



Cash Management Services Agreement

This Cash Management Services Agreement (“Agreement”) governs the terms and conditions associated with the cash management services that we provide to you through our Business eBanking (“BeB”) portal and Business Mobile Banking (“BMB”) software. This Agreement is effective as of the date of the last date of execution.

As used in this Agreement, the terms “we”, “us”, “our”, and “Bank”, refer to ConnectOne Bank. The terms “you” and “your” refers to the business entity executing this Agreement as the Customer. Business Day is defined in this Agreement as any day that is not a weekend or a holiday observed by the Federal Reserve.

We offer the following Cash Management Services (each referred to as a “Service”):

- Wire Treasury Direct
- Positive Pay

Each Service that you select will be made available for all of your accounts.

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I. Wires Treasury Direct Services

Wire Treasury Direct Services allows you to transmit wire transfers through our BeB and BMB.

Only authorized individuals to the business account as identified on your signature card or resolution shall transmit wire transfers.

Wire transfers received before 5:00 PM EST ("Cutoff Time") will be processed on the Business Day that the wire transfer is received. Any wire transfer received after the Cutoff Time will be treated as if it was received the next Business Day. We will not be required to process the wire transfer request on the day on which the wire transfer request is received, unless received within a reasonable time before the Cutoff Time.

We shall not be obligated to accept or process any wire transfer requests, and explicitly reserve the right to reject any wire transfer request. We may provide you with a notice of rejection of any wire transfer request by oral, electronic, or written means.

You shall have no right to cancel or amend a wire transfer once it has been transmitted.

You agree to pay us and shall be liable for the total amount of each transmitted wire transfer.

You agree that the account from which you initiate the wire transfer will have sufficient funds to transmit each wire transfer. If, however, a wire transfer creates an overdraft, you shall be responsible to pay us the overdraft amount and any overdraft fee promptly upon demand. You also authorize us to offset the amount of the overdraft and overdraft fee from any other accounts held by you, jointly or individually. In addition, we may exercise any right we may have under any agreement between you and us in which you grant us security for the payment of liabilities or obligations you may have to us.

You understand and agree that the wire transfer is transmitted based on the information you provide. You understand that we will not review the accuracy of any information you provide. Further, we and other banks (Intermediary and/or Beneficiary) rely on the information you provide to process the wire transfer. Therefore, it is critical that you verify the accuracy of all information (beneficiary name, account number, routing number, etc.) before transmitting the wire request. If the wire transfer request contains a beneficiary name, account number, or other information that is inaccurate, nonexistent, or unidentifiable, the wire transfer will fail or be unsuccessful. You also agree to release and waive any and all claims against us or any other bank (Intermediary/Beneficiary) for relying on any information you provide with respect to your wire transfer request.

You agree that all wire transfer requests received by us are deemed to be payment instructions or orders from you, whether or not authorized, if we accepted the wire transfer request in compliance with our BeB security procedures.

We shall have no liability for delays or mistakes, provided we acted commercially reasonably. We shall also not be responsible for delays or mistakes that is not within our control including delays or mistakes caused by third parties through whom the wire is transmitted regardless of whether such third party is selected by you or us.

You agree that we shall not be liable or responsible for any delay or failure of a wire transfer request of any amount because of applicable rules, regulations, or policies. Specifically, there may be delays or failures because the Federal Reserve Board limits, in the aggregate, the amount we can transfer from time to time during any Business Day. In addition, your wire transfer request may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If we determine that additional review or verification is required, the wire transfer may incur delays in processing or availability.

II. Positive Pay

A. Introduction

Positive Pay is an automated detection tool that protects your business against altered, forged, and counterfeit checks and electronic payments. ACH and Check Positive Pay allow the user to import issues and create rules to accept and pay valid in clearing items.

You assume liability for decisions made or not made on all Positive Pay exception items.

We strongly recommend subscribing to receive email alert notifications to better manage your Positive Pay exceptions.

Positive Pay history is retained for 180 days.

B. Check Positive Pay

Check Positive Pay issue files can be uploaded to our system at any time. The timing of when issue files are uploaded may affect the number of exceptions you have to decide. Issue files can be imported to clear exceptions any time before the close of the exception window at 11:30 a.m EST. It is recommended that you upload issues before disbursing checks.

Check issue file imports can be entered into the system in many different formats. The system allows for multiple fully configurable file formats definitions to be enabled. This allows for files generated from different sources to be imported easily.

To ensure your file definitions are set up properly for your issue files you may request to test the service prior to turning on the service in a live environment. Once service is turned on you must submit a file of all outstanding checks to begin using the service.

If you order or print business checks other than from us, you agree to insure the MICR encoding ink is of high quality. Not using business checks with high quality MICR ink could result in a large number of Positive Pay exceptions and high costs to you.

In clearing checks not matching an issued check generate Check Positive Pay exceptions. It is your responsibility to review and decide whether to return or pay your Check Positive Pay Exceptions each Business Day between the hours of 7:30 a.m. (EST) and 11:30 a.m. (EST).

Check Positive Pay exceptions that are not reviewed or decided by you will be returned by the Bank unpaid and identified as "REFER TO MAKER".

C. ACH Positive Pay

ACH Positive Pay operates in accordance with certain payment rules you create. Payment rules are conditions that determine whether transactions should be processed. If you do not set up payment rules, each transaction will initially show up as an ACH Positive Pay exception. If you decide to pay on that ACH Positive Pay exception, the system will create a payment rule based on that decision. If, however, you set up a payment rule and a transaction matches a payment rule, it is processed normally and will post to your account. If a transaction does not match a payment rule, it is blocked. Blocked transactions will generate an ACH Positive Pay exception.

ACH Positive Pay exceptions with a decision to pay are added to your list of originator company payment rules automatically. By default, an auto generated payment rule is set up without a maximum dollar amount.

It is your responsibility to work your ACH Positive Pay Exceptions each Business Day between the hours of 7:30 a.m. (EST) and 5:30 p.m. (EST).

In accordance with National Automated Clearinghouse Association rules, same day ACH transactions can settle up to 5 p.m. (EST).

ACH Positive Pay exceptions not reviewed or decided by you will be returned by the Bank unpaid and identified as "NOT AUTHORIZED".

III. GENERAL TERMS AND CONDITIONS

A. Fees

There are fees and charges associated with both Wire Treasury Direct and Positive Pay. Please refer to our Miscellaneous Bank Fees and Charges Schedule.

B. Token

Tokens are additional security devices we utilize to protect your information and to mitigate against fraud. Tokens generate a one-time use numeric code to provide authentication to effect certain transactions. The generated code can only be used once to provide authentication. A different code will be generated by the Token each time it is used. We require the use of tokens in connection with all ACH transactions and wire transfers.

There are hard and soft tokens which are available to you. The charge for a hard token is \$75.00 per token. Upon your request we will issue hard tokens to authorized signers of an account or to individuals identified in your resolution as having authority to transmit ACH transactions or wire transfers. Please contact the Client Connections Center at 1-844-266-2548 for more information.

You are responsible for tracking and maintaining the hard tokens that we have issued to the authorized signers on your account. Specifically, the hard tokens must be safeguarded and secured. Hard tokens shall not be copied, reverse engineered or otherwise tampered with. Hard tokens shall be used only for identification purposes. You are responsible for all transactions performed with any hard token linked to your account, whether such transaction is authorized or unauthorized.

If you suspect any impropriety in connection with use of a hard token or if there are changes to the authorized signers on your account, you must take immediate steps to revoke access to all associated accounts, including the return of the hard token.

Soft tokens are automatically available to BeB clients enrolled in our ACH Service and/or Wires Treasury Direct Service. Soft tokens are issued through the BeB portal Primary Administrators and all other Administrators on a BeB profile have the ability to issue and revoke soft tokens to any user. Please review carefully the "Primary Administrator and Administrator Responsibility" section of the BeB Agreement.

You shall issue soft tokens only to authorized signers on the accounts from which you are transmitting ACH transactions or wire transfers or to individuals identified in your resolution as having the authority to transmit ACH transactions or wire transfers. You are expressly prohibited from issuing soft tokens to users who are not authorized signers on the account or identified in your resolution as having the authority to transmit ACH transactions or wire transfers. We will have no knowledge or control over the soft tokens that are assigned to each user and shall have no responsibility for ensuring compliance with the procedures you develop for protecting and maintaining the security of the soft tokens. Thus, it is imperative that at the account level, you entitle only authorized signers or those identified in your resolution as having the authority to transmit ACH transactions or wire transfers. You agree that you are solely liable and responsible for any transaction, including those that you did not intend or want performed, initiated by you or by any users using a soft token.

When revoking entitlements to transmit ACH or wire transfers or deleting a user with a soft token, the Primary Administrator or any other Administrator must first deactivate the soft token by removing the soft token entitlement from that user. This process disables the soft token and allows it to be recycled or issued to another user.

You agree that we are authorized to act on any instruction received under any user credentials (Company ID, User ID, password, PIN, token, etc.), whether used alone or with any other credential or authorization processes. This includes your authorization that we honor any ACH transaction or wire transfer request and provide account information to anyone who provides the proper credential(s). WE WILL NOT BE LIABLE TO YOU OR TO THIRD PARTIES FOR ANY LOSS WHATSOEVER ARISING FROM YOUR USE OF EITHER A HARD OR SOFT TOKEN.

C. Disclaimer of Warranty

THE SERVICES UNDER THIS AGREEMENT IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE SERVICES OR BEB AND HEREBY DISCLAIM ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU ACKNOWLEDGE THAT ALL FILES MUST BE PROVIDED TO US IN A READABLE FORMAT TO INTERFACE WITH BEB, AND ASSUME THE RISK THAT BEB MAY NOT BE OPERATIONAL AT ALL TIMES.

D. Liability; Limitations on Liability; Indemnity

We shall not be responsible for any act or omission (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any file we receive) in connection with the Services. We are authorized by you to process transactions in accordance with the information that we receive in the file transmitted to us. You shall be solely responsible for the information contained in the file, and we shall have no responsibility for any inaccurate or incomplete data. You agree that you will indemnify and hold us harmless from and against any loss, charge, liability, cost, fee or expense (including attorneys' fees and expenses) we suffer or incur resulting from any lawsuit, claim, arbitration or other action, actual or threatened, arising under or in connection with this Agreement.

In no event shall we be liable for indirect, consequential or special damages, including lost profits, arising from your enrollment and use of the Services, even if such damages were reasonably foreseeable and notice was given regarding them. These limitations will apply to all causes of action, whether arising from breach of contract, tort (including negligence) or any other legal theory resulting from our acts or omissions pursuant to this Agreement.

E. Amendments

We reserve the right to change any of the terms and conditions in this Agreement. Such amendments shall become effective upon receipt of notice by you. Your continued use and enrollment in any Service will constitute your acceptance to such amendments.

F. Termination

Either party may terminate this Agreement, with or without cause, for any reason or for no reason, at any time. A termination by you will not be effective until two (2) Business Days after we have received from you a signed written notice of termination addressed to:

ConnectOne Bank
Deposit Operations
2455 Morris Ave
Union NJ 07083

We may terminate this Agreement at any time by giving written or oral notice to you. The termination of this Agreement shall not affect any of our rights and your obligations arising prior to such termination, or your payment obligations with respect to the Services performed by us prior to termination shall survive termination of this Agreement.

G. Entire Agreement

This Agreement, together with the Business Deposit Account Agreement (“BDAA”), and Business eBanking and Business Mobile Banking Application Agreement (“BeB/BMB”) reflect the complete and exclusive statement of the agreement between you and us with respect to the subject matter hereof and supersedes any prior agreement(s) between you and us with respect to such subject matter. The terms of the BDAA and BeB/BMB Agreement are hereby incorporated by reference. If there is a conflict or inconsistency, the order of priority of the documents are as follows: (1) BDAA, (2) BeB/BMB Agreement, then (3) this Agreement.

In the event any of the Services or provision of Services subject to this Agreement would result in a violation of any present or future statute, regulation or government policy to which we are 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 we shall incur no liability to you as a result of such violation or amendment.

Further, no course of dealing between you and us will constitute a modification of this Agreement or constitute an agreement between you and us, regardless of whatever practices and procedures we use.

H. Governing Law

This Agreement is subject to all applicable transfer system rules, rules of the Board of Governors of the Federal Reserve System including regulation J, 12 CFR 210, Subpart Band it’s appendices, and 31 CFR B, Chapter 1, Part 103, the Board’s operating circulars, the Electronic Fund Transfer Act of 1978, as amended, and other federal laws and the laws of the state in which the Customer’s account is located. 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.

I. Waiver

We may waive enforcement of any provision of this Agreement. Any such waiver shall not affect our rights with respect to any other transaction or modify the terms of this Agreement.

J. Binding Agreement; Benefit

You may not assign this Agreement. We may assign this Agreement to an affiliate or any successor. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives or successors. This Agreement is not for the benefit of any other party.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers, effective as of the date first above written.

Customer: _____

Customer EIN: _____

Services: Kindly set forth your initials next to each Service you would like from the Bank.

☐ WIRE TREASURY DIRECT _____ ☐ POSITIVE PAY _____ ☐ Soft Tokens _____

Client

Designated Representative: _____

Signature: _____

Date: _____

ConnectOne Bank

Bank Representative: _____

Signature: _____

Date: _____