



**ACH AGREEMENT
Effective October 2010**

This agreement is made this _____ day of _____, 20____ by and between _____ (the "Company") and Community Resource Bank ("CRB"). The Company has requested that CRB permit it to initiate entries to accounts maintained at CRB and at other financial institutions by means of the Automated Clearing House (the "ACH") Network. CRB has agreed to do so on the terms of this Agreement.

The Company and CRB agree as follows:

1. **Definitions.** Unless defined in this Agreement, capitalized terms shall have the meanings provided in the Rules.
 - A. Rules. "Rules" means the rules of the National Automated Clearing House Association and Appendices to the rules of the National Automated Clearing House, as amended from time to time.
 - B. Effective Entry Date. "Effective Entry Date" means the date included in any Entry as the date upon or after which such Entry is to be effective.
 - C. Entry. "Entry" has the meaning given in the Rules, except that it shall also include an "On-Us Entry."
 - D. On-Us Entry. "On-Us Entry" means a debit or credit Entry to an account maintained at CRB.
 - E. On-Line. "On-Line" refers to use of the Internet website designated by CRB used to transmit or receive electronic transactions, instructions, notices or other communication but does not include transmissions by telephone, fax, in person, regular mail, express mail or e-mail.
 - F. File- consists of multiple Entries with equal dollar amounts of credits vs. debits.
 - G. Transaction- one ACH entry requested through an external transfer template created in CRB Business Online.

2. **Applicable Agreements.** This Agreement governs Company's use of ACH Origination. Company's access to and use of CRB's On-Line services shall be governed by the applicable electronic access agreement(s), as amended from time to time, between Company and CRB. In the event of conflict between this Agreement and any

other Agreement with CRB, this Agreement shall prevail, unless otherwise provided herein.

3. **Compliance with the Rules and Applicable Law.** The Company's rights and obligations with respect to any Entry are governed by the Rules, this Agreement and applicable law. The Company acknowledges receipt of a copy of the Rules. The Company agrees to be bound by the Rules. The Company represents and warrants that it will comply with the Rules and applicable laws, regulations and regulatory requirements including, but not limited to, the terms of the Electronic Transfer Act or Uniform Commercial Code Article 4A and that it will not transmit any Entry or engage in any act or omission that violates or causes CRB to violate the Rules, applicable laws, regulations or regulatory requirements, including, without limitation, regulations of the Office of Foreign Asset Control (OFAC), sanctions or executive orders.

4. **Transmittal of Entries and Security Procedures**

- A. The Company shall transmit any and all debit or credit Entries to CRB in accordance with the Rules and this Agreement. The Company shall comply with the security procedures described in **Schedule B** to this Agreement. The Company acknowledges that the security procedures are for verification of authenticity and not to detect errors in the transmission or content of the Entry. No security practice or procedure for the detection of any such error has been agreed upon between CRB and the Company.
- B. The Company shall prevent and safeguard against unauthorized transmissions, disclosures and access to the following (all of which are referred to herein as "Security-related Items"): information (including but not limited to security procedures, instructions, passwords and user identifications), systems and equipment that interface with, connect to or allow access to CRB, its information, systems and equipment. The Company shall establish, maintain and enforce physical and logical commercially reasonable security practices, techniques and procedures with respect to access, storage and maintenance to safeguard against unauthorized transmissions and unauthorized access to Security-related Items. Such practices, techniques and procedures shall be no less than the security-related requirements set forth in this Agreement and in the Rules.
- C. Without limiting the foregoing, the Company warrants that no individual will be allowed to initiate transfers without proper supervision. If the Company suspects, knows, believes or has reason to believe that an unauthorized individual has transmitted or attempted to transmit one or more Entries or that the security procedures or other Security-related Items have otherwise been compromised, the Company agrees to immediately notify CRB and agrees that any Entry received by CRB before or within a reasonable time after such notice to CRB shall be treated as authorized by the Company.
- D. The Company hereby authorizes CRB to transmit any Entry received by CRB from the Company in accordance with the Rules and the terms of this Agreement and to credit or debit the amount of such Entry to the accounts specified by the Company.

- 5. Company's Representations, Warranties and Agreements.** The Company represents and warrants that each Entry provided to CRB complies in all respects with the Rules and this Agreement. The Company acknowledges and agrees that, pursuant to the Rules, CRB makes certain warranties to the ACH Operator and other financial institutions and that such warranties are made in reliance on: (i) the representations and warranties of the Company, including but not limited to those contained in this section of this Agreement and (ii) Company's agreement to be bound by the Rules and applicable law. The Company shall indemnify CRB against any claims, alleged claims, loss, liability or expense (including attorneys' fees and expenses) resulting directly or indirectly from, related to or arising out of: (i) any breach of the Company's warranties or this Agreement; (ii) Company's failure to exercise ordinary care in connection with its duties hereunder; (iii) any action by the Receiving Depository Financial Institution ("RDFI") upon an unauthorized or erroneous Entry initiated by the Company; (iv) any actions by a service provider or agent of the Company that results in a breach of this Agreement by the Company; (v) to the extent that it involves CRB, any litigation by an ACH Operator, an RDFI or any Company Receivers asserting noncompliance on the Company's part with the Rules, laws, regulations or regulatory requirements. Without limiting the foregoing, the Company warrants:
- a) Each Entry is authorized pursuant to the Rules and the authorization has not been revoked;
 - b) Each credit Entry is timely and accurate;
 - c) Each debit Entry is for a sum which, on the Settlement Date will be due and owing to the Company from the party whose account will be debited, is for a sum specified by such party or is to correct a previously transmitted erroneous credit Entry;
 - d) No Entry has been reinitiated in violation of the Rules;
 - e) The Company has used commercially reasonable procedures to verify that all information contained in an Entry, including but not limited to routing numbers, is accurate and valid.
- 6. CRB Obligations.** Subject to Section 8 (Exposure Limits) of this Agreement, CRB shall, in accordance with the Rules, process, transmit and settle for any Entry. CRB shall have no obligation to transmit an Entry if the Company fails to comply with the Rules or any terms of this Agreement. CRB shall rely on any and all information it receives from an Authorized Representative of the Company, as set forth in **Schedule E**, and any person CRB, in good faith, reasonably believes to be acting on behalf of the Company, whether or not such person was authorized by the Company.
- 7. Company's Account.** The Company will maintain a deposit account (the "Account") with CRB at all times during the term of this Agreement. The Company shall at all times maintain a balance of available funds in the Account sufficient to cover the Company's obligations under this Agreement. If collected balances in the Account are insufficient to cover the aggregate amount of Entries, CRB shall have no obligation to transmit such Entries. The Company authorizes CRB to debit its Account or any other account maintained at CRB for any amount it owes CRB as a result of this Agreement.
- 8. Exposure Limits.** The Company shall comply with the exposure limits as set forth in **Schedule A**. Such limits may be modified from time to time by CRB at its sole discretion with notice to the Company.
- 9. Due Diligence.** The Company will supply CRB with due diligence information when requested. This information may include, but is not limited to, financial data, names and

other information concerning the principles of the Company, information about the business in which the Company participates, information regarding the creditworthiness of the Company, projected return rates, and payment history. CRB may, in its reasonable discretion, conduct a limited review of the Company's operations to ensure compliance with the provisions of this Agreement. Where CRB reasonably believes that Company's financial condition is impaired or deteriorating, CRB may refuse to process any Entries or may require prefunding of all Entries.

10. **Cancellation or Amendment of an Entry.** The Company shall have no right to cancel or amend any Entry after its receipt by CRB. However, CRB shall use reasonable efforts to act on a request by the Company to cancel an Entry before transmitting it to the ACH Operator or crediting or debiting an On-Us Entry. Any such request shall comply with this Agreement, including the security procedures described on **Schedule B** to this Agreement. CRB shall have no liability if it fails to effect the cancellation. Company shall reimburse CRB for any expenses, losses or damages CRB incurs in effecting or attempting to effect Company's request for the cancellation of an Entry.
11. **Rejection of Entries.** CRB may reject any Entry, including an On-Us Entry, that does not comply with the requirements of the Rules or this Agreement, specifically including **Schedule A** and **Schedule B** of this Agreement and may reject any Entry if the Company is not otherwise in compliance with the terms of this Agreement or the Rules. CRB shall notify the Company in accordance with **Schedule A** of such rejection no later than the business day such Entry would otherwise have been transmitted by CRB to the ACH Operator or, in the case of an On-Us Entry, the day before its Effective Entry Date. Notices of rejection shall be effective when given. CRB shall have no liability to Company by reason of the rejection of any such Entry or the fact that such notice is not given at an earlier time than that provided for herein.
12. **Provisional Credit Notice.** In the case of a credit Entry, credit given by the RDFI for the Entry is provisional until the RDFI has received final settlement through a Federal Reserve Bank or has otherwise received payment. If the RDFI does not receive such payment for the Entry, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's account, and Company will not be considered to have paid the amount of the credit Entry to the Receiver.
13. **Reversals.** The Company may reverse a File or Entry pursuant to the Rules. If the Company reverses an Entry or File, the Company shall indemnify CRB against any claim, alleged claim, demand, loss, liability or expense resulting directly or indirectly from such reversal.
14. **Notice of Returned Entries and Notifications of Change.** CRB shall notify the Company in accordance with **Schedule A** of the receipt of a returned Entry or Notification of Change (NOC) from the ACH Operator no later than one business day after the business day of such receipt. CRB shall have no obligation to retransmit a returned Entry if CRB complied with the terms of this Agreement with respect to the Entry.
15. **Entries Returned as Unauthorized.** In the event that an Entry is returned as unauthorized or authorization revoked, the Company will contact the necessary parties and resolve any dispute. During this process the Company may ask CRB to request from the RDFI a copy of the "Written Statement of Unauthorized Debit (WSUD)." CRB will make its best effort to obtain the form and will deliver it to the Company when received. Company agrees not to re-originate any transaction returned as unauthorized or as authorization revoked unless the customer reauthorized the Entry or Entry stream.

16. **Unauthorized Rate in Excess of 1%.** In the event the rate of unauthorized transactions exceeds 1% based on the calculations noted in the Rules the Company will share the data requested by CRB based on the Rules and will immediately begin the process of bringing the rate below 1%.
17. **Periodic Statement.** The periodic statement issued by CRB for the Company's Account will reflect Entries credited and debited to the Company's Account. The Company agrees to notify CRB within a reasonable time not to exceed thirty (30) days after the Company receives a periodic statement of any discrepancy between the Company's records and the information in the periodic statement. If the Company fails to notify CRB of any such discrepancy within thirty (30) days after receipt of such periodic statement, the Company shall be precluded from asserting any claim against CRB arising from such discrepancy.
18. **Fees.** The Company agrees to pay CRB for services provided under this Agreement in accordance with the schedule of charges set forth in **Schedule C**. CRB may change its fees from time to time in its sole discretion upon notice to the Company.
19. **Liability.** In the performance of the services required by this Agreement, CRB shall be entitled to rely solely on the information; representations and warranties provided by the Company pursuant to this Agreement and shall not be responsible for the accuracy or completeness of such information. Except as otherwise specifically provided by law, CRB shall be responsible only for performing the services expressly provided for in this Agreement and shall be liable only in the event of loss due to its gross negligence or willful misconduct in performing those services. In no event shall CRB have any liability for any consequential, special, incidental, punitive or indirect damages the Company may incur or suffer in connection with this Agreement whether or not the likelihood of such damages was known or contemplated by CRB and regardless of the legal or equitable theory of liability the Company may assert. Without limiting the foregoing, CRB shall not be liable for and shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communications facilities, equipment failure, war, acts of terror, emergency conditions or other conditions beyond CRB's control. To the extent allowed by law, CRB shall not be liable for and shall be excused from failing to transmit or any delay in transmitting an Entry (i) if such transmittal would result in CRB's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines; (ii) if, for any reason, the ACH Operator fails or declines to process an Entry; (iii) if, in CRB's sole discretion, processing an Entry would violate or contribute to the violation of any present or future risk control program of the Federal Reserve or any Rule, law, regulation or regulatory requirement; or (iv) if processing an Entry, in CRB's sole discretion, would cause it to engage in an unsafe and unsound practice.
20. **Rules Enforcement.** In the event that a Report of Possible Rules Violation is filed on the Company, the Company will take appropriate steps to correct the problem within the time frames suggested by CRB. In the event that a fine is levied against CRB for a violation of the Rules, the Company agrees to make CRB whole for the value of the fine.
21. **Inconsistency of Name and Account Number.** The Company acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry may be made on the basis of the account number even if it identifies a person different from the named Receiver, and the Company's obligation to pay the amount of the Entry to CRB is not excused in such circumstances.

- 22. ACH Rule Compliance Review.** The Company agrees to review its compliance with the ACH Rules on a periodic basis. CRB has a right to request the details of the review.
- 23. Miscellaneous.** CRB may amend the terms of this Agreement from time to time upon thirty (30) days' written by notice to the Company. CRB may terminate this Agreement at any time for any reason, in its sole discretion, without liability. The Company may terminate this Agreement upon ten (10) days' written notice to CRB except that the Company may terminate the Agreement immediately if the terms of the Agreement are materially breached by CRB. Any termination of this Agreement shall not affect any of CRB's rights and the Company's obligations with respect to Entries initiated by the Company prior to the effective time of such termination, or the payment of obligations of the Company with respect to services performed by CRB prior to the effective time of such termination, or any other obligations that shall survive termination. The provisions of this Agreement that are necessary to give effect to the purposes of this Agreement shall survive its termination. CRB may assign this Agreement or any of its rights and duties hereunder without prior notice to or consent by Company, but the Company may not assign this Agreement or any of the rights or duties hereunder to any person without CRB's prior written consent. This Agreement shall be governed by and construed in accordance with the law of the state of New York. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. In the event that any provision of this Agreement shall be determined to be invalid, illegal or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.
- 24. Entire Agreement.** This Agreement (including the Attachments, all of which are incorporated herein by reference) is the complete and exclusive statement of the agreement between CRB and the Company with respect to the subject matter hereof and supersedes any prior agreement(s) between CRB and the Company with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement, or the Attachments or any agreements governing the Account, the terms of this Agreement shall govern. In the event performance of the services provided herein in accordance with the terms of this Agreement would result in a violation of any present or future statute, regulation or government policy to which CRB is subject, and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and CRB shall incur no liability to the Company as a result of such violation or amendment. No course of dealing between CRB and the Company will constitute a modification of this Agreement or constitute an agreement between CRB and the Company regardless of whatever practices and procedures CRB and the Company may use.

COMPANY

FINANCIAL INSTITUTION

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**COMMUNITY RESOURCE BANK
ACH ORIGATION SERVICE FEES
EFFECTIVE: January 17, 2011**

USAGE COSTS

<i>File Transfers</i>	<i>Fee</i>
Monthly Fee Tiered	
0-10 transactions per month	\$5.00
11-15 transactions per month	\$5.00
16&up transactions per month	\$10.00
Per file Fee Tiered	
0-10 transactions per month	No file fee
11-15 transactions per month	\$5.00 per file
16&up transactions per month	\$10.00 per file
Cost per external file entry	\$.15 each

<i>Fund Transfers to an account owned by your company only!</i>	<i>Fee</i>
Monthly Fee	\$5.00
Per Transfer	\$1.00

<i>Miscellaneous Fees</i>	<i>Fee</i>
ACH Rule Book, Corporate Edition	Cost to CRB plus shipping if applicable

DEADLINES

<i>Type of ACH</i>	<i>Deadline for receipt by CRB</i>
Debit	1pm One business day before settlement
Credit	1pm Two business days before settlement

ACH files or transfers must be received by these deadlines to ensure the availability of funds on Settlement Day. Files received after the deadline will be processed the following business day with no assurance of the items being available on Settlement Day.

**COMMUNITY RESOURCE BANK
AUTOMATED CLEARING HOUSE
DELIVERY OF FILES**

A. Delivery of Files:

- Delivery location: Requests to CRB to transmit ACH Files will be completed through CRB Business Online (www.community-resourcebank.com). In cases where CRB Business Online is not functioning, contact Community Resource Bank’s ACH Department at 507-645-1857 or toll free at 1-800-250-8420, extension 3857 for alternative means of File or Transaction delivery.
- Format and content of entries: Files should be formatted based on the NACHA Rules. Specific formats are outlined in Appendix Two of the NACHA Rule Book.
- Acknowledgement of delivery: Confirmation will be received upon completion of your request to process the File or Transaction through CRB Business Online.
- Timing of Delivery: If the Company is generating consumer credit batches, these must be delivered to CRB by **1:00pm two** days before the requested settlement day to ensure funds availability at the opening of business on settlement day. For all other Files/batches, the final delivery deadline is **1:00pm** the day before settlement day. The Company may deliver Files up to **[5]** days before the requested settlement day. CRB will hold those Files and process them to settle on the Effective Entry Date listed by the Company.

B. Limits:

- Company is obligated to process Files within their designated File limits as addressed in **Attachment I** of this agreement. If the need for an increase in File limits arises, Company should contact the Lender or Relationship Manager.

C. Notice by CRB:

- If an Entry or Transaction is rejected or returned CRB shall notify the Company by emailing or calling an Authorized Representative on Exhibit A.

D. ACH Origination Services Offered:

- PPD – *Prearranged Payment and Deposit Entry*
- CCD – *Corporate Credit and Debit Entry*

COMPANY

By: _____

Title: _____

Date: _____

**COMMUNITY RESOURCE BANK
AUTOMATED CLEARING HOUSE
SECURITY PROCEDURES**

- A. The following sets forth the Security Procedure with which the Company agrees to comply when transmitting or delivering Entries to CRB:
Company utilizes an Electronic method via an Internet banking application to send ACH files to CRB:
1. Entries transmitted by Company to CRB shall be encrypted by at least 128 bit RC4 encryption or its equivalent;
 2. Company shall utilize a multi-factor authentication method as prescribed by CRB.
- B. The Company agrees that the Security Procedure set forth above in Section A is commercially reasonable.
- C. If the Company uses any method other than the Security Procedure set forth above in Section A to communicate, deliver, or transmit an Entry to CRB, by doing so the Company rejects the Security Procedure set forth in Section A, chooses an alternative security procedure, agrees that such alternative security procedure may not be found to be commercially reasonable, and agrees to be bound by any Entry, whether or not authorized, that was issued in the Company's name and accepted by CRB using the alternative security procedure selected by the Company.
- D. CRB requests that the Company provide CRB with a Company payroll schedule, or debit schedule, to help plan for ACH processing.
- E. For security purposes, the Company Files, Entries and Transactions will not exceed total origination as specified in **Attachment 5**. Should a File, Entry or Transaction exceed this amount, the Company will receive a message through CRB Business Online stating the "transfer is pending bank approval". It is recommended that the Company communicate this message with the ACH Department. CRB may require an additional Authorized Representative from the Company to approve the dollar amount of the File or Transaction by phone or in person.

**COMMUNITY RESOURCE BANK
AUTOMATED CLEARING HOUSE
EXPOSURE LIMITS**

Completed by & date: _____ / _____

Summary of purpose of ACH services: _____

What date should CRB expect the first file? _____

CRB customer since: _____ Account number: _____

Other account relationships with CRB (deposit, loan, brokerage, etc.):

ATTACH ITI ACCOUNT DATA FOR DEPOSITS AND LOANS

Credit Origination:	Current Limits	Approved Limits
Daily File Limit:		
Monthly File Limit:		
Maximum Frequency:		

Debit Origination	Current Limits	Approved Limits
Daily		
Monthly		
Maximum Frequency		

An annual review will be done on all customers to review file limits previously established. If already a loan customer, attach credit analysis & limits approval document to this form. If not a current loan customer, attach completed one page customer application form. In either case, a credit presentation form appropriate for the applicant's total commitment to the bank including limits being approved will be attached to this form with appropriate limits' approval noted. The authority approving the limits will sign this form below.

Lender/Account Manager Signature _____ Date _____

Print Name and Title _____

**COMMUNITY RESOURCE BANK
AUTOMATED CLEARING HOUSE**

Authorized Representative List for _____ :

(Company name)

The undersigned certifies that the individuals listed below are the authorized representatives of this Company for the purposes set forth in the Agreement (“Authorized Representatives”). These Authorized Representatives are authorized to act on behalf of the Company to transmit, add, amend or cancel Entries or communicate with or provide instructions to CRB concerning the matters governed by the Agreement.

- Access IDs and passwords are confidential and assigned to each individual Authorized Representative. For security reasons, it is the responsibility of the Company to notify CRB upon termination of an Authorized Representative. Exhibit A will need to be updated with any changes to the list of Authorized Representatives.

Name (printed)	Signature	Phone Number	Email Address	Add	Delete

To add or delete Authorized Representatives, the Company shall provide CRB with a revised **Schedule E** signed by an authorized signor of the Company. Until CRB receives such revised **Schedule E** and has had a reasonable opportunity to act on it, CRB shall continue to use previously designated Authorized Representatives and rely on all information provided by such Authorized Representatives.

Please list an email address, fax number and phone number to be used for NOC's (Notification of Change), returns and any other notifications as deemed necessary.

Contact Person	Email	Fax Number	Phone Number