Service Documentation which is inconsistent with Applicable Law or Governing Law will be deemed modified and applied in a manner consistent therewith, and we will incur no liability to you as a result of the inconsistency or modification and application to any dispute regarding the Service Documentation. If any portion or provision of the Service Documentation is deemed unenforceable, it will not affect the enforceability or validity of the remaining Service Documentation nor the enforceability or validity of that portion or provision under the law of any other jurisdiction.
  - b. Entire agreement. The Service Documentation (and any documents referred to therein):
    - i. Constitutes the entire agreement between you and us regarding the Services we provide for all Accounts opened with us, and
    - ii. Supersedes and extinguishes all prior agreements, understandings, representations and warranties of any nature (including requests for proposals and other sales material), whether oral or written, between you and us relating to any of our Services (including any other Master Agreement for Treasury Management Services, but excluding the current Commercial Account Agreement or Global Commercial Account Agreement, as applicable).
  - c. Electronic agreement. To facilitate execution, the Service Documentation may be executed by a party in the form of an "Electronic Record" (as defined in the Electronic Signatures in Global and National Commerce Act at 15 U.S.C. §7001 et seq. ["ESIGN Act"]). The Service Documentation may be executed in as many counterparts as may be required to reflect all parties' approval, and all counterparts will collectively constitute a single agreement. An "Electronic Signature" (as defined in the ESIGN Act) that can be authenticated will constitute an original and binding signature of a party. The fact that a document is in the form of an Electronic Record or is signed using an Electronic Signature will not, in and of itself, be grounds for invalidating such document.
  - d. No waiver. Neither our failure nor any delay by us in exercising any right or remedy will be deemed to be a waiver of the right or remedy. No course of dealing or waiver of any right on one occasion will constitute a modification of the Service Documentation or be a waiver of that right on a subsequent occasion.
  - e. Third party beneficiaries. Except as otherwise provided in the Service Documentation, no person or entity other than the parties to this Agreement will be deemed to be a third party beneficiary under the Service Documentation.
  - f. Financial condition. You will provide us promptly upon our request any existing financial statements or other information pertaining to your financial condition or any previously unprepared financial statements which we may require you to prepare and/or to be audited or reviewed by independent certified public accountants acceptable to us.
  - g. Your representations and warranties. You represent and warrant that: (i) you will not use any Service in a manner that would violate any Applicable Law by you or us; (ii) if you employ an agent in connection with its use of any Service, you represent and warrant to us that: (1) your governing body has duly authorized the agent; (2) you will exercise appropriate controls to ensure each authorized agent does not exceed the authority granted to it; and (3) you will preserve the confidentiality of the Log-On Credentials and immediately notify us if you become aware or suspect that any Log-On Credential may have been compromised.
  - h. Use of names. You and we will not use each other's name or refer to our relationship in any solicitation, marketing material, advertisement, news release, or other written, online or oral communication without specific prior written consent for each such use or release, except that we may use your name as a reference in service proposals if we obtain your prior written approval for such use.

- i. Notices and communications. Either party may provide notice to the other party by mail, personal delivery, or electronic transmission.
  - i. You will notify us promptly in writing of any change in your name, Address, legal status, or any other changes relevant to the conduct of the Account or affecting your business relationship with us.
  - ii. The term "Address" as used in this Agreement refers to a mailing or electronic address.
  - iii. You will use the Address where your relationship manager or other manager is located and will address any notice to the attention of the manager.
  - iv. Each party will have a reasonable time after receipt of any notice to act on it.
  - v. Any communication or notice to us from your agent about your use of a Service will be deemed to be a communication from you, and you authorize us to communicate with your agent about any such communication or Service.
  - vi. We are entitled to rely on any communication or notice from you that we believe in good faith was authorized by your authorized representative or Authorized Agent and, we will have no obligation to verify or authenticate an identity of a sender or signature on any notice or communication, except as expressly provided in the Service Documentation.

16. Survival. Sections 7, 9, 11 - 15 will survive termination of the Services or this Agreement.



## **Appendix X**

### Applicable Branches or Subsidiaries of Bank

1. Wells Fargo Bank, N.A., UK Branch
2. Wells Fargo Bank, N.A., Canadian Branch
3. Wells Fargo Bank, National Association, Shanghai Branch
4. Wells Fargo Bank, National Association, Hong Kong Branch

# Amendment to Master Agreement for Treasury Management Services

Treasury Management Services

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## Introduction

This Amendment supplements and modifies the Master Agreement for Treasury Management Services (“Master Agreement”) for [Customer Legal Name]. “You,” “your” or “yours” refers to the customer identified in the immediately preceding sentence. The terms “we,” “us,” or “our” refer to the Bank. Capitalized terms used but not defined in this Amendment are defined in the Master Agreement. This Amendment constitutes part of the Service Documentation as defined in the Master Agreement. If there is a conflict between this Amendment and the Master Agreement or other Service Documentation, this Amendment will control. Except as expressly modified by this Amendment, all terms and provisions of Master Agreement and Service Documentation will continue to apply with full force and effect.

## Amendment

We agree that the Master Agreement governing our relationship with you is amended as follows:

1. The following text is added at the end of Section 3 of the Master Agreement (titled “**Changes to services**”):

“Notwithstanding the immediately preceding paragraph, through the Initial Term End Date (as defined below) Bank will not change the fees for Services reflected on Attachment A, except:

- in order to reflect the impact of any change in Applicable Law;
- in the event your Service usage volume is materially lower than that reflected on Attachment A;
- for changes to Bank’s pricing methodology for Services, including element IDs associated with a Service, so long as the change does not increase the total price of the Services to you (unless permitted under one of the two immediately preceding bullet points).

If you implement additional Services not described on Attachment A prior to the Initial Term End Date, the fees for such additional Services will be as disclosed to you in connection with the implementation of such additional Services.”

2. The following text is added at the beginning of Section 4 (titled “**Term and termination**”) as a new first sentence:

“Subject to the termination provisions below, the initial term of this Agreement will commence on [Insert Start Date] and expire on [Insert End Date] (“Initial Term End Date”)[, and this Agreement may be extended for not more than [Insert Number] additional one-year extension terms by your and our mutual consent].”

3. The text of Section 12 (titled “**Governing Law**”) is deleted in its entirety and replaced with the following:

“**Governing law.** The Service Documentation will be governed by: (a) U.S. federal law and (b) the law of [Insert State Where Customer is Located], without reference to its principles of conflicts of laws (“Governing Law”).”

4. The text of Section 14 (titled “**Jurisdiction**”) is deleted in its entirety and replaced with the following:

“**Jurisdiction.** For any proceedings regarding this Agreement (other than a proceeding subject to arbitration), you and we each hereby irrevocably submits to the jurisdiction of the courts of [Insert State Where Customer is Located] or the federal courts located there and irrevocably agrees that all claims relating to the proceeding may be heard or determined in those courts.”

**WELLS FARGO BANK, N.A.**

**[INSERT CUSTOMER NAME]**

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

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

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

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

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

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

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

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



# Amendment to Commercial Account Signature Card

## 1. Account Title(s)

Account #1: _____ CoID: _____	Account #2: _____ CoID: _____
Title Line 1: _____ Customer's full legal name matching Customer's formation documents – 40 characters max.	Title Line 1: _____ Customer's full legal name matching Customer's formation documents – 40 characters max.
Title Line 2: _____	Title Line 2: _____
Title Line 3: _____	Title Line 3: _____
Title Line 4: _____ If applicable, enter DBA name on last available title line.	Title Line 4: _____ If applicable, enter DBA name on last available title line.

## 2. Amendment to Account Signers - Add

Signer #1 \_\_\_\_\_  
Signature \_\_\_\_\_ Printed Name \_\_\_\_\_

Signer role; please select one. If none selected, the default will be limited signer. Refer to section 4 for authority definitions.  
 Limited Signer       Authorized Signer

**Internal use only:** CIS customer number for above signer: \_\_\_\_\_

Signer #2 \_\_\_\_\_  
Signature \_\_\_\_\_ Printed Name \_\_\_\_\_

Signer role; please select one. If none selected, the default will be limited signer. Refer to section 4 for authority definitions.  
 Limited Signer       Authorized Signer

**Internal use only:** CIS customer number for above signer: \_\_\_\_\_

Signer #3 \_\_\_\_\_  
Signature \_\_\_\_\_ Printed Name \_\_\_\_\_

Signer role; please select one. If none selected, the default will be limited signer. Refer to section 4 for authority definitions.  
 Limited Signer       Authorized Signer

**Internal use only:** CIS customer number for above signer: \_\_\_\_\_

### 3. Amendment to Account Signers - Delete

\_\_\_\_\_  
Signer Name

\_\_\_\_\_  
Signer Name

\_\_\_\_\_  
Signer Name

\_\_\_\_\_  
Signer Name

\_\_\_\_\_  
Signer Name

\_\_\_\_\_  
Signer Name

### 4. Customer's Certification, Acknowledgement, and Agreement

By signing below, I certify that the Customer has designated each of the individuals named in Section 2 above as

- a) a "Limited Signer" who is authorized, acting alone, to (i) sign checks drawn on the account(s) and (ii) instruct Wells Fargo with respect to stop payment order(s); or
- b) an "Authorized Signer" who is authorized, acting alone, to (i) sign checks drawn on and make cash withdrawals from the accounts(s), (ii) instruct Wells Fargo with respect to stop payment order(s) and (iii) initiate funds transfers between accounts on Business Online Banking, and (iv) perform other branch transactions in accordance with the customer's contractual arrangements with Wells Fargo.

Designating signers on the signature card does not authorize the signer to access CEO®.

Wells Fargo may obtain credit reports or other information about the customer. Wells Fargo may disclose information about each account to its affiliates, to credit reporting agencies, and to other persons or agencies that, in Wells Fargo's judgement, have a legitimate purpose for obtaining the information.

**I acknowledge that the customer has received the Wells Fargo Commercial Account Agreement and agrees its terms and conditions, as amended from time to time, will govern the account(s).**

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

\_\_\_\_\_  
Position/Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### 5. Bank Use Only

Banker Name:	Banker Telephone:	Banker MAC:
AU:	RAU:	Officer #:
Submitter Name:		Submitter Phone:



# Authorization Certificate

## Deposit Accounts and Treasury Management Services

The undersigned hereby certifies to Wells Fargo Bank, National Association (Bank) that:

1. \_\_\_\_\_  
 (Account holder's complete legal entity/company name), a  
 \_\_\_\_\_  
 (description of Account holder's business entity type)  
 ("Customer"), has authorized the undersigned to make the certifications in this Certificate on Customer's behalf.

2.

Name	Title	Country of permanent residence	Business phone number	Business email address

\_\_\_\_\_ is referred to in this Certificate as an "Authorized Representative" with full authority, acting alone, to:

- a) enter into those agreement(s) that Bank requires regarding opening, operating, and closing deposit accounts for Customer at Bank (each, an Account) and enrolling in, using, and terminating Bank services including Bank's non-deposit sweep services used in connection with the Account(s) (each, a Service);
- b) authorize transactions of all types on the Accounts and instruct Bank regarding Accounts and Services; and
- c) designate individuals as additional Authorized Representatives.

3. This Certificate reflects actions duly taken by Customer in accordance with its governing documents. It shall continue in effect until Bank has received and had a reasonable time to act on Customer's written notice revoking it, which shall be effective only as to actions which are taken by Customer thereafter. Actions authorized in this Certificate but performed prior to its execution are approved and ratified.

**Certified to:**

By/Signature: \_\_\_\_\_

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

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

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

Tax Identification Number of Customer: \_\_\_\_\_  
(TIN of the Account holder as assigned by the IRS)

# Commercial Depository Service Description

Treasury Management Services

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## Introduction

The Service Documentation contains the terms and conditions under which Wells Fargo Bank, N.A. ("Bank") provides you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in Services ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The service ("Service") covered by this Service Description is:

- Commercial Depository
- SafeVantage®

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The *SafeVantage* Service Setup Form (the "*SafeVantage* Setup Form"),
- c. The Acceptance (which indicates your acceptance of the Service Documentation),
- d. The Master Agreement (which contains terms and conditions applicable to all services),
- e. The Account Agreement governing your account that you use for the Service ("Account"),
- f. The Product Enrollment Form ("Set-up Form") (which contains set-up information for the service in which you are enrolling), and
- g. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The separate documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office*® (*CEO*®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## Commercial Depository Service

1. **Description of services.** With the Service, you may:
  - a. Order Cash we prepared and make such Cash available to your Agent at our cash vault, and
  - b. Deliver currency, coin, checks and other negotiable instruments to our cash vault or Night Depositories for processing.
2. **Cash orders from our cash vault.**
  - a. **Cash Requests.** You may make a Cash Request of a Cash Shipment. The Cash Shipment will be made available to your Agent in Cash Bags at our cash vault. We are authorized to act upon any Cash Request we receive in accordance with this Service Description, and which we believe in good faith has been made by one of your Authorized Representatives. We will have no obligation to verify, and will not be liable for our failure to verify or investigate, any Cash Request.
  - b. **Making Cash available to your Agent.** We are authorized to make Cash Shipments available to any person we in good faith believe to be your Agent. We will have no further responsibility, and you assume all risk of loss for Cash made available to any such person. We will make Cash Shipments available only at the locations, on days, and during the hours published by us from time to time. We reserve the right to suspend the Service at any time without notice.

- c. **Your Authorized Representatives.** You will promptly certify to us the identity of each Authorized Representative. You will give prior written notice to us of any change in the authority of any Authorized Representative. We will be fully protected in relying on each such notification and on your obligation to promptly notify us of any change in the status of the Authorized Representative. We will have a reasonable period of time to act after receiving such notification.
- d. **Security procedures.** For requests made in writing or by fax, operator-assisted telephone call or transmission, a Customer ID assigned by us is required. For *CEO* requests, you must have Log-On Credentials. For touch-tone/automatic response telephone requests, a Passcode is required. Operator limits may also be required. It is your responsibility to establish internal procedures that will minimize the risk of an unauthorized person gaining access to the Customer ID, Log-On Credentials and Passcode(s). Such internal procedures include without limitation requiring users to maintain such number(s) and code(s) in strict confidence. You will notify us immediately in the event a breach of security is suspected.
- e. **Debit of Account.** On each Business Day that we make a Cash Shipment available to your Agent, we are authorized to debit your Account for the aggregate amount of the Cash Shipment. You will maintain collected balances in the Account sufficient at all times to fully cover any debit. We have no obligation to release a requested Cash Shipment or any portion thereof to your Agent unless there are sufficient collected funds in the Account to fully cover the amount of the Cash Shipment when it is to be made available to your Agent. If you fail to specify your Account to us, we may debit any account which you maintain with us for the amount of a requested Cash Shipment.
- f. **Packing slip; differences in shipment amount.** A packing slip will be included with each Cash Shipment which states:
  - i. The aggregate amount of the Cash Shipment,
  - ii. The overall number of containers included in the Cash Shipment, and
  - iii. The number of containers delivered to your Agent for transmittal to you.

For each Cash Shipment we make available to your Agent, you will notify us immediately in writing of any difference between the amount specified on the packing slip for that Cash Shipment and the amount, as counted by you, of the Cash Shipment. In the event that the difference cannot be resolved, our count of the amount of the disputed Cash Shipment will be conclusive and binding on you.

- 3. **Cash vault processing.** The following procedures will govern delivery of Deposit Shipments to our cash vault locations and our processing of such Deposit Shipments:
  - a. **Delivery by your Agent.** You will deliver Deposit Shipments in Deposit Bags to one of our cash vaults via your Agent. You are responsible for making all arrangements with your Agent for delivery of Deposit Shipments, and you assume all risk of loss while a Deposit Shipment is in the possession of your Agent. We may accept Deposit Shipments from any person we believe in good faith to be your Agent. The delivery of a Deposit Bag to us or our receipt of it on a manifest will not be deemed proof of our receipt of the contents listed on the deposit slip contained in the Deposit Bag or your records. We will have no responsibility for any Deposit Bag or its contents delivered to one of our cash vaults until we accept the Deposit Bag in accordance with our procedures and we count the contents of the Deposit Bag.
  - b. **Delivery procedures.** When you deliver a Deposit Shipment to our cash vault, you agree you (and/or your Agent) will do the following:
    - i. Deliver Deposit Bags only at the locations, on the days, and during the hours published by us from time to time,
    - ii. Properly endorse all checks and other negotiable instruments included in a Deposit Shipment,
    - iii. Use only Deposit Bags approved by us that are properly secured,
    - iv. At the time of delivery, your Agent will provide us with a delivery manifest which specifies the number of Deposit Bags you included in the overall shipment delivered to us, as well as the contents of each Deposit Bag,

- v. Obtain the signature of our employee who accepts delivery on that portion of the delivery manifest which your Agent retains, and
- vi. Retain a copy of the receipt or other document covering each Deposit Bag you deliver to your Agent for at least one year from the date of delivery.

You agree you will only use Deposit Bags for the deposit of Items. You will not use Deposit Bags in any unauthorized manner or for any unlawful purpose. As to any property other than Items included in a Deposit Bag, we will not be deemed a bailee and will have no liability for any loss of or damage to such property.

- c. **Cutoff Time; Account Deposits.** If a Deposit Shipment is received at one of our cash vaults on a Business Day before the Cutoff Time for that cash vault, the total amount of the deposits in such Deposit Shipment will be credited on that Business Day to the Account specified on the deposit slip for that Deposit Shipment. If a Deposit Shipment is received at a cash vault on a Business Day after the Cutoff Time, the total amount of the deposits in that Deposit Shipment will be credited to the Account on the next succeeding Business Day. We will not deposit any Items received in any Deposit Shipment unless the account number of the Account into which the deposit is to be made is specified on the deposit slip for that Deposit Shipment.
  - d. **Processing of Deposit Shipments.** You authorize us to open each Deposit Bag, count the contents, credit the amount of Items to the Account with us indicated on the deposit slip contained in the Deposit Bag and process, all in accordance with our customary procedures. All deposits are subject to verification, and our count of the Items will be conclusively deemed to be correct and complete for all purposes. No relationship of debtor and creditor will arise between you and us until the count has been completed and the deposit credited to the Account. You acknowledge that you have had an opportunity to have our applicable count and verification procedures explained to your Authorized Representative and agree that the same will be deemed commercially reasonable.
  - e. **Adjustment procedures.** If the aggregate amount of the Items in any Deposit Shipment, as counted by us, is less than the amount reported on the deposit slip covering that Deposit Shipment, we will debit the Account specified on the deposit slip by such difference and report the difference to you. If that Account has an insufficient collected and available balance to cover the debit, we will debit any of your other accounts with us for the difference. You agree to promptly reimburse us for the difference (or any portion thereof) for which there are insufficient available balances in your accounts with us. If the aggregate amount of the Items in any Deposit Shipment, as counted by us, is more than that reported on the deposit slip covering the Deposit Shipment, we will credit the Account specified on the deposit slip for the difference and notify you.
4. **Night Depository delivery and processing.** The following procedures will govern Night Deposits, and our processing of Night Deposits:
- a. **Night Depositories; issuance of keys.** You may make Night Deposits to your Account by placing the Items to be deposited into a Night Bag and then placing the Night Bags in the Night Depository. Each of your offices listed on the Night Depository Set-up Form will receive one key to the Night Depository at a designated Branch. You will designate to us in writing the individuals to receive the key for each of your offices. We may require such individuals to sign a receipt for the keys they receive.

- b. **Contents of Night Bags; deposit of Night Bags.** You agree that Night Bags will be used only for the deposit of Items, and will not be used in any unauthorized manner or for any unlawful purpose. If any property other than Items is included in a Night Bag, we will not be deemed a bailee and will have no liability for any loss of or damage to such property. Each Night Bag must contain one or more deposit slips which:
  - i. Lists all the Items contained in that Night Bag and their total dollar amount, and
  - ii. Identifies your Account to which the dollar amount of the deposit is to be credited.

At the time each Night Bag is placed in a Night Depository you agree to securely close each Night Bag, place it completely in the Night Depository and securely lock the Night Depository.

- c. **Processing of Night Deposits.** We may open each Night Bag and remove its contents without you or any of your representatives present. The contents of each Night Bag will be processed in accordance with our standard procedures. The Cutoff Time for deposits made through the Night Depository may be different from that for deposits made at the teller line. You understand and agree that the contents of a Night Bag will not be credited to the Account, nor will the relationship between you and us be that of a debtor to a creditor with respect to any Item in a Night Bag, until we have accepted the Item for deposit into the Account after counting all the Items in the Night Bag and calculating the total dollar amount of all such Items.
  - d. **Counting and adjustments.** If your records regarding the total dollar amount of the Items in any Night Bag differ from our calculation of the total dollar amount of the Items in the Night Bag, you have the burden of proving that your records show the correct amount in the Night Bag or our total will be accepted as final. If there is a difference between our total and your total for the amount of Items in a Night Bag (as shown on the deposit slip(s) in the Night Bag), we will send you a statement indicating the amount of the difference. In the event that the difference cannot be resolved, our count of the dollar amount will be conclusive and binding on you.
  - e. **Claims of lost or stolen Items.** You agree that you will have total responsibility for each Night Bag and its contents until the Night Bag has dropped completely into a Night Depository. You agree to notify us immediately if you determine that any Night Bag or any Item in a Night Bag has been lost or stolen while at one of our Branches. You will have the burden of proving the amount of any Item which you claim was lost or stolen while it was at a designated Branch and that disappearance of the Item occurred while it was at the designated Branch.
5. **Special instructions.** You may notify us in writing of any special instructions relating to cash orders or deposits of Items at our cash vault or Night Depositories. We may at our option accept or reject the instructions and so notify you. Even if accepted, we may stop complying with the instructions upon prior notice to you if we believe continued compliance would increase our costs or risks, interfere with our established or revised procedures, or diminish the efficiency of our operations. You will be solely liable for any loss attributable to increased risk resulting from a special instruction.
6. **Further assurances.** You agree to do all acts we may consider reasonably necessary or desirable to implement and carry out the intent of this Service Description. You agree to provide us with information we request regarding any Deposit Shipment, including any information necessary to file a Currency Transaction Report and to determine the source of any Cash or Items in a Deposit Shipment.
7. **Representations and warranties.** To be eligible to make Deposit Shipments at a cash vault or Night Depository, you represent and warrant to us at the time of the delivery of each Deposit Shipment that:
- a. **Deposits for own account.** You make Deposit Shipments for your sole account and do not directly or indirectly make any Deposit Shipments on behalf of any other party, unless you have previously disclosed such party to us and we have approved such party in writing, in our sole discretion.

- b. **No deposits from outside the United States.** You do not make Deposit Shipments from any source known, or which upon reasonable inquiry would be known to you, to be outside the United States.
  - c. **No business as a foreign exchange house.** You do not conduct any business, whether in whole or any part, as a foreign exchange house including, without limitation, as a Casa de Cambio.
8. **Contaminated Cash.** You agree not to send contaminated or damaged Cash to our cash vaults unless you or our Agent has prepared such Cash in accordance with the Federal Reserve Banks' applicable specifications and procedures.
9. **Termination of Services.** We may immediately terminate this Service in whole or in part in the event of your breach of any representation or warranty in section 7 (Representations and warranties). Otherwise, we may terminate this Service upon sixty (60) days prior notice to you.
10. **Survival.** Sections 2(e), 2(f), 3(d), 3(e), 4(d), 4(e), 6 and 9 will survive termination of this Service.

## SafeVantage® Service

1. **Description of Service.** We make the *SafeVantage* Service available to you in connection with the Commercial Depository Service described above in this Service Description. With the *SafeVantage* Service, we will provide provisional expedited credit to you for the Cash currency properly deposited into the Equipment's currency acceptors. Following our receipt of a Safe Report, we will provide provisional expedited credit to your Account in the total amount set forth in such Safe Report. Credits will only be applied on Business Days in accordance with the *SafeVantage* Setup Form. Currency and other Items inserted using the manual envelope drop of the Equipment will not receive provisional expedited credit, and will be processed and credited in accordance with the cash vault processing procedures for the Commercial Depository Service, as described above in this Service Description.
2. **Conditions to provision of our *SafeVantage* Service.** As conditions to our provision of the *SafeVantage* Service:
- a. You must enter into a Vendor Agreement,
  - b. We must agree that the Equipment is suitable and compatible, in our sole discretion, for the *SafeVantage* Service, and
  - c. You must agree to use the Equipment in accordance with the Vendor Agreement and as instructed by us as necessary from time to time in connection with the *SafeVantage* Service.

You acknowledge that we are not providing the Equipment and have no obligation or liability with respect to the Equipment or any service related thereto other than the *SafeVantage* Service.

3. **Ownership of Cash.** You agree that Wells Fargo-Owned Cash is our Cash currency and will not at any time be your property or the property of any other person, including your Agent. No person, other than us and our Representatives, shall have any possessory or ownership rights to Wells Fargo-Owned Cash under Section 362 or Section 541 of the U.S. bankruptcy code. You shall take all actions necessary, and all additional commercially reasonable actions that we request to ensure and evidence that Wells Fargo-Owned Cash remains our sole and exclusive property. You agree that neither you nor your Agent will commingle Wells Fargo-Owned Cash with Cash currency owned by another financial institution or any other person.

4. **Access to Cash.** You agree that physical access to Wells Fargo-Owned Cash will be restricted to:
  - a. Your Agent solely for the purpose of performing services in accordance with the Vendor Agreement, and
  - b. If applicable, a maintenance service provider solely for the purposes of providing routine maintenance services or repairs on the Equipment.

You agree that we will, at all times, have control and immediate access to all Wells Fargo-Owned Cash by having : (1) the ability to recall any of the Wells Fargo-Owned Cash the same Business Day as the day of the request; and (2) unfettered and immediate access to the Wells Fargo-Owned Cash upon your financial distress as determined in our sole discretion. You agree to fully cooperate with us and our representatives in connection with our access to Wells Fargo-Owned Cash, including instructing your Agent to deliver Wells Fargo-Owned Cash to one of our cash vault locations if and as requested by us. You release us and our representatives (including without limitation any armored carrier engaged by us) from any and all Losses arising out of or related to our representative acting on our request or direction to access Wells Fargo-Owned Cash on our behalf and/or to deliver the Wells Fargo-Owned Cash to us, except to the extent any Losses arise from the gross negligence or willful misconduct of our representative. Our representative shall be a third party beneficiary of the release described above in this section.

5. **Risk of loss.** You are responsible for all risk of loss and liability for Wells Fargo-Owned Cash that is not at one of our cash vault locations, including but not limited to loss, damage or contamination of Wells Fargo-Owned Cash, theft or destruction of Wells Fargo-Owned Cash, malfunction of the Equipment or you, your Agent's or any of your representative's negligence or willful misconduct.
6. **Adjustments.** If the total amount of the Cash currency processed and verified for a Safe Report is less than the amount reported for such Safe Report, we may debit the Account without notice to you. If the Account has insufficient funds to cover the debit, we may debit any of your other accounts with us for the difference, and you agree to promptly reimburse us for the difference (or any portion thereof) upon our demand, without setoff or counterclaim. If the total amount of the Cash currency processed and verified for a Safe Report is more than the amount reported on such Safe Report, we will credit the Account for the difference without notice to you. If your Vendor Agreement provides any guarantees or other protection for the contents of the Equipment including Cash currency deposited through the currency acceptors, we reserve the right to require you to file a claim with such vendor before making any claim against us.
7. **Reimbursement.** Unless it results solely from our negligence or willful misconduct, you will reimburse us for Losses we incur from (a) providing the SafeVantage Service to you in accordance with this Service Description, or (b) an action you ask us to take in connection with the SafeVantage Service and this Service Description. You authorize us to recover any such amount by debit to your accounts with us or our affiliates.
8. **Contaminated Cash.** You agree not to send contaminated or damaged Cash to our cash vaults unless you or our Agent has prepared such Cash in accordance with the Federal Reserve Banks' applicable specifications and procedures.
9. **Survival.** Sections 3 - 7 will survive the termination of the SafeVantage Service.
10. **Notice.** You agree to provide us immediate notice of any default or breach of the Vendor Agreement by you or the vendor or termination of the Vendor Agreement.
11. **Termination.** Either party may terminate the *SafeVantage* Service in accordance with the terms of the Master Agreement. In addition, if the Vendor Agreement is terminated for any reason, the *SafeVantage* Service will automatically terminate, unless otherwise agreed by you and us.

## Glossary

**Account Agreement** means the applicable account agreement governing your Account.

**Agent** means an armored car service approved by us or, in Alaska only, the U.S. Postal Service, in each case, acting as your agent.

**Applicable Law** is defined in section 3 of the Master Agreement.

**Authorized Representative** means (a) any person you authorize us to communicate with regarding authorization codes or other security procedures for this Service; (b) your Agent authorized to accept delivery of Cash; and (c) where applicable, the persons who are authorized users of this Service.

**Branch** means one or more of our branch locations listed on our Night Depository Set-up Form.

**Business Day** means every day except Saturday, Sunday and federal holidays.

**Cash** means U.S. denominated currency and coin.

**Cash Bag** means bags or other containers into which Cash Shipments are placed.

**Cash Request** means a request you make to us in writing, telephonically by operator-assisted call or by touch tone/automated response, or electronically via transmission, fax, or our *Commercial Electronic Office® (CEO®)* portal for a Cash Shipment in the amount you specify.

**Cash Shipment** means shipments of Cash in Cash Bags in accordance with this Service Description.

**Currency Transaction Report** is defined in the regulations implementing the Currency and Foreign Transactions Reporting Act of 1970, as amended from time to time.

**Customer ID** is a unique identifier given to you by us for each of your locations enrolled in the Service.

**Cutoff Time** means our cutoff time each Business Day that we separately disclose to you for the Service.

**Deposit Bag** means bags or other containers into which Deposit Shipments are placed.

**Deposit Shipment** means your delivery of Items in accordance with this Service Description.

**Equipment** means certain units of safes provided by vendors, in each case, acceptable to us.

**Items** mean, collectively, Cash, checks and other negotiable instruments properly endorsed by you.

**Losses** means all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees, disbursements of legal counsel and court fees).

**Master Agreement** means the Master Agreement for Treasury Management Services.

**Night Bag** means disposable bags used for Night Deposits.

**Night Deposit** means your delivery of Items to our Night Depositories in accordance with this Service Description.

**Night Depository** means the night depository receptacle at one of our Branches.

**Night Depository Set-up Form** means the form required to be completed to receive key(s) to access the Night Depository.

**Passcode** means a code established to access our Telephony Interface Unit via the telephone number we provide to you.

**Safe Report** means a transmission report from any unit of Equipment stating the amount of Cash currency inserted into the Equipment's currency acceptors.

**Vendor Agreement** means a valid and binding agreement with a vendor, acceptable to us, for the provision of the Equipment.

**Wells Fargo-Owned Cash** means all Cash currency located in the Equipment and the amount of Cash currency removed from the Equipment for delivery to us by your Agent, in each case, for which we have given you provisional expedited credit.



# Check Collections Service Description

Treasury Management Services



November 8, 2019

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# Introduction

The Service Documentation contains the terms and conditions governing each service ("Service") that Wells Fargo Bank, N.A. ("Bank") provides to Company under this Service Description. "Company" is the Bank customer identified on the Acceptance of Services that is signed when you enroll in Services ("Acceptance").

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the specific Service),
- b. The Acceptance (which indicates Company's acceptance of the Service Documentation),
- c. The Master Agreement for Treasury Management Services ("Master Agreement") (which contains terms and conditions applicable to all Services),
- d. The account agreement governing the account(s) (each, an "Account") Company uses in connection with the Service,
- e. The Product Enrollment Form (which contains set-up information for each Service in which Company is enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

This Service Description and the Master Agreement are posted at Bank's *Commercial Electronic Office*® (CEO®) portal. If there is a conflict among the documents comprising the Service Documentation, they will govern in the order listed above. Company's use of the Service confirms Company's receipt of an agreement to be bound by the applicable Service Documentation. If an enhancement to the Service or other change requires a change to this Service Description, Bank will post an updated Service Description on the CEO® portal. When required by applicable law, Bank will notify Company of the update. If Company continues to use the Service after the update takes effect, Company will be deemed to have agreed to the update.

# Services

## Returned Item

1. **Description of Bank's Returned Items Services.** A "Returned Item" is an Item that is returned to Bank unpaid after Company deposits it to an account at Bank (or another financial institution) that Company has enrolled in one or more of Bank's Returned Item Services (each, "Account"). Bank's Returned Item Services include:
  - a. Special Instructions regarding the handling of Company's Returned Items (section 3);
  - b. Returned Item Decisioning through Bank's CEO® portal (section 4);
  - c. Electronic Returns through which Bank submits Company's Returned Items as RCK entries in accordance with the National Automated Clearing House Association ("NACHA") Operating Rules and Guidelines as supplemented by any applicable operating rules of any automated clearing house of which Bank is a member, each as may be amended from time to time (together, "NACHA Rules") (sections 5-10);
  - d. Centralized Return Processing through which Bank processes Company's Returned Items as Company's centralized return processor (sections 11-14);
  - e. Returned Item Forwarding through which Bank forwards Returned Items Bank receives on Company's Accounts at Bank to Company's centralized returns processor (section 16); and
  - f. Returned Item Service Fee Recovery through which Bank issues MICR drafts to recover service fees Company assesses on its customers in connection with Returned Items (section 17).

2. **Rules applicable to Bank's Returned Item Services.** Bank will provide the Services to Company in accordance with:
  - a. The Service Documentation including without limitation the User Guide that Bank makes available to Company at [www.wellsfargo.com](http://www.wellsfargo.com); and
  - b. State and federal laws and regulations and clearinghouse rules applicable to a Returned Item which may include Federal Reserve Board Regulation CC Subpart C relating to the collection of checks ("Reg CC"), Federal Reserve Board Regulation E ("Reg E") and, in the case of Bank's Electronic Returns Service, when Bank originates an RCK entry on Company's behalf, the NACHA Rules.
3. **Special Instructions Service.** When Company enrolls in Bank's Special Instructions Service, Bank will process Company's Returned Items in accordance with the Special Instructions Company communicates to Bank from time to time.
4. **Returned Item Decisioning Service.** When Company enrolls in Bank's Returned Item Decisioning Service, Bank will use the CEO® portal to notify Company of Returned Items Bank receives prior to the cut off time Bank separately discloses to Company each Business Day. Each Returned Item will be listed by the default disposition (redeposit or chargeback) Company separately selects. Prior to the daily deadline Bank separately discloses, Company will review the Returned Items and accept or change the disposition of each Returned Item Bank identifies as eligible for decisioning through the CEO® portal. Bank will process each Returned Item not accepted or changed by this deadline according to Company's default disposition on file with Bank.
5. **Electronic Returns Service.** When Company enrolls in Bank's Electronic Returns Service, Bank submits RCK entries for Company's Returned Items that Bank, using a data-based decisioning method, has determined qualify as RCK entries under the NACHA Rules. The financial institution on which a Returned Item was drawn may reject any RCK entry without liability to Bank. The NACHA Rules require the originator of an RCK entry to make certain representations and warranties with respect to the original item for which the RCK entry is initiated. If Bank incurs any liability for breaching any of these warranties, Bank will look to Company to reimburse Bank.
6. **Authorization.** Company represents and warrants to Bank that the issuer of any Returned Item has authorized Company to represent the Returned Item electronically and that such authorization is in all respects legally sufficient under applicable law.
7. **Rejected entries.** In the event any RCK entry submitted on behalf of Company is rejected by the ACH for any reason and sufficient data is available to Bank to permit it to repair the RCK entry, Bank will make the repair. Company will provide to Bank on request all information necessary to repair any RCK entry or file of RCK entries.
8. **Representation/returned check fees.** Company acknowledges that the NACHA Rules do not allow collection of fees associated with a represented item by means of a single RCK entry in the amount of both the represented item and associated fees. Company represents and warrants that each item it deposits to its Account at Bank or another financial institution will only be for the amount of the item, and will not include any amount for a representation/returned item fee or similar fee.
9. **Provisional credit.** Any credit to Company's Account in connection with an RCK entry is provisional until such time as settlement for the RCK entry becomes final. In the event any RCK entry is returned or an adjustment memorandum is received with respect to the RCK entry, Company will immediately deposit with Bank sufficient good and collected funds to cover the returned RCK entry or adjustment memorandum. Company authorizes Bank to debit any of Company's account(s) for the amount of any such returned RCK entry or adjustment memorandum.

10. **Reimbursement.** Unless it results solely from Bank's negligence or intentional misconduct, Company will indemnify and reimburse Bank from and against any and all Losses and Liabilities that Bank incurs either directly or indirectly, in connection with (a) the breach of any warranty Bank makes under the NACHA Rules or Company makes in the Service Description, or (b) any action Company asks Bank to take in connection with Bank's Electronic Returns Service.
11. **Centralized Check Return Service.** When Company enrolls in Bank's Centralized Check Return Service, Bank processes Returned Items from Company's Account(s) at Bank and financial institution(s) other than Bank with which Company arranges for Bank to provide the Service. Company will place a special endorsement on the back of each check or other item it intends to deposit with a financial institution other than Bank that, upon dishonor, it wishes to have returned to Company's Centralized Return Account at Bank. This endorsement is the "centralized returns endorsement". It will include all of the information required by 12 CFR §229.35 (as amended from time to time) to be included in an endorsement made by a bank of first deposit and, to the extent possible, conform to the form of such an endorsement. The centralized returns endorsement will be designed to be more prominent than the endorsement of the actual depository bank and thereby increase the likelihood that the paying bank or other payor and any subsequent returning bank will identify Bank as Bank of first deposit. Bank, upon request, will supply Company with endorsement stamps or examples of endorsement stamps that satisfy the requirements of this section.
12. **Relation of multiple endorsements.** Company understands (a) the centralized returns endorsement is in addition to, and not in place of, the endorsement placed on an Item by the depository bank; (b) the centralized returns endorsement may or may not obscure, in whole or in part, the endorsement placed on the Item by the depository bank; and (c) the endorsement placed on each Deposited Item by the depository bank may or may not obscure, in whole or in part, the centralized returns endorsement.
13. **Delayed returns; lost instruments; liability; indemnification.** With respect to where to return checks, 12 CFR §§229.30(g) and 229.31(g), respectively, provide that paying and returning banks may rely on any routing number that appears on a returned check as that of the bank of first deposit. This means a Returned Item may be returned to either Bank or to the actual depository bank. It also means there may be a significant delay in Bank's receipt of a Returned Item. Company, not Bank, is solely responsible for any and all claims, damages, losses, and expenses of any kind including without limitation attorney's fees and costs (collectively, "Losses and Liabilities") that may arise, either directly or indirectly, in connection with any delay in the return of any Returned Item. Company agrees to indemnify and hold Bank, its directors, officers, employees and agents (collectively, "Indemnified Persons") harmless from all Losses and Liabilities arising out of or in any way connected with acts or omissions by Bank or any such indemnified party in connection with the delay in the return of any Item deposited to Company's account at another financial institution.
14. **Bank's right to chargeback Returned Items.** Bank may chargeback a Returned Item to any account Company owns in whole or in part at Bank or any affiliate of Bank without regard to whether the Returned Item was initially deposited to Company's Account at Bank or at another financial institution.
15. **Returned Item Forwarding.** When Company enrolls in Bank's Returned Item Forwarding Service, Company will place its centralized returns endorsement identifying Company's centralized return processor on the back of each check or other item it deposits to its Account(s) at Bank that, upon dishonor and subsequent receipt by Bank, it wishes Bank to forward to Company's Centralized Return processor. Bank will forward Company's Returned Items that Bank receives to Company's centralized return processor. Company acknowledges the possibility of a delay in its centralized return processor's receipt of a Returned Item that is first received by Bank and agrees Section 13 of this Service Description including Company's agreement to indemnify Indemnified Parties applies to Losses and Liabilities of any Indemnified Party in connection with Bank's Returned Item Forwarding Service. Ited to Company's Account at Bank or at another financial institution.
16. **Returned Item Service Fee Recovery.** When Company enrolls in Bank's Returned Item Service Fee Recovery Service, Bank issues a MICR draft on the account of the issuer of a Returned Item in the amount to which Company and Bank separately agree will be Company's Returned Item service fee. Company represents and warrants to Bank that Company has properly disclosed to all its customers that it assesses a service fee for checks returned unpaid for any reason.

17. **Company's agreement to indemnify Bank.** Company will indemnify, defend, and save harmless the Indemnified Persons from and against all Losses and Liabilities awarded against or incurred or suffered by Indemnified Persons arising directly or indirectly from or related to:
  - a. Any material breach in a representation, warranty, covenant, or obligation of Company contained in the Service Documentation;
  - b. The violation of any applicable law, statute, or regulation or of the Rules Applicable to Bank's Returned Items Services including without limitation Reg CC, Reg E and the NACHA Rules in the performance of Company's obligations under the Service Documentation;
  - c. A breach of any warranty Bank makes under the NACHA Rules in connection with Bank's Electronic Returns Service under this Service Description ; and
  - d. Any negligent or intentional act or omission by Company in the performance of its obligations under the Service Documentation.
18. **Survival.** Sections 5, 6, 8, 13, 15 and 17 of this Service Description will survive termination of the Service.

### **Wells Fargo Remote Deposit Capture and Image Delivery**

1. **Description of service.** The Service enables Company to create or process Electronic Checks from eligible paper checks and transmit the Electronic Checks in an electronic file ("Electronic File") to Bank for review and processing for credit to Company's deposit account at Bank ("Account") in accordance with this Service Documentation. An "Electronic Check" means an electronic image of, and electronic information derived from, an eligible U.S. Dollar paper item or check that conforms to ANSI X9.100-187. Bank's Reference Guide for the Service lists eligible U.S. Dollar checks (and ineligible checks). For each Electronic Check Bank determines is eligible for processing, Bank will:
  - a. Create a substitute check conforming to ANSI X9.100-140 that Bank will present directly or indirectly to the bank (a) on which the original paper check to which the Electronic Check relates is drawn, or (b) at or through which the original paper check is payable (each, the "Paying Bank");
  - b. Include the Electronic Check in an electronic file for presentment directly or indirectly to the Paying Bank; or
  - c. Post or present any Electronic Check for which Bank is the Paying Bank.
2. **Creating or processing Electronic Checks and transmitting Company's Electronic File to Bank.** To create or process Electronic Checks and transmit Company's Electronic File to Bank, Company will use either (a) Bank provided software and Bank provided, certified or approved hardware, or (b) Company's software and hardware or third-party provided software and hardware, provided each generates Electronic Checks and Electronic Files that meet Bank's then current standards and specifications. Any third-party processor Company uses to prepare and/or transmit Company's Electronic File is Company's agent, and Company will be responsible for ensuring its agent complies with Company's responsibilities under this Service Description. In particular, each Electronic File Company's agent transmits to Bank will include only Electronic Checks payable or endorsed to Company, unless Bank expressly agrees to permit Company's agent to include Electronic Checks payable to customers of Company or Bank.
3. **Processing Company's Electronic File.** Bank will review each Electronic Check and process the Electronic Checks Bank determines are eligible for processing on the Business Day Company transmits Company's Electronic File to Bank, if Bank receives Company's Electronic File before the processing deadline Bank separately discloses to Company ("Cut-Off Time") on that Business Day and on the next Business Day if Company transmits Company's Electronic File to Bank after Bank's Cut-Off Time. "Business Day" is every day except Saturday, Sunday and any federal holiday.

4. **Exception Checks.** Each Business Day on which Bank processes Company's Electronic File, Bank may, without liability to Company, reject Electronic Checks Bank determines are ineligible for the Service (each, an "Exception Check"). "Exception Check" includes without limitation an Electronic Check that (a) is illegible or contains MICR data that is not machine-readable, (b) was previously processed as an Electronic Check, (c) is drawn on a bank located outside the United States and is not payable at or through a bank located within the United States, (d) fails to conform to ANSI X9.100-187, or (e) any Electronic Check other than one described in (a), (b), (c), or (d) of this section 4 that applicable law prohibits Bank from accepting through a remote deposit capture platform. Bank will notify Company of each Exception Check through Bank's Commercial Electronic Office® service or other communication channel at Bank's discretion. Company will deposit an Exception Check to Company's Account only by depositing the original Paper Check to which the Exception Check relates or as otherwise agreed by Bank and Company. Even if Bank does not identify an Exception Check when Bank processes the Electronic File that includes the Exception Check, the substitute check or purported substitute check Bank creates from the Electronic Check may be returned to Bank because, among other reasons, the Paying Bank determines it is illegible or missing an image. Bank's failure to identify an Exception Check will not limit Company's obligations to Bank under section 8.
5. **Deposits to Company's Account.** Bank will be deemed to have accepted each Electronic Check for deposit to Company's Account (other than any Exception Check) (a) on the Business Day Bank processes the Electronic Check (b) at the Bank office where Company's Account is maintained. Funds from these Electronic Checks will be made available in accordance with Bank's Funds Availability Policy applicable to Company's Account and will be deemed to be collected in accordance with Bank's Electronic Deposit Collected Funds Schedule which Bank will provide to Company upon request and may amend from time to time. If an Electronic Check or substitute check is dishonored by a Paying Bank, Company acknowledges and agrees that Paying Bank may create and return to Company or its customers a return substitute check conforming to ANSI X9.100-140 in lieu of the originally presented Electronic Check or substitute check. Company acknowledges and agrees that if Bank receives a notice of nonpayment from Paying Bank with respect to an Electronic Check or substitute check presented for payment, Bank has no obligation to provide this notice to Company or its customers.
6. **Third-party processors.**
  - a. **General.** This section contains additional terms applicable when Company is a third-party processor. Company is a "third-party processor" when it uses the Service either to (a) create and process an Electronic Check on behalf of a customer or (b) process an Electronic Check one of its customers has created and transmitted to Company.
  - b. **Prerequisites for acting as a third-party processor.** Prior to acting as a third-party processor with respect to any customer, Company will conduct due diligence appropriate to the type of customer (consumer or business). As part of Company's due diligence, at time a customer initially opens an account with Company, Company will obtain the customer's name, Taxpayer Identification Number, and address. In addition, Company will fulfill obligations under applicable law with respect to (a) establishing and maintaining a Customer Identification Program and an Anti-Money Laundering Program, (b) establishing and maintaining written procedures reasonably designed to identify and verify beneficial owners of legal entity customers and to include such procedures in its Anti-Money Laundering Program and (c) suspicious activity monitoring and reporting. Company will also enter into an agreement with each of its customers which includes (i) provisions paralleling those in this Service Description relating to creating Electronic Checks and maintaining the security of original Paper Checks; (ii) warranties paralleling each of the warranties Company makes to Bank in this Service Description; (iii) an acknowledgement that Bank may at any time refuse to process Electronic Checks for that customer; and (iv) if the customer is a business entity, an obligation that customer, upon request by Company, provide Company the information Company requires to enable Company to understand the nature of the customer's business.

- c. **Risk parameters; ongoing monitoring.** For each customer for which Company acts as a third-party processor, Company will, in accordance with reasonable commercial standards, monitor the customer's deposits for suspicious activity including out-of-pattern, duplicate and suspicious Electronic Checks on an ongoing basis and take appropriate actions with respect to the customer's account with Company, up to and including refusing to process Electronic Checks for the customer and/or preventing the customer from transacting on its account(s) with Company. Bank will establish and maintain confidential internal risk parameters for Company's Electronic File but Company is solely responsible for monitoring its customer's Electronic Checks.
7. **Company's representations and warranties.** Company represents and warrants to Bank Company will:
- a. Use the Service only for eligible paper checks payable to or endorsed for deposit by Company or its customers (unless Bank expressly agrees otherwise);
  - b. Transmit to Bank only Electronic Checks suitable for processing including without limitation legible Electronic Checks containing machine-readable MICR data;
  - c. Not transmit to Bank any Electronic Check that duplicates an Electronic Check previously transmitted to Bank or that did not originate as an eligible paper check;
  - d. Maintain control over and sole responsibility for secure retention and destruction of each original eligible paper check for which Company or one of Company's customers has created an Electronic Check (including the security and integrity of nonpublic personal information appearing on the original paper check throughout the transmission flow and while in storage) and properly secure all hardware Company uses in connection with the Service at all times;
  - e. Not transmit to Bank, deposit to Company's Account, or otherwise negotiate any original eligible paper check with respect to which Company has transmitted an Electronic Check to Bank, unless Bank has notified Company that the Electronic Check is an Exception Check;
  - f. If Company uses an agent to create Electronic Items and/or transmit Company's Electronic File to Bank, Company will ensure its agent includes only Electronic Check payable to Company in an Electronic File, unless Bank expressly agrees to permit the agent to include Electronic Check payable to multiple customers of Bank; an
  - g. If Company is a third-party processor as set forth in section 6 of this Service Description, comply with section 6 of this Service Description.
8. **Company's agreement to indemnify Bank.** Company will indemnify, defend, and save harmless Bank, its parent company, and its affiliates and each of their respective directors, officers, employees, and agents (collectively in this section 8, "Indemnitees") from and against all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered (collectively, "Losses and Liabilities") by Indemnitees arising directly or indirectly from or related to:
- a. Any negligent or intentional act or omission by Company in the performance of its obligations under this Service Description including without limitation failing to maintain control over and sole responsibility for secure retention and destruction of each original paper check for which Company has created an Electronic Check (including the security and integrity of nonpublic personal information appearing on the original paper item throughout the transmission flow and while in storage), in which event Losses and Liabilities will include without limitation consequential damages;
  - b. Any material breach in a representation, warranty, covenant, or obligation of Company contained in this Service Description;
  - c. Bank acting as a "reconverting bank" under the Check Clearing for the 21st Century Act through the creation of "substitute checks" or purported substitute checks using an Electronic Check, an Exception Check or an Electronic File, in which event Losses and Liabilities will include without limitation consequential damages; and
  - d. Bank posting or presenting an Electronic Check for which Bank is Paying Bank or presenting an Electronic Check to the Paying Bank for payment.



- e. Company will further indemnify, defend, and save harmless Indemnitees from and against all Losses and Liabilities by Indemnitees arising directly or indirectly from or related to Regulation CC (12 CFR Part 229) or Regulation J (12 CFR Part 210) as follows:
  - i. Bank warrants to a warrantee that (i) the electronic image of a check accurately represents all of information on the front and back of the original check as of the time that the original check was truncated and the electronic information includes an accurate record of all MICR line information required for a substitute check and the amount of the check ("Image Quality Warranty") and (ii) the warrantee will not receive a presentment of or otherwise be charged for an Electronic Check, an Electronic Returned Check, the original check, a substitute check, or a paper or electronic representation of a substitute check, such that the warrantee will be asked to make payment based on a check it has already paid ("No Double Debit Warranty"). In the case of transfers for collection or payment, Bank makes the Image Quality Warranty and the No Double Debit Warranty to the transferee bank, any subsequent collecting bank, the paying bank, and the drawer. In the case of transfers for return, Bank makes the Image Quality Warranty and the No Double Debit Warranty to the transferee returning bank, any subsequent returning bank, the depository bank, and the owner. If any Indemnitee suffers any Losses or Liabilities arising directly or indirectly from or related to a breach of any of these warranties, Company will indemnify the Indemnitee and not hold it responsible or liable.
  - ii. Through Bank's providing the Service to Company, Bank is required to indemnify a depository bank that accepts the original paper check from which an Electronic Check is created for losses incurred by that depository bank if the loss is due to the check having already been paid. If any Indemnitee suffers any Losses or Liabilities arising directly or indirectly from or related to such depository bank indemnity obligation, Company will indemnify Indemnitee and not hold it responsible or liable.
  - iii. If Bank transfers or presents an "electronically created item" and receive settlement or other consideration for it, Bank is required to indemnify each transferee bank, any subsequent collecting bank, the paying bank, and any subsequent returning bank against losses that result from the fact that (i) the electronic image or electronic information is not derived from a paper check; (ii) the person on whose account the electronically created item is drawn did not authorize the issuance of the item or to the payee stated on the item; or (iii) a person receives a transfer or presentment, or return of, or otherwise is charged for an electronically created item such that the person is asked to make payment based on an item or check it has paid. If any Indemnitee suffers any Losses or Liabilities arising directly or indirectly from or related to such electronically created item indemnity obligation, Company will indemnify Indemnitee and not hold it responsible or liable.
- 9. **Termination.** In addition to its rights to discontinue providing Services under the Master Agreement, Bank may discontinue providing the Service to Company immediately upon notice if Bank determines in its sole discretion that Company has breached any of Company's obligations under sections 7 or 8 of this Service Description.
- 10. **Additional controls on Company.**
  - a. **General.** In FIL-4-2009, Risk Management of Remote Deposit Capture ("RDC") Guidelines, the FFIEC sets forth guidelines for agreements between a financial institution and its RDC customers. In accordance with these guidelines, Bank has the authority upon reasonable prior notice to Company to (a) mandate specific internal controls at Company's locations, (b) periodically audit or require audits of Company's RDC operations including Company's IT infrastructure at Company's expense, and (c) request additional information about Company.
  - b. **Company's Internal Controls.** Company will establish internal controls related to Company's RDC operations. Upon reasonable request, Company will provide Bank with information about its internal controls and will work in good faith with Bank to resolve any concerns that Bank identifies with respect to such internal controls.

- c. **Company's Consumer Complaints.** Bank may upon reasonable prior notice to Company request information about:
    - i. Company's procedures for handling consumer complaints relating to Company's RDC product ("consumer complaints"),
    - ii. The number of consumer complaints Company received in the prior calendar quarter, and
    - iii. The then current status of each consumer complaint.
11. **Survival.** Sections 7 and 8 of this Service Description will survive termination of the Service.

# Electronic Receivables Service Description

Treasury Management Services

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# Introduction

The Service Documentation contains the terms and conditions under which Wells Fargo Bank, N.A. ("Bank") provides you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in Services ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The services (each a "Service") covered by this Service Description are:

- E-Bill Express service
- E-Box service
- Integrated Receivables
- Receivables Manager service

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing your account that you use for the Service ("Account"),
- e. The Product Enrollment Form ("Set-up Form") (which contains set-up information for the service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The separate documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our Commercial Electronic Office® (CEO®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## E-Bill Express service

1. Description of services. With this Service:
  - a. You can make electronic bills available to your Customers through the Website,
  - b. Customers make payments to you through the Website and other Payment Channels (see section 2) and using the Payment Methods (see section 3) offered in connection with the Service,
  - c. We credit the Customer payments to your Account, and
  - d. We offer electronic reporting options relating to your bills and your Customers' payments received through the Service (see section 4).

The specific features for the Service we will provide you, are detailed in the Statement of Work (SOW) to which you and we agree separately.

2. Payment Channels. The "Payment Channels" we offer to you are detailed in our User Guide for the Service and include the Website, telephone and an optional Interactive Voice Response (IVR) Payment Channel.
  - a. We maintain the Website through which Customers may make payments to you.
  - b. With the telephone Payment Channel, a Customer arranges for a payment by calling you at a telephone number you maintain. For all Customer payments made through the telephone Payment Channel, you are required to enter information about the payment at the administrative portal for the Service.

- c. With the IVR Payment Channel, we maintain a specific toll-free number for you and custom to you branded greeting and prompts.
3. Payment Methods. The "Payment Methods" you may make available to Customers are detailed in our User Guide for the Service and include debit and credit cards and electronic payments through ACH.
  - a. If you will accept debit and credit card payments, the Service Documentation includes the Merchant Payment Solutions Service Description.
  - b. For ACH payments, the Service Documentation includes the ACH and Related Services Service Description. In the event of a conflict, this Service Description will control over the ACH and Related Services Service Description.
  - c. We may withdraw a Payment Method available for the Service at any time.
4. Information reporting. We make information and reporting about your bills and Customers' payments available to you through the administrative portal on the Website or automated transmission file.
5. Verification. We will not verify the accuracy of your bills or your Customers' payment amounts made through any Payment Channel.
6. Your privacy policy. You will provide us with any URL(s) you host for our use at the Website. The URLs you provide will direct Customers to your then-current privacy policy and terms of use. You will maintain current versions of your privacy policy and terms of use.
7. Licensed Marks. You grant to us a license to use the service marks, trademarks and or logos listed on the SOW (each, a "Licensed Mark") on the Website. We will not modify a Licensed Mark without your prior written consent. The term of this trademark license will be the same as the term set forth in the Master Agreement, unless either party provides written termination in accordance with this Section 4 of the Master Agreement. Either party may terminate this license at any time, with or without cause, upon notice to the other. Upon termination or expiration of this license, we will discontinue use of all Licensed Marks.
8. Representations and warranties. You represent and warrant to us that:
  - a. You will issue each bill only for products or services actually provided to the billed Customer and will retain each bill for a minimum of one year from the date of the bill,
  - b. The billed amount will be the actual amount charged to the billed Customer for such products or services,
  - c. You are the sole owner of each URL you provide to us pursuant to Section 7 and each Licensed Mark,
  - d. You will maintain current versions of your privacy policy and terms of use at the URLs provided to us, and
  - e. You have received a copy of Federal Reserve Board Regulation E and will comply with it at all times.
9. Survival. Section 8 will survive termination of the Service.

## E-Box service

1. Description of service. With this Service:
  - a. We provide you with information about payments your Customers make to you ("Remittance Information") through online bill payment services and other payment channels described in our User Guide for the Service,
  - b. We process Customer payments for credit to your Account, and

- c. We provide information reporting ("Remittance File") on your Payments through our separate Receivables Manager Service. The specific processing services we will provide to you are detailed in the BRD to which you and us agree to separately.
2. Research and decisioning. We will make available to you a decisioning tool where you can view all payments, make decisions on exception items, perform payment research, and return payments.
3. Unfunded payments. We will process Payments for which we have received Remittance Information but not funding in accordance with the BRD.
4. Account credit. Each Business Day, we will credit your Account for Funded Payments through a consolidated ACH credit Entry. We originate each credit Entry in accordance with the ACH Rules.
5. Service requirement. In order to enroll in the Service, you will also have to enroll in our Receivables Manager Service.

## Integrated Receivables service

1. **Description of Service.** With this information reporting Service, we apply programmatic rules and logic, configured with your input, to create and transmit to you electronic files (each, a "Posting File") containing the details of matches between credits to your Accounts made by your payers through ACH, wire transfer, or check (each, a "Payment") to your eligible Wells Fargo deposit accounts enrolled in the Service (each, an "Account") and the open accounts receivables details you have provided to us in electronic files (each, an "Open Receivables File").
2. **Automatic matching.** We apply programmatic rules and logic, configured with your input, to match credits to your Accounts made by your payers through ACH, wire transfer, or check (each, a "Payment") to information you send to us relating to Payments and your accounts receivables details to identify sets of matching Payments and accounts receivables details in the steps described in this section.
  - a. **Re-association.** We analyze data elements pertinent to electronic Payments credited to your Accounts to associate such Payments with their respective remittance information (information from your payer describing the accounts receivable record for which a payment is being made, such as one or more invoice numbers) that you separately provide to us in a "Remittance File" or is provided in an e-mailed advice by your customers in accordance with the protocol to which you and we agree. Each such match is a "Re-associated Payment".
  - b. **Invoice matching.** We automatically match Payments and Remittance Details with Accounts Receivable records you separately report to us in your Open Receivables File. Each such match is a "Validated Payment".
    - i. **Checks.** For check Payments credited to your Accounts that we receive through a lockbox we maintain for you, we extract remittance information from Remittance Materials (as defined in the Lockbox Service Description) and use it to the extent reasonable to create Validated Payments.
    - ii. **Addenda Records.** For electronic Payments that include remittance information embedded within the electronic payment instruction for such Payments ("Addenda Records"), we use such Addenda Records to the extent reasonable to create Validated Payments.

- iii. **Re-associated Payments.** We use the remittance information associated with Payments in the Re-association step described in 2.a above to the extent reasonable to create Validated Payments.
3. **Manual matching.** Each credit to your Accounts for which we are not able to create a Re-associated Payment or a Validated Payment through the Service is an "Exception". You may view Exceptions in our CEO portal in accordance with its applicable terms and conditions.
  - a. **Review.** In CEO, we will display details of Exceptions and items described in your Remittance Files and Open Receivables Files that, as of the time of viewing, have not been included as components of Matched Payments in any Posting File we have previously made available to you.
  - b. **Match items.** Using the CEO interface, you may create additional Validated Payments by manually matching the Exceptions with open accounts receivables details displayed in CEO.
4. **Posting Files.** You may configure the Service to automatically generate and transmit Posting Files in accordance with the frequency to which you and we separately agree. Each Posting File is an electronic document setting out certain pre-determined data elements pertaining to each Validated Payment (including manually Validated Payments) that, as of the time of generation, has not been included in any previous Posting File we created for you. We will transmit each Posting File in accordance with your configuration preferences and the pre-determined transmission protocol to which you and we agree.
5. **Payment dates.** For purposes of the Service, the date of each Payment is the Business Day on which we receive the Payment.
6. **Files transmitted to us.** You will transmit your Remittance File and Open Receivables File to us in accordance with the pre-determined file format and transmission specifications to which you and we separately agree. You are responsible for ensuring that, with respect to each item in each file, you include information we can reasonably use to identify its matching credit(s) to your Account(s).
7. **Liability to you.** We perform the automatic matching activity described in Section 2, on a commercially reasonable efforts basis, in accordance with logic you provide to us. We undertake no liability for damages arising from or relating to any defects in, or failure to test, such logic as provided.
8. **Liability to payers.** We bear no liability to your payers for any inaccuracies in the Service relating to Matched Payments or Unmatched Payments, including, without limitation, inaccurate matches between Payments and remittance information or accounts receivables details.
9. **Eligible Accounts.** You may enroll your Wells Fargo demand deposit accounts that are capable of receiving credits by ACH, wire transfer, or check.
10. **Survivability.** Sections 7 and 8 survive termination of the Service.

# Receivables Manager service

1. Description of service. With this Service, you may receive consolidated electronic files and/or human readable documents containing information (each, a "File") regarding credits and/or debits to your Account(s) and associated Remittance Information.
2. User Guide. The User Guide provides details about the following:
  - a. The types of payments for which we provide the Service,
  - b. The options we offer for formatting Files,
  - c. The secure transmission platforms we offer to deliver Files to you,
  - d. The schedule we follow in providing the Service, and
  - e. Our Service level goals.
3. Advice Matching Service. If you enroll in our Advice Matching Service, we will accept an email or File containing Remittance Information from your payer and attempt to match the information to payments the payer makes separately by ACH, wire transfer, or check, provided the payer does the following:
  - a. Sends the remittance Information to us in advance of the payment information being sent to you in the File, and
  - b. Includes information we can use to identify the payer and match the Remittance Information and the associated payment based upon criteria you establish.

You have the ability to manually match any payments we are unable to match automatically using the Receivables Manager application on CEO. You may also use this application to set-up payer information to automatically match future payments.

4. Remittance Repair Service. If you enroll in our Remittance Repair Service, we will automatically reformat freeform Remittance Information. If we are unable to automatically repair the format, you can manually repair remittance information using the Receivables Manager application on CEO. Optionally, you can save the repair instructions as rules to apply to future payments from the payer.
5. Your receipt of Files; acknowledgments. We will not monitor Files transmitted to you through the Service including, but not limited to, any acknowledgment your system may generate upon its receipt of a File. If you do not receive a File when you expect to, you must notify us. Upon your request, we will use commercially reasonable efforts to resend a File to you within 14 days after we initially transmitted the File, but we will have no liability for not doing so.
6. Incorrect, Incorrectly Formatted Information. We are not responsible for the accuracy of and will not verify Remittance Information we receive from your trading partners and provide to you through the Service



# Glossary

**Account Agreement** means the applicable account agreement governing your Account.

**ACH** means Automated Clearing House

**ACH Rules** means the Nacha Operating Rules and applicable local ACH rules.

**Applicable Law** is defined in section 3 of the Master Agreement.

**BRD** means Business Requirements Document.

**Business Day** means every day except Saturday, Sunday and federal holidays. When used in connection with funds transfer Services, "Business Day" means each day on we are open for business related to that Service.

**Customer(s)** means the purchaser(s) of your products and services.

**Cutoff Time** means our cutoff time each Business Day that we separately disclose to you for the Service.

**Entry** is defined in the ACH Rules.

**Funded Payment** means a payment for which we receive Remittance Information and the funds relating to the Payment.

**Losses** means all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees, disbursements of legal counsel and court fees).

**Master Agreement** means the Master Agreement for Treasury Management Services.

**Representatives** is defined in section 11(f) of the Master Agreement.

**SOW** means Statement of Work.

**Website** means the website we maintain in your name in connection with the E-Bill Service.



# Lockbox Service Description

Treasury Management Services

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# Introduction

The Service Documentation contains the terms and conditions under which Wells Fargo Bank, N.A. ("Bank") provides you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in Services ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The service ("Service") covered by this Service Description is:

- Lockbox

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing your account that you use for the Service ("Account"),
- e. The Product Enrollment Form ("Set-up Form") (which contains set-up information for the service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The separate documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office® (CEO®)* portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## Lockbox Service

### 1. Description of lockbox service.

- a. With this Service we provide you with a lockbox ("Lockbox") and Lockbox Address for receipt and processing of (i) Checks, and (ii) Charge Authorizations (if you elect this service option and subject to the requirements in section 4 below).
- b. The Service will start after we have assigned the Lockbox Address to you, you have opened your Account, delivered to us the Set-up Form selecting your options for the Service and provided us with any other requested information or documents.
- c. You will instruct your customers to mail Checks and Charge Authorizations (if applicable) to the Lockbox Address, or for overnight delivery to the applicable street address. You will also instruct your customers and other payors not to send cash to the Lockbox. Cash that is sent to the Lockbox will be subject to Currency Transaction Reporting.
- d. We or our agents will have exclusive and unrestricted access to the Lockbox.

### 2. Lockbox processing.

#### a. Processing remittance materials.

- i. Each Business Day we will examine the Remittance Materials in the Lockbox and image them in accordance with section 6.

- ii. Cash will be removed from the envelope and a credit advice for the amount of the cash will be placed with the envelope and imaged.
  - iii. Except as provided in this Service Description or as otherwise agreed, we will not reconcile the Payments in the envelopes to Invoices or to any other Remittance Materials.
  - iv. Subject to any Business Rules you specify, we will process a Check (1) by automated means when a scannable Invoice is included with the Check ("Automated Processed Check") and (2) manually when a non-standard Invoice is included with the Check or no Invoice is included ("Manually Processed Check").
- b. **Deposits.** Each Business Day, we will deposit Checks (other than Exception Manual Checks described in section 2(d) below) and cash received in the Lockbox to the Account in accordance with the Account Agreement.
- c. **Payments processed by automated means.**
- i. Except as set forth in section 2(c)(ii) below or in your Business Rules, each Automated Processed Check may be deposited in the Account despite any discrepancies in the amount, any postdating or staledating, missing information or alterations on the Check, as described in the User Guide.
  - ii. If you elect to use the Decisioning Module described in section 3, you can give us specific processing instructions for Automated Processed Checks before the Cutoff Time.
- d. **Payments processed manually.**
- i. Except as set forth in your Business Rules, each Manually Processed Check will be deposited in your Account, except:
    - 1. An Exception Manual Check,
    - 2. A Manually Processed Check that has been altered (subject to section 2(e) below),
    - 3. You specifically instruct us to the contrary using the Decisioning Module described in section 3, and
    - 4. You have given us a written list of acceptable payee names and the payee name on the Manually Processed Check does not match an acceptable payee name.
- e. **Alterations.** We will use commercially reasonable efforts to identify any alteration to a Manually Processed Check and not accept a Check we have identified as altered for deposit.
- f. **Restrictive notations.** We will not inspect Checks to determine whether they bear restrictive notations, such as "Paid in Full."
- g. **Foreign checks.** If you and we enter into an agreement to provide services for Foreign Checks we will deposit and process a Foreign Check if both the foreign bank location and the Foreign Check currency appear on our approved list. A Foreign Check not meeting these criteria will not be deposited and will be returned to you in accordance with section 2(h).
- h. **Rejected remittance materials.** Unless you elect otherwise in writing, we will mail to you (i) any Remittance Materials which are not imaged in accordance with section 6, and (ii) any Checks or other instruments which are not deposited in accordance with this Service Description.
3. **Decisioning module.** If you elect to use our Decisioning Module for the Service, you can send us processing instructions through the CEO portal for certain Checks which we have determined may be unprocessable (each, an "Unprocessable Check"). Each message related to the processing of an Unprocessable Check (your "Decisioning Instruction") must be received by us by the Cutoff Time. If we do not receive a Decisioning Instruction by the Cutoff Time, we will handle the Unprocessable Check in accordance with your Default Option. "Default Option" means your election for us to take one of the following actions for any Unprocessable Check:
- a. "Deposit all," meaning we deposit the Unprocessable Check in your Account (this will be the default option unless you elect otherwise), or
  - b. "Reject all," meaning we reject the Unprocessable Check and return it to you as described in section 2(h).

4. **Charge authorizations.** If you elect this Service option (and it is available at your Lockbox processing site), you are required to enter into a Merchant Agreement with us and the Merchant Agreement will govern any Charge Authorizations. As set forth in the Merchant Agreement:
  - a. We will process each Charge Authorization received in the Lockbox which is completed with the required processing information,
  - b. We will not process a Charge Authorization and will return it to you if any required information is missing or it is illegible,
  - c. We will seek approval from the issuer of the credit card for the payment on the Charge Authorization,
  - d. We will request settlement for each Charge Authorization that the issuer approves, and
  - e. Each Business Day we will make information on processed Charge Authorizations available through the channel you and we agree to.
  
5. **Virtual lockbox service.**
  - a. **Description of service.** When you enroll in our optional Virtual Lockbox Service you can:
    - i. Create Electronic Checks from eligible paper checks in accordance with the Wells Fargo Remote Deposit Capture Service Description ("RDC Service Description"), which is incorporated by reference into this Service Description,
    - ii. Create images of Invoices and other Remittance Materials according to this Service Description, and
    - iii. Transmit Electronic Checks and Remittance Materials to us in an Electronic File for processing according to the RDC Service Description and this Service Description.
  - b. **Processing.**
    - i. **Business Rules.** If you and we have agreed to Business Rules to apply during the processing of your Electronic Files, we will apply them to each Electronic File you send us. Our processing will include data capture of the dollar amount of each Electronic Check, along with data entry related to Remittance Materials, as agreed to by you and us in your Business Rules.
    - ii. **Exception Electronic Checks.** If we identify any Electronic Checks that are ineligible for processing, we will identify these exception checks in a report made available to you. You are responsible for reviewing each electronic check identified in this report in a timely manner and arranging for the timely disposition of each check (whether through recapture or physical deposit) outside the process available in connection with this Service.
  - c. **Instructions.** If this option is available to you, you can use the CEO portal or another communications channel you and we agree to use to give us specific processing instructions for the Electronic Files.
  
6. **Imaging and retention.**
  - a. **Imaging and access to images.** Unless you and we agree otherwise, we will electronically image all Remittance Materials unless rejected or otherwise unprocessable. You may access images of Remittance Materials through the CEO portal or other communications channels or transmission methods we offer to you. We will redact credit card information including account number, signature and expiration date on images of Charge Authorizations.
  - b. **Destruction of originals.** All original Checks and other Remittance Materials that we image pursuant to this Service Description will be destroyed 5 Business Days after the processing date. You will notify us of any issues which require inspection of original Checks or Remittance Materials before the end of the 5-day period.
  - c. **Intraday image access.** Any images that you access on an intraday basis may not be final and are subject to further value-added keying. You assume all risk associated with your use of or reliance on intraday images.

7. **Representations and warranties.** You represent and warrant to us that:
  - a. Any person you identify in the Set-up Form or any other communication delivered to us is authorized to receive communications and give us instructions regarding the Service. If the authority of any authorized person changes, you will promptly notify us in writing. We will have a reasonable time after receipt of a communication to act on it.
  - b. If a payee on a Check received in the Lockbox is a legal entity other than you, you are duly authorized by the payee to have the Check endorsed and deposited into your Account.
  - c. Each Charge Authorization received at the Lockbox is legitimate and duly authorized by the account debtor.
8. **Indemnification.** You agree to indemnify and hold us and our Representatives harmless from and against any and all Losses which we or our Representatives suffer or incur relating to:
  - a. A breach of your representations and warranties in section 7,
  - b. Any keying errors or misapplied payments resulting from your Decisioning Instructions or errors or delays in your Decisioning Instructions caused by your computer system issues,
  - c. Any action taken by us in response to a Decisioning Instruction, except to the extent that any such Losses are directly caused by our gross negligence or willful misconduct, and
  - d. The processing of Charge Authorizations.
9. **Limitation on liability.**
  - a. We will have no liability or responsibility for Losses arising from:
    - i. Any keying errors or misapplied payments resulting from your Decisioning Instructions or errors or delays in your Decisioning Instructions caused by your computer system issues,
    - ii. Depositing a Check bearing a restrictive notation in accordance with this Service Description, regardless of whether we have knowledge of the restrictive notation,
    - iii. The deposit of any altered Check, unless the loss results directly from the willful misconduct of our officers or employees, or
    - iv. Processing a Charge Authorization in accordance with this Service Description.
  - b. In addition to the other limitations on our liability contained in the Master Agreement, if you incur a material loss which results directly from our negligence or breach in performing the Service due to our failure to deposit a Payment according to this Service Description, our liability will be limited to direct damages in an amount not to exceed interest on the Payment amount calculated at the Federal Funds rate for the time period such Payment amount is not in your Account, not to exceed 30 days.
10. **Miscellaneous.**
  - a. **Service fees.** We may require that you establish a separate analyzed account with us for billing purposes. You authorize us to debit our Service fees and charges from the billing account.
  - b. **Termination.** Upon termination of the Service, we will (i) close the Lockbox, and (ii) dispose of the mail addressed to the Lockbox in the manner instructed by you for a period of 3 months after the termination date, unless otherwise agreed between you and us. You will prepay our Service fees to dispose of the Lockbox mail based on our estimate at the time of termination.
  - c. **Customer service.** Any questions that you have with respect to the Service should be addressed to our customer service center at the telephone number and address separately provide to you.
  - d. **Assignment.** Notwithstanding anything to the contrary in this Service Description or the Service Documentation, our rights and obligations with respect to the Service shall be assignable to any successor in interest without restriction.
  - e. **Survival.** Sections 8 and 9 of this Service Description will survive termination of the Service.

## Glossary

**Account Agreement** means the applicable account agreement governing your Account.

**Applicable Law** is defined in section 3 of the Master Agreement.

**Business Day** means every day except Saturday, Sunday and federal holidays.

**Business Rules** mean certain processing rules that you and we agree in writing to apply to the Payments and Electronic Checks.

**Charge Authorization** means a written authorization to charge your customer's credit card for a payment due to you.

**Check** means a paper Item (which includes drafts) received at the Lockbox that we accept in payment of obligations to you.

**Cutoff Time** means our cutoff time each Business Day that we separately disclose to you for the Service.

**Decisioning Module** means our Online Lockbox Decisioning Module.

**Electronic Check** means an electronic image of, and electronic information derived from a paper check.

**Electronic File** means an electronic file transmitted to us with an Electronic Check.

**Exception Manual Check** means a Manually Processed Check that we determine in our sole discretion is not eligible for processing, as described in the User Guide for the Service.

**Foreign Check** means a Check drawn on a foreign bank or payable in a currency other than U.S. Dollars.

**Invoice** means an invoice or remittance coupon included with a Payment received in the Lockbox.

**Item** is defined in the Account Agreement.

**Lockbox Address** means the United States Postal Service address we assign to you for the Service.

**Losses** means all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees, disbursements of legal counsel and court fees).

**Master Agreement** means the Master Agreement for Treasury Management Services.

**Merchant Agreement** means a separate merchant services agreement you and we enter into for us to process your Charge Authorizations.

**Payment** means a Check, Charge Authorization or cash received in the Lockbox.

**Remittance Materials** means any Checks, Charge Authorizations, Invoices, correspondence, papers, documents, and other envelope contents (other than cash).

**Representatives** is defined in section 11(f) of the Master Agreement.



# ACH and related services Service Description

Treasury Management services



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# Introduction

The Service Documentation contains the terms and conditions under which we provide you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in the Services ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the end of this Service Description.

The services (each a "Service") covered by this Service Description are:

- ACH Origination service
- ACH Fraud Filter service
- Cash Concentration service
- *Perfect Receivables*® service
- *WellsTAX*® Payments service

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing the Account,
- e. The Product Enrollment Form (which contains set-up information for each service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office*® (CEO®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## Services

### ACH Origination Service

1. **Description of services.** With this Service you can originate ACH credit and debit Entries in accordance with the ACH Rules. Any capitalized terms not specifically defined in the Service Documentation will be as defined in the ACH Rules. By using this Service, you authorize us to originate Entries on your behalf to Receivers' accounts, you agree to be bound by the ACH Rules, and you agree not to originate Entries that violate the laws of the United States.
2. **Preparation of Entries and Files; processing schedules.** You will prepare and deliver each File in accordance with the ACH Rules, User Guides and other guidelines we make available to you. You agree to use the applicable Security Procedure when you send Entries to us. We will process each File under our current processing schedule and any instructions about the Settlement Date of an Entry that you provide, if (a) we receive the File by our Cutoff Time on a Business Day and (b) the ACH is open for business. Your Files will be considered received by us when the transmission is completed and authenticated in compliance with the Security Procedure. If your File is received after our Cutoff Time or on a day when the ACH is not open for business, we will treat the File as having been received prior to our Cutoff Time on the next Business Day on which the ACH is open for business. In processing your Entries or Files, we may use any means of transmission, funds transfer system, clearing house or intermediary bank that we reasonably select.

3. **Inconsistency of name and number.** If an Entry describes the RDFI both by name and identifying number, we, a Gateway Operator or another financial institution handling the Entry may rely on the identifying number to identify the RDFI, even if the identifying number refers to an institution other than the named RDFI. If an Entry describes a Receiver both by name and identifying number, the RDFI may pay the Entry based on the identifying number, even if the number identifies a person different from the named Receiver.
4. **Your payment obligations with respect to entries.** You are obligated to pay us in immediately available funds an amount equal to the sum of all credit Entries you deliver to us before we send your Entries to the ACH or Gateway Operator, or post an on-us Entry. When we act as both the ODFI and RDFI for an Entry, the Entry is an "on-us Entry." You will maintain available funds in each Account sufficient to cover your credit Entries. You authorize us to debit the Account for the total amount of all credit Entries originated from it at any time. We may refuse to process any credit Entries, even if we have done so in the past, without having first been paid by you, but, if we do, the amount is immediately due and payable without notice or demand. We may take other actions to ensure we receive payment for your credit Entries including (a) upon notice to you, placing a hold on funds in any account you hold with us or our affiliate sufficient to cover your credit Entries and (b) setting off against any amount we or our affiliate owes you. In addition, we may charge the Account or any other of your accounts held with us or our affiliate for any debit Entry, including any correcting or Reversal Entry later returned to us. You will reimburse us for any returned debit Entries on the same day you receive notice of the returned Entry. You agree that we do not need to send a separate notice of debit Entries which have been returned unpaid.
5. **Provisional credit.** If we credit your Account for an Entry, the credit is provisional until we receive final settlement. If we do not receive final settlement, we are entitled to debit your Account or any other accounts you own in whole or in part with us or our affiliate for the amount of the Entry. If there is any remaining shortfall, you will pay it immediately upon demand.
6. **Rejected entries.** We may reject an Entry or File if you do not comply with the terms of the ACH Rules and the Service Documentation, and we will attempt to notify you promptly so you may correct the problem. We will have no liability for rejecting an Entry or File or failing to provide notice of a rejection. If you ask us to repair an Entry or File, we will have no liability if we are unable to make the requested repair. You will pay all charges and expenses for any repair or attempted repair.
7. **Cancellation, amendment, reversal.** You have no right to cancel, amend or reverse an Entry or File after we receive it. If you do request that we cancel, amend or reverse an Entry or File, we may, in our sole discretion, attempt to complete the request. If we do not complete the request, we will have no liability and you will reimburse us for any expenses, losses or damages we incur.
8. **Your duty to report erroneous or unauthorized entries.** You will exercise reasonable care to determine whether an Entry we accepted was either erroneous or not authorized and to notify us of the relevant facts within a reasonable time not exceeding 14 days after you receive our notification that the Entry was accepted or that the Account was debited for the Entry, whichever is earlier. If you do not notify us within 14 days, we will not be liable for any loss of interest or for any other loss relating to an erroneous or unauthorized debit to your Account or because of any other discrepancy in the notification.
9. **Re-transmission of returned entries.** We are not required to re-transmit a returned Entry or File to the ACH or Gateway Operator, or to take any further action on a returned on-us Entry.
10. **Audit.** You grant us ongoing access to your Files and the right to audit periodically your Files, ACH processes and controls so we can verify your compliance with the ACH Rules and this Service Description or any other Service Documentation.

11. **Warranties.** We make certain warranties under the ACH Rules and other Applicable Law when you use this Service. You will reimburse us for any Losses we incur, including our reasonable attorneys' fees and legal expenses, as the result of a breach of a warranty we make in connection with any of your Entries, except to the extent that the Losses resulted from our own gross negligence or intentional misconduct.
12. **Indemnification.** We indemnify certain persons under the ACH Rules when you use this Service. You agree to reimburse us and our Representatives for any Losses we incur, including our reasonable attorneys' fees and legal expenses, as the result of the enforcement of any such indemnity, except to the extent the Losses resulted solely from our own gross negligence or intentional misconduct. In addition, you will indemnify us and our Representatives from and against all Losses awarded against or incurred or suffered by us arising directly or indirectly from or related to any material breach of a representation, warranty, or covenant you provide regarding this Service.
13. **Termination.** In addition to the termination provisions contained in the Master Agreement, we may terminate this Service immediately upon notice to you if we determine in our sole discretion: the number of returned debit Entries is excessive; you have breached a warranty provided under the ACH Rules or this Service or otherwise failed to comply with the ACH Rules.
14. **Survival.** Sections 3, 5, 6, 8, 9, 12 and 13 will survive termination of this Service.

#### **Additional Terms and Service options**

15. **International Entries.** This section contains additional terms that apply when you originate International Entries.
  - a. **General.** You agree to comply with, and we will process each International Entry in accordance with:
    - i. The laws and payment system rules of the receiving country of your International Entry,
    - ii. Any agreement we provide to you governing International Entries between us and the Gateway Operator we use to process the International Entry, and
    - iii. The ACH Rules.If there is a conflict among these three areas, they will govern in the order listed above.
  - b. **Currency conversion.** With respect to International Entries we agree to originate in a Foreign Currency, the currency conversion is governed by section 8 (Currency conversion) of the Master Agreement. For debit Entries, however, we use the Applicable Exchange Rate in effect at the time we receive the funds for settlement of the debit Entry rather than at the time we send (or execute) the debit Entry. If the debit Entry is returned to us, we may charge the applicable Account or any other of your accounts with us or our affiliate for the amount equal to the value of the returned debit Entry, after we have converted the Foreign Currency to the Account Currency at the Applicable Exchange Rate in effect when we process the returned debit Entry. We will not be liable for a sum in excess of the original amount of the debit Entry after conversion.
  - c. **Acts or omissions of third parties.** We will not be liable for:
    - i. Any failure or delay by a Gateway Operator, any intermediary financial institution, or the financial institution designated to receive the International Entry in the receiving country in processing or failing to process any Entry we transmit to the receiving country, or
    - ii. Any acts or omissions by a third party including the delay or failure of any third party to process, credit or debit any International Entry.
16. **Third-party sender activities.** This section contains additional terms that apply when you are a Third-Party Sender.
  - a. **General.** Prior to originating any Entry on behalf of each customer or upon our request, you will:
    - i. Provide us with the information we require to understand the nature of your customer's business, including the name, Taxpayer Identification Number, business activity and geographic location of your customer, and whether your customer is also a Third-Party Sender,

- ii. Timely provide us with information we require for purposes of our registration of you or your customer as a Third-Party Sender in accordance with the ACH Rules ("Registration") and supplemental Registration information requested by us, and
- iii. Upon our request, obtain our written approval to originate or continue to originate Entries for that customer (which we may rescind upon written notice to you), and
- iv. Enter into a written agreement with that customer in which that customer agrees:
  - 1. To assume the responsibilities of an Originator under the ACH Rules and to be bound by the ACH Rules,
  - 2. Not to originate ACH Entries in violation of the laws or regulations of the United States including without limitation the regulations issued by the Office of Foreign Assets Control,
  - 3. To grant us ongoing access to audit the customer and any ACH Entry that it has transmitted to you for transmission to us, and
  - 4. That we may at any time refuse to process an ACH Entry for that customer.
- b. **Updates to registration information.** You will timely notify us of any changes to information you provide to us for the Registration of you or your customer as a Third Party Sender.
- c. **Representations and warranties.** With respect to each of your customers for which you are originating transactions through us, you represent and warrant to us that you have conducted the appropriate due diligence to determine that:
  - i. Each customer is engaged in a legitimate business, and
  - ii. The type, size and frequency of transactions that each customer is originating is normal and expected for the customer's type of business.
- d. **Ongoing monitoring.** You will use reasonable commercial standards to monitor each customer's business and transactions on an ongoing basis, and notify us promptly if you identify any unusual activity by your customer. You will take appropriate actions with respect to the customer, including refusing to originate Entries for your customer.

17. **Perfect NOC service.** With our Perfect NOC Service, we maintain a database of Notifications of Change (each, a "NOC") that we receive. We use this database to update your Entries in accordance with the Service options you select from time to time. We will notify you of each NOC we receive in connection with your Entries. Additional details about this Service are more fully described in the applicable User Guide.

18. **MICR-split processing service.**

- a. With our MICR-Split Processing Service, if we determine that an RDFI for a debit Entry you sent is not an ACH participant (or as otherwise reasonably determined by us as appropriate), you authorize us to issue a preauthorized check ("PAC") using the debit Entry data you provided. PACs are drawn upon the Receiver's account with the applicable RDFI and deposited in your Account, but do not contain the signature of the Receiver.
- b. You represent and warrant to us that:
  - i. You have the appropriate authorization from each person owning the Receiver's account shown in the debit Entry data, which remains effective when we issue the PAC, and
  - ii. You are not a "telemarketer" for purposes of the Federal Trade Commission's Telemarketer Sales Rule (16 C.F.R. Part 310).

19. **Cash Concentration service.** With the Cash Concentration Service, we originate debit Entries to move funds from your Remote Accounts into your Concentration Account. We make summary and detail level reports of your cash concentration transactions available to you through our Cash Concentration Reporting Service. Additional details about this Service and available service options are more fully described in the applicable User Guide.

- a. **Options.** You can choose from the following options:
  - i. **Touchtone or online option.** We originate debit Entries to collect funds from your Remote Accounts for the transfer amounts you specify based on deposit information entered for each location by touch-tone telephone or computer.

- ii. **Automated Cash Concentration option.** We request account balances from the financial institutions holding the Remote Accounts. We calculate transfer amounts and originate debit Entries based on your specified target balances for the Remote Accounts and other transfer parameters you may establish.
- b. **Representations and warranties.** With respect to each debit Entry we originate on your behalf, you represent and warrant to us that:
  - i. The debit Entry is authorized,
  - ii. If you are using the Touchtone/Online option, the corresponding deposit input is accurate, and
  - iii. If you are using the Automated Cash Concentration Option, you have authorized each financial institution holding a Remote Account to comply with our request for balance information.
- c. **ACH deadlines.** If by our applicable Cutoff Time (i) you do not complete your deposit inputs for the Touchtone or Online option or (ii) we are unable to obtain balance information for a Remote Account for the Automated Cash Concentration option, we will not be responsible for failing to meet the ACH deadlines to originate the debit Entries.
- d. **Automated Cash Concentration authorization.** You authorize us in our own name or in your name, to request that each financial institution holding a Remote Account provide us or our designee with the account balance information each Business Day using any method specified by us.

### ACH Fraud Filter Service

1. **Description of service.** With this Service, you can manage incoming ACH Entries in accordance with the ACH Rules. Any capitalized terms not specifically defined in the Service Documentation will be as defined in the ACH Rules. You have the following options:
  - a. **Stop option.** This option stops all incoming ACH Entries you have not authorized in advance (and not set as preauthorizations). Entries stopped under the Stop Option will be returned to the ODFI as unauthorized.
  - b. **Review option.** You review and decision each incoming ACH Entries (not set as preauthorizations) before the applicable cutoff time and select each Entry to be either paid or returned. Entries that you have selected for return under the Review Option will be returned to the ODFI as unauthorized and we will create a reversing adjustment to your Account. If you do not make a pay/return decision on an Entry prior to the applicable cutoff time, the Entry will be paid or returned based on the default action you specified.
  - c. **Additional criteria.** You may also set up additional decisioning criteria, including limits and preauthorizations.
2. **Echecks.** You have the following options for incoming ACH Entries that have been converted from a check (Echecks).
  - a. **Stop option.** All Echecks will be automatically stopped and returned to the ODFI as unauthorized.
  - b. **Post option.** All Echecks will automatically post without your review.
  - c. **No additional criteria.** Additional decisioning criteria, including limits and preauthorizations, are not available for Echecks.
3. **Service restrictions.** You agree to be bound by the ACH Rules for all Entries. Regardless of the Service options or other criteria you have in place, we may return any Entry in accordance with the ACH Rules and Applicable Law. We may also accept any Entry, Reversal Entry or adjustment in accordance with our obligations under the ACH Rules and Applicable Law. This Service does not apply to transactions between you and us. We may pay Entries which you have authorized us to originate against your Account (for instance, loan or credit card payments), whether or not you have included these in your decisioning criteria.
4. **Termination.** Upon termination of this Service, you will still have the right to return individual Entries in accordance with the ACH Rules and Applicable Law.

## **Perfect Receivables® Service**

1. **Description of service.** With this Service, you can elect options for posting and reporting information about ACH entries and wire transfers (each, a "Remittance") that we post each Business Day to your Account(s). We provide a range of unique Wells Fargo payment identification codes (WPICs) that can be used to route Remittances to your Account and help you identify and post your receivables to the correct remitter.
2. **WPIC restrictions.**
  - a. You may not assign a WPIC to more than one remitter or reuse any WPIC numbers.
  - b. If you cannot post the Remittance to your remitter in accordance with the WPIC information, you must return the Remittance.
  - c. We reserve the right to limit your ability to receive debit or credit Remittances for any WPIC number or range of WPIC numbers above a specified amount and to change the specified amount, which may be as low as zero, at any time upon notice to you,
  - d. We have the right to rescind any WPIC number or range of WPIC numbers at any time in our sole discretion. For example, we may do so if we consider it necessary to comply with Applicable Law. We will use reasonable efforts to notify you before rescinding any WPIC number unless we are prohibited from doing so by Applicable Law, or by our applicable policies and standards, as amended from time to time. When you receive notice of the rescission of any WPIC number, you will promptly notify the remitter assigned to the rescinded WPIC number that the WPIC number may no longer be used to receive Remittances. You will use best efforts to prevent the WPIC from being used to receive Remittances and will block or otherwise restrict access to funds received through a rescinded WPIC.
3. **Processing of Remittances; chargebacks.** Each Business Day, we will post to your Account all Remittances we receive prior to the Cutoff Time, except for Remittances we reject or other restricted Remittances. Each credit to your Account for a Remittance is provisional until we receive final settlement for the Remittance. If we do not receive final settlement, we may debit your Account or any other account you own, in whole or in part, with us or any of our affiliates for the amount of the Remittance. You will pay us immediately upon demand for any shortfall remaining after such chargeback.
4. **Rejected Remittances.** We may, but are not obligated to, reject a Remittance:
  - a. That does not contain all of the required information specified by us,
  - b. If we suspect that you are not entitled to the Remittance,
  - c. If at the time we receive the Remittance, you do not maintain an Account with us, the Service has been terminated, or we are not permitted by Applicable Law to accept credits or debits to any of your Accounts, or
  - d. If you are in default under this Service Description or any other Service Documentation.
5. **Reporting.** Each Business Day, we will provide you with the information about Remittances posted to your Accounts through the communications channels you elect.
6. **Violation of Applicable Law.** You represent and warrant to us that you will not use the Service in a manner that could result in a violation of Applicable Law. You will provide us with the information we require to understand the nature of your use of the Service and grant us ongoing access to audit your compliance with Applicable Law. In addition to our other rights to terminate the Service under the Service Documentation, we may terminate the Service upon notice to you if we determine your use of the Service could result in a violation of Applicable Law.

## **WellsTAX® Payments Service**

1. **Description of service.** With this Service, you can use our CEO® portal or a touch-tone telephone to request transfers from your Account (each, a "Transfer") to pay your U.S. federal, state or other taxes specified from time to time in our User Guides. By using this Service, you authorize us to originate ACH credit Entries on your behalf to effectuate the Transfers. You agree to be bound by the ACH Rules, and also comply with applicable provisions of the ACH Service Description, which is incorporated by reference into this Service Description.
2. **Procedures for initiating transfers.** You will deliver your requests for Transfers in accordance with the Service Documentation, including the User Guides. You agree to use the applicable Security Procedures for your Initiation Method (including access codes and passwords for touch-tone telephone initiation method) when you send Transfer requests to us.
3. **Accuracy of data.** You will provide us with the information necessary for us to inform the applicable government agency or entity of the tax payment within the time period required by any rule or regulation governing the payment. You authorize us to rely on the accuracy of the information you have provided to us.
4. **Transfer deadline.** Any Transfer request delivered on any Business Day after the applicable Cutoff Time, or on a non-Business Day, will be deemed received on the following Business Day. You must deliver Transfer requests by the applicable Tax Transfer Deadline.
5. **Authorized reporting agent.** If you are a taxpayer required by federal law to make electronic Federal Tax Deposit (FTD) payments to the Internal Revenue Service (IRS) and submit FTD information through the U.S. Department of the Treasury's Electronic Federal Tax Payment System (EFTPS), we will make your Transfers as FTD payments submitted through EFTPS, regardless of any other instructions from you. In performing the Service, we are acting as your authorized reporting agent. You authorize us to accept debit Entries from the IRS to make the Transfers, and to debit your Account for the amount of such payments.
6. **Payment for Transfers.** You authorize us to debit your Account before we process a Transfer. We may refuse to process a Transfer if the Transfer would exceed the available funds in the Account on the Tax Transfer Deadline.
7. **Rejected Transfers.** We also reserve the right to delay or reject any Transfer if we believe the Transfer may violate Applicable Law or if we believe the Transfer will present a risk to you and/or us, or for other reasons. If we do not accept a Transfer request or must delay making a requested Transfer, we will attempt to notify you.
8. **No verification of Transfer Requests.** We are under no obligation whatsoever at any time to verify any Transfer and will have no liability for failing to investigate or verify any Transfer request.
9. **Confirmations.** We will confirm each Transfer on your account statement or on any bank information reporting service that we provide you. You must immediately inform us of any Transfer that is incorrect or unauthorized.
10. **Amendments and cancellations of transfer requests.** You may cancel a Transfer request before the Cutoff Time if we have not processed the Transfer. After we have processed a Transfer, it cannot be canceled, amended or reversed.
11. **Records, information and audits.** You will verify the accuracy of all records and information regarding the Service or any Transfer and you will notify us immediately of any errors. Nothing in the Service Documentation will relieve you of:
  - a. Any responsibility imposed by law, regulation or contract with regard to the maintenance of records, or
  - b. Any responsibility to perform audits and account reviews customarily conducted by persons or entities whose businesses are similar to your business.



12. **Responsibility for paying taxes.** Any interruption in the Service will not relieve you of any obligation to pay any tax to the IRS, or any other government agency or entity owed the tax, and we will have no liability to you for your failure in such circumstances to pay any tax.

# Glossary

**Account** means your account(s) with us used in connection with the Service.

**Account Agreement** means the applicable account agreement governing the Account.

**Account Currency** is defined in section 8 (Currency conversion) of the Master Agreement.

**ACH** means Automated Clearing House.

**ACH Rules** means the Nacha Operating Rules and any applicable local ACH rules.

**Applicable Exchange Rate** is defined in section 8 (Currency conversion) of the Master Agreement.

**Applicable Law** is defined in section 3 (Changes to service) of the Master Agreement.

**Business Day** means every day except Saturday, Sunday and federal holidays. When used in connection with funds transfer Services, "Business Day" means each day on we are open for business related to that Service.

**CEO® portal** means our Commercial Electronic *Office*® portal.

**Concentration Account** means your Account designated in the Concentration Account Services Set-up Form.

**Cutoff Time** means our cutoff time each Business Day we separately disclose to you for the applicable Service.

**Entry** is defined in the ACH Rules.

**File** is defined in the ACH Rules.

**Foreign Currency** is defined in section 8 (Currency Conversion) of the Master Agreement.

**Gateway or Gateway Operator** is defined in the ACH Rules.

**Initiation Method** is defined in section 6 (Security procedures) of the Master Agreement.

**International Entry** means an Entry to an account outside the United States.

**Item** is defined in the Account Agreement.

**Log-on Credentials** is defined in section 9 (CEO portal) of the Master Agreement.

**Losses** means liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and court fees).

**Master Agreement** means the Master Agreement for Treasury Management Services.

**NOC or Notification of Change** is defined in the ACH Rules.

**ODFI (Originating Depository Financial Institution)** is defined in the ACH Rules.

**Originator** is defined in the ACH Rules.

**Payment Order** means an instruction to us in your name to transfer funds from your Account (and includes any communication cancelling or amending an instruction).

**RDFI (Receiving Depository Financial Institution)** is defined in the ACH Rules.

**Receiver** is defined in the ACH Rules.

**Remote Account** means one or more accounts owned or controlled by you in the United States.

**Representatives** is defined in section 11(f) (Liability and indemnification) of the Master Agreement.

**Reversal or Reversing Entry** is defined in the ACH Rules.

**Security Procedure** is defined in the Product Enrollment Form and in section 6 (Security procedures) of the Master Agreement.

**Settlement Date** is defined in the ACH Rules.

**Tax Transfer Deadline** means a date at least one Business Day prior to the date the tax payment is due to the applicable tax authority.

**Third Party Sender** is defined in the ACH Rules.

# Addendum to ACH Origination Service Description for State Tax Refund Return Opt-in Program Participants

- 1. Introduction.** This Addendum to ACH Origination Service Description for State Tax Refund Return Opt-In Program Participants ("Addendum") applies to Company in connection with its use of the ACH origination service ("Service") pursuant and subject to the terms of the Service Documentation, including the ACH Origination Service Description ("Service Description"). If there are any conflicts between this Addendum and the Service Description, this Addendum shall control. Any capitalized terms not otherwise defined in this Addendum shall have the meaning set forth in the Service Description or the ACH Rules, unless otherwise indicated.
- 2. Description of Program Services.** Company has agreed to participate in the State Tax Refund Return Opt-In Program ("Program") offered by NACHA—The Electronic Payments Association ("NACHA"), through which participating RDFIs can submit Return Entries to Company under operating rules adopted specifically for the Program. In connection with Company's participation in the Program, Company has requested that Bank enter into a State Tax Refund Return Opt-In Program ODFI Agreement with NACHA ("ODFI Agreement"). The ODFI Agreement permits Bank, as ODFI for Company, to receive Return Entries transmitted under an R17 return reason code in accordance with the operating rules adopted for the Program and the ACH Rules (collectively, "Program Rules"). Bank will provide "Program Services" under this Addendum in accordance with its obligations under the ODFI Agreement. In the event of a conflict among the foregoing requirements, the following order of precedence shall apply: (1) the ODFI Agreement; (2) the Program Rules; and (3) the ACH Rules.
- 3. Program Returns.** Bank will receive R17 Return Entries on behalf of Company in accordance with the Program Rules. Company understands and agrees that Bank is otherwise permitted to dishonor R17 Return Entries in accordance with the ACH Rules, and that it is Company's responsibility to notify Bank of Program Entries that should be dishonored, in accordance with the time limits set forth in the ACH Rules. Company understands and agrees that all Program Returns (as defined in the Program Rules) may be transmitted for up to 60 days following the Settlement Date of the original Entry. If a Participating RDFI wishes to transmit a Program Return after 60 days from the Settlement Date of the original Entry, the Participating RDFI must contact Bank to obtain permission for a late Program Return and Bank shall accept or deny the late Program Return request at its sole discretion. Company understands and agrees that it is the Participating RDFI's responsibility to provide Bank with the appropriate subcode specifying the nature of each Program Return.
- 4. Program Information.** In accordance with the requirements of the Program Rules, Company understands and agrees that Bank is permitted to share information with NACHA regarding Company's participation in the Program, including but not limited to transaction volumes.
- 5. Indemnification.** Bank shall have no liability for the acceptance of any Program Return in accordance with this Addendum and the ODFI Agreement. In addition, Company will indemnify Bank from and against all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered by Bank arising directly or indirectly from or related to its performance of the Program Services.
- 6. Termination.** In addition to the termination provisions contained in the Master Agreement and Service Description, Bank may terminate this Addendum immediately upon notice to Company if it receives notice of termination of the applicable ODFI Agreement.



# Wire Transfer Service Description

Treasury Management Services

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## Introduction

The Service Documentation contains the terms and conditions under which we provide you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in the Service ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The service ("Service") covered by this Service Description is:

- Wire Transfer

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing the Account,
- e. The Product Enrollment Form (which contains set-up information for each service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office*® (CEO®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## Wire Transfer Service

1. **Description of service.** With this Service you can instruct us to transfer funds by wire. You agree to comply with all applicable payment system rules, including the national payment system rules and any other Applicable Laws and regulations of the receiving country of the transaction.
2. **Preparation of payment orders; processing schedules.** You will prepare each Payment Order according to guidelines we separately make available from time to time. You will use the applicable Security Procedure when you send a Payment Order to us.

We will execute each Payment Order in accordance with our then current processing schedule and any accompanying instructions you include regarding the date a Payment Order is to be executed. A Payment Order will be deemed received by us when we have verified it in compliance with the Security Procedure.

- a. If we receive a Payment Order after our Cutoff Time on any Business Day, we will treat the Payment Order as having been received before our applicable Cutoff Time on our next Business Day.
- b. If we execute your Payment Order by sending instructions to another financial institution, we may send the Payment Order by any transmission method and by any route we in our sole discretion consider reasonable.

3. **Inconsistency in name and number.**

- a. If a Payment Order describes the person to receive the funds under the Payment Order both by name and identifying number, we or another financial institution through which the Payment Order is routed may rely solely on the identifying number to identify the person, even if the number identifies a person other than the one named.
- b. If a Payment Order describes a financial institution both by name and identification number, we or another financial institution through which the Payment Order is routed may rely solely on the identification number to identify the financial institution, even if the identification number refers to a financial institution other than the one named.

4. **Authorization to pay.** You authorize us to:

- a. Execute any Payment Order we verify in accordance with the applicable Security Procedure, and
- b. Debit the account specified in the Payment Order even if a debit results in an overdraft on the execution date. If no account is specified, we will debit your Account or any other of your account(s) with us or one of our affiliates.

You will maintain sufficient available funds in the account specified in the Payment Order at the time of each debit.

5. **Your duty to report erroneous or unauthorized transfer instructions.** You will exercise reasonable care to:

- a. Determine whether a Payment Order accepted by us was either erroneous or not authorized, and
- b. To notify us of the relevant facts within a reasonable time not exceeding 14 days after we notify you that the Payment Order was accepted or that the Account was debited for the Payment Order, whichever is earlier.

If you do not notify us within 14 days, we will not be liable for any loss of interest or for any other loss relating to an erroneous or unauthorized debit to your account or because of any other discrepancy in the notice.

6. **Rejected payment orders.** If a Payment Order is rejected for any reason, we will attempt to notify you promptly so you can cure the defect. However, we will have no liability to you for a rejected Payment Order or any loss resulting from our delay or failure to notify you.

7. **Cancellation, amendment, reversal.** A Payment Order will be final and not subject to cancellation, amendment or reversal by you, except we may, at your request, make an effort to cancel, amend or reverse a Payment Order without incurring any liability for our failure or inability to do so.

8. **Drawdown requests.** A “drawdown request” is an instruction from you to another depository institution to debit:

- a. An account at that institution and transfer the funds to us (an “outgoing drawdown request”), or
- b. The Account and transfer the funds to that institution (an “incoming drawdown request”).

In this Service description, “Payment Order” includes drawdown requests. We may execute an incoming drawdown request that conforms with instructions we receive through Fed Wire, SWIFT, CHIPS or any other funds transfer system, provided those instructions are not inconsistent with instructions you separately provide in writing. The authority to execute the incoming drawdown request will continue until we receive your express written notice that such authority is revoked and have a reasonable time to act on it.

9. **Limitation of liability.** We will not be liable for any third party's failure to or delay or error in processing a Payment Order. If the beneficiary bank does not pay the beneficiary specified in the Payment Order, a refund will be made only after we have received confirmation of the effective cancellation of the Payment Order and we are in free possession of the funds debited or earmarked in connection with the Payment Order. If we are notified the beneficiary bank did not credit the Account for the full amount stated in a Payment Order, our sole obligation will be to promptly execute a second Payment Order in the amount of the stated deficiency.

If we execute a Payment Order that is more than the amount stated in the Payment Order, to the extent you do not receive the benefit of the full amount of the Payment Order, we will only be liable for any loss of the principal amount transferred in excess of the amount stated in the Payment Order. Additionally, we will be liable for the amount of interest you have lost due to the transfer of the excess amount, computed at the Federal Funds rate or as otherwise agreed. However, our liability for loss of interest will be limited to 20 calendar days' interest. This section sets forth our complete liability for a Payment Order issued or received under this Wire Transfer Service description.

10. **Survival.** Sections 5, 6, 7 and 9 will survive the termination of the Services.

## Glossary

**Account** means your account(s) with us used in connection with the Service.

**Account Agreement** means the applicable account agreement governing the Account.

**Applicable Law** is defined in section 3 of the Master Agreement.

**Business Day** means every day except Saturday, Sunday and federal holidays. When used in connection with funds transfer Services, "Business Day" means each day on we are open for business related to that Service.

**Cutoff Time** means our cutoff time each Business Day we separately disclose to you for the applicable Service.

**Master Agreement** means the Master Agreement for Treasury Management Services.

**Payment Order** means an instruction to us in your name to transfer funds from your Account (and includes any communication cancelling or amending an instruction).

**Security Procedure** is defined in the Product Enrollment Form and in section 6 of the Master Agreement.





# Wire Transfer Services Customer Setup Form and Agreement

## Part I – Setup Information

### Treasury Management Customers

Complete Part I and sign as provided in Part III. The information in this setup form and your separate treasury management documents relating to wire transfers govern your use of Wells Fargo's wire transfer service.

### All Other Customers (including consumers and non-Treasury Management business customers)

Complete Part I, review the Wire Transfer Services Agreement in Part II, and sign as provided in Part III.

Type of Request:     New             Update Existing Information     Delete Existing Information

### A. Account Numbers (list accounts to be debited for each wire transfer)

For additional accounts attach a signed listing with notation of Customer's name and the additional account numbers. Check the appropriate box for each account number to identify the account type.

1) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	2) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	3) <input type="checkbox"/> G/L <input type="checkbox"/> DDA	4) <input type="checkbox"/> DDA <input type="checkbox"/> G/L
5) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	6) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	7) <input type="checkbox"/> G/L <input type="checkbox"/> DDA	8) <input type="checkbox"/> DDA <input type="checkbox"/> G/L
9) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	10) <input type="checkbox"/> DDA <input type="checkbox"/> G/L	11) <input type="checkbox"/> G/L <input type="checkbox"/> DDA	12) <input type="checkbox"/> DDA <input type="checkbox"/> G/L

### B. Advice Information (additional fees apply for these services)

For Fax or Email Notification on intraday wire activity use the InfoFax setup form.

Mail Advice (this paper based service is no longer available to add)     Delete Mail Advice

### C. Authorized Callers (people authorized to initiate wires)

**\$ Limit** = Use "N" if unlimited. The limit applies to all functions unless noted otherwise. If no limit is noted we will set the limit as unlimited.

**Initiation Type** = If no Initiation Type is noted, we will set the individual up for both Repetitive and Non-Repetitive Wire Initiation. Complete by checking appropriate box: R = Repetitive / B = Both Repetitive & Non-Repetitive.

Authorized Callers first & last name	Caller <input type="checkbox"/> Add <input type="checkbox"/> Delete	\$ Limit	Phone Number including area code	InitiationType <sup>√</sup>	
				R	B
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$		<input type="checkbox"/>	<input type="checkbox"/>

### D. OPTIONAL Verify Callback Service (does not apply to repetitive wires)

Selecting this fee-based service requires a minimum of two persons with wire transfer authority because the initiator of a wire cannot also approve the wire. If the form does not indicate an Authorized Approver other than the initiator, the optional Verify Callback Service cannot be provided.

Verify Orders exceeding: \$

Authorized Approvers first & last name	Approver <input type="checkbox"/> Add <input type="checkbox"/> Delete	\$ Limit	Phone Number including area code
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	

Authorized Approvers first & last name	Approver	\$ Limit	Phone Number including area code
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	
	<input type="checkbox"/> Add <input type="checkbox"/> Delete	\$	

**E. Alternate Account to be Charged for Wire Fees (Available to Business and Wealth Private Banking customers ONLY)**

List account only if wire fees are to be assessed to this account for the accounts listed in Part I-A.

DDA     AU and G/L \_\_\_\_\_

**Part II - Wire Transfer Services Agreement**

**1. Introduction.** This Wire Transfer Services Agreement ("Agreement"), along with the account agreement applicable to the account used in connection with the wire transfer services ("Account"), govern your use of Wells Fargo's wire service. With this service, the Wells Fargo customer identified in this Agreement ("you" or "your") can instruct Wells Fargo Bank, N.A. ("Wells Fargo") to transfer funds by wire from the Account ("Order").

**2. Security Procedure**

**2.1. General.** You agree to use the security procedure described in this Section ("Security Procedure") when you request an Order (except for an Order delivered to Wells Fargo in person by you or your authorized representative). The purpose of the Security Procedure is to verify the authenticity of an Order delivered to us in your name and not to detect errors in the transmission or content of an Order. You agree the Security Procedure is commercially reasonable and, in view of your requirements, is a satisfactory method of verifying the authenticity of Orders. You agree you are bound by any Order, whether or not authorized, issued in your name and accepted by Wells Fargo in compliance with the Security Procedure.

**2.2. Voice Initiated Orders.** Wells Fargo's standard Security Procedure for a voice-initiated Order consists of confirming the personal identification number ("PIN") accompanying an Order corresponds with a valid PIN assigned to you, and confirming the voice print provided when placing an Order matches the print registered on file for that PIN holder. A PIN and voice print are required for all voice-initiated transfers.

**2.3. PIN.** Each person authorized to initiate and/or approve Orders for you will be issued a unique PIN. PINs are computer-generated and you cannot choose your own PIN. Wells Fargo employees do not have access to PINs. You agree to safeguard any PIN assigned to you. You must supply the PIN each time you initiate an Order. PINs are issued via a two-part, confidential mailer sent to you. If lost or forgotten, Wells Fargo cannot reconstruct PINs. For your protection, if you suspect a PIN has been compromised, or if an authorized person is no longer authorized, immediately notify Wells Fargo Wire Transfer Services at 888-384-8400. Wells Fargo, in its sole discretion, may cancel or reissue any PIN it believes may have been compromised, including, without limitation, a PIN that has never been acknowledged as having been received and any PIN that has been used by anyone other than the intended authorized user.

**2.4. Identify Authorized Persons.** You will notify Wells Fargo in writing of the identity of each individual authorized to receive information regarding the Security Procedure. You will promptly notify Wells Fargo in writing of any change in an authorized individual. Your notice will be binding on Wells Fargo if it is received in a time and manner that gives Wells Fargo a reasonable opportunity to act on it. Wells Fargo will be fully protected in relying on your notices.

**2.5. OPTIONAL Verify Callback Service.** If you select this optional fee-based service by providing the information requested in Section D of Part I, it will become part of your Security Procedure. Wells Fargo will make at least one attempt to telephone an individual authorized to approve wires other than the initiator (an "Authorized Approver") to verify the voice-initiated non-repetitive wire transfer order is authorized when the amount of the wire exceeds the wire transfer order limit designated in Section D of Part I. You may designate a limit up to which an Authorized Approver may authorize an order. A PIN is required to authenticate each Authorized Approver. If Wells Fargo is unable to (a) contact and authenticate or (b) obtain approval from an Authorized Approver, the wire will not be processed.

**3. Inconsistency of Name and Number.** If an Order describes the person to receive the wire transfer ("Beneficiary") inconsistently by name and account number, the wire transfer may be made on the basis of the account number even if the account number identifies a person different from the Beneficiary. If a wire transfer request describes a financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. **You further acknowledge the beneficiary account number or beneficiary bank identification number (e.g. IBAN, RTN, or SWIFT BIC) you provide in connection with an Order will be complete and accurate, and you understand you could lose the transfer amount if the information is incorrect.**

**4. Responsibility of Wells Fargo.** Wells Fargo may send an Order by wire, telegraph, telephone, cable, or whatever other transmission method Wells Fargo considers to be reasonable. Wells Fargo may transmit an Order directly to the Beneficiary's bank, or indirectly to the Beneficiary's bank through another bank, government agency, or other third party that Wells Fargo considers to be reasonable. Wells Fargo may utilize any reasonably selected funds transfer system or intermediary bank, even if its selection differs from instructions in the request.

**5. Additional Actions by Wells Fargo.** Any action Wells Fargo takes to detect an erroneous Order, or any actions Wells Fargo takes beyond those described above in an attempt to detect an unauthorized Order, will be taken at Wells Fargo's sole discretion. No matter how many times Wells Fargo takes this action, it will not become part of Wells Fargo's standard procedures for attempting to detect such erroneous or unauthorized Orders, and Wells Fargo will not in any situation be liable for failing to take or to correctly perform the action.

**6. Liability.** Wells Fargo is only responsible for making a good faith effort to execute your Orders and will only be responsible for performing the services specified in this Agreement. For Orders subject to Article 4A of the Uniform Commercial Code ("UCC 4A"), Wells Fargo will be liable to you only for damages required to be paid under UCC 4A. For Orders not subject to UCC 4A and for other obligations under this Agreement, Wells Fargo will only be liable for its negligence or willful misconduct. Wells Fargo will not be liable for any third party's failure to or delay or error in processing an Order. Wells Fargo will not be liable for any delay in performing or failure to perform if the delay or failure results from any cause beyond its reasonable control. In no event will Wells Fargo have any liability for consequential, special, punitive or indirect loss or damage which you may incur in connection with this Agreement.

**7. Indemnification.** You agree to indemnify and hold Wells Fargo, its directors, officers, employees and agents harmless from all third party claims, demands, judgments, and expenses (including reasonable attorney's fees) arising out of or connected with the performance of any wire transfer service under this Agreement. This indemnification will survive the termination of this Agreement.

**8. Cancellation, Amendment, Reversal.** An Order will be final and not subject to cancellation, amendment or reversal by you, except Wells Fargo may, at your request, make an effort to effect such cancellation, amendment or reversal without incurring any liability for its failure or inability to do so.

**9. Your Duty to Notify Wells Fargo of Unauthorized Activity.** If you identify any discrepancies in your account setup (including repetitive wire transfer templates), please contact us immediately at 1-888-384-8400. Wells Fargo will not be responsible for any delays in payment or additional fees caused by your failure to notify us promptly of any such discrepancy. You will exercise ordinary care to determine whether an Order accepted by Wells Fargo was either erroneous or not authorized and to notify Wells Fargo of the facts within a reasonable time not exceeding 14 days after you have received notification from Wells Fargo that the Order was accepted or that your Account was debited or credited with respect to the Order, whichever is earlier. You will be precluded from asserting that Wells Fargo is not entitled to retain payment for an Order unless you object within 14 days.

**10. Fees and Taxes.** You agree to pay Wells Fargo's current wire transfer service fees. A copy of Wells Fargo's current fee schedule is available to you on request. You also agree to pay amounts equal to any applicable taxes on these wire transfer services (exclusive of taxes based on net income of Wells Fargo).

**11. Currency.** An Order expressed in U.S. Dollars will be sent in U.S. Dollars. You may request that prior to executing an Order, Wells Fargo convert the amount to be transferred from U.S. Dollars to the currency of a designated foreign government or intergovernmental organization ("Foreign Currency"). Wells Fargo makes money when it converts one currency to another currency for you. The exchange rate provided to you is set by Wells Fargo in its sole discretion, and it includes a markup over Wells Fargo's cost of sourcing the relevant currency or currencies. The markup may be based on several factors, including without limitation costs incurred, market risks, services rendered, the client relationship, the transaction and our desired return.

The exchange rate Wells Fargo provides to you may be different from exchange rates you see online, in publications, at other banks or other foreign exchange providers. Also, different customers may receive different exchange rates for transactions that are the same or similar. The exchange rate may depend on the type of transaction being conducted, the dollar amount, type of currency, the date and time of the exchange and/or the factors noted above. The foreign exchange market is dynamic, so exchange rates can change rapidly. If you delay executing a transaction, the exchange rate may change and could even be significantly different. Wells Fargo reserves the right to refuse to process any request for a foreign exchange transaction.

Wells Fargo will not be liable for a sum in excess of the value of the Order after it has been converted from Foreign Currency to U.S. Dollars at Wells Fargo's buying rate for exchange at the time the cancellation of the Order is confirmed by Wells Fargo.

**12. Term and Termination.** This Agreement may be terminated by you or Wells Fargo with prior written notice, but will remain in effect with respect to any transaction occurring prior to its termination.

**13. Amendments to Agreement.** Wells Fargo may, from time to time, notify you of a change to this Agreement or its rules or procedures. By using the wire transfer service after the notice is sent or otherwise made available to you, you will be conclusively deemed to have agreed to the change.

**14. Governing Law; Rules and Regulations.** Our rights and obligations regarding Orders will be governed solely by this Agreement, your account agreement, and, to the extent applicable, federal law and the state laws governing your Account. All Orders will be subject to the rules and regulations of any funds transfer system used by Wells Fargo, as amended from time to time.

**15. Notices; Receipt of Confirmations.** If a notice is sent to you, it will be effective if it is delivered in person or sent by first class mail to your last address as shown on Wells Fargo's records. If a notice is sent to Wells Fargo, it will be effective if it is delivered by first class mail to the address shown in Wells Fargo's then current fee schedule (or to such other address as Wells Fargo may from time to time direct) and after Wells Fargo has had a reasonable opportunity to act on it. An optional confirmation or a bank statement showing a wire transaction, sent electronically or by mail, to your last address as shown in Wells Fargo's records and not returned, will be conclusively presumed to have been received by you. Wire Transfer mail confirmations are not available for addresses outside of the United States.

**16. Miscellaneous.** Wells Fargo's waiver of any term of this Agreement will not constitute a waiver of any other term or impair any of its rights if you breach this Agreement. You agree not to assign your interest in this Agreement to anyone else. If any provision of this Agreement is determined by a court to be invalid, it will not affect the validity of any other provision. In interpreting this Agreement, the headings will not be considered a substantive part of this Agreement. Unless the context requires otherwise, terms not defined in this Agreement have the meanings, if any, provided in UCC4A. This Agreement and any applicable account agreements constitute our entire Agreement with respect to the matters they cover and supersede all prior oral or written communications between us regarding such matters. In the event of conflict between a provision of this Agreement and any other agreement you may have with Wells Fargo (including without limitation, any account agreement between us), the terms of this Agreement will govern the subject matter of this Wire Transfer Agreement.

#### **17. Additional Terms Governing Outgoing Consumer International Wires**

**17.1. General.** This Section contains additional terms applicable only to Orders initiated by a natural person in the United States to transfer funds to a Beneficiary in a foreign country for personal, family, or household purposes (each, an "Outgoing Consumer International Wire"). This Section does not apply to any Order sent to a Beneficiary in the United States, to any Order initiated by a non-consumer, or to any Order initiated by a consumer for any non-personal, non-family, or non-household purposes. In the event of a conflict between a provision in this Section and a provision in the rest of this Agreement or in the agreement governing your Account, the provision in this Section will control.

**17.2. Disclosures and Receipts.** Prior to sending an Outgoing Consumer International Wire, Wells Fargo will disclose to you, by telephone, the amount that will be transferred to the Beneficiary, a description of any fees and taxes imposed by Wells Fargo, the total amount of the transaction, the exchange rate to be used, the amount to be transferred in the Foreign Currency, a description of any fees and taxes to be applied by any other person to the extent known by Wells Fargo, and the amount that will be received by the Beneficiary. Wells Fargo will mail a receipt for an Outgoing Consumer International Wire within 30 days after payment is made for the Outgoing Consumer International Wire.

**17.3. Liability.** Wells Fargo is liable only for damages required to be paid as provided under Regulation E, subpart B or, to the extent applicable, UCC4A (except as expressly modified by this Agreement). Except as required by Regulation E, subpart B, Wells Fargo will not be responsible for the acts or omissions of any other person or entity, including but not limited to any processor, any country's central bank, or any other financial institution, and no such person or entity will be deemed Wells Fargo's agent. In no event shall Wells Fargo have any liability for any indirect, incidental, consequential, punitive, or special damages, even if advised of the possibility of such damages.

**17.4. Cancellation.** You may cancel an Outgoing Consumer International Wire for a full refund within 30 minutes of completing a transaction. To cancel, call the cancellation phone number provided to you at the time of your request.

**17.5. Error Resolution.** In the event that you believe an error has occurred with respect to an Outgoing Consumer International Wire, you must notify Wells Fargo no later than 180 days after the "Availability Date" (the date when funds will be available to the Beneficiary) disclosed to you by contacting us at 1-888-384-8400 or by mailing Wells Fargo at the address shown in Wells Fargo's then current fee schedule or to such other address as Wells Fargo may from time to time direct. If you fail to notify us within this time period, Wells Fargo will not be liable for any error or loss of interest or any interest equivalent relating to the erroneous transaction.

When you contact us, please tell us: (a) your name, address, and telephone number where we can reach you during business hours; (b) the Beneficiary's name and, if known, his or her telephone number and address; (c) the date, dollar amount and transaction confirmation number of the Outgoing Consumer International Wire; and

(d) the error or problem with the wire transfer, and why you believe it is an error or problem.

**17.6. Governing Law.** An Outgoing Consumer International Wire is a "remittance transfer" as defined in Regulation E, Subpart B, and will be governed by the laws of the United States and, to the extent applicable, the laws of the state of New York, including New York's version of UCC4A, without regard to its conflict of laws principles.

**Part III – Agreement and Approval**

**Customer Approval** - Signatures as required by Certificate of Authority or the Signature Card.

*Under the dispute resolution program in your account agreement, you agree our disputes may be decided before one or more neutral persons in an arbitration proceeding and not by a judge or jury trial.*

Legal Name as it appears on your Account	Customer's Primary Phone No.
Mailing address for PINs and mail advice including City, State, and zip code. (If blank, items will be mailed to address on primary statement mailing address.)	
Printed Name of Authorized Signer	Printed Name of Authorized Signer
Signature	Date
Signature	Date

**Bank Approval** - Forms submitted without Customer and Banker signatures or older than 90 days will be returned unprocessed.

<b>Customer's 1st ID</b>	ID Type	ID Number	Issued by State/Country	Expiration Date
<b>Customer's 2nd ID</b>	ID Type	ID Number	Issued by State/Country	Expiration Date
Banker/Officer's Phone #		Banker/Officer's Fax #		Bank MAC
Banker's Wells Fargo email address for notification. A reasonable attempt will be made to contact the banker at the Wells Fargo email provided upon completion. Notification will NOT be sent to any email address outside the Wells Fargo system.			Document Prepared by & phone # (in case of questions about this setup)	
Banker/Officer's Printed Name		Banker/Officer Signature — Required		Date

**Once the customer's approval/signature is received on the form, the Banker/Relationship Manager must approve/sign the form, then fax to 866-922-6202, or email to [imgwiresetups@wellsfargo.com](mailto:imgwiresetups@wellsfargo.com). The form must be submitted from a valid Wells Fargo Fax or email address. File copies in your location's record retention file.**

# Information Reporting and Image Delivery Service Description

Treasury Management Services

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November 8, 2019

# Introduction

The Service Documentation contains the terms and conditions under which we provide you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in the Service ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The service ("Service") covered by this Service Description is:

- Information Reporting and Image Delivery

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Service),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing the Account,
- e. The Product Enrollment Form (which contains set-up information for each service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

The documents and individual provisions of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office® (CEO®)* portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, this Service Description and all Service Documentation.

## Information Reporting and Image Delivery

### 1. Description of services.

- a. With this Service we make data regarding transactions and/or images of Items posted to or processed through your Accounts available to you in order to provide you with timely information on your Account activity. We refer to the data and images as "information." The information and reports you can access are described in the User Guide for the Service. If you elect to use the Cash Flow Analysis Service (described further in the User Guide for the Service), you may also manually populate external data you want to view through this Service.
- b. The methods we use to make information available to you (and we may remove or add methods from time to time) include without limitation BAI File Transfer, InfoFax fax/email, SWIFT messaging, ISO 20022 XML transmission, physical media (CD-ROM and DVD), Machine-to-Machine, our CEO portal, and an Application Programming Interface ("API") through the Wells Fargo Gateway.
- c. The Master Agreement (which contains terms and conditions applicable to all services),
  - i. Posted to or processed through the Account,
  - ii. Cashed or collected by us or accepted for deposit to the Account, and
  - iii. Returned unpaid to the Account.

Images of posted paper Items that have been converted to ACH Entries pursuant to the ACH Rules may not be available through this Service.

2. **Accuracy of Information.**

- a. We will not verify the accuracy or completeness of: (i) information from other financial institutions, (ii) information you manually populate, or (iii) cash forecasting information. Forecasting information is not a guarantee of actual performance.
- b. Account balances and other information that reflect intraday activity on your Account may differ from the available balance as determined under our funds availability policy (as described in the Account Agreement) and by our internal risk parameters.

3. **Software Sublicense.** If a software license or sublicense is required for you to access the Service ("Software Sublicense"), we will make the terms of the Software Sublicense available to you as part of the set up process for the Service. You will be required to accept the Software Sublicense before being allowed to access the Service. We may terminate any Service requiring use of a Software Sublicense immediately on written notice to you, including without limitation if you fail to comply with the Software Sublicense.

4. **Stop payment orders.** If you elect a service option through which you can place stop payment orders, your rights and our obligations regarding any stop payment order will be determined as provided in the Account Agreement.

## Glossary

**Account** means your account(s) with us used in connection with the Services.

**Account Agreement** means the applicable account agreement governing the Account.

**ACH** means automated clearing house.

**ACH Rules** means the Nacha Operating Rules and any applicable local ACH rules.

**Item** is defined in the Account Agreement.

**Master Agreement** means the Master Agreement for Treasury Management Services.

# Check Disbursements and Fraud Prevention Services Service Description

Treasury Management Services

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## Introduction

The Service Documentation contains the terms and conditions under which Wells Fargo Bank, N.A. ("Bank") provides you the services described below. "You," "your" or "yours" refer to the Bank customer identified on the Acceptance of Services that is signed when you enroll in Services ("Acceptance"). The terms "we," "us," or "our" refer to the Bank. Other capitalized terms used in this Service Description are defined in the Master Agreement or in the Glossary at the back of this Service Description.

The services (each a "Service") covered by this Service Description are:

### Fraud Prevention and Related Services

- Positive Pay Service
- Reverse Positive Pay Service
- Payment Authorization Service
- Account Reconciliation Plan Service
- Controlled Disbursement Account Service

### Specialized Disbursement Services

- Centralized Disbursements Manager Service
- Payable Through Draft Service
- Third Party Drafts Service

The Service Documentation includes:

- a. The Service Description (which contains terms and conditions applicable to the Services),
- b. The Acceptance (which indicates your acceptance of the Service Documentation),
- c. The Master Agreement (which contains terms and conditions applicable to all services),
- d. The Account Agreement governing your account(s) that you use for the Service ("Account"),
- e. The Product Enrollment Form ("Set-up Form") (which contains set-up information for the service in which you are enrolling), and
- f. User Guides (which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices).

You agree to the terms and conditions governing the Services in which you have enrolled, as described in this Service Description and in the Service Documentation, which includes details of your enrolled Services. The separate documents comprising of the Service Documentation are intended to be read together as one agreement between you and us. This Service Description and the Master Agreement are posted at our *Commercial Electronic Office*® (CEO®) portal. If there is a conflict among the documents that are part of the Service Documentation, they will govern in the order listed above. Your use of a Service confirms your receipt of, and agreement to be bound by, the applicable terms for the Service in this Service Description and all Service Documentation.

## Fraud Prevention and Related Services:

As further described in the Account Agreement, we offer certain Services to help reduce the risk of fraud, including the Services below.

### Positive Pay Service

1. **Description of service.** With this Service you can instruct us to pay or return counterfeit Checks, Checks otherwise not validly issued and certain altered Checks presented to us for payment on the Accounts you enroll in this Service. For purposes of this Positive Pay Service Description, "Check" refers to each check presented for payment on your Account, whether it is counterfeit, not validly issued, altered or validly issued by you. Except as otherwise provided in this Service Description, enrollment in our Account Reconciliation Plan Service is required.
  - a. **Service summary.** Each Business Day, either before or after posting the Check to your Account, based on the Service option you choose as described in section 1b below:
    - i. We electronically compare the serial number and numeric amount of each Check presented to us for payment before our Cutoff Time on the prior Business Day to your Check Issue Data (see section 2),
    - ii. We will provide you with a report ("Exception Report") of each Check that does not match your Check Issue Data (an "Exception Check") (see section 4),
    - iii. We review each Exception Check, and either correct or reverse and repost each Exception Check with errors that we can correct, depending on the Service option you choose as described in section 1b,
    - iv. We will pay or return each Exception Check (see section 5), and
    - v. We separately review each "directly-presented Check" (see section 8).
  - b. **Service options.** You may enroll an Account in one of two options of the Service:
    - i. **Perfect Presentment® Positive Pay.** We electronically compare a Check to your Check Issue Data prior to posting the Check to your Account. Each Check with error(s) that we can correct, such as an encoding error, will be corrected, so that the Exceptions Report includes only unresolved Exception Checks. This option is offered only on an Account enrolled in our Controlled Disbursement Service.
    - ii. **Positive Pay and Positive Pay Only.** We electronically compare a Check to your Check Issue Data after posting the Check to your Account. We then review each Exception Check, and reverse and repost each Exception Check with error(s) that we can correct, such as encoding errors, so that the Exception Report includes only unresolved Exception Checks. Enrollment in our ARP Service is not required for Positive Pay Only.
2. **Check Issue Data.** You will provide us with the Check Issue Data for all issued Checks, in the format, through the communications channel, and at the place we specify no later than our Cutoff Time. You will not distribute any Check before you have included the Check in the Check Issue Data you have provided to us. In performing this Service:
  - a. We will use only the Check Issue Data you provide to us,
  - b. If the Check Issue Data includes a post-dated Check (a check you issue with a date in the future), we will not compare that Check against the Checks presented for payment on the Account until that date, and
  - c. We will not accept Check Issue Data for Checks with an issue date more than forty-five (45) calendar days in the future.
3. **Payment of Matching Checks.** For each Matching Check, we will make final payment on the Check and charge the Check to your Account (subject to section 11).

4. **Notifying you of Exception Items; providing images.** When we identify an Exception Check through our electronic comparison, we notify you through the Exceptions Report. This report is available on our *CEO* portal. We will use reasonable efforts to provide an image of any Exception Check (including a Holdover Exception Check) to you, but we will have no liability if we are unable to do so before the Decision Deadline.
  - a. **Holdover Exception Checks.** This subsection applies when you have enrolled your Controlled Disbursement Account in our Perfect Presentment Positive Pay Service. A "Holdover Exception Check" is an Exception Check we identify after we prepare and transmit the Exceptions Report to you. We will use our best efforts to notify you by calling you at the number we have on file for you.
5. **Decision Deadline.** You will make your pay or return decision based on the information about the serial number and amount of the Exception Check in the Exceptions Report, and if you use our Payee Validation Service (see section 7), on any payee information we provide to you.
  - a. **Instructions before the Decision Deadline.** If, before the Decision Deadline, you instruct us to pay or return an Exception Check, we will follow your instructions (subject to section 11). You will use the same communications channel to instruct us that we used to notify you of the Exception Check, except that if we included the Exception Check on the Exception Report we post on the *CEO* portal, you will use the *CEO* portal to communicate your instruction regarding the Exception Check to us.
  - b. **No instructions before the Decision Deadline.** If you do not instruct us before the Decision Deadline regarding an Exception Check, we will process the Check in accordance with your Default Option. If we are unable to obtain your instructions prior to the Decision Deadline regarding a Holdover Exception Check described in subsection 4(a) we will process the Holdover Exception Check in accordance with your Default Option.
6. **Default Options.** We return the Exception Check to the bank of first deposit marked "refer to maker" even if you validly issued the Exception Check (and do not charge it to your Account). We recommend the "return all" Default Option because it reduces the risk of unauthorized Checks being paid on your Account (even though it may result in valid Checks being returned unpaid).
  - a. **"Return all."** We return the Exception Check to the bank of first deposit marked "refer to maker" even if you validly issued the Exception Check (and do not charge it to your Account). We recommend the "return all" Default Option because it reduces the risk of unauthorized Checks being paid on your Account (even though it may result in valid Checks being returned unpaid).
  - b. **"Pay all."** We charge the Exception Check to your Account. This Default Option presents a higher risk of unauthorized checks being paid on your Account. If you elect this Default Option, you assume full liability for any losses resulting from counterfeit, altered or Checks otherwise not validly issued as described in section 9 below.
7. **Payee Validation Service.**
  - a. **Description of Payee Validation Service.** When you enroll in our optional Payee Validation Service, we will do the following:
    - i. On each Check that is greater than the Payee Validation Threshold, we electronically compare the payee's name on your check to your Check Issue Data. The "Payee Validation Threshold" is the dollar amount we choose above which we will perform the payee validation service.
    - ii. If (1) there is a difference between the two names that is not within guidelines we establish, or (2) a notation or legend on the Check prevents the electronic comparison of the payee's name, we will include the Check as an Exception Check in your Exceptions Report.
    - iii. If you notify us you have incurred a loss as a result of an unauthorized alteration of the payee's name, we will reimburse you for the face amount of any Check we pay under the Payee Validation Threshold except as provided below, provided that you notify us of your loss in writing within 3 years after the statement or Check is made available to you.

NOTE: When you enroll in our optional Payee Validation Service, you are charged a per-Check fee for each Check presented on your Account during a monthly billing cycle. This fee is separately disclosed to you. The per-Check fee is assessed on each Check presented including without limitation Checks not exceeding the Payee Validation Threshold.

- b. **When we do not perform payee validation.** We will not perform any payee validation review with respect to a Check if:
  - i. The Check is less than the Payee Validation Threshold,
  - ii. The payee's name on the Check is handwritten instead of machine-printed,
  - iii. You fail to include the payee's name on the Check in your Check Issue Data,
  - iv. We do not receive your Check Issue Data for the Check before our Cutoff Time, or
  - v. You request we add the payee's name manually to Check Issue Data you have previously provided to us.
- c. **Exceptions to reimbursement.** We will not reimburse you for losses resulting from an unauthorized alteration in the payee's name if:
  - i. The Check with the unauthorized alteration is hand-written, or
  - ii. We fail to identify an alteration or other discrepancy in the payee's name because:
    - 1. The payee name in your Check Issue Data did not exactly match the payee name on the Check, or
    - 2. You used customized zone formatting.

8. **Directly-presented checks.** A "directly-presented Check" is a Check we receive for deposit or cashing at our branch or through another depository channel that may present higher risk. The risk is we may be required to make proceeds from a directly-presented Check available before you can review and make a timely decision on the directly-presented Check identified as an Exception Check in our Exceptions Report. When your Check Issue Data on file with us does not include or match a directly-presented Check:

- a. if we receive the Check for deposit, we will take those steps as we, in our sole discretion, determine are commercially reasonable for the depository channel used, to review and accept the Check or refuse to accept the check, and
- b. if we receive the Check for cashing, we reserve the right to refuse to accept the Check.

You may instruct us to exclude all directly-presented Checks from this process. In that case, each directly-presented Check will be considered a Matching Check, even if it is not included in your Check Issue Data on file with us at the time we receive it, and we will pay it without further inquiry.

9. **Limitation of liability and indemnification.**

- a. **Liability limit.** We will pay each Check you have authorized us to pay as described in this Service Description (including each Matching Check) and each Check you are considered to have authorized us to pay (including each Check we pay according to your Default Option) without performing any Check verification procedure other than those procedures described with this Service Description. We will have no liability for paying a Matching Check or an Exception Check you are considered to have approved if:
  - i. There is an alteration in its serial number or amount,
  - ii. It is counterfeit, bears a forged or unauthorized signature, or
  - iii. It was otherwise not validly issued.
- b. **Indemnification.** Each Check that we pay according to this Service Description will be considered properly payable, and each Check that we return as provided in this Service Description will be considered not properly payable. Without limiting the indemnification provisions contained in the other Service Documentation, you:
  - i. Indemnify and hold us harmless from any and all Losses that we may suffer or incur as a result of our payment or return of a Check at your instruction or otherwise according to sections 5 or 8 of this Service Description, including a Check you issue before including it in your Check Issue Data, and

- ii. Release and forever discharge us from all claims and damages, whether known or unknown, liquidated or unliquidated, contingent, direct or indirect, which you have, or claim to have against us relating to the payment or return of any Check as provided in this Service Description.

**10. Stop payment; cancel and void instructions; stale-dated Checks.**

- a. You will not use this Service as a substitute for our stop payment service. You will follow our standard stop payment procedures described in the applicable Account Agreement if you wish to stop payment on a Check that was validly issued. You will use:
  - i. A cancel instruction only to delete an outstanding Check included in your Check Issue Data, and
  - ii. A void instruction only to notify us that a Check included in your Check Issue Data has been destroyed and will not be re-issued.
- b. Using notations or legends on a Check is not an effective stop payment order or void instruction. We will not be liable for failing to follow your cancel or void instruction for any Check on which we have made final settlement.
- c. If you choose to use our "stale-dated" feature, we will return each Matching Check (other than a directly presented Check) that is dated past your specified stale-date, unless you instruct us to pay the Check.

**11. Our right to return checks.** Nothing in this Service description will limit our right to return any Check you have authorized us to pay as part of this Service if we determine that:

- a. The Check is not properly payable for any reason (without us agreeing to, or being required to, make such determination in any circumstance), or
- b. There are insufficient collected and available funds in your Account to pay the Check.

You agree that our determination not to pay a Check will not constitute wrongful dishonor of that Check.

**12. Survival.** Sections 4, 7, 9, 10 and 11 will survive termination of Services.

### Reverse Positive Pay Service

- 1. **Description of Service.** Our Reverse Positive Pay Service is an alternative to our Positive Pay Service that we provide to select customers, including customers that issue Drafts. The Reverse Positive Pay Service is required when you enroll in the Third Party Drafts or Payable Through Drafts Services. With this Service:
  - a. You can detect fraudulent Checks by reviewing information we provide to you each Business Day about Checks that have posted to your Account from the prior Business Day ("Paid Items Report") (see section 2),
  - b. You can request we edit Checks that have posted incorrectly to your Account,
  - c. If you have elected our Teller Match Service, we may perform a positive pay verification of certain directly-presented Checks (see section 3) as we determine in our sole discretion from time to time, and
  - d. You can instruct us to return unauthorized Checks.

For purposes of this Reverse Positive Pay Service Description, a "Check" is a check, Draft or other paper instrument purportedly issued on your Account, whether it is counterfeit, not validly issued, altered or validly issued by you.

- 2. **Paid Items Report.** Each Business Day, we will provide you with the Paid Items Report through our *CEO* portal or by other methods you may elect. Each Business Day, you will compare the Paid Item Report to your Check Issue Data and before the Decision Deadline, notify us through the *CEO* portal of any edit requests or return instructions for those Checks described on the Paid Items Report for that Business Day. You will include in your notification the serial number and amount of each Check you wish to edit and the reason for returning each Check you wish to return.

3. **Teller match service.**
  - a. You may separately elect to have us perform a positive pay verification on certain directly-presented Checks, in which case the provisions in section 8 (Directly-presented Checks) of the Positive Pay Service Description are incorporated here by reference and shall apply and govern. If you enroll in this Service option, you will provide the Check Issue Data for each Check to us before you issue the Check.
  - b. With respect to a directly-presented Check, we will have no liability to you for not performing:
    - i. Any positive pay verification, if we do not receive and have a reasonable amount of time to act on your Check Issue Data for the Check before we receive the directly-presented Check, or
    - ii. Payee validation, if you fail to include the payee's name in your Check Issue Data for the directly-presented Check.
4. **Your failure to give us timely instructions.** If we do not receive your edit requests and/or return instructions by the Decision Deadline on any Business Day, we will pay each Check described in the Paid Items Report for that Business Day, unless you have already instructed us by effective stop payment order to return that Check unpaid.
5. **Checks to be paid; liability limit and indemnification.**
  - a. We will pay each Check you are deemed to have authorized us to pay in accordance with this Service Description without performing any further review of such Check. We will have no responsibility whatsoever for paying such a Check even if its serial number or amount is altered, it is counterfeit, bears forged or unauthorized signature, or is not validly issued. You waive and release us from and agree to protect us against any Losses resulting from a claim that such a Check was not properly payable.
  - b. We will have no liability if you instruct us to return a Check (including without limitation a Check that is counterfeit, not validly issued or altered) but your instruction does not reach us in a time and manner affording us a reasonable opportunity to return the Check before we pay, accept, certify, cash or otherwise become obligated to pay the Check as provided in the Uniform Commercial Code.
  - c. You will promptly reimburse us for any loss we incur when we make the proceeds from a Check available in accordance with Reg CC prior to our receipt of your instructions regarding the Check.
6. **Edit requests and return instructions.**
  - a. **Edit requests.** We reserve the right to deny any of your edit requests based on our evaluation of the edit request. We will not accept edit requests with respect to any Checks that you attempt to communicate to us by any means other than the *CEO* portal.
  - b. **Return instructions.** We reserve the right to decline your return instruction based on our evaluation of the return instruction. If your reason for returning a Check is fraud, your return instruction alone will not constitute a claim for a fraudulent transaction. You must file a separate claim with us relating to the fraudulent transaction.
7. **Stop payment and our right to return Checks.** Sections 10a and b (Stop payment and void instructions) and 11 (Our right to return Checks) of the Positive Pay Service Description are incorporated here by reference and shall apply and govern.
8. **Survival.** Sections 3, 5, 6 and 7 will survive termination of Services.

## Payment Authorization Service

NOTE: If you have the ability to write checks on your Account, we recommend that you use the Positive Pay Services to prevent check fraud. You understand that the Payment Authorization Service does not provide the same level of protection as the Positive Pay Services. If you decide not to implement the Positive Pay Services, or you do not properly use it, you assume the risk of loss for unauthorized checks.

1. **Description of service.** With this Service you can set limits on paper Items that may be drawn on your Accounts based on the options you choose. You may also prevent any paper checks being paid on your Accounts by choosing to set the applicable limit to zero.
2. **Available options.**

Option (on Product Enrollment Form)	Action we will take
Maximum Check Amount Authorized	We will automatically return unpaid Items drawn against the Account which are presented to us but exceed the "Maximum Check Amount Authorized" you provide us with. These Items are marked "Refer to Maker."
Maximum Check Cashing Amount	We will refuse to cash checks drawn against the Account and presented to us through our branch network, if they exceed the "Maximum Check Cashing Amount" you specify.
Maximum over the Counter Withdrawal Amount	We will refuse withdrawal requests against the Account which are presented to us through our branch network, if they exceed the "Maximum over the Counter Withdrawal Amount" you specify.
Checks to Individuals	We will refuse to cash checks drawn against the Account which are presented to us through our branch network, and which are made payable to an individual.

## Account Reconciliation Plan (ARP) Service

1. **Description of Service.** With our ARP Service, you can receive automated reporting to help you reconcile your Accounts. With this Service you can:
  - a. Receive Account information reporting, based on the Service options you select,
  - b. Store information about Items you issue on your Accounts, and
  - c. Process the information in accordance with the Service options that you elect in the Set-up Form. Our User Guide for the Service details the Service options.
2. **Issued check information.** If you elect our full ARP Service, each Business Day prior to the Cutoff Time, you will provide us with the Issued Check Information using the communication channel(s) you elect. For purposes of this Service Description, "Issued Check Information" is the issue date, serial number and dollar amount of each Item (as defined in the applicable Account Agreement) that you issue on your Account. If you elect our Deposit Location Reporting Service, you will provide us with a list of your location numbers and names and may amend the list from time to time by notifying us in writing.



3. **Stop payment orders.** If you use the ARP Service to place a stop payment order on any Item, you understand that:
  - a. The Account Agreement governs the stop payment order,
  - b. Each stop payment order is subject to our verification that the Item described in the stop payment order has not been paid, and
  - c. This verification may occur a minimum of ninety (90) minutes after the time you transmit the stop payment order to us.

### Controlled Disbursement Account Service

1. **Description of Service; required Accounts.** The Controlled Disbursement Account ("CDA") Service is available to select customers that qualify based on their credit and other considerations. With the CDA Service, you will establish and maintain:
  - a. One or more demand deposit accounts with us (each, a "Funding Account"),
  - b. One or more checking accounts with us linked to a Funding Account (each, a "Disbursement Account"), and
  - c. The information reporting service specified by us ("Information Reporting Service").

Each Funding Account and Disbursement Account and the Information Reporting Service will be identified in the Set-up Form for this Service. You will enroll each Disbursement Account in our Positive Pay Service. You will use each Disbursement Account solely to issue Checks, Drafts and electronic debits (each, a "Debit") in accordance with this Service Description. You will not issue any Debits on any Disbursement Account until we notify you that such Disbursement Account is operational.

2. **Determination of Total Net Presentment.** Each Business Day by the Cutoff Time, we will make the Total Net Presentment for each Disbursement Account available to you through the Information Reporting Service. The "Total Net Presentment" consists of the total dollar amount of:
  - a. Debits that have posted in the first and, if applicable, second presentment on that Business Day, and
  - b. Adjustments to the Disbursement Account reported on our CD Summary report, including without limitation Debits posted after the last presentment on the prior Business Day (these Debits are referred to collectively as the "Prior Day Funding Adjustments").If the Total Net Presentment is not available to you through the Information Reporting Service by the Cutoff Time, we will have no liability, and you will estimate the Total Net Presentment.

3. **Your obligation to deposit funds in Funding Account.**
  - a. Each Business Day before the Cutoff Time, you will deposit good and collected funds in your Funding Account so that the balance in the Funding Account, as determined in accordance with the Account Agreement, is sufficient to cover either:
    - i. The Total Net Presentment or your estimate of the Total Net Presentment, and
    - ii. The total of any Debits that have been memo posted to your Disbursement Account before the Cutoff Time on the current Business Day as set forth in the intra-day composite report we make available to you.
  - b. If you fail to transfer funds as required in subsection 3(a) above or if such transfer was based on your estimate of the Total Net Presentment and such estimated amount was less than the actual Total Net Presentment, we may, at our sole option:
    - i. Advance to the Funding Account(s) sufficient funds to pay the Debits presented for payment on the Disbursement Account and transfer such funds to the Disbursement Account, or
    - ii. Return Debits, in any order, unpaid (even though we may have previously established a pattern of paying such Debits).

4. **Transfer of funds to Disbursement Account.** Each Business Day, we will:
  - a. Transfer from the Funding Account to the Disbursement Account the amount necessary to cover the Total Net Presentment as shown on the CD Summary Report for that Business Day, and
  - b. Advance funds to the Disbursement Account in the amount sufficient to cover Debits that posted to Disbursement Account after the last presentment on that Business Day (and the amount advanced by us will be reported on the CD Summary Report for the next Business Day as the Prior Day Funding Adjustments).
5. **Our obligation to pay debits.** We will have no obligation to pay any Debit if the balance of good and collected funds in the Disbursement Account on which the Debit is drawn is not sufficient to cover the Debit at the time we make our payment decision.
6. **Your agreement to repay our advances to Disbursement Account.** You will unconditionally pay us on demand without setoff or counterclaim in good and collected funds the full amount of any advance we make pursuant to sections 3 and 4 plus our fees and costs incurred in connection with such advance.
7. **Security interest.** As security for the Obligations, you pledge to us, and grant us a lien on and a security interest in, the following property and all proceeds thereof (collectively, the "Collateral") as security for the prompt satisfaction of the Obligations:
  - a. Each Funding Account, each Disbursement Account, and all of your other accounts with us and our affiliates, and
  - b. Any of your property now or at any time delivered, conveyed, transferred, assigned, pledged or paid to us in any manner whatsoever.

Our receipt at any time of any kind of security, including cash, will not be a waiver of any of our rights or powers under any agreement between us. Upon our request, you will sign and deliver to us, any security, control or other agreements and documents as we determine are necessary or desirable (in our sole opinion) to grant us or perfect our security interest in the Collateral. At the time any Obligation becomes due and payable, we may apply or dispose of any and all Collateral, received or to be received, at any time or place, for any price and upon terms and conditions as we determine. We may apply the amounts on deposit or net proceeds of the sale or other disposition (together with any sums credited by or due from us to you), to the payment of the Obligations, all without prejudice to our rights with respect to any portion of the Obligations which remain unpaid. You expressly waive any right to require us to make any presentment or demand, or give any notices of any kind, including, but not limited to, any notice of nonpayment or nonperformance, protest, notice of protest, notice of dishonor, notice of intent to accelerate or notice of acceleration. If we are required by Applicable Law to give you reasonable notice before the sale or other disposition of Collateral, that requirement is met if notice is given at least 5 calendar days before the date any sale, application or other disposition will be made. Our rights and remedies under any agreements between us or instruments signed by you in our favor are in addition to, and not exclusive of, any other rights or remedies we have under Applicable Law.

8. **Fraud prevention.** Enrollment in one of our Positive Pay Services is required for enrollment in this Service. You acknowledge there is a growing risk of losses resulting from unauthorized Items. You recognize that Controlled Disbursement Service customers are especially susceptible to losses from unauthorized checks. You are aware that we offer an additional service known as "Payee Validation," which is an effective means of controlling risk from counterfeit checks, altered checks and certain other types of fraudulent checks. We have advised you that if you do not enroll in and properly use our Payee Validation Service, we will be unable to prevent losses from counterfeit, altered and certain other types of fraudulent checks and you will be treated as having assumed the risk of these losses.

9. **Liability and indemnification.** In addition to the liability and indemnification provisions in the Master Agreement, we will not be liable for any Losses paid, suffered or incurred by you, and you will indemnify us from and hold us harmless against any Losses that we suffer or incur, arising directly or indirectly and relating to:
- a. Your performance or failure to perform your obligations in accordance with this Service Description,
  - b. Us acting on any information you provide us in any Service Documentation or otherwise,
  - c. If we return any Check unpaid because you have not deposited good and collected funds in the Funding Account related to the Disbursement Account on which a Debit is drawn sufficient to cover the Total Net Presentment,
  - d. Our dishonor and return of any Debit unpaid if you issue the Debit before we notify you the Disbursement Account on which it was drawn is operational,
  - e. Our nonpayment of a Debit, unless the nonpayment results directly and proximately from our gross negligence or willful misconduct,
  - f. If any Debit fails which has not been tested and approved by us to satisfy our check specifications, our late return of that Debit and any presentment-related problem resulting from the failure of that Debit,
  - g. Except as otherwise provided in the Positive Pay, Reverse Positive Pay, ARP, Payable-Through Draft or Third-Party Draft Service Descriptions, if we provide you with one or more of these Services, our payment of any Check or Draft for which there is an alteration in serial number or amount, is counterfeit, bears a forged or unauthorized signature, or is otherwise not validly issued, or
  - h. The exercise of our rights or the performance of our obligations in accordance with this Service Description or the Positive Pay, Reverse Positive Pay, ARP, Payable-Through Draft or Third-Party Draft Service Descriptions, if we provide you with one or more of these Services.

10. **Termination.** In addition to our right to terminate this Service under the Master Agreement, we may terminate this Service and close the Funding Account and Disbursement Account immediately upon sending you written or oral notice (confirmed in writing) of such action if:
- a. You fail at any time to fund the Funding Account as required in this Service Description,
  - b. A lawsuit or other proceeding is commenced by any federal or state agency alleging, or we receive an opinion of counsel, that this Service or any material term or condition of this Service Description violates any law or regulation, or
  - c. You default in your obligations under the other Service Documentation or under any other agreement or instrument signed by you in our favor including without limitation any loan agreement or promissory note.

Upon termination of this Service, you will, in accordance with our instructions, stop issuing Debits on the Disbursement Accounts, and we will close the Disbursement Accounts and stop processing Debits. You will continue to be liable for all Debits issued on the Disbursement Accounts prior to termination and for all Debits we are obligated to pay.

11. **Survival.** Sections 2 and 5 – 9 will survive the termination of this Service.

# Specialized Disbursements Services

## Centralized Disbursements Manager Service

- 1. Your relationship to clients.** You have represented to us that you function as claims administrator, property manager, or accounts payable administrator with respect to your clients (each individually a "Client" and collectively, "Clients"), who may be (i) insurance companies or business organizations maintaining a program of self-insurance, (ii) owners of commercial real property, or (iii) other business organizations with a need for administrative services related to accounts payable and other disbursements. The services you provide to your Clients may include (without limitation) evaluation, resolution, and/or payment of claims or other types of accounts payable on behalf of your Clients, facilitating the funding of payments related to claims or other accounts payable, and reconciliation and reporting with regard to the payment process.
- 2. Centralized Disbursements Manager ("CDM") desktop.** You will interact with our electronic system for operating the Service through our "CDM Desktop" function, which you will access through the applicable treasury management services internet portal maintained by us.
- 3. Account structure.** To facilitate your disbursement and payment funding activities on behalf of your Clients, you will establish and maintain with us, in your name and taxpayer identification number: (i) a zero-balance controlled disbursement account against which all checks you issue on behalf of your Clients will be drawn ("Disbursement Account"), (ii) a master account linked to the Disbursement Account for the purpose of funding payment of items presented against the Disbursement Account ("Master Funding Account"), (iii) at your option, one or more accounts linked to the Master Funding Account and associated with an individual Client for the purpose of funding disbursements for the benefit of such Client (each an "Individual Client Funding Account"), (iv) an account against which exception items that you instruct us to pay are to be temporarily posted ("Default Account"), and (v) one or more accounts to serve as recovery, refund or adjustment-related transactional accounts; alternative funding sources for payment of checks when the appropriate Individual Client Funding Account lacks adequate funds; or for electronic payment settlement (each, a "Recovery Account").
- 4. Accounts for the benefit of individual clients.** At your option, you may open one or more Individual Client Funding Accounts in your name, each for the benefit of an individual Client, in a way that permits the Client's taxpayer identification number to be associated with the Account for tax reporting or other purposes. This type of Individual Client Funding Account is referred to herein as a "Beneficial Owner Account", and may be used for the broader purposes of receiving, holding, managing and/or disbursing Client funds. Beneficial Owner Accounts must be non-interest-bearing. For each Beneficial Owner Account that you open, you represent and warrant to us that you have valid and proper authorization from the applicable Client to open the Account for the benefit of such Client, and to receive, hold, manage and/or disburse funds in such Account. In no event will any Client be considered a party to, or a third party beneficiary of, this Service Description or the Master Agreement.
- 5. Client profiles.** For each Client for which you make disbursements, you will establish and maintain through the CDM Desktop an electronic client profile (each a "Client Profile"). As part of each Client Profile, you will assign the applicable Client a unique alpha/numeric identifier (a "Client ID") no more than ten characters in length. We will electronically associate each Client ID with an Individual Client Funding Account to facilitate funding of disbursements from the proper funding source.

6. **Client set-up forms.** For each Individual Client Funding Account you open under the Service (including each Beneficial Owner Account), you will, prior to opening the Account, deliver to us a form (each a "Client Set-up Form") in a format approved by us, containing information about the Client for whose benefit Company is opening the Account, including, without limitation, the Client's name, physical address (including zip code, and country, if other than the United States), taxpayer identification number, and business type. If we determine at any time that we do not have a Client Set-up Form for a particular Account, you will upon our request promptly cause such a form to be prepared and forwarded to us.
7. **Delivery of W-9 or W-8 forms.** For each Individual Client Funding Account you open under the Service, you will, prior to opening the Account, deliver to us an original Internal Revenue Service Form W-9, "Request for Taxpayer Identification Number and Certification" (each a "W-9 Form") or Form W-8BEN, "Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding" or other appropriate W-8 series form (each a "W-8 Form"), properly completed and executed by (i) the Client for whose benefit you are opening the Account, or (ii) if the Client lacks legal capacity to execute the W-9 Form or W-8 Form, by an individual whom the appropriate taxing authority and applicable law recognizes as being authorized to execute a W-9 Form or W-8 Form on the Client's behalf (an "Authorized Representative"). You represent and warrant that each W-9 Form or W-8 Form which you deliver to us in relation to an Account has been duly and lawfully executed by the Client for whose benefit the Account is opened or an Authorized Representative of such Client. If we determine at any time that we do not have a W-9 Form or W-8 Form for a particular Client, you will upon our request promptly cause such a form to be prepared and forwarded to us.
8. **Disbursements by check; use of Positive Pay.** All checks you issue in payment of claims or other obligations on behalf of your Clients ("CDM Checks") must be drawn on the Disbursement Account, which will be a controlled disbursement account governed by our standard Controlled Disbursement Service Description. You may not draw checks, or authorize the drawing or presentment of checks, drafts or other instruments against any of the Accounts other than the Disbursement Account or the Recovery Accounts. You must at all times use our Positive Pay Service in connection with the Disbursement Account. Your use of our Positive Pay Service will be governed by our Positive Pay Service Description and other documentation in effect from time to time with respect to that Service.
9. **CDM check issuance; Issue Files.** You must identify and describe each CDM Check you issue in an electronic issue file (each an "Issue File"), which you must transmit to us in connection with the CDM's Check issuance. You must create and transmit each Issue File to us in compliance with our published standards for creation and transmission of issue files for use with the Service. You must include in each entry for a CDM Check listed in a particular Issue File (each an "Issue Record") the appropriate Client ID for the Client on whose behalf you issued the CDM Check. You agree that you will not mail, transmit, send, deliver or otherwise issue or distribute any CDM Check until you have properly transmitted to us an Issue File containing the corresponding Issue Record for that check. We will compile the information in each Issue File and incorporate that information in our cumulative CDM data base of issued and outstanding CDM Checks (the "Issue File Data Base").

10. **Presentment and payment of CDM checks.** Upon presentment of a check against the Disbursement Account, we will, as part of our Positive Pay Service, compare certain data fields on such item with certain information in the Issue File Data Base. If we identify the item as a CDM Check that matches a corresponding Issue Record in the Issue File Data Base (a "Matching Check"), we will ascertain the Client ID accompanying the Issue Record. To the extent that the Individual Client Funding Account associated with the Client ID contains sufficient collected and available funds to pay all Matching Checks presented on the same Business Day which are associated with the same Client ID, we will pay all such Matching Checks. We will cause the applicable Individual Client Funding Account to be debited, with the resulting credit made to the Master Funding Account. To the extent that the Individual Client Funding Account associated with the Client ID does not contain sufficient collected and available funds to pay all Matching Checks associated with such Client ID which are presented on the same Business Day, we may, in our sole discretion (i) return all such Matching Checks unpaid, unless specific alternative funding arrangements have been made between you and us in advance, or (ii) pay such Matching Checks and cause the applicable Individual Client Funding Account to be overdrawn in the amount of the shortfall. Any overdraft on an Individual Client Funding Account is immediately due and payable from you to us.
11. **Default Account.** If, after comparison with the Issue File Data Base, a presented item cannot be associated with an Issue Record, but you nevertheless instructs us to pay the item, we will cause the item to be posted to the Default Account. For each item posted to the Default Account that causes the Default Account to become overdrawn, you will promptly provide us with instructions via CDM Desktop or in the form of an Issue Record incorporated in an Issue File, to repost the item to an Individual Client Funding Account.
12. **Minimum balance requirement for Recovery Accounts.** You must at all times maintain in one or more Recovery Accounts an aggregate balance of collected and available funds which equals or exceeds the aggregate amount of negative balances, if any, maintained in Individual Client Funding Accounts and the Default Account. Any positive balances maintained in any Individual Client Funding Accounts and/or the Default Account are expressly excluded from this calculation. We may return unpaid any CDM Checks presented for payment against the Disbursement Account during any period in which you fail to maintain the balance requirement set forth in this section 12. We may at any time, in our sole discretion, set off some or all of the balances in the Recovery Accounts against any negative balances in any Individual Client Funding Accounts or the Default Account.
13. **Funding basis.** Each Issue File, as it pertains to each Client on whose behalf you issue CDM Checks, will be funded on either an "Issue Funding" basis or a "Presentment Funding" basis. You must identify the funding basis for each Client as part of the Client Profile for such Client. Once the funding basis for a particular Client has been established, you agree that it will not be changed without our written consent.
  - a. **Issue Funding Basis.** If you are funding the Issue File for a particular Client on an Issue Funding basis, then the funding of the corresponding Individual Client Funding Account is determined with reference to our receipt of each Issue File from you that pertains to the Client.
  - b. **Presentment Funding Basis.** If you are funding the Issue File for a particular Client on a Presentment Funding basis, then the funding of the corresponding Individual Client Funding Account is determined with reference to presentment against the Disbursement Account of items related to the Client.
14. **Funding method.** You will fund each Individual Client Funding Account by using one of the funding methods set forth in this section 14. The process of funding by any of these funding methods will be governed by the Master Agreement, this Service Description and other Service Documentation. **YOU WILL NOT, AT ANY TIME OR UNDER ANY CIRCUMSTANCES, FUND OR PERMIT FUNDING OF ANY INDIVIDUAL CLIENT FUNDING ACCOUNT, IN WHOLE OR IN PART, BY MEANS OF A CASH DEPOSIT OR A DEPOSIT MADE BY A THIRD PARTY.** Each Client Debit account must be owned by your Client. As used in this section 14, the term "Funding Day" has the meaning given to it in section 15.

- a. **ACH Debit Entries.** You may use ACH debit entries to debit the account of the corresponding Client with us or at another financial institution ("Debit Account"). If you use this funding method, then prior to sending an Issue File for a particular Client, you will ensure that the corresponding Client Profile contains adequate information about that Client's Debit Account to enable us to generate an ACH debit entry from the Debit Account. Provided that we have adequate information about the Debit Account, we will transmit an ACH debit entry file to the designated receiving depository financial institution through the applicable clearing house channel on the same day that (i) we receive an Issue File for a particular Client, if you are using an Issue Funding Basis for the Client, or (ii) one or more items related to the Client are presented against the Disbursement Account, if you are using a Presentment Funding Basis for the Client. However, if that day is not a Funding Day, then the debit entry file will be created and transmitted on the next Funding Day. You authorize us to create and transmit each such debit entry file, and represent and warrant to us that each debit entry created using information you provide to us in a Client Profile and/or an Issue File is properly authorized by the owner of the account to be debited. Funds in the amount of an ACH debit entry must be received in the applicable Individual Client Funding Account on the Business Day following our transmission of the file containing such ACH debit entry.
- b. **ACH credit entries.** You may use ACH credit entries to transfer funds to an Individual Client Funding Account from an account of the applicable Client with us or another financial institution. Provided that we have adequate address information about the Client on whose behalf the Individual Client Funding Account is maintained, we will transmit an automatic ACH credit entry funding notice, by e-mail and/or fax at your option, to you and the Client on the same day that (i) we receive an Issue File for the Client, if you are using an Issue Funding Basis for the Client, or (ii) one or more items related to the Client are presented against the Disbursement Account, if you are using a Presentment Funding Basis for the Client. However, if that day is not a Funding Day, then the funding notice will be transmitted on the next Funding Day. Funds in the amount specified in a funding notice must be received in the applicable Individual Client Funding Account on the Business Day following our transmission of the funding notice.
- c. **Wire credit transfers.** You may use wire credit transfers to transfer of funds to an Individual Client Funding Account from an account of the applicable Client with us or another financial institution. Provided that we have adequate address information about the Client on whose behalf the Individual Client Funding Account is maintained, Bank will transmit an automatic wire credit transfer funding notice, by e-mail and/or fax at your option, to Company and the Client on the same day that (i) we receive an Issue File for the Client, if you are using an Issue Funding Basis for the Client, or (ii) one or more items related to the Client are presented against the Disbursement Account, if you are using a Presentment Funding Basis for the Client. However, if that day is not a Funding Day, then the funding notice will be transmitted on the next Funding Day. Funds in the amount specified in a funding notice must be received in the applicable Individual Client Funding Account on the same day we transmit the funding notice.
- d. **Drawdown wires.** You may use drawdown wires to debit the Debit Account. If you use this funding method, prior to sending an Issue File for a particular Client, you will ensure that the corresponding Client Profile contains adequate information about that Client's Debit Account to enable us to generate a drawdown wire from the Debit Account. Provided that we have adequate information about the Debit Account, we will cause a drawdown wire to be automatically initiated and transmitted to the designated depository financial institution through the applicable channel on the same day that (i) we receive an Issue File for a particular Client, if you are using an Issue Funding Basis for the Client, or (ii) one or more items related to the Client are presented against the Disbursement Account, if you are using a Presentment Funding Basis for the Client. However, if such day is not a Funding Day, then the drawdown wire will be initiated on the next Funding Day. You authorize us to create and transmit each drawdown wire, and represent and warrant to us that each drawdown wire created using information you provide to us in a Client Profile and/or an Issue File is properly authorized by the owner of the account to be debited. Funds in the amount of the drawdown wire must be received in the applicable Individual Client Funding Account on the same day we initiate the drawdown wire.

- e. **Internal book transfers.** You may use internal book transfers to debit the Debit Account, so long as the Debit Account is maintained with us. If you use this funding method, then prior to sending an Issue File for a particular Client, you will ensure that the corresponding Client Profile contains adequate information about such Client's Debit Account to enable us to generate an internal book transfer from the Debit Account. Provided that we have adequate information about the Debit Account, we will cause an internal book transfer to be initiated from the Debit Account on the same day that (i) we receive an Issue File for a particular Client, if you are using an Issue Funding Basis for the Client, or (ii) one or more items related to the Client are presented against the Disbursement Account, if Company is using a Presentment Funding Basis for the Client. However, that if that day is not a Funding Day, then the internal book transfer will be initiated on the next Funding Day. You authorize us to initiate and execute each such internal book transfer, and represent and warrant to us that each internal book transfer initiated using information you provide to us in a Client Profile and/or an Issue File is properly authorized by the owner of the account to be debited. Funds in the amount of the internal book transfer must be received in the applicable Individual Client Funding Account on the same day we initiate the internal book transfer.
15. **Funding Frequency.** You will fund each Individual Client Funding Account according to one of the funding frequency options set forth in this section 15. Each day on which funding is to occur under a particular funding frequency option is hereinafter referred to as a "Funding Day."
- a. **Daily funding.** Under the "Daily Funding Frequency Option", funding will occur (i) each day that we receive an Issue File for a particular Client, if you are using an Issue Funding Basis for the Client, or (ii) each day on which one or more items related to the Client are presented against the Disbursement Account, if you are using a Presentment Funding Basis for the Client.
- b. **Weekly funding.** Under the "Weekly Funding Frequency Option", funding will occur once a week, on the same day of the week as you select.
- c. **Monthly funding.** Under the "Monthly Funding Frequency Option", funding will occur one day each month, on either (i) the same numeric day of the month, or (ii) the first or last day of the month, as you select.
- d. **Semi-monthly selected date funding.** Under the "Semi-Monthly Funding Frequency Option", funding will occur twice each month, on the same two numeric days, as selected by you.
- e. **P.A.L. funding.** The "P.A.L. Funding Frequency Option" is only available for accounts you are funding on an Issue Funding Basis. Under this option, funding will occur each time an aggregate dollar amount of items accumulates within one or more Issue Files, with a dollar limit you specify.
- f. **Threshold funding.** The "Threshold Funding Frequency Option" is only available for accounts you are funding on a Presentment Funding Basis. Under this option, funding will occur each time an aggregate dollar amount of items is presented for payment in relation to a particular Client, with a dollar limit you specify.
16. **Supplemental funding days.** You may, at your option, establish one or more additional Funding Days that supplement the funding frequency options chosen for a particular Client under section 15 above. Each additional funding day may be designated as either a "Clean-up Date" or "End-of-Contract Date", depending on the purpose of the supplemental funding. Funding on each supplemental Funding Day will take place according to the Funding Basis and Funding Method previously selected for the applicable Client.
17. **Right of setoff.** In the event that any negative balance is maintained in an Individual Client Funding Account or the Default Account, whether created by action of you or us, we may at any time, and without prior notice to you, set off the amount of such negative balance against funds on deposit in any Recovery Account or any other deposit account you maintain with us; provided, however, that we may not set off against any other Individual Client Funding Account.



18. **Security interest in Recovery Accounts.** As security for the Obligations, you grant us a security interest in and lien on the Recovery Accounts, and all amounts from time to time on deposit in, or withdrawable from, the Recovery Accounts (the "Collateral"). Our receipt at any time of any kind of security, including cash, will not be a waiver of any of our rights or powers under any agreement between us. Upon our request, you will sign and deliver to us, any security, control or other agreements and documents as we determine are necessary or desirable (in our sole opinion) to grant us or perfect our security interest in the Collateral. At the time any Obligation becomes due and payable, we may apply or dispose of any and all Collateral, received or to be received, at any time or place, for any price and upon terms and conditions as we determine. We may apply the amounts on deposit or net proceeds of the sale or other disposition (together with any sums credited by or due from us to you), to the payment of the Obligations, all without prejudice to our rights with respect to any portion of the Obligations which remain unpaid. You expressly waive any right to require us to make any presentment or demand, or give any notices of any kind, including, but not limited to, any notice of nonpayment or nonperformance, protest, notice of protest, notice of dishonor, notice of intent to accelerate or notice of acceleration. If we are required by Applicable Law to give you reasonable notice before the sale or other disposition of Collateral, that requirement is met if notice is given at least 5 calendar days before the date any sale, application or other disposition will be made. Our rights and remedies under any agreements between us or instruments signed by you in our favor are in addition to, and not exclusive of, any other rights or remedies we have under Applicable Law.
19. **Account closure or debit block.** We reserve the right to either close or place a debit block on any Individual Client Funding Account which, in our sole judgment, is subject to repeated overdrafts or overdrafts of an excessive amount, or in the event that the Client associated with such Account is subject to a bankruptcy proceeding or makes a general assignment for the benefit of creditors.
20. **Business Associate Agreement.** If you are an organization that performs any function or activity involving the use, transmission, or disclosure of individually identifiable health information, you and we must enter into a Business Associate Agreement (addressing certain requirements of Subtitle F of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations) in form and substance satisfactory to us.
21. **Compliance with Applicable Laws.** You represent, warrant, and covenant to us that you will at all times comply with all Applicable Laws governing the receipt, holding, management and/or disbursement of funds in any Beneficial Owner Account.
22. **Indemnification.** You agree to indemnify, defend, and hold us harmless from and against any and all Losses which we suffer or incur as a result of or in connection with (i) your failure to have proper authorization to act on behalf of any Client, (ii) any Client Set-up Form or related information you provide to us which is incomplete or erroneous, and (iii) your failure to comply with Applicable Laws governing the receipt, holding, management and/or disbursement of funds for the benefit of Clients.
23. **Ownership dispute.** In the event that any Client asserts ownership rights to an Account held for the benefit of such Client, or any of the funds therein, then absent the mutual written consent of both you and the Client to dispose of the Account and related funds, we reserve the right, in its sole discretion, to suspend all activity on that Account and to interplead the funds into court.

24. **Termination.** Unless terminated sooner in accordance with the terms of the Master Agreement or this Service Description, this Service Description and the Service will continue in effect until terminated by either party upon ninety (90) days prior written notice to the other party. We may terminate the Service following notice to you (i) if you breach any material provision of the Master Agreement or this Service Description and fail to cure the breach within fifteen (15) days after we give notice of the breach, or (ii) notwithstanding the foregoing, if you fail at any time to maintain the minimum balance in the Recovery Accounts required under section 12 of this Service Description. Termination of the Service will not affect your or our rights with respect to transactions which occurred before termination.
25. **Survival.** Sections 4, 10, 12, 14, 17- 19, 22- 24 will survive termination of the Services.

### Payable Through Draft Service

1. **Description of Service.** With this Service, we provide you with information about payable-through Drafts that are purportedly drawn on you and received by us so that you can determine if you will pay, edit or dishonor each Draft.
2. **Requirements for Draft stock.** You will ensure each Draft contains:
  - a. The legend "PAYABLE THROUGH WELLS FARGO BANK, N.A."; and
  - b. Our routing number on the MICR line of the Draft. You will also comply with all other requirements we communicate to you. You will not issue any Draft until we notify you that your Draft stock meets our specifications.
3. **Electronic presentment.** Each Business Day, we will present to you each Draft we receive before the Cutoff Time. We will electronically present you with a report or transmission ("Activity Report") containing the serial number and amount of each Draft available to you through your chosen information reporting service. No physical delivery of a Draft or of a substitute check or a purported substitute check in lieu of a Draft will occur.
4. **Images of Drafts; identifying Unauthorized Drafts.** We will make an electronic image of each Draft available to you through our CEO® portal. If for any reason we cannot make an electronic image of a Draft available to you, you remain solely responsible for determining whether a Draft described in each Activity Report is an Unauthorized Draft.
5. **Funding.** You will maintain immediately available funds in your Account sufficient to cover the full amount of Drafts you issue. We have no obligation to honor any Draft if you do not have immediately available funds in your Account sufficient to cover the full amount of the Draft. If an arbitrator or a court determines a Draft has been paid under circumstances that we incur any liability for the Draft under Applicable Law or any agreement having the force of law, you will pay us on demand for the amount of the Draft.
6. **Decisioning.** You must notify us of any presented Draft that is to be edited (section 8 [Edits to Drafts]) or dishonored (section 9 [Drafts to be dishonored]) by the Cutoff Time on the next Business Day following the Business Day on which we made the Activity Report available to you ("Decision Deadline"). You will notify us through our CEO portal as set forth in the Reverse Positive Pay Service Description or, in the case of dishonor instructions only, through a means acceptable to us. If we do not receive your edit requests or dishonor instructions by the applicable Decision Deadline, you will be deemed to have instructed us to pay each Draft described in the Activity Report(s) for that Business Day, and you will be obligated to pay the amount of each Draft.

7. **Provisional payment of Drafts.** Any payment or other settlement for a Draft, except a Draft cashed in accordance with section 10, will be provisional and subject to revocation by:
- You, if you direct us to dishonor a Draft before the applicable Decision Deadline, or
  - Us at any time before midnight of the day we presented the Draft to you.
8. **Edits to Drafts.** You may request edits of the serial number and/or amount of any Draft described on the Activity Report(s) for any current Business Day. You will notify us of each edit request by means acceptable to us. We may deny your edit request based on our evaluation.
9. **Drafts to be dishonored.**
- General.** We are subject to requirements regarding the return of Drafts under Applicable Law, including the requirement to provide notice of a dishonored Drafts. We may be liable for the amount of the Draft and other damages if we do not meet these requirements. You are solely responsible for dishonoring any Draft including any Unauthorized Draft. If you decide to dishonor any Draft we present to you, you will notify us prior to the Decision Deadline in accordance with the Reverse Positive Pay Service Description.
  - Reimbursement obligation; revocation instructions.** You will promptly reimburse us for any Losses we suffer or incur as a result of our dishonor of a Draft in accordance with your notice to us. Any payment or other settlement of a Draft will be provisional and can be revoked by:
    - You, if you direct us to dishonor a Draft before the Decision Deadline, and
    - Us, at any time before midnight of the first Business Day after the day we presented the Draft to you.To be effective, we must receive your revocation instruction in a time and manner that gives us a reasonable opportunity to act on it before the payee deposits, cashes or otherwise negotiates the Draft.
  - Fraud.** If your reason for dishonoring a Draft is fraud, your return instruction alone will not constitute a claim for a fraudulent transaction. You must file a separate claim with us relating to the fraudulent transaction.
10. **Draft Cashing.** We offer a Draft Cashing Service (see our User Guide for more information). If you enroll in this Service, you waive any rights to dishonor or issue an edit request with respect to any Draft we cash at our teller line.
11. **Liability and Indemnification.**
- Indemnification.** You will indemnify, defend, and hold us, and our Representatives harmless from and against all Losses arising out of or relating to:
    - (1) our failure to identify an Unauthorized Draft, (2) our refusal to cash a Draft, (3) our failure to meet any requirement to which section 9 (Drafts to be dishonored) of this Service Description refers, (4) our payment of an Unauthorized Draft, or (5) our exercise of our rights, or our performance of our obligations, in accordance with this Service Description,
    - A breach of either the Image Quality Warranty or the No Double Debit Warranty (as defined below),
    - Our obligation to indemnify and reimburse a depository bank that accepts the original paper check from which an electronic check is created, if the loss is due to the check having already been paid, and
    - If we transfer or present an "electronically-created item" and receive settlement or other consideration for it, our obligation to indemnify and reimburse each transferee bank, any subsequent collecting bank, the paying bank, and any subsequent returning bank against Losses that result from the fact that:
      - The electronic image or electronic information of the electronically-created item is not derived from a paper check,
      - The person on whose account the electronically-created item is drawn did not authorize the issuance of the electronically-created item or to the payee stated on the item, and

3. A person receives a transfer, presentment, or return of, or otherwise is charged for an electronically-created item in such a way that the person is asked to make payment based on an item or check it has paid.

"Electronically-created item" means an electronic image that has all the attributes of an electronic check or electronic returned check but was created electronically and not derived from a paper check. "Image Quality Warranty" means our guarantee that the electronic image of the check accurately represents all of the information on the front of the check as of the time the original check is truncated, and the electronic information includes an accurate record of all MICR line information required for a substitute check and the amount of the check. "No Double Debit Warranty" means our guarantee that the warrantee will not receive a presentment of or otherwise be charged for an electronic check, an electronic returned check, the original check, a substitute check, or a paper or electronic representation of a paper substitute check, in a way that the warrantee will be asked to make payment on a check that it has already paid.

When we transfer an electronic check for collection or payment, we make the Image Quality Warranty and the No Double Debit Warranty to the transferee bank, any subsequent collecting bank, the paying bank, and the drawer. When we transfer an electronic returned check for return, we make the Image Quality Warranty and the No Double Debit Warranty to the transferee returning bank, the depository bank, and the owner. For purposes of this section 11.a, the term "check" and "electronically created item" includes a Draft.

- b. **Unauthorized Draft.** With respect to each Draft, we:
  - i. Will be deemed to be a collecting bank and not a drawee bank, and
  - ii. Disclaim all liability applicable to a payor bank under the Transfer and Presentment Warranties in Articles 3 and 4 of the UCC.

In the event any Draft paid by you is subsequently determined to be an Unauthorized Draft, we will take any action reasonably requested by you to enforce against prior parties (including prior collecting banks, endorsers and other holders) whatever rights you may have against those prior parties, but we will not be liable to you with respect to the Unauthorized Draft and will not be obligated to take any action with respect to the Unauthorized Draft unless you first indemnify us for all costs, expenses and liabilities, including reasonable attorneys' fees and legal expenses, which we may incur as a result of such action.

- c. **Delayed Return.** You are responsible to any party that incurs a loss in connection with a Draft, if:
  - i. The loss is due to a delay in the return of the Draft, and
  - ii. The delay is caused, in whole or in part, by any presentment-related problem resulting from:
    1. The failure of any Draft to meet our draft specifications (section 2), or
    2. Material appearing on the back of the Draft when it was issued by you including without limitation carbon blanks, blacked-out areas and printed or written text or numbers.

12. **Survival.** Sections 3, 4, 6, 9, 10, and 11 of this Service Description will survive termination of the Service.

### Third Party Drafts Service

1. **Description of Service.** You provide draft stock to your customers (each, a "third party") that issue third party drafts. With this Service, we will provide you with a controlled disbursement service for third party drafts. You will establish and maintain:
  - a. One or more demand deposit accounts with us (each, a "Funding Account"), and
  - b. One or more demand deposit accounts with us (each, a "Disbursement Account"), each of which is linked to a Funding Account and assigned to one of our controlled disbursement end points (each, an "End Point").

2. **Requirements for Draft stock.** You will ensure each Draft contains:
  - a. The legend "PAYABLE THROUGH WFB, N.A."; and
  - b. Our routing number on the MICR line of the Draft. You will also comply with all other requirements we communicate to you. You will not provide Draft stock to any third party until we notify you that your Draft stock meets our specifications.
3. **Electronic presentment.** Each Business Day, we will present to you each Draft we receive before the Cutoff Time. We will electronically present you with a report or transmission ("Activity Report") containing the serial number and amount of each Draft available to you through your chosen information reporting service. No physical delivery of a Draft or of a substitute check or a purported substitute check in lieu of a Draft will occur.
4. **Images of Drafts; identifying Unauthorized Drafts.** We will make an electronic image of each Draft available to you through our CEO® portal. If for any reason we cannot make an electronic image of a Draft available to you, you remain solely responsible for determining whether a Draft described in each Activity Report is an Unauthorized Draft.
5. **Funding.** You will maintain immediately available funds in your Account sufficient to cover the full amount of Drafts you issue. We have no obligation to honor any Draft if you do not have immediately available funds in your Account sufficient to cover the full amount of the Draft. If an arbitrator or a court determines a Draft has been paid under circumstances that we incur any liability for the Draft under Applicable Law or any agreement having the force of law, you will pay us on demand for the amount of the Draft.
6. **Decisioning.** You must notify us of any presented Draft that is to be edited (section 8) or dishonored (section 9) by the Cutoff Time on the next Business Day following the Business Day on which we made the Activity Report available to you ("Decision Deadline"). You will notify us through our CEO portal as set forth in the Reverse Positive Pay Service Description or, in the case of dishonor instructions only, through a means acceptable to us. If we do not receive your edit requests or dishonor instructions by the applicable Decision Deadline, you will be deemed to have instructed us to pay each Draft described in the Activity Report(s) for that Business Day, and you will be obligated to pay the amount of each Draft that is not timely returned by us.
7. **Provisional payment of Drafts.** Any payment or other settlement for a Draft, except a Draft cashed in accordance with section 10 [Draft cashing], will be provisional and subject to revocation by:
  - a. You, if you direct us to dishonor a Draft before the applicable Decision Deadline, or
  - b. Us at any time before midnight of the day we presented the Draft to you.
8. **Edits to Drafts.** You may request edits of the serial number and/or amount of any Draft described on the Activity Report(s) for any current Business Day. You will notify us of each edit request by means acceptable to us. We may deny your edit request based on our evaluation.
9. **Drafts to be dishonored.**
  - a. **General.** We are subject to requirements regarding the return of Drafts under Applicable Law, including the requirement to provide notice of a dishonored Draft. We may be liable for the amount of the Draft and other damages if we do not meet these requirements. You are solely responsible for dishonoring any Draft including any Unauthorized Draft. If you decide to dishonor any Draft we present to you, you will notify us prior to the Decision Deadline in accordance with the Reverse Positive Pay Service Description.

- b. **Reimbursement obligation; revocation instructions.** You will promptly reimburse us for any Losses we suffer or incur as a result of our dishonor of a Draft in accordance with your notice to us. Any payment or other settlement of a Draft will be provisional and can be revoked by:
  - i. You, if you direct us to dishonor a Draft before the Decision Deadline, and
  - ii. Us at any time before midnight of the first Business Day after the day we presented the Draft to you.

To be effective, we must receive your revocation instruction in a time and manner that gives us a reasonable opportunity to act on it before the payee deposits, cashes or otherwise negotiates the Draft.

- c. **Fraud.** If your reason for dishonoring a Draft is fraud, your return instruction alone will not constitute a claim for a fraudulent transaction. You must file a separate claim with us relating to the fraudulent transaction.

10. **Draft cashing.** We, or an affiliate, will not cash any Draft presented for encashment at our teller line, except at our own discretion.

11. **Liability and indemnification.**

- a. **Indemnification.** You will indemnify, defend, and hold us, and our Representatives harmless from and against all Losses arising out of or relating to:
  - i. (1) our failure to identify an Unauthorized Draft, (2) our refusal to cash a Draft, (3) our failure to meet any requirement to which section 9 (Drafts to be dishonored) of this Service Description refers, (4) our payment of an Unauthorized Draft, or (5) our exercise of our rights, or our performance of our obligations, in accordance with this Service Description,
  - ii. A breach of either the Image Quality Warranty or the No Double Debit Warranty (as defined below),
  - iii. Our obligation to indemnify and reimburse a depository bank that accepts the original paper check from which an electronic check is created, if the loss is due to the check having already been paid, and
  - iv. If we transfer or present an "electronically-created item" and receive settlement or other consideration for it, our obligation to indemnify and reimburse each transferee bank, any subsequent collecting bank, the paying bank, and any subsequent returning bank against Losses that result from the fact that:
    - 1. The electronic image or electronic information of the electronically-created item is not derived from a paper check,
    - 2. The person on whose account the electronically-created item is drawn did not authorize the issuance of the electronically-created item or to the payee stated on the item, and
    - 3. A person receives a transfer, presentment, or return of, or otherwise is charged for an electronically-created item in such a way that the person is asked to make payment based on an item or check it has paid.

"Electronically-created item" means an electronic image that has all the attributes of an electronic check or electronic returned check but was created electronically and not derived from a paper check. "Image Quality Warranty" means our guarantee that the electronic image of the check accurately represents all of the information on the front of the check as of the time the original check is truncated, and the electronic information includes an accurate record of all MICR line information required for a substitute check and the amount of the check. "No Double Debit Warranty" means our guarantee that the warrantee will not receive a presentment of or otherwise be charged for an electronic check, an electronic returned check, the original check, a substitute check, or a paper or electronic representation of a paper substitute check, in a way that the warrantee will be asked to make payment on a check that it has already paid.

When we transfer an electronic check for collection or payment, we make the Image Quality Warranty and the No Double Debit Warranty to the transferee bank, any subsequent collecting bank, the paying

bank, and the drawer. When we transfer an electronic returned check for return, we make the Image Quality Warranty and the No Double Debit Warranty to the transferee returning bank, the depository bank, and the owner. For purposes of this section 11.a, the term "check" and "electronically created item" includes a Draft.

- b. **Unauthorized Draft.** With respect to each Draft, we:
  - i. Will be deemed to be a collecting bank and not a drawee bank, and
  - ii. Disclaim all liability applicable to a payor bank under the Transfer and Presentment Warranties in Articles 3 and 4 of the UCC.

In the event any Draft paid by you is subsequently determined to be an Unauthorized Draft, we will take any action reasonably requested by you to enforce against prior parties (including prior collecting banks, endorsers and other holders) whatever rights you may have against those prior parties, but we will not be liable to you with respect to the Unauthorized Draft and will not be obligated to take any action with respect to the Unauthorized Draft unless you first indemnify us for all costs, expenses and liabilities, including reasonable attorneys' fees and legal expenses, which we may incur as a result of such action.

- c. **Delayed return.** You are responsible to any party that incurs a loss in connection with a Draft, if:
  - i. The loss is due to a delay in the return of the Draft, and
  - ii. The delay is caused, in whole or in part, by any presentation-related problem resulting from:
    - 1. The failure of any Draft to meet our draft specifications (section 2), or
    - 2. Material appearing on the back of the Draft when it was issued by you including without limitation carbon banks, blacked-out areas and printed or written text or numbers.

12. **Anti-money laundering and sanctions controls.** While this Service Description is in effect, you will:
- a. Be solely responsible for monitoring, interpreting and complying with all laws, regulations, judicial and administrative decisions, and executive orders that apply to you as a provider of accounts to your customers on which Drafts are issued, including the U.S. anti-money laundering and anti-terrorist financing ("AML") and sanctions laws and regulations;
  - b. Maintain policies and procedures to reasonably ensure compliance with applicable provisions of the U.S. AML laws and regulations, including but not limited to the USA PATRIOT Act ("PATRIOT Act"), and regulations promulgated by the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury;
  - c. Where you qualify under section 314(b) of the PATRIOT Act, maintain an effective notice with FinCEN evidencing your intent to engage in information sharing pursuant to section 314(b) of the PATRIOT Act;
  - d. If subject to the PATRIOT Act, maintain policies and procedures that include a risk assessment of its products and services, designate a Board-approved AML Compliance Officer responsible for overseeing the components of the AML Program, and include processes for training, monitoring of Drafts, recordkeeping and reporting;
  - e. Provide copies of your policies, procedures and practices designed to comply with this section 12, as we may request from time to time; and (b) upon our request and sole expense, allow us, or our designee, to make such on-site visits to you as we deem necessary or appropriate to review your policies, procedures and practices designed to comply with this section 12; and
  - f. Work with us in good faith to minimize the number of on-site visits and to limit the impact of the on-site visits on your business.

13. **Survival.** Sections 3, 4, 6, 9, 10 and 11 of this Service Description will survive termination of the Service.

## Glossary

**Account Agreement** means the applicable account agreement governing your Account.

**Applicable Law** is defined in section 3 of the Master Agreement.

**Business Day** means every day except Saturday, Sunday and federal holidays. When used in connection with funds transfer Services, "Business Day" means each day on we are open for business related to that Service.

**Check Issue Data** means for any Check or Draft, the complete serial number and numeric amount. If you have elected the Payee Validation service option under the Positive Pay Service, Check Issue Data also includes the payee's name.

**Cutoff Time** means our cutoff time each Business Day that we separately disclose to you for the Service.

**Decision Deadline** means on any Business Day, (i) for the Positive Pay Service, the time we establish by which you must choose to pay or return each Exception Check, and (ii) for the Reverse Positive Pay Service, the time we establish by which you must choose to edit or return each Check on the Paid Items Report.

**Draft** means each payable-through draft or third party draft we present to you in accordance with this Service Description and includes an Unauthorized Draft.

**Item** has the meaning given in the Account Agreement.

**Losses** means all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees, disbursements of legal counsel and court fees).

**Master Agreement** means the Master Agreement for Treasury Management Services.

**Matching Check** is a Check presented to us that matches the Check Issue Data you have provided to us.

**Obligations** means any and all advances, debts, loans, obligations and liabilities that you owe us and our affiliates pursuant to the terms of this Service Description, including any advances we make to the Funding Account pursuant to Section 3 of the Controlled Disbursements Service Description and any advances we make to the Disbursement Account pursuant to Section 4 of the Controlled Disbursements Service Description.

**Representatives** is defined in section 11(f) of the Master Agreement.

**Unauthorized Draft** means a counterfeit or altered Draft, a reproduction of a duly authorized Draft, a Draft with a forged or other unauthorized signature, or a forged, unauthorized, incorrect or illegible endorsement.



# Check Cashing Service Description

**1. Introduction.** The Service Documentation contains the terms governing the Wells Fargo Bank, N.A. ("Bank") check cashing service ("Service") and includes:

- (a) this Service Description;
- (b) the Acceptance of Services or Treasury Management Product Enrollment form;
- (c) the Master Agreement for Treasury Management Services ("Master Agreement");
- (d) the account agreement governing the account(s) Company uses in connection with the Service; and
- (e) User Guides which include Terms of Use, software, software licenses, price schedules, specifications, instructions, and notices;

This Service Description and the Master Agreement are posted at Bank's Commercial Electronic Office<sup>®</sup> (CEO<sup>®</sup>) portal. If there is a conflict among the documents comprising the Service Documentation, they will govern in the order listed above. Company's use of the Service confirms Company's receipt of and agreement to be bound by the applicable Service Documentation. If an enhancement to the Service or other change requires a change to this Service Description, Bank will post an updated Service Description on the CEO<sup>®</sup> portal. When required by applicable law, Bank will notify Company of the update. If Company continues to use the Service after the update takes effect, Company will be deemed to have agreed to the update.

**2. Description of Bank's Service.** Bank's Service enables Company to have Bank and Bank's affiliates (each an "Affiliate" and unless otherwise specified, along with Bank, collectively "Bank") cash checks drawn on Company's accounts held at other banks.

**2.1. Company's Request to Cash Checks.** Company requests Bank cash checks each of which: (a) has a face amount equal to or less than the amount separately agreed to by Company and Bank in the Setup Form for the Service ("Setup Form"); (b) purports to be drawn by Company on an account identified on the Setup Form for the Service (each an "Account" and collectively "Accounts") at a drawee bank identified on the Setup Form ("Drawee") (each such check a "Check") whether actually issued by Company or not; and (c) is presented in person by the payee at an office of Bank.

- 2.2. Check Cashing Procedures.** Company authorizes Bank to cash any Check that it does not have actual knowledge bears an unauthorized signature, contains a material alteration, or is otherwise not properly payable so long as Bank has followed its then current check cashing procedures in connection with the cashing of the Check. Bank reserves the right to require Company to consult with Bank with respect to any information concerning Bank that is printed on Company's check stock. **COMPANY UNDERSTANDS THIS SERVICE IS NOT AVAILABLE AT CERTAIN AFFILIATES OR BANK BRANCHES LOCATED IN CERTAIN STATES AS SEPARATELY DISCLOSED TO COMPANY.**
- 3. Fees.** Company agrees to pay Bank a periodic fee for the Service, which fee will be charged whether any Check is cashed during a period and may be changed by Bank from time to time upon prior written notification to Company, in accordance with the Service Documentation. In addition, a per-check check cashing fee may apply. Company agrees to inform its payees in writing that a per-check check cashing fee may apply.
- 4. Termination of Service.** In addition to the termination provisions contained in the Master Agreement, Bank may immediately and without prior notice terminate the Service whenever it has any basis to believe that there will not be sufficient available funds in the Account to pay a Check when presented or, in its sole determination, there is an unacceptable risk of fraudulent activity. The provisions of this Service Description and the other Service Documentation will continue in effect with respect to all Checks cashed by Bank prior to termination of the Service.
- 5. Company's Guarantee of Payment and Obligation of Reimbursement.**
- 5.1. Guarantee of Check Payment.** Company unconditionally guarantees payment of all Checks even though at the time any particular Check is presented for payment (a) the endorsement of the named payee is unauthorized; (b) the Check was not drawn, issued or authorized by Company; (c) the Drawee has received a valid stop payment order regarding the Check; (d) Company does not have sufficient funds in the Account to cover the Check; (e) the Account has been closed or the Drawee is prohibited from paying Checks drawn against the Account; or (f) the Drawee has knowledge that the Check bears an unauthorized signature, contains a material alteration, or is otherwise not properly payable.
- 5.2. Obligation of Reimbursement.** If a Check is dishonored or if Bank is obligated to reimburse the Drawee or a collecting bank with respect to a Check, upon written demand accompanied by evidence of such dishonor or reimbursement, Company agrees to promptly reimburse Bank for all resulting loss. Company waives presentment and other notice of dishonor. In addition, Bank has the right to debit or chargeback any account of Company at Bank for any such loss.
- 6. Bank's Limitation of Liability and Company's Agreement to Indemnify Bank.** Bank will have no liability including liability for any consequential, special, punitive or indirect loss or damage which Company, a payee, the Drawee, a collecting bank or any other person may incur or suffer in connection with a Check. Company will indemnify, defend, and save harmless Bank, and each of its directors, officers, employees, and agents (collectively in this section, "Indemnified Persons") from and against all liabilities, losses, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) (collectively, "Losses and Liabilities") awarded against or incurred or suffered by Indemnified

Persons arising directly or indirectly from or related to the cashing of any Check by Bank in accordance with this Service Description and/or the breach of any material obligation of Company hereunder.

**Survival.** Sections 4, 5 and 6 of this Service Description survive termination of the Service.