

COMMERCIAL BANK SERVICES AGREEMENT

June 11, 2018

BB&T

BRANCH BANKING & TRUST

COMMERCIAL BANK SERVICES AGREEMENT

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A. GENERAL LEGAL AGREEMENT

This Bank Services Agreement ("Agreement"), contains the terms and conditions that govern the relationship between Branch Banking and Trust Company, (the "Bank," "we" or "us") and its clients (the "Depositor," "you," "your," or "Organization,"). When you open an account or conduct a transaction on your account after it is opened, you are agreeing to the terms of this Agreement. It is a legally binding contract. The terms of this Agreement and our pricing or banking services may be changed from time to time by the Bank. Changes will be accomplished by written or electronic notice to you. The notice may be included on your account statement. It will explain what change has occurred and instruct you to obtain a current version of the Agreement at your local branch or online at our website, www.BBT.com. Continued use of your account following a notice constitutes your acceptance of our changes. Upon the effective date of a change, the current revised version of the Agreement will govern your account, regardless of whether you obtained a copy from your branch or online. If your account was originally with a prior financial institution, the terms of this Agreement supersede any prior agreements, representations or understandings you may have had with that institution. If a language preference is requested, we may provide a translated version of our materials and documents. The English version of such documents shall be the governing documents for all purposes.

Applicability. By signing the account signature card or conducting transactions on your account, you have agreed to the terms of this Commercial Bank Services Agreement which applies to all business accounts that you have with the Bank or may have in the future. You agree that you will not use your account for any personal, family or household purposes.

Waiver. No term of this Agreement shall be deemed waived unless the waiver shall be in writing and signed by the parties. Any failure by the Bank to insist upon your strict performance of any of the terms of this Agreement shall not be deemed or construed as a waiver of these or any other terms. Neither party shall, by mere lapse of time, be deemed to have waived any breach by the other party of any terms or provisions of this Agreement. The waiver by either party of any breach shall not affect the right of the Bank to enforce any of its rights with respect to other customers or to enforce any of its rights with respect to later transactions and is not sufficient to modify the terms and conditions of this Agreement.

Severability. If any provision or portion thereof, of this Agreement or its application to any party or circumstance shall be declared void, illegal, or unenforceable, the remainder of the provision and the Agreement shall be valid and enforceable to the extent permitted by law.

Account Opening. You agree that when you open an account, you have instructed us as to the correct type of account applicable to your Organization. You further represent to the Bank that you are authorized to do business in the manner indicated and that the acts of person(s) opening the account have been ratified. You agree that the Bank may rely on such representations without requiring additional information or documentation and that you will furnish such information upon request. You are solely responsible for meeting any legal requirements to establish and maintain the type of account requested and have a duty to inform us of the status of any change to the Organization. Federal regulations require that you provide us with information concerning the beneficial owners of a legal entity at account opening. You may also be asked to provide such information at other times (and on any qualifying account) upon request of the Bank. If at any time we determine that the beneficial ownership information you provided to us was false, incorrect, or of concern to the Bank, or if you refuse to provide us with the information when requested, we may close or freeze any or all of your accounts.

B. ARBITRATION AGREEMENT

IT IS IMPORTANT THAT YOU READ THIS ARBITRATION PROVISION CAREFULLY. IT PROVIDES THAT YOU MAY BE REQUIRED TO SETTLE A CLAIM OR DISPUTE THROUGH ARBITRATION, EVEN IF YOU PREFER TO LITIGATE SUCH CLAIMS IN COURT. YOU ARE WAIVING RIGHTS YOU MAY HAVE TO LITIGATE THE CLAIMS IN A COURT OR BEFORE A JURY. YOU ARE WAIVING YOUR RIGHT TO PARTICIPATE IN A CLASS ACTION LAWSUIT, CLASS ACTION ARBITRATION, OR OTHER REPRESENTATIVE ACTION WITH RESPECT TO SUCH CLAIMS.

Any dispute, claim, controversy or cause of action, that is filed in any court and that arises out of or relates to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration before one arbitrator at a location mutually agreed upon in the state where your account is maintained. For any claims or counterclaims that together exceed \$250,000, arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules & Procedures. For any claims or counterclaims that together total \$250,000 or less, arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules & Procedures. You and the Bank also agree that the Expedited Procedures set forth in the JAMS Comprehensive Arbitration Rules shall be employed. Judgment on an award may be entered in any court having jurisdiction. This clause shall not preclude a party from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in its award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. Notwithstanding other language in this agreement, a

party retains the right to bring an action in small claims court if it is within the jurisdictional limits of that court. If a party elects arbitration, it may be conducted as an individual action only. This means that even if a demand for a class action lawsuit, class arbitration, or other representative action (including a private attorney general action) is filed, the matter will be subject to individual arbitration. Either party may bring a summary or expedited motion to compel arbitration or to stay the applicable litigation of a dispute in any court. Such motion may be brought at any time, and the failure to initiate or request arbitration at the beginning of litigation shall not be construed as a waiver of the right to arbitration. If a party elects to arbitrate it shall provide notice to the other party. The Bank shall provide notice to you at the address we have in our records, and you may provide notice to: Litigation Practice Group Manager, BB&T Legal Department, P.O. Box 1255, Winston-Salem, NC 27102. You may obtain a copy of the rules of the arbitration administrator, including information about arbitration, fees, and instructions for initiating arbitration by contacting JAMS at www.jamsadr.com. Phone: 800-352-5267.

You and the Bank each agree that under this Agreement, you and the Bank are participating in transactions involving interstate commerce which shall be governed by the provisions of the Federal Arbitration Act, Title 9 of the United States Code ("FAA") and not by any state law concerning arbitration. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, applicable statutes of limitation and applicable privilege rules, and shall be authorized to award all available remedies, including without limitation, damages (to the extent not limited by this Agreement), declaratory, injunctive and other equitable relief, and attorneys' fees and costs. The arbitrator shall follow rules of procedure and evidence consistent with the FAA, this provision, and the administrator's rules.

Any court with jurisdiction may enter judgment upon the arbitrator's award. The arbitrator's award will be final and binding, except for any appeal right under the FAA. Unless applicable law provides otherwise, the appealing party will pay the cost of appeal, regardless of its outcome. We will pay any fees or expenses we are required by law to pay or in order to make this arbitration provision enforceable.

This arbitration provision shall survive termination or suspension of the Account or this Agreement. If any portion of this arbitration provision is deemed invalid or unenforceable, it shall not invalidate the remaining portions of this arbitration provision or Agreement; provided, however, if the limitations on class actions are struck in a proceeding brought on a class, representative or private attorney general basis, without impairing the right to appeal such decision, this entire arbitration provision (other than this proviso) shall be null and void in such proceeding.

C. RULES APPLICABLE TO ALL ACCOUNTS

Unless this Agreement otherwise indicates: "item" means any instrument or a promise or order to pay money handled by a bank for collection or payment, but does not include a payment order for a wire transfer, cash, documentary drafts, notes, credit or debit card slips, or other instruments of a type not routinely accepted for collection or payment to deposit accounts by a Bank. "Account" means any deposit or credit account with the Bank, and includes a demand, time, savings, or like account other than an account evidenced by a Certificate of Deposit. Although excluded from the definition of "account," Certificates of Deposit, whether evidenced by a certificate or book-entry, are subject to the terms and conditions of this Agreement.

- 1. FEES.** You agree to pay the Bank for all services provided in connection with your account(s) in accordance with the Bank's current schedule of maintenance fees, activity charges, and minimum and/or average balance requirements which are contained in a separate document called the "BB&T Business Services Product and Pricing Guide." The Bank may change its maintenance fees, activity charges, and minimum and/or average balance requirements from time to time and will provide you notice of any change. The terms of the BB&T Business Services Product and Pricing Guide as they may be amended from time to time are incorporated herein by reference. For accounts that are analyzed monthly in terms of banking services utilized in relation to the account balances maintained, charges for bank services will be that amount recorded by the Bank's Account Analysis System. Earnings credits are calculated on the average positive collected balance and a rate managed by the Bank which is subject to change from time to time. The difference between the earnings credit rate allowance and the charges for bank services rendered will determine whether or not a service charge will be assessed. (For Earnings² Checking accounts, if the average positive monthly collected balance is less than the balance needed to offset balance-based service fees, then service charges will apply.) Additional fees may be charged for cash management services in the manner and amount as agreed by separate agreement.
- 2. CORRECTION OF ERRORS.** The Bank has no duty to compare the items listed on the deposit slip with the items accompanying the slip when the deposit is received by the Bank for accuracy as the Bank relies upon the information you provide on your deposit slip when initially processing your deposit. Therefore, you have a duty to accurately record cash, each item being deposited, and the total amount of your deposit on your deposit slip or at the ATM. If an error in your deposit is later detected, it will be corrected by the Bank unless otherwise agreed. Final Credit to your account is based on the total sum of the cash and items actually received by the Bank.

You will be sent a notice of any adjustment we make to your deposit that is more than \$10 dollars. Any correction made to your deposit of \$10 or less will be reflected on your bank statement. You may confirm the Final Credit amount of your deposit and your account balance at any time. Under this agreement, you are required to review your bank statement and report any errors within thirty (30) days from the statement date. Your statement will be deemed final and correct on the thirtieth (30th) day from the date of the statement.

- 3. PROVISIONAL CREDIT.** All items are credited to your account or cashed against your account on a provisional basis that may be revoked if payment of the item is not received. You agree that for any item not paid, returned unpaid, that we believe will be returned unpaid, or is returned pursuant to any applicable operating or clearinghouse rules, the Bank may charge back the item against your account without regard to whether such item was returned within any applicable deadlines. At our option and without notice to you that an item has been returned, we may resubmit any returned item for payment. You waive notice of nonpayment, dishonor, and protest regarding any items credited to or charged against your account. You further agree that regardless of any final settlement, if an item is cashed against your account or deposited to your account and is unpaid or is returned to us based upon a breach of warranty claim or any other reason, we may deduct the amount of the item from your account, or place a hold on your account for the amount of the item until liability for the item is determined.

In receiving items for deposit or collection, the Bank acts as your collection agent and you agree that our duty of care is governed by Section 4-202 of the Uniform Commercial Code. You further agree that the term "cleared" or "check cleared" or a similar statement made by the Bank about a check not drawn on us, means only that you were provided provisional credit, subject to final payment. You agree to contact the bank on which the check was drawn to determine if a check you deposit has "cleared" or is "good". The Bank will not be liable for the negligence or default of any correspondent or for the loss of any item while in transit. You agree to maintain a description of all items deposited to your account and to furnish the same to the Bank upon request and to fully cooperate in securing replacement of any item credited to your account, but subsequently lost, stolen or destroyed. Your failure to cooperate may result in either the Bank placing a hold on your account or exercising a right of set-off for the amount of the item(s) previously credited. You agree to be responsible for any loss or cost incurred by the bank based on your failure to cooperate with the Bank to obtain replacement of an item.

We may refuse to accept for deposit or collection items payable in a currency other than U.S. dollars. If we accept such an item, you assume the risk associated with currency fluctuation. Items drawn on foreign banks are subject to final payment by the foreign bank and as such may be returned unpaid later than a similar item drawn on a U.S. bank. U.S. laws and regulations governing the time for returns and collections are not applicable and you bear the entire risk of a returned item which can be charged back to your account at any time. You agree that we may use our current buying or selling rate, as applicable, when processing such an item, inclusive of any domestic or foreign bank fees.

- 4. MISSING ENDORSEMENT.** The Bank may accept for deposit items made payable to any one or more of the parties in whose name the account is established, with or without endorsement. If you fail to endorse an item for deposit, the Bank may supply the missing endorsement.
- 5. STOP PAYMENT.** You may, by order to the Bank, stop payment of any item from your account. The stop payment order must be received by the Bank at such time and in such manner as to afford the Bank a reasonable opportunity to act on it prior to any action by the Bank with respect to the item. The Bank shall have a reasonable time to make any stop payment request effective. The Bank shall not be liable for any item paid over a stop payment request before this time expires. All stop payment orders which are received by the Bank on a Saturday, Sunday, Bank and/or federal holiday, shall be treated as having been received on the next Banking Day. Because items are retrieved by computer, you must inform the Bank of the exact amount of the item, the item number, date, payee, and the account number. The Bank is not responsible for failure to place a stop payment due to inaccurate or incomplete information. A stop payment order, unless otherwise agreed, is effective for six (6) months from the date it was entered and may be renewed for additional six (6) month periods. You may not stop payment on a cashier's check or official check. The Bank may re-credit your account after paying an item over a valid and timely stop payment order to the extent of any loss actually suffered. You must prepare and sign a statement fully describing the dispute establishing your rights against the payee and agree to transfer to the Bank all of your rights against the payee or other holder of the item, and to assist the Bank in any legal action taken against that party.
If you request a stop payment on a check that is presented to us for payment electronically (such as a substitute check, converted check, remotely created check, or imaged check) that does not contain the check number, we will attempt to stop payment based on the information you provided.

We will have no liability for our inability to stop payment on such an electronic item as our stop payment process is dependent upon the ability to read a check number. You may be charged a stop payment fee even if we are unable to affect your stop payment order.

6. **DEDUCTION OF FEES.** Maintenance and activity fees and fees for returned deposited checks, returned items, overdrafts, stop payment orders, charges for check printing, and other service charges made in accordance with the rules of the Bank in effect at the time of such charge shall be deducted from your account and may be posted prior to other debits. The Bank shall not be liable for refusing to honor items presented for payment because of insufficient funds as a result of deducting such fees. Any fees (or portions thereof) that were not posted due to insufficient funds at the time of posting may be collected at a later date without prior notice when sufficient funds are available in the account.
7. **DEPOSITS TO ACCOUNT.** We may accept deposits to your account from any source or from any party. The Bank, in its reasonable discretion, may also refuse to accept a deposit or may reverse a deposit even after provisional credit has been granted without prior notice. You agree that any deposit is subject to verification and confirmation notwithstanding your possession of a deposit receipt or acknowledgement. In the case where a deposited item is lost, stolen or destroyed before presentation to the paying bank, you agree to fully assist the bank in obtaining a replacement or reconstruction of such item. Failure to cooperate may result in credit to your account being revoked or, if deposited but not credited, the credit withheld.

Deposits may not be made through any night drop receptacle, dropped off at a branch or delivered by a courier service unless you have entered into a written agreement for this service. In our sole discretion, we may process any such delivery and you agree to indemnify and hold the bank harmless from any loss, claim, or damage arising out of such delivery. You agree that the Bank's verification of the delivery or amount shall be controlling notwithstanding any conflicting record, receipt or delivery acknowledgment. You further agree that the Bank in its discretion can charge a fee for this service, which you agree to pay on demand or which may be deducted from your account. Delivery through a night drop receptacle, dropped off at branch or delivered by a courier service without a written agreement is not considered a deposit until it is posted to your account.

Deposits are considered accepted in the state in which your account is maintained. If you did not open your account in person at a branch, but through the mail, by phone, or over the internet and you do not reside in a state or maintain a residence in a state where the bank operates a branch office, your deposit(s) will be considered accepted in the state of North Carolina.

8. **PAYMENT OF ITEMS.** For purposes of this subsection, an "item" is a debit to your account which includes a check, substitute check, purported substitute check, electronic item or transaction, draft, demand draft, remotely created item, image replacement document, indemnified copy, ATM withdrawal or transfer, PIN-based point of sale transaction, signature-based point of sale transaction, preauthorized payment, automatic transfer, telephone-initiated transfer, ACH transaction, Online Banking transfer or bill payment instruction, withdrawal slip, in-person transfer, or withdrawal, cash ticket, deposit adjustment, any other instruction or order for the payment, transfer, or withdrawal of funds, and an image or photocopy of any of the foregoing.

In general, the Bank will post debits to your account in chronological order. Chronological posting is utilized when the Bank can identify both date and time information for the transaction. For each business day, the Bank will post all credits to your account first, in low to high dollar amount. Following credits, debits will be posted to your account in chronological order. As a result, prior day debits and fees will post before current day debits and fees. Items sent by merchants for authorization prior to being submitted for final payment will post according to the date and time of the authorization request. Debits that cannot be posted in chronological order will post in low to high dollar amount after chronological debits are posted, followed by checks in sequential order.

If you use your ATM Card or Debit Card to purchase goods and services, including Internet purchases (point-of-sale transactions), you authorize us to debit your deposit account, and you agree that your authorization may result in an immediate withdrawal from the account, even though the transaction may not actually be posted to that account until a later date. You also understand that you may incur an overdraft if you make a withdrawal, write checks or make point of sale purchases against funds that are needed to pay ATM/Debit Card transactions that have been authorized but not yet posted to your account..

We may change the posting order or categories at any time. The Bank, subject to your overdraft decision, has the discretion to process items even if your account has an insufficient available balance to pay such items. Your "available" balance represents the amount of funds available for withdrawal or to pay items presented against your

account. The “available” balance may not be the same as your “current” or “posted” balance. For example, your available balance may be reduced by a POS transaction in which the merchant has obtained authorization from the Bank but that has not been presented for payment. We consider such pending transactions in the calculation of your available balance.

In the check payment process, the Bank employs techniques to assist in the detection of unauthorized items that may be presented against your account for payment. If a particular item appears to represent unusual activity on your account, you authorize the Bank, in its discretion, to reject the item and return it unpaid. If the returned item was, in fact, properly payable, you agree to hold the Bank harmless from any claims, loss, or damages as a result of the Bank not paying the check.

9. CHECK CASHING AND WITHDRAWALS. The Bank, in its discretion, may refuse to cash items that are made payable to the order of the Organization and may require that all such items be deposited to your account. You further agree that the Bank may impose a fee for, or decline to cash a check drawn on your account and payable to a third party. The Bank can direct the third party to deposit the check at another financial institution for payment. We require prior notice for large cash withdrawals. We can refuse an order to withdraw funds in cash or to cash an item if we believe that the request is a security risk or possesses a hardship on the Bank. We may require you to accept an Official Check or electronic transfer to receive the funds. If we agree to a large cash withdrawal, you may be required to engage a courier service acceptable to us. Such service shall be at your risk and expense. If a large cash withdrawal is completed at a branch you will be required to sign a cash withdrawal agreement. Refusal to sign the agreement is grounds to cancel the withdrawal and require an alternate delivery for the funds.

10. RIGHT TO CLOSE ACCOUNT. The Bank may close any account with or without cause at any time. The Bank shall give you either oral or written notice of its intention to close the account. If given in writing, the notice will be forwarded to your last address as shown on our records. In the case of oral notice, you shall have five (5) days from the date of notice to withdraw all funds from your account. In the case of written notice, you shall be provided a minimum of seven (7) days from the date appearing on the notice to withdraw all funds from your account. Upon notice, you must stop conducting transactions on your account. The Bank shall not be liable for dishonoring any items written after the notice date. In the event you have not withdrawn all funds to close the account within those time limits, the Bank will close the account and mail a check for such funds remaining in the account, after deducting all applicable fees and charges, to your last address shown on our records. Closing the account does not release you from the obligation to pay accrued fees or from liability for items in process. The Bank may in its discretion close an account without prior notice if the account has a negative or zero balance or if we believe it necessary to protect the Bank, its employees or others from risk, harm or loss. The Bank further reserves the right to reject any deposit which is made to a closed account by returning the item or by crediting the item to another active account at the Bank. The Bank reserves this right notwithstanding that the deposit may have been processed and/or you were given a receipt for the deposit. The deposit receipt shall not constitute acceptance of funds in such instance and the Bank shall have no liability for any checks returned unpaid which are drawn on a closed account even if you attempt to make a deposit to the account. The Bank may report your account to a consumer reporting agency if your account is closed due to a negative balance, fraud, or other inappropriate account activity.

11. BANKING DAY. “Banking Day” means any business day on which the Bank is open to the public for carrying on substantially all of its banking functions at a majority of its branches located within that state. If we receive an item on a weekend or holiday, the item is deemed to have been received on our next business day. Our business days and hours are posted at our branches and ATM hours are displayed on the ATM deposit screen and are subject to change from time to time at our discretion.

12. STATEMENTS. Statements for your account, notices, or other information regarding your account will be mailed, sent electronically, or otherwise made available to you at regular intervals depending on your account type. The statement or account information will be delivered to the postal or electronic address of the primary account owner as reflected in our records. Mailed statements shall be deemed received by you on the earlier of the actual date of receipt or within ten (10) calendar days of the date appearing on the statement.

Electronic statements shall be deemed received on the date they are transmitted to the e-mail address you provided. The primary owner shall be responsible for providing copies of statements to any co-owners of the account. If a language preference is selected for your statement, only the primary account owner may change the preference.

You agree to notify us immediately of any change in your contact information, including address, e-mail address, and/or telephone number. The Bank may rely on any instructions purportedly made by you, or on your behalf, to change your contact information without liability. You also agree that if a third party vendor or the U.S. Postal Service

or one of its agents notifies us of a change in your postal address, we may change your address based on that information. The Bank will have no liability to you for changing your address based on such information, even if such information is in error. If any of your statements or account information is returned to us because of an incorrect postal address or an incorrect, changed, or expired e-mail address, we may stop delivering statements or account information until a valid address is provided. If your account remains inactive or is in a dormant status we may elect not to provide further account statements. Copies of such statements or any enclosures can be reproduced upon request, subject to applicable fees. Any statements or account information that is returned as undelivered shall be destroyed without notice and subject to applicable fees. Any statements held for you at a branch office shall be destroyed after a limited time and subject to applicable fees.

You shall notify the Bank immediately if you do not receive your statement within ten (10) days of your regular statement date. The Bank will not be liable to you for any damages as a result of; your failure to promptly notify us of a change in your address, your failure to notify us that you did not receive your statement, or your failure to make arrangements to receive your statement. You are responsible for the accuracy of your statement whether or not reviewed and it shall be deemed final and correct upon thirty (30) days from the statement date.

13. FORGED OR UNAUTHORIZED TRANSACTIONS.

Duty to Safeguard Account. You have a duty to safeguard access to your account (including any credit accounts), account information, checks, signature or facsimile stamps, account access devices and security codes, passwords, or other confidential identification numbers. You shall report any lost or stolen check(s) and any other unauthorized transaction(s) on your account immediately upon discovery. If you permit any person to have access to any place in which you store your checks, you agree that the failure to keep your checks locked and secure shall constitute negligence and the Bank shall not be responsible for any such checks that are subsequently stolen and forged. You agree to place a stop payment on any lost or stolen check if such item has not already been paid. The Bank shall also not be responsible for paying any such item had you reported or stopped payment on in a timely manner.

You agree to keep any account information, security code, password or other confidential identification number used to access your deposit or credit account(s) secure and strictly confidential and to not permit disclosure of such information to any unauthorized person. You agree to immediately notify the Bank if this information has become known to, or been used by, an unauthorized person. You acknowledge that the Bank has no method to determine whether a transaction conducted with use of a valid account name, account number, and security code was proper and therefore authorize the Bank to complete any transaction involving your deposit or credit account(s) made with the use of such information.

You agree to be responsible for any transaction initiated with the use of a valid account name, account number, and security code. The Bank shall have no liability for any loss, claim, or damage sustained as a result of the use of your security code whether such transaction was authorized or not and agree to indemnify and hold harmless the Bank for any such transaction alleged to be unauthorized.

Duty to Review Account Statement. You agree to review your account statement within thirty (30) days from the statement date. Because you are in the best position to discover an unauthorized signature or endorsement, a missing endorsement, any alterations or any counterfeit item, you agree that, without regard to care or lack of care by either you or the Bank, **we will not be liable for paying any such item and you will be precluded from any recovery from the Bank if you have not reported in writing an unauthorized signature or endorsement, a missing endorsement, any alterations or any counterfeit item to the Bank within thirty (30) days from the closing date of the earliest statement containing those items.** The Bank will also not be liable for any subsequent forgeries on your account committed by the same person if you fail to report the first forgery(s) within thirty (30) days. If you choose not to receive your statements, you remain responsible to review and report any errors within thirty (30) days from the statement date. If you are absent from your account mailing address, you are responsible to make arrangements to have your statements reviewed for errors and report them in a timely manner.

Duty of Care. You agree that you will exercise ordinary care in handling your account. In exercising ordinary care, you shall have the duty to: carefully examine your bank statements [and any other enclosure(s)] for fraudulent or unauthorized transactions and promptly notify the bank of any such transaction; timely reconcile your bank statement with your internal records to detect any other account discrepancies including any missing or diverted deposits; implement security precautions regarding the use and access of your accounts through any access device including checks, drafts, other items, security codes, passwords, or confidential identification numbers; implement security precautions regarding the use and access to any signature or facsimile stamp; conduct background checks of all individuals having access to any checks, drafts, security devices or signature or facsimile stamps; conduct

background checks on all individuals who have authority to prepare checks or reconcile bank statements; independently review the work of individuals who are responsible for reconciling bank statements and preparing checks on a monthly basis; and comply with all other duties under this Agreement or under any applicable law. Your failure to exercise ordinary care will constitute negligence and will preclude you from asserting against the Bank any unauthorized transaction on your account.

Fraud Detection Products. The Bank offers products/services (such as Positive Pay, Reverse Positive Pay, and ACH Block), that are designed to detect and/or deter fraudulent activity that can occur on your account. If you previously had fraud on your account either at BB&T or elsewhere, it is your responsibility to enroll in one of the Bank's applicable fraud detection services. In addition, if you believe your account may be susceptible to fraud, or if there is a reasonable possibility that fraud may occur on your account, you are directed to contact your banker who will offer you an appropriate fraud detection service. If you decide not to enroll in the recommended service, or fail to use the service as intended, you will be treated as having assumed any risk of loss that could have been prevented by the service. At account opening and at various other times during the life of your account, you may also be offered a fraud detection service in order to prevent fraudulent activity on your account. If you refuse to enroll in the service, and such refusal is not made in good faith or reasonably based, you will again be treated as having assumed any risk of loss that may subsequently occur on your account that could have been prevented with the fraud detection service. Except for the Bank's gross negligence or bad faith, if you refuse to enroll in a fraud detection service when required or offered, you will be precluded from asserting against the Bank any claim of an unauthorized or fraudulent transaction on your account that the fraud product was designed to detect, and we will have no duty to re-credit your account for any losses you thereafter incur.

Automated Check Processing. You acknowledge that the Bank processes its checks by automated means and is under no duty to examine each item presented for payment. You acknowledge that the Bank's signature verification procedure applies to all items presented for payment against your account including checks or other withdrawal orders presented directly over the counter at any branch location. You agree that such automated check payment and notification procedure is commercially reasonable. You and the Bank, pursuant to applicable law, therefore agree that the Bank shall be deemed to have exercised ordinary care if it adheres to a standard of manual or mechanical examination of a random sampling of items being processed for payment. These items may represent a sampling or selection of items drawn on all accounts, or items which meet certain minimum criteria established by the Bank for manual or mechanical inspection (such as large amounts). The Bank shall be deemed to have acted in good faith and in accordance with reasonable commercial standards in paying any items forged or altered so cleverly (as by unauthorized use of a signature, stamp, and facsimile machine or otherwise) that the unauthorized signature, endorsement, or alteration could not be detected by a reasonable person.

Standard of Care. The Bank agrees to exercise its duties in good faith and with ordinary care. The Bank's policies and procedures are general internal guidelines that do not establish a higher standard of care for the Bank than is otherwise established by the laws governing your Account. A clerical error or honest mistake will not be considered a failure of the Bank to perform any of its obligations. If the Bank waives any of its rights as to you or your account on one or more occasions, it will not be considered a waiver of the Bank's rights on any other occasion.

Limitation to File Claim. You agree that no legal proceeding or action may be commenced against the Bank to recover any amounts alleged to have been improperly paid out of the account due to any unauthorized signature or endorsement, any alteration, or any other fraudulent or unauthorized transaction unless: (i) you have timely provided the written notices as required above, and (ii) such proceeding or action shall have been commenced within one year from the date the first statement containing the unauthorized transaction was made available to you. As used herein, a proceeding or action is commenced when you file suit in a court of competent jurisdiction, or if the action is subject to arbitration when you give the Bank written notice of such action. Any proceeding or action not brought within one year from the date of the first statement containing the unauthorized transaction is forever barred.

Duty to Cooperate. If you report any unauthorized transaction on your account, you agree to cooperate with the Bank in its investigation of the claim. This includes preparing an affidavit and forgery report containing whatever information the Bank requires concerning the account, the transaction, and the circumstances surrounding the loss. You also agree to file a criminal report against any suspected wrongdoer and waive any claims against the Bank if you fail to do so or if you enter into any settlement, compromise, or restitution agreement with the wrongdoer without the consent of the Bank. The bank may reverse any credit or reimbursement should you fail to file the criminal report or refuse to testify against the wrongdoer.

Duty of Insurance. You are under a duty to maintain fidelity bond coverage on any individual who has access to your account information, access devices, checks or other items, signature or facsimile stamps and on any individual

responsible for reviewing or reconciling bank statements and canceled checks. You agree to pursue all rights under such policy or any other insurance policy you maintain before making a claim against the Bank in connection with any unauthorized banking transaction. You agree to provide the Bank with all reasonable information about your insurance coverage, including the name of the insurance carrier, the policy number, policy limits, and applicable deductibles. The Bank's liability, if any, will be reduced by the amount of any insurance proceeds you are entitled to receive. At the Bank's request, you agree to assign your rights under any insurance policy to the Bank.

Limitation of Liability. You agree that the Bank has a reasonable time to investigate the facts and circumstances surrounding any claimed loss and that we have no obligation to provisionally credit your account. The Bank's maximum liability is the lesser of actual damages proved or the amount of the unauthorized withdrawals, reduced by an amount which could have been avoided had you exercised ordinary care. In no event will the Bank be liable for special or consequential damages, including loss of profits and opportunity or for attorneys' fees. The Bank will not be liable for any items that are forged or altered in such a way that such forgery could not be reasonably detected.

- 14. FACSIMILE SIGNATURES.** If you elect to use a signature facsimile machine or stamp, the Bank may pay any item if the item bears a facsimile signature which resembles the appropriate facsimile signature, regardless of how the facsimile signature came to be placed on the item. The Bank may pay such items even if the facsimile signatures were placed on the items without your authority. The Bank may pay such items regardless of the persons to whom they are drawn or paid. You assume full responsibility for all payments made by the Bank over any facsimile signature resembling an appropriate specimen facsimile signature. As used in this paragraph, the phrase "facsimile signature" refers to any method used to authenticate an item other than a manual signature of a natural person's name made by that person. The phrase includes (but is not limited to) the use of signature stamps or plates, computer generated symbols, and signatures produced by digital or other electronic means.
- 15. RIGHT OF SETOFF.** You hereby assign and grant to the Bank a security interest in all appropriate accounts as security for your obligations to the Bank or its affiliates, existing now or in the future. The Bank reserves the right of setoff against any of your accounts without prior notice to you to repay any debt or obligation owed to us. This means that we have the right to apply part or all of the funds in your account for the satisfaction of any debt you owe us. Our security interest and our right of setoff also applies: (i) when we give you credit for or cash a third-party check which is returned to us unpaid for any reason or is counterfeit, regardless of the timing of said return; (ii) to cover overdrafts created in any account held by you or in which you have an interest whether or not you consented to the overdraft or are otherwise responsible for it; (iii) to recover service charges or fees owed by you; and (iv) to reimburse the Bank for any costs or expenses in enforcing its rights, including, without limitation, reasonable attorneys' fees and the costs of litigation to the extent permitted by law. We may exercise our right of setoff or security interest even if the withdrawal results in an early withdrawal penalty or the dishonor of subsequent checks. You agree that the Bank will not be responsible for dishonoring items presented against your account when the exercise of our right of setoff or security interest results in insufficient funds in your account to cover the items. Our right of setoff or security interest can follow the proceeds to any other account held at the Bank.
Failure of the Bank to exercise its right of setoff as provided herein on any occasion when the right arises does not affect the Bank's right to exercise its right of setoff at a later time for the same occurrence or for any subsequent occurrence. The security interest granted by this Agreement is consensual and is in addition to the Bank's right of setoff.
- 16. STALE ITEMS.** The Bank is not obligated to pay items drawn on any account which are presented more than six (6) months after their date; however, if the Bank does in its discretion pay any such items, it may charge your account for such items.
- 17. POSTDATED ITEMS.** You agree not to issue a postdated check and the Bank may disregard such date on the item when it is presented for payment. The Bank is authorized to pay any check prior to the date on the item even if you have given us notice that it is postdated. If the Bank agrees to re-credit your account after paying a postdated check you agree to transfer to the Bank all of your rights against the payee or other holder of the check, and to assist in any legal action taken against that party.
- 18. INCOMPLETE OR CONDITIONAL ITEMS.** You agree not to issue a check that is incomplete or conditional. For example, you should not issue a check with the notation "void after 30 days." The Bank has the right, however, to pay or refuse to pay an item which is incomplete or where payment is conditional and the condition has not been satisfied. For example, we may pay a check which says "void after 30 days" even though the check is presented more than thirty (30) days after its date.

- 19. OVERDRAFTS.** An overdraft is created when you have insufficient funds in your account to cover a check, withdrawal, automatic transfer, electronic transaction (e.g., ATM or point-of-sale purchase), returned deposited item, or any other electronic purchase, payment, or debit when it is presented for payment. If your account is linked to Overdraft Protection, the overdraft will be paid, pursuant to the terms of the OVERDRAFT PROTECTION paragraph stated below (and subject to the funds available in your Overdraft Protection). Overdraft Protection transfer fees as described in the Business Services Product and Pricing Guide will also apply.

To assess overdrafts on your account, the Bank has a process called Overdraft Review. Overdraft Review is the methodology the Bank uses to determine whether your items and debit transactions should either be paid or rejected when you have insufficient funds in your account to cover the item or transaction when it is presented for payment. Your account is automatically opted-in to Overdraft Review at account opening. You may opt-out of Overdraft Review by notifying the Bank. You have the right to decide if you want to participate (opt-in), or not to participate (opt-out), in the Overdraft Review process. Your decision to opt-in, or opt-out of Overdraft Review will be effective the next business day for all transactions initiated after the effective date. Participation in Overdraft Review does not guarantee that the bank will always authorize and pay your transactions and items. The Bank retains the discretion to decline payment of items or transactions that will overdraw your account, and may remove any account from Overdraft Review at any time and without notice to you.

The overdraft and returned item fees disclosed in the Business Services Product and Pricing Guide will apply to your account based upon the type of transaction and your decision for Overdraft Review. Overdraft fees can include the per-item overdraft fee and Negative Account Balance fees. Please see your Business Services Product and Pricing Guide for details. If you have multiple overdrafts on a given day, we may honor any one or more and return the others in any order. Multiple overdraft fees can be charged against your account per day on these occasions.

You are in the best position to ensure that your account has sufficient funds to cover any check or other debit by maintaining an accurate and current record of your deposits and withdrawals. You have the ability to confirm your current and available account balances through any BB&T ATM, BB&T Phone24, BB&T OnLine or by contacting any branch prior to writing a check, withdrawing cash, or initiating any electronic or debit transaction. Current and available balances do not include outstanding checks or debits not yet submitted to the Bank. You agree not to make withdrawals, write checks or make point of sale purchases against funds that are needed to pay ATM/Debit Card transactions that have been authorized, but have not yet been presented for payment, as this can result in an overdraft.

Payment of an overdraft creates a debt owed to the Bank. The amount owed includes applicable overdraft fees and the amount of the item paid.

The Bank is not responsible for notifying you prior to incurring an overdraft, overdraft fee, or returned item fee. Once you are notified that your account is overdrawn, you will be required to repay the Bank or to deposit sufficient funds to cover the overdraft and all related fees. You agree and acknowledge that overdraft fees are designed to compensate the Bank for its costs in processing overdraft items and to compensate the Bank for its risk in electing, at its discretion, to pay certain overdrafts. You further agree that such overdraft fees do not constitute a penalty. If you fail to reimburse the Bank for the overdraft and related fees, we will be entitled to recover our expenses in collecting the overdraft and fees; and any related charges including, without limitation, attorney's fees and legal costs. The payment of one or more overdrafts does not obligate the Bank to honor or pay future overdrafts, and you should not rely upon the Bank to honor or pay any overdraft. As to any account with multiple owners, each owner agrees that they are jointly and severally liable for any overdraft paid by the Bank and subsequent overdraft fees. Each owner also agrees that the Bank may debit funds from any other account held by such owners to repay the overdraft and any related fees.

- 20. OVERDRAFT PROTECTION.** Overdraft Protection is a service that automatically transfers funds to a qualifying deposit account to cover an overdraft by one or more of the following methods: (i) transfer of funds from a designated credit account; (ii) transfer of funds from a designated money market account; (iii) transfer of funds from a designated sweep investment account or credit line sweep account; (iv) transfer of funds from a designated sweep investment account or credit line sweep account first and if funds are not available, from a designated money market account. Any credit account is subject to qualification and the terms and conditions contained in the applicable credit agreement. All fees applicable to your credit account are also contained in the credit agreement. The amount of Overdraft Protection available from a linked BB&T Visa is limited to the amount of the available Cash Advance limit. Your local BB&T financial center can discuss which credit accounts are available to provide Overdraft Protection. Overdraft Protection may not be available to cover an overdraft if you have exceeded your credit limit or available

money market account balance. You will be charged applicable overdraft fees as disclosed in the Business Services Product and Pricing Guide if your Overdraft Protection is not available.

Automatic or other “convenient” transfers made from a designated money market account to a checking account for Overdraft Protection are included in transactions that are limited to no more than six (6) per monthly statement cycle. The transfer limitations and the other terms and conditions governing the designated money market account are more fully described in this Agreement under the heading “Money Market and Investment Accounts.”

If a check/debit or other item (“item”) is presented against your checking account when there is an insufficient balance to cover the amount of the item, funds will be automatically transferred from your designated overdraft protection option to the checking account in the amount needed to cover the overdraft amount. If there are not enough funds to cover the entire amount of the overdraft item presented for payment, the item may be returned unpaid and a fee charged in accordance with your overdraft decision for the Overdraft Review process. Each automatic transfer from certain credit accounts or from a designated money market account is subject to the Automatic Overdraft Protection Transfer Fee and the Excessive Activity Fee, if applicable, as described in the Business Services Product and Pricing Guide. The Transfer Fee will be assessed directly against the checking account receiving the funds from the automatic transfer and any Excessive Activity Fee will be assessed against the money market account. The Bank reserves the right to return any overdraft that cannot be covered by an automatic transfer from your credit account, sweep account, or designated money market account. Any overdraft that cannot be covered by your designated overdraft protection option will be subject to the Bank’s current overdraft fees in accordance with your overdraft decision for the Overdraft Review process.

- 21. UNCOLLECTED FUNDS CHARGE.** You may be assessed an Uncollected Funds Charge at any time that the amount of collected funds in its account less any reserve requirements and any loan compensating balances results in a negative balance. When determining the balance of collected funds in your account, the Bank will determine and assign a collection period to each item deposited in the account. You agree that uncollected funds charges are not a penalty. Such charges are subject to change from time to time at the discretion of the Bank.
- 22. LEGAL PROCESS AGAINST AN ACCOUNT.** The Bank has the right to comply with any tax levy or garnishment request from the Internal Revenue Service, any state department of revenue, or any other governmental agency. The Bank may honor such levy or garnishment requests to the extent that the Bank itself has no claim to the money. The Bank may freeze any account until such time as it is instructed to release the levy or garnishment or until the Bank remits, or is ordered to remit, the funds to the appropriate governmental agency or department.

The Bank is also authorized, upon receipt of any notice of lien, process in attachment, garnishment, execution, or other proceeding relating to you or your account, to withhold payments of as much of the balance in your account(s) as may be the subject of such notice or process and to pay such amount to the court, creditor, or other party in accordance with applicable state or federal law. The Bank may also, in its discretion, place a hold on your account(s) for a reasonable period of time to permit the parties or the Bank an opportunity to file any additional legal proceedings or to informally resolve the action involving the account(s). You understand and agree that the Bank will not be liable for dishonoring checks, drafts, or other items because of insufficient funds in your account due to a hold placed on the account or resulting from service charges, setoffs, levies, garnishments, lien claims, or other legal processes. If the Bank incurs any expense, including, without limitation, administrative costs, reasonable attorneys’ fees, or any costs of litigation in responding to any legal proceeding relating to you or your account that is not otherwise reimbursed, the Bank may charge such expenses to your account without prior notice to you. In addition, the Bank may deduct a fee in conjunction with any legal process served on your account. If there are insufficient funds in your account to reimburse us fully, you will be liable for the balance. Any legal actions against your account(s) are subject to the Bank’s security interest and right of setoff. All funds held in a partnership account can be used to satisfy any legal process against the partnership’s account notwithstanding any claim or assertion of actual ownership of the funds in the account.

- 23. DISPUTES CONCERNING AN ACCOUNT.** If we have been notified, or we reasonably believe there is a legitimate dispute or claim concerning your account, or we believe your account is subject to fraudulent or impermissible activity, we may, at our discretion: (i) continue to rely on the signature cards, resolutions, and other account documents in our possession; (ii) freeze all or any portion of the funds we deem appropriate until the dispute is resolved; (iii) pay the funds into an appropriate court of law or equity for resolution; (iv) honor the competing claim upon receipt of evidence we deem satisfactory to justify such claim; or (v) close the account and pay any proceeds to: (a) all who have or claim an interest in the account; or (b) the account owner(s) as indicated in our records. In addition, we may, at our option, commence a lawsuit to determine the ownership of your account.

The Bank's right to freeze or place a hold on your account includes prohibiting any type of withdrawal or transfer from the account and/or preventing any deposits or credits from being made to the account. Our right to freeze or place a hold on your account shall also apply if we, in good faith, believe that: (i) we have a claim against you or the funds in your account or we believe we may suffer a loss as a result of your actions; (ii) placing a hold on the account will best protect the interest of any one of the parties to the account; or (iii) placing a hold on the account would protect the Bank from any claims regarding disposition of the funds in the account. You further agree that, as a result of a hold placed on your account, the Bank shall have no liability based on any item which is returned unpaid, causes the account to go into overdraft status, results in any item being declared an "Overdraft Item," or causes any other loss or damage.

- 24. DELAYED RETURN OF ITEM.** The Bank will not be liable if an item deposited into your account is returned after the time set by applicable law if the delay is caused by an improper endorsement. You will be liable to the Bank for any loss or expense we incur because we are unable to timely return an item drawn on your account caused by any markings or damage to the item.
- 25. RELATIONSHIP OF BANK AND DEPOSITOR.** When you open any account with the Bank a debtor/creditor relationship is created. Opening an account does not create a fiduciary relationship between the Bank and the Depositor. You agree not to bring any claim against the Bank based on an assertion that the Bank has breached a fiduciary duty.
- 26. COSTS AND EXPENSES.** You agree to be responsible to the Bank for its loss, costs, or expenses, including, without limitation, reasonable attorneys' fees, as a result of your breach of the terms of this Agreement, your illegal or improper activity or your negligent conduct. You authorize the Bank to deduct any such costs and expenses from your account without prior notice to you. Your responsibility for costs and expenses may include disputes between you and the Bank or situations where the Bank becomes involved in a dispute between you and some other party. The recovery of any costs and attorney's fees in a matter resolved through judicial or administrative procedure shall be determined in accordance with the rules of the court or administrative forum.

IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL ANY PARTY BE LIABLE FOR SPECIAL, PUNITIVE, INCIDENTAL, CONSEQUENTIAL, OR INDIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

- 27. ITEMS PAYABLE JOINTLY.** If an item is drawn so that it is unclear whether one payee's endorsement or two is required, only one endorsement will be required and the Bank shall not be liable for any loss incurred by the maker as a result of there being only one endorsement.
- 28. AUTHORIZATION OF TRANSFERS.** You authorize the Bank to make transfers of funds from time to time from any deposit or credit account upon instruction of any individual using a correct account name, account number, security code, confidential identification number, or other information the Bank has on file about you, your account or any other authorized signer on your account, and whether given orally, by telephone, in person, in writing, through an ATM, point-of-sale terminal, or any other method. Any such transfers may also be governed by separate agreement with the Bank pertaining to such services. You acknowledge that the Bank has no method to determine whether a transaction conducted with the use of a valid account name, account number security code or other information which the Bank has on file about you or your account was proper and therefore authorize the Bank to complete any such transaction in which the Bank receives such identifying information.
- 29. DUAL SIGNATURES/SPECIAL PURPOSE ACCOUNTS.** Signature cards, banking resolutions, or other documents may contain language that requires two or more signatures for items drawn on the account or indication that the account is established for a special purpose. Notwithstanding any such language, or any prior understanding between you and the Bank, you agree that any such provision or prior understanding is solely for internal control purposes. As long as an item bears at least one authorized signature, the Bank will not be liable if we pay an item which does not have any additional signature(s), or which is not used for the special purpose indicated.
- 30. REMOTELY CREATED CHECKS.** A remotely created check (RCC) is a check that is not created by the paying bank and that does not bear the signature of the person on whose account the check is drawn. If you deposit, cash or negotiate a RCC with the Bank, you represent that the check was authorized by person on whose account it was drawn. If a RCC is returned to us, we may debit the amount from your account without prior notice.
- 31. LAWS GOVERNING YOUR ACCOUNT.** Your account is governed by the terms of this Agreement, the laws and regulations of the United States and to the extent applicable, the laws of the state in which the branch office where

you opened your account is located. If you did not open your account in person at a branch office, but through the mail, by phone, or over the internet and you maintain your principal place of business, in a state where the Bank operates a branch office, your account will be governed by the terms of this Agreement, the laws and regulations of the United States and to the extent applicable, the laws of the state where the branch office is located. If you do not maintain your principal place of business in a state where the Bank operates a branch office and you opened your account through the mail, by phone, or over the internet, your account will be governed by the terms of this Agreement, the laws and regulations of the United States and to the extent applicable, the laws of the state of North Carolina. These choice of law provisions are to apply without regard to conflicts of law principles. The Bank and you agree that any lawsuits, claims or other proceedings arising from or relating to your account or this Agreement, including without limitation, the enforcement of the Arbitration provision, shall be subject to the exclusive jurisdiction of the courts of the state whose law governs your account without regard to conflicts of law principles. The Bank and you further agree that venue shall lie in the same state, exclusive of any other state.

- 32. USE OF YOUR ACCOUNT.** Accounts and transactions subject to this Agreement may be used for lawful purposes only. Transactions reasonably believed by the bank to be used for or associated with unlawful activity may be rejected or stopped and the associated account(s) closed immediately and without prior notice. Unlawful activity forbidden under this Agreement includes, but is not limited to: fraud, money laundering, identity theft, illegal gambling, or other violations of federal, state, and local laws. Obligations owed before any improper transaction or account closure will remain in full force. All liabilities and costs associated with rejected or stopped transactions or closed accounts are assumed by the account holder.

Collateralized Accounts. If you hold an account that has been collateralized by the bank with securities, letters of credit or other assets, upon account withdrawal, you relinquish any claim on the collateral associated with the withdrawn balances.

- 33. CONTACTS AND ALERTS.** In order for us to service your account, we may contact you by phone, text, email or mail. You give BB&T and its agents express consent to contact you at any telephone number, email address or physical address that you have provided to us. 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, including wireless numbers that may result in charges to you. You authorize us to monitor and/or record telephone calls and other electronic communications for business purposes and quality assurance.

BB&T Fraud Alerts. BB&T Fraud Alerts is a service that automatically notifies you of suspicious activity on your debit and/or credit card accounts via text, email and/or automated phone calls. Message frequency varies and is dependent on card use. You may opt out of receiving texts at any time by sending STOP to 22848. For assistance send HELP to 22848. Mobile carriers are not liable for delayed or undeliverable messages.

D. RULES APPLICABLE TO CERTAIN ACCOUNTS

1. CHECKING SUB-ACCOUNTS

All interest bearing and non-interest bearing checking (transaction) accounts offered by the Bank are designated as "Money Management Accounts." Savings and "money market" deposit accounts are not considered "Money Management Accounts." For most purposes, Money Management Accounts are treated as a single account for certain record keeping, fees, minimum balances, and paying items.

For regulatory accounting purposes, your checking account will consist of two "subaccounts" on our records. One sub-account is a checking account of the type designated by the account title ("Checking Sub-Account"). The other sub-account is a money market account ("Money Market Sub-Account"). If the checking account is interest bearing, interest will accrue on the combined collected balance on deposit in both of these sub-accounts at the interest rate established for the applicable checking account. Therefore, the Annual Percentage Yield (APY) earned for the account is based on the combined collected balance on deposit in both sub-accounts during the statement cycle. If the checking account is non-interest bearing, no interest will be paid on the sub-account.

By regulation, the Checking Sub-Account is classified as a "transaction" account from which an unlimited number of transfers of funds may be made; the Money Market Sub-Account is classified as a "money market" account in which case the number of transfers of funds from the account is limited to six (6) per statement cycle. The regulatory limitation on transfers from the Money Market Sub-Account during a statement cycle is the determining factor for the procedure for transfers between the sub-accounts described below.

Funds on deposit in the Money Market Sub-Account will be maximized during each monthly statement cycle by automatic transfers from the Checking Sub-Account, which will minimize Funds on deposit in the Checking Sub-Account. In order to accomplish this goal, funds on deposit in the Checking Sub-Account in excess of the Target Balance, which is defined below, will be automatically transferred to the Money Market Sub-Account until such time in each monthly statement cycle that a total of six (6) transfers have been made from the Money Market Sub-Account back to the Checking Sub-Account to cover checks presented for payment or debits made from the Checking Sub-Account. Following the sixth such transfer from the Money Market Sub-Account to the Checking Sub-Account, no further transfers will be made from the Checking Sub-Account to the Money Market Sub-Account until the beginning of the next monthly statement cycle.

The Target Balance is a designated balance which is maintained in the Checking Sub-Account by automatic transfer of funds from the Money Market Sub-Account. The Target Balance is established for each Checking Sub-Account based on the type of checking account designated by the Bank as a Money Management Account and is subject to change from time to time without notice.

If checks presented and debits made against the Checking Sub-Account during the monthly statement cycle exceed the established target balance in the Checking Sub-Account, a transfer from the Money Market Sub-Account to the Checking Sub-Account will automatically be made by the Bank in an amount sufficient to pay the check(s) presented or debits made and to re-establish the Target Balance. The remaining balance in the Money Market Sub-Account will be transferred to the Checking Sub-Account, when the amount of the item(s) presented or debits made to the Checking Sub-Account plus the Target Balance exceeds the balance on deposit in the Money Market Sub-Account. Upon the sixth transfer from the Money Market Sub-Account to the Checking Sub-Account during any monthly statement cycle, the entire balance remaining in the Money Market Sub-Account shall be transferred to the Checking Sub-Account. At the end of each monthly statement cycle all funds on deposit in the Checking Sub-Account in excess of the Target Balance will be automatically transferred to the Money Market Sub-Account and the transfer process will begin anew.

The structure of the Money Management Accounts has no effect on the applicability of FDIC insurance coverage to the account.

2. NON-INTEREST BEARING CHECKING ACCOUNTS

The Bank offers several non-interest bearing business checking accounts, each with different qualifiers. Refer to the Business Services Product and Pricing Guide for details, including any limitation on the number of transactions, minimum balance requirements to avoid periodic fees, monthly maintenance charges, or other qualifiers for each account.

3. INTEREST BEARING CHECKING ACCOUNTS

The Bank offers several interest bearing business checking accounts, each with different qualifiers. Refer to the Business Services Product and Pricing Guide for details, including any limitation on the number of transactions, balance requirements to avoid periodic fees, monthly maintenance charges, or other qualifiers for each account.

Transfers and Withdrawals. You may make transfers or withdrawals to or from these accounts in any amount, at any time, and by any means acceptable to the Bank, with no limitation on the number of transfers, including third-party transfers.

Compounding and Crediting of Interest. The Bank will begin to accrue interest on items deposited in an interest bearing transaction account no later than the first business day on which the Bank receives credit for such items. (For IOLTA accounts only, interest is not compounded but it is credited to a separate legal services account. For Earnings² Checking accounts only, interest is not compounded but it is based on simple interest and credited to the account on the first business day after the 20th of the following month.) If the account is closed before interest is credited, you will not receive the accrued interest.

Balance Calculation. Interest is calculated on the full amount of the collected balance, less reserve requirements in the account each day. The daily balance method is used to calculate the interest in accounts. Under this method, a daily periodic rate of interest is applied to the collected balance in the account each day. (For IOLTA accounts only, interest is calculated on the full amount of the average monthly collected balance less reserve requirements. For Earnings² Checking accounts only, interest is calculated on the average positive monthly collected balance after

subtraction of required reserves, if applicable, and deduction of balances required to offset balance-based service fees.)

Variable Interest Rate. All interest bearing business checking accounts are variable rate accounts. The Bank, at its discretion, may change the interest rate on the account at any time. Interest may be calculated on certain interest bearing business checking accounts based upon a tiered rate schedule where different rates may apply according to the balance maintained in the account.

4. MONEY MARKET, SAVINGS, AND INVESTMENT ACCOUNTS

Compounding and Crediting of Interest. Interest begins to accrue no later than the first business day the Bank receives credit for the deposit of non-cash items. Interest is compounded daily and credited on the last day of the statement cycle. If the account is closed before interest is credited, you will not receive the accrued interest.

Balance Calculation. Interest is on the full amount of the collected balance in the account each day. The daily balance method is used to calculate the interest in these accounts. Under this method, a daily periodic rate of interest is applied to the collected balance in the account each day.

Variable Rate Accounts. Except as otherwise provided, interest bearing accounts will be variable rate accounts. The interest rate may change at any time and in our sole discretion. Interest may be calculated on certain interest bearing business accounts based on a tiered rate schedule where different rates may apply according to the balance maintained in the account. For interest bearing accounts, you are permitted to make transfers or withdrawals to or from the account in any amount and at any time subject to the bank's right to require seven (7) days written notice prior to withdrawal of all or part of the funds on deposit.

Limitations on Withdrawals and Transfers. You are limited to no more than six (6) transactions, transfers, or withdrawals during any monthly statement cycle for the purpose of transferring funds to another BB&T account or making third-party payments by means of a check, draft, debit card, preauthorized or automatic transfer, telephonic transfer, or similar order. The only exceptions to these transaction limitations are described below. (Note: Transfers and withdrawals made through BB&T online platforms and BB&T Phone24 are included in the six (6) permitted transactions per cycle.) If you exceed the transaction limits during any monthly statement cycle, your account may be closed or converted to a transaction account. Excessive withdrawals and transfers may be subject to fees as disclosed in the Business Services Product and Pricing Guide.

- You may make unlimited withdrawals from the account if made in person, by messenger, by mail, or at an ATM.
- You may make unlimited transfers between accounts of the Depositor at the Bank if made in person, by messenger, by mail, or at an ATM.
- You may make unlimited pre-authorized automatic transfers to make payments on loans obtained from the Bank.

E. CERTIFICATES OF DEPOSIT

1. **GENERAL APPLICABILITY.** The terms, conditions, and disclosures set forth in this section apply to all Commercial Certificates of Deposit, whether they are represented by a written certificate or are book entry Certificates of Deposit (collectively, "Certificates of Deposit"), unless it is indicated that the terms are applicable to specific types of Certificates of Deposit only, or where the terms and conditions set forth herein are superseded by terms and conditions set forth on the Certificate of Deposit or on the receipt for the Book Entry Certificate of Deposit, or in some other written contract entered into at the time of the initial deposit.
2. **DEFINITIONS.** For purpose of this section, "term" shall apply to the number of days or months for which the Organization agrees to have funds remain on deposit at the Bank; "maturity" or "renewal" and "renewal date" refer to the last day of the term of the Certificate of Deposit. This disclosure is in addition to the Client Summary or Interest Rate Schedule, and the Certificate of Deposit Receipt.
3. **INTEREST RATE.** All Certificates of Deposit pay a fixed rate of interest for the term of the Certificate with the exception of the Business Treasury CD and the Public Fund Treasury CD which have variable rates. A withdrawal prior to maturity will reduce earnings. The interest rate may be adjusted by the Bank in the event the Depositor makes a partial withdrawal that reduces the deposit balance below the minimum required to earn the existing rate. The adjustment to the interest rate is calculated by utilizing the current rate tiers established periodically by the Bank. Under no circumstances will the rate be increased above the last disclosed rate. The Bank may modify a Certificate of

Deposit to accrue interest at the Bank's current rate of interest until the next renewal date, based on current rate tiers for the remaining balance and term of the Certificate of Deposit.

4. **COMPOUNDING AND CREDITING.** Interest on all Certificates of Deposit begins to accrue no later than the first business day the Bank receives credit for the deposit of non-cash items (for example, checks), i.e., interest is paid on collected balances. Interest on all Certificates of Deposit is calculated on simple interest and credited to principal annually on the anniversary date of the Certificate unless the Certificate has a term of less than a year, in which event; interest is credited to principal at renewal.
5. **BALANCE COMPUTATION.** The Bank calculates interest on the full amount of the collected balance in the account each day. The Bank uses the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.
6. **RENEWAL.** All Certificates of Deposit automatically renew at maturity upon the same terms and conditions as set forth for the original Certificate except for the interest rate and for any terms and conditions that may have been modified by the Bank, prior to renewal, notice of which has been given in accordance with this Agreement. If the Certificate of Deposit has a term of less than thirty-two (32) days, you have one grace day beginning the calendar day after the renewal date to change the term of the Certificate of Deposit. If the Certificate of Deposit has a term of thirty-two (32) days or more, you may change the term of a Certificate of Deposit by notice to the Bank during the ten (10) calendar day grace period beginning the day after the renewal date. Thereafter, the Certificate of Deposit will automatically renew for the modified term unless you are otherwise notified.

Changes in the principal amount of the Certificate of Deposit are subject to the restrictions set forth below. Modifications will be reflected on the renewal notice. Certificates of Deposit of any term shall be automatically renewed at the current interest rate designated by the Bank at the time of renewal for Certificates of like type, term, and amount. For any Certificate of Deposit initially offered with a special bonus rate, the renewal will be at an interest rate designated by the Bank at the time of renewal, which rate shall be comparable to other commercial Certificates of Deposit of like term and amount.

7. **ADDITIONAL DEPOSITS AND PARTIAL WITHDRAWALS.** In most cases no additional deposits or partial withdrawals of principal are allowed during the term of a Certificate of Deposit. Additional deposits may be accepted and partial withdrawals of principal and interest are allowed at renewal subject to the following restrictions:

Certificates of Deposit with a term of less than thirty-two (32) days:

Additional deposits or partial withdrawals of principal and interest may be made on the grace day after the renewal date.

Certificates of Deposit with a term of thirty-two (32) days or more:

Additional deposits and partial withdrawals of principal and interest may be made during the ten (10) calendar day grace period beginning on the day after the renewal date.

Minimum Balance:

Partial withdrawals of principal and interest may be made at maturity or renewal, provided that the balance remaining in the account after the partial withdrawal satisfies the Bank's minimum deposit requirements for the Certificate of Deposit.

8. **REDEMPTION.** The following restrictions apply to the redemption of a Certificate of Deposit without penalty and the payment of interest after maturity:

Automatically Renewable Certificates of Deposit with a term of less than thirty-two (32) days: Redemption without penalty may be made on the one day grace period following the maturity date. If not redeemed or modified during the grace period, the Certificate of Deposit shall accrue interest at the current rate for Certificates of Deposit of the same term, type, and amount.

Automatically Renewable Certificates of Deposit with a term of thirty-two (32) days or more: Redemption without penalty may be made during the ten (10) calendar day grace period beginning the day after the maturity date. If the Certificate of Deposit is redeemed within the grace period, interest will not be paid for the days after the maturity

date through the date of redemption. If not redeemed or modified within the grace period, interest shall accrue at the current rate for Certificates of Deposit of the same term, type, and amount.

9. WITHDRAWAL OF INTEREST. With the Bank's consent, you may make a withdrawal of all or part of the accrued interest on a Certificate of Deposit prior to its maturity date provided that the remaining balance is at least equal to the original principal amount of the Certificate of Deposit.

10. WITHDRAWAL OF PRINCIPAL PRIOR TO MATURITY. Withdrawals of principal from a Certificate of Deposit prior to maturity may be permitted provided the principal balance remaining in the account continues to meet the Bank's minimum deposit requirement. In addition, certain early withdrawal penalties will apply and the interest rate may also be reduced.

11. EARLY WITHDRAWAL PENALTIES. Except as otherwise disclosed:

Certificates of Deposit with a term of less than 3 months, the penalty shall be all interest that would have been earned or \$25, whichever is greater.

Certificates of Deposit with a term of 3-12 months, the penalty shall be an amount equal to 3 months simple interest earned on the principal amount withdrawn or \$25, whichever is greater.

Certificates of Deposit with a term of 13-23 months, the penalty shall be an amount equal to 6 months simple interest earned on the principal amount withdrawn or \$25, whichever is greater.

Certificates of Deposit with a term 24 months or greater, the penalty shall be an amount equal to 12 months simple interest on the principal amount withdrawn or \$25, whichever is greater.

NOTE: If the amount of the penalty exceeds the actual interest accrued for the term, whether paid or unpaid, the penalty shall be withheld from the principal of the deposit.

12. ADDITIONAL TERMS FOR THE FOLLOWING COMMERCIAL CERTIFICATE OF DEPOSITS

BUSINESS TREASURY CD. The interest rate will be determined at the Bank's discretion but shall not be less than one percent below the discount rate of the preceding month's last auction of the United States Treasury Bill with a maturity of 3 months. The Bank may make changes to the interest rate on your BB&T Business Treasury CD at any time. Additional deposits of at least \$100.00 are allowed at any time and may be made in person or by draft from a BB&T deposit account. Electronic deposits from non-BB&T accounts are not permitted. Interest will accrue on all additional deposits at the interest rate on the account at the time of the additional deposit. During the term of the CD, and for any subsequent renewal, you are permitted one "penalty free" withdrawal each month provided that the funds have remained on deposit for at least seven (7) calendar days and there have been no partial withdrawals for six (6) calendar days preceding the withdrawal.

PUBLIC FUND TREASURY CD. The interest rate will be determined at the Bank's discretion but shall not be less than one percent below the discount rate of the preceding month's last auction of the United States Treasury Bill with a maturity of 3 months. The Bank may make changes to the interest rate on your BB&T Public Fund Treasury CD at any time. No additional deposits are allowed except at renewal, following the guidelines described in the previous section titled "Additional Deposits and Partial Withdrawals." However, during the term of the CD, and for any subsequent renewal, you are permitted one "penalty free" withdrawal each month provided that the funds have remained on deposit for at least seven (7) calendar days and there have been no partial withdrawals for six (6) calendar days preceding the withdrawal.

F. FUNDS AVAILABILITY

1. GENERAL WITHDRAWAL POLICY. This policy statement applies to "transaction" accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third parties (whether by check, point-of-sale transaction, debit card, ACH, or preauthorized transfer), and an unlimited number of telephonic and prearranged automatic transfers to other accounts you have with the Bank.

Our general policy is to make funds from check deposits available during nightly processing on the same business day that we receive the deposit. Incoming wire transfers and cash deposits received in person at a branch are immediately available. (Note: Deposit accounts with sweep and zero balance services are excluded. These funds will be available on the first business day after the day we receive the deposit.) Funds from an electronic direct deposit will be available on the day we receive settlement for the deposit. Once available, the deposited funds may be used by you for withdrawal or transfer and we can use the funds to pay checks and other items that post to your account. Special rules apply for certain types of deposits as outlined in subsequent sections; please review these sections in their entirety. Deposits received as a Real-Time Payment (RTP) will be available to you immediately. You acknowledge that any RTP is governed specifically by RTP Operating Rules of The Clearing House in effect at the time of the transaction and can be found at <https://www.theclearinghouse.org/payment-systems/real-time-payments> (RTP Rules). You authorize the Bank, at any time, to debit your account in the amount of a RTP if we receive a proper Request for Return of Funds in accordance with the RTP Rules. A payment may be returned if it is determined that it was made in error, was the result of fraud, or was made in violation of applicable law or the RTP Rules. You are not permitted to receive a RTP in violation of this agreement and you may not accept any payment on behalf of any person or entity not domiciled in the United States.

The following product types will receive an immediate availability of \$100 when an in person branch check deposit is made: Business Value 200, Business Value 500, Business Interest Checking, Business Money Rate Checking, Community Checking, Community Interest Checking, Civic Checking, Basic Public Fund Checking, Free Business Checking*, Brokered Comm Int Checking*, and Business Value Checking (155)*

** Denotes accounts no longer offered.*

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Bank and/or federal holidays. If you make a deposit during regular business hours, we will consider that the day of your deposit. If you make a deposit after the end of a current business day, on a Saturday or Sunday, or on a Bank and/or federal holiday, we will consider that the deposit was made on the next business day we are open. Inclement weather, natural disasters, or computer or electronic failures may also affect the banking day and business hours.

Business hours vary by branch or facility location and the method you choose to make your deposit. Our business days and hours are posted at our branches. Business days and hours for other deposit methods are outlined as applicable in the **ATM DEPOSITS, MOBILE DEPOSITS, AND ONLINE, TELEPHONE, AND IN-BRANCH ELECTRONIC TRANSFERS BETWEEN BB&T ACCOUNTS** sections. Business hours are subject to change from time to time at our discretion.

2. **ATM DEPOSITS.** For determining the availability of your deposits made at BB&T 24 ATMs, every day is a business day, except Saturdays, Sundays, and Bank and/or federal holidays. If you make a deposit before 6:00 p.m. local time on a business day, we will consider that the day of your deposit. ATM deposits made after 6:00 p.m. local time will be considered to be deposited on the next business day. You should consult your transaction receipt for the exact posting date of any ATM deposit.
3. **MOBILE DEPOSITS.** Mobile deposits are generally available to you within 3 business days from the business day we receive your deposit. For determining the availability of your mobile deposits, every day is a business day, except Saturdays, Sundays and Bank and/or federal holidays. If you make a deposit before 8:00 p.m. ET on a business day, we will consider that the day of your deposit. If you make a mobile deposit after 8:00 p.m. ET on a business day, on a Saturday or Sunday, or on a Bank and/or federal holiday, we will consider that the deposit was made on the next business day we are open.
4. **ONLINE, TELEPHONE, AND IN-BRANCH ELECTRONIC TRANSFERS BETWEEN BB&T ACCOUNTS.** Online, telephone, and in-branch electronic transfers between your BB&T accounts are considered deposits. These deposits are available to you on the same business day we receive your deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your online, telephone, or in-branch electronic transfers between your BB&T accounts, every day is a business day, except Saturdays, Sundays and Bank and/or federal holidays. If you make a deposit before 9:00 p.m. ET on a business day, we will consider that the day of your deposit. If you make a deposit after 9:00 p.m. ET on a business day, on a Saturday or Sunday, or on a Bank and/or federal holiday, we will consider that the deposit was made on the next business day we are open.

5. LONGER DELAYS MAY APPLY. In some cases, we may not make all of the funds from a check available on the same business day as the deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$100 of your deposit will be immediately available. An additional \$100 will be made available during nightly processing on the business day we receive your deposit, for a total of \$200.

If we are not going to make all of the funds from a check deposit available on the same business day of your deposit, we will notify you at the time you make your deposit. We also will tell you when the funds will be available. If your deposit is not made directly to one of our associates, or if we decide to take this action after you have left the premises, we will mail you the notice no later than the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask when the funds will be available.

In addition, the withdrawal of funds that you deposit by check may be delayed for a longer period under one or more of the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the preceding six (6) months.
- There is an emergency, such as failure of communications or computer equipment.
- You deposit checks to a new account (\$200 same day credit may not be given).

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. When a hold is placed for longer than two business days, you will not have any funds immediately available for use.

6. SPECIAL RULES FOR NEW ACCOUNTS. The following special rules may apply during the first thirty (30) days your account is open.

Funds from the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks, U.S. Treasury checks, U.S. Postal Service Money Orders, and checks drawn on Federal Reserve Banks and Federal Home Loan Banks will be available on the same business day we receive your deposit if the deposit meets certain conditions. For example, these checks (other than U.S. Treasury checks) must be deposited in an account held by the payee and must be deposited in person to an associate of the Bank. If your deposit of these checks (other than U.S. Treasury checks) is not made in person to one of our associates, the first \$5,000 may not be available until the second business day after the day of your deposit. The excess over \$5,000 will be available by the ninth business day after the day of your deposit. Proceeds of a U.S. Treasury check which are deposited in an account held by the payee will be available on the same business day we receive your deposit even if not deposited in person to one of our associates. Funds from all other check deposits generally will be available as outlined in the **GENERAL WITHDRAWAL POLICY** section.

ATM deposit functionality may be limited for temporary access devices issued for new deposit accounts.

7. 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 cashed would have been available if you had deposited it.

Other Accounts. If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability 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 for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

G. BACKUP WITHHOLDING & TAXPAYER IDENTIFICATION

BACKUP WITHHOLDING. Unless you are exempt as described below, federal law requires that the Bank withhold a statutory amount of interest or dividend payments (referred to as backup withholding) if you:

- Fail to furnish a Taxpayer Identification Number (TIN), or
- The Internal Revenue Service (IRS) notifies the Bank that you furnished an incorrect TIN, or
- You or the Bank have been notified by the IRS that you are subject to backup withholding, or
- For any interest bearing account opened after December 31, 1983, you failed to certify that you were not subject to backup withholding or you failed to certify that your TIN was correct.

If a correct TIN is not furnished at the time your account is opened, backup withholding will commence immediately. If you do not have a TIN assigned to you, IRS regulations allow a sixty (60) day grace period to obtain your TIN if you have completed the proper request for such grace period. Refer to the "Taxpayer Identification Number" section below for instructions on how to obtain a TIN.

While you are waiting to be assigned a TIN, backup withholding will occur. After sixty days (60), if a certified TIN is not furnished, your account may be closed. If you furnish a correct TIN within sixty (60) of account opening, and prior to year-end, you may request a refund of the amount withheld for backup withholding.

Certain additional IRS penalties may also apply if you fail to provide your TIN.

FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA"). If interest from your account is payable to certain foreign financial institutions, investment funds, or other non-financial foreign entities you are required to certify your FATCA status and provide any other applicable information at the Bank's request. Failure to provide such certification or information may result in a 30% withholding on the payment of interest. The Bank shall not be liable for any additional amounts you may owe as a result of your failure to comply with FATCA.

TAXPAYER IDENTIFICATION NUMBER

For sole proprietorships, the Taxpayer Identification Number may be either a Social Security number or an Employer Identification Number. If a sole proprietor is a resident or nonresident alien, and is ineligible for a Social Security number, the Taxpayer Identification Number may be either an IRS "Individual Taxpayer Identification Number" (ITIN) or an Employer Identification Number (EIN). For corporations, estates, organizations, clubs, and trusts the Taxpayer Identification Number is their Employer Identification Number. If the Organization does not have a Taxpayer Identification Number, obtain Form SS-5, Application for a Social Security Card (for individuals), from the local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from the local IRS office, or Form W-7, Application for IRA Individual Taxpayer Identification Number (for sole proprietors who are resident or nonresident aliens). In addition, sole proprietors who are resident or nonresident aliens must also furnish a passport, or some other government document to verify identity.

EXEMPT PAYEES. If the Organization is exempt from backup withholding and information reporting, it must complete a certification to that effect provided by the Bank. It must also provide the Bank with its Taxpayer Identification Number to be considered exempt. The following lists payees that are exempt from backup withholding and information reporting. For interest and dividends, all listed payees are exempt except item (7). For broker transactions, payees listed in (1) through (11) and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt. Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items (1) through (5), except that a corporation that provides medical and health care services or bills and collects payments from such services is not exempt from backup withholding or information reporting. Only payees described in items (2) through (5) are exempt from backup withholding for barter exchange transactions, patronage dividends, and payments by certain fishing boat operators.

1. A corporation
2. An organization exempt from tax under section 501(a), or an individual retirement plan (IRA), or a custodial account under 403(b) (7)
3. The United States or an agency or instrumentality thereof
4. A state, the District of Columbia, a possession of the United States, or any political subdivision or instrumentality thereof
5. A foreign government or a political subdivision, agency or instrumentality thereof
6. A dealer in securities or commodities required to register in the U.S. or a possession of the U.S.

7. A futures commission merchant registered with the Commodity Futures Trading Commission
8. A real estate investment trust
9. An entity registered at all times during the tax year under the Investment Company Act of 1940
10. A common trust fund operated by a bank under section 584(a)
11. A financial institution
12. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc. Nominee List
13. A trust exempt from tax under section 664 or described in section 4947. Payments that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041(a), 6042, 6044, 6045, 6049, 6050A, 6050N, and 6050W of the Internal Revenue Code, and the Treasury Regulations under such sections.

FOREIGN ENTITIES. You will be exempt from backup withholding if you are a foreign entity and have completed a Form W-8. This certification must be made every three (3) calendar years. You must be able to certify exemption as a foreign entity to exempt the account from backup withholding because of foreign status.

PRIVACY ACT NOTICE. Section 6109 of the Internal Revenue Code requires most recipients of dividends, interest, or other payments to give Taxpayer Identification Numbers to payors who must report payments to the Internal Revenue Service. The Internal Revenue Service uses the numbers for identification purposes and to verify the accuracy of your tax return. Payors must be given numbers whether or not recipients are required to file tax returns.

PENALTIES

FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. If you fail to furnish a correct Taxpayer Identification Number (TIN), you may be subject to a penalty of \$50 for each such failure unless such failure is due to reasonable cause and not to willful neglect. If you fail to furnish a TIN, the Bank may refuse to open your account. The Bank may close an account which was opened without a TIN and you fail to subsequently provide a TIN.

CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. If you make a false statement with no reasonable basis that results in no imposition of backup withholding, you may be subject to a penalty of \$500.

CRIMINAL PENALTY FOR FALSIFYING INFORMATION. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

MISUSE OF TINs. If you disclose or use a TIN in violation of federal law, you may be subject to civil and criminal penalties.

H. BANK SECRECY ACT

The Bank Secrecy Act (BSA) and its implementing regulation require a financial institution to maintain records and/or report certain transactions to federal government agencies. The act and regulation have been amended periodically and focus on issues such as anti-money laundering and anti-terrorist financing.

1. **USA PATRIOT ACT.** Under federal law, the Bank is required to verify the identity of any party seeking to open an account with the Bank. You acknowledge that the Bank's identity verification procedures require the Bank to request certain information from you or third parties regarding you. You agree to provide the Bank with, and consent to, the Bank obtaining from third parties such requested information, including name, legal status, taxpayer identification number, and physical address, as a condition of opening any account. To the extent that you fail to provide or to consent to providing any such information, that failure shall be grounds for the Bank to not open your account and/or to close your account(s).
2. **REPORTING CERTAIN ACTIVITIES.** Banks are required to file a report called a Currency Transaction Report (CTR) with the Internal Revenue Service whenever it has currency transactions that exceed \$10,000 in one business day. This includes both single and multiple transactions, transactions to or from or on behalf of any one individual or other entity, or in or out of any one account, and exchanges of currency. Banks are also required to file other reports with the U.S. Treasury Department when a transaction is conducted or attempted by, at, or through a bank, involves or aggregates at least \$5,000 in funds or other assets, and the bank knows, suspects, or has reason to suspect that: (a) the transaction involves funds derived from illegal activities or is intended or conducted in order to hide or disguise funds or assets derived from illegal activities (including, without limitation, the ownership, nature, source, location, or control of such funds or assets) as part of a plan to violate or evade any federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation; (b) the transaction is designed to evade any

requirements of this part or of any other regulations promulgated under the Bank Secrecy Act; or (c) the transaction has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and the Bank knows of no reasonable explanation for the transaction after examining the available facts, including the background and possible purpose of the transaction.

Banks are also required to maintain a record of: (i) sales of certain negotiable instruments such as cashier's checks, money orders, traveler's checks, and other similar instruments when the amount of cash involved is \$3,000 to \$10,000 inclusive; and (ii) funds transfers of \$3,000 or greater. These records must be made available to the U.S. Treasury Department upon request.

Other crimes under the Bank Secrecy Act are: (i) causing or attempting to cause a financial institution to fail to file a currency transaction report; (ii) causing or attempting to cause a financial institution to file an inaccurate report; and (iii) structuring or attempting to structure large transactions with financial institutions into several smaller transactions in an attempt to avoid reporting. Financial institutions, financial institution employees, and individuals may all be subject to prosecution for evading the reporting requirements. There are both civil and criminal penalties associated with violations of these regulations that may carry significant monetary fines and imprisonment. You agree to assist the Bank in gathering information to meet Bank Secrecy Act requirements.

You may be eligible for a qualified exemption from some of the Bank Secrecy Act reporting requirements. To qualify for such exemption, you agree to cooperate with the Bank in collecting the necessary information to meet the exemption certification requirements.