

## ACH ORIGATION AGREEMENT

This ACH Agreement is made this 1st day of November, 2024 by and between \_\_\_\_\_ ("Company") and Capital Bank ("Bank").

### **RECITALS**

A. Company wishes to initiate credit and/or debit entries pursuant to the terms of this Agreement and the *ACH Rules* (the *Rules*), and Capital Bank is willing to act as an Originating Depository Financial Institution (ODFI) with respect to such entries.

B. Unless otherwise defined herein, capitalized terms shall have the meanings provided in the *Rules*. The term "Entries" shall have the meaning provided in the *Rules* and shall mean the data received from the Company hereunder from which Capital Bank prepares entries.

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## **AGREEMENT**

### **1. Transmittal of Entries by Company.**

Company shall transmit credit and debit Entries <sup>1</sup> to Capital Bank to the location(s) and in compliance with the formatting and other requirements set forth in Schedule A attached hereto. Company agrees that its ability to originate entries under this agreement is subject to exposure limits in accordance with the Rules.

### **2. ACH Rules.**

The Company has access to a copy of the Rules or may purchase a copy if they so desire. Company can get basic online access to the NACHA Operating Rules in read-only PDF format without paying a fee by accessing the following website: <http://www.achrulesonline.org/>. Further instructions and information can be provided by:

#### **NACHA-The Electronic Payments Association**

200 Wasser Terrace, Suite 400

Herndon, Virginia 20171

**Ph:** 703-561-1100

The Company agrees to comply with and be bound by the Rules. In the event the Company violates any of the applicable Rules and NACHA imposes a fine on the Bank because of the Company's violation, the Bank may charge the fine to the Company and Company agrees to pay such fine.

### **3. U.S. Law.**

It is the Company's responsibility that the Origination of ACH transactions complies with US law

### **4. Governing Law.**

This Agreement shall be construed in accordance with and governed by the laws of the state of New York, and in accordance with Uniform Commercial Code Section 4A-403(a) of Article 4A

### **5. Security Procedures.**

- (a) The Company and Capital Bank shall comply with the security procedure requirements described in the attached Schedule A with respect to entries transmitted by the Company to Capital Bank. Company acknowledges that the purpose of such security procedures is for verification of authenticity and not to detect an error in the transmission or content of an Entry. No security procedures for the detection of any such error have been agreed upon between, Capital Bank and Company.
- (b) Company is strictly responsible to establish and maintain the procedures to safeguard against unauthorized transmissions. Company warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices and related instructions provided by Capital Bank in connection with the security procedures described in Schedule A. If Company believes or suspects that any such information

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<sup>1</sup> Capital Bank and Company agree to limit the transactions initiated by the Company to specific Standard Entry Class Codes (SEC). These SEC Codes are identified as: PPD (Prearranged Payment and Deposit Entry) and CCD (Corporate Credit or Debit).

or instructions have been known or accessed by unauthorized persons, Company agrees to notify Capital Bank immediately followed by written confirmation. The occurrence of unauthorized access will not affect any transfers made in good faith by Capital Bank prior to receipt of such notification and within a reasonable time to prevent unauthorized transfers.

#### 6. Processing, Transmittal and Settlement by Capital Bank.

- (a) Except as provided in Section 7, On-Us Entries. And Section 8, Rejection of Entries., Capital Bank shall (i) process entries received from the Company to conform with the file specifications set forth in the *Rules*, (ii) transmit such Entries as an Originating Depository Financial Institution to the ACH Operator, and (iii) settle for such entries as provided in the *Rules*.
- (b) For Payroll/Direct Deposit entries the Company transmits to the Bank, the Company shall transmit the ACH Batch File by the "Release Day" as specified on the ACH Calendar- Schedule B.
- Company agrees that it shall submit a new ACH Calendar on an annual basis to Capital Bank.
- (c) Capital Bank shall transmit such entries to the ACH Operator by the deadline set forth in the attached Schedule B, one business day prior to the Effective Entry Date shown in such entries, provided (i) such entries are received by Capital Bank's related cut-off time set forth in the attached Schedule B on a business day, (ii) the Effective Entry Date is at least one day after such business day, and (iii) the ACH Operator is open for business on such business day. For purposes of this Agreement, Entries shall be deemed received by Capital Bank, in the case of electronic transmission, when the transmission (and compliance with any related security procedures provided for herein) is completed as provided in Schedule A.
- Business days are defined as those days when most corporate and government offices are open for business, usually any day except Saturday, Sunday and legal holidays.
- (d) If any of the requirements of clause (i), (ii), or (iii) of Section 6(c) are not met, Capital Bank shall use reasonable efforts to transmit such entries to the ACH Operator by the next deposit deadline on which the ACH Operator is open for business.

#### 7. On-Us Entries.

Except as provided in Section 8, Rejection of Entries., in the case of an entry received for credit or debit to an account maintained with Capital Bank (an "On-Us Entry"), Capital Bank shall credit or debit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in Section 6(c) are met. If either of those requirements is not met, Capital Bank shall use reasonable efforts to credit or debit the Receiver's account in the amount of such Entry no later than the next business day following such Effective Entry Date.

#### 8. Rejection of Entries.

Capital Bank shall reject any Entry which does not comply with the requirements of Section 1, Transmittal of Entries by Company., or 5, Security Procedures. Capital Bank shall have the right to reject an On-Us Entry for any reason for which an Entry may be returned under the *Rules*. Capital Bank shall have the right to reject any Entry if the Company has failed to comply with its account balance obligations under Section 12, The Account. Capital Bank may reject any Entry if Company

does not adhere to security procedures as described in Schedule A. Capital Bank shall have the right to any restrictions on the types of ACH transactions that may be originated. Capital Bank shall notify the Company by telephone or U.S. mail or electronic communications of such rejection no later than the business day such entry would otherwise have been transmitted by Capital Bank to the ACH Operator, or in the case of an on-us entry, its Effective Entry Date. Notices of rejection shall be effective when given. Capital Bank shall have no liability to the 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.

**9. Cancellation or Amendment by Company.**

The Company shall have no right to the cancellation or amendment of any Entry after its receipt by Capital Bank. However, if such request complies with the security procedures described in Schedule A for the cancellation of Data, Capital Bank shall use reasonable efforts to act on a request by the Company for cancellation of an Entry prior to transmitting it to the ACH Operator, or in the case of an On-Us Entry, prior to crediting or debiting a Receiver's account, but shall have no liability if such cancellation is not effected. Company shall reimburse Capital Bank for any expenses, losses, or damages Capital Bank may incur in effecting or attempting to effect the cancellation or amendment of an Entry.

**10. Notice of Returned Entries and Notifications of Change.**

Capital Bank shall notify the Company by telephone or U.S. mail or electronic communications of the receipt of a returned entry from the ACH Operator no later than one business day after the business day of such receipt. Except for an Entry retransmitted by Company in accordance with the requirements of Section 1, Transmittal of Entries by Company, Capital Bank shall have no obligation to retransmit a returned Entry to the ACH Operator if Capital Bank complied with the terms of this Agreement with respect to the original Entry.

Capital Bank shall provide Company all information, as required by the NACHA Operating Rules, with respect to each Notification of Change (NOC) Entry or Corrected Notification of Change (Corrected NOC) Entry received by Capital Bank relating to Entries transmitted by Company. Capital Bank must provide such information to Company within two banking days of the Settlement Date of each NOC or Corrected NOC Entry. Company shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) banking days of Company's receipt of the NOC information from Capital Bank or prior to initiating another Entry to the Receiver's account, whichever is later.

**11. Payment by Company for Entries; Payment of ODFI for Entries.**

- (a) The Company shall pay Capital Bank the amount of each credit Entry transmitted by Capital Bank pursuant to this Agreement on the Receiving Date with respect to such Entry as Capital Bank, at its discretion, may determine, and the amount of each on-us entry at such time on the Effective Entry Date of such entry as Capital Bank, at its discretion, may determine.
- (b) Company shall promptly pay Capital Bank the amount of each debit entry returned by an RDFI that was transmitted by Capital Bank pursuant to this Agreement.
- (c) Capital Bank shall pay Company the amount of each debit Entry transmitted by Capital Bank pursuant to this Agreement at such time on the Settlement Date with respect to such debit Entry

as Capital Bank, in its discretion, may determine, and the amount of each On-Us Entry at such time such Entry as Capital Bank, in its discretion, may determine.

(d) Capital Bank shall promptly pay Company the amount of each credit Entry returned by and RDFI that was transmitted by Capital Bank pursuant to this Agreement.

#### 12. The Account.

Capital Bank may, without prior notice or demand, obtain payment of any amount due and payable to it under the Agreement by debiting the account(s) of the Company originally debited or credited and shall credit the account for any amount received by Capital Bank by reason of the return of an entry transmitted by Capital Bank for which Capital Bank has previously received payment from the Company. Such credit shall be made as of the day of such receipt by Capital Bank. The Company shall at all times maintain a balance of available funds in the account sufficient to cover its payment obligations under this Agreement. In the event there are not sufficient available funds in the account to cover the Company's obligations under this Agreement, the Company agrees that Capital Bank may debit any account maintained by the Company with Capital Bank or any affiliate of Capital Bank or that Capital Bank may set off against any amount it owes to the Company, in order to obtain payment of the Company's obligations under this Agreement. Upon request of Capital Bank, Company agrees to promptly provide Capital Bank such information pertaining to Company's financial condition as Capital Bank may reasonably request.

#### 13. Account Reconciliation.

Entries transmitted by Capital Bank or credited to a Receiver's account maintained with Capital Bank will be reflected on Company's periodic statement issued by Capital Bank with respect to the Account pursuant to the agreement between Capital Bank and the Company. The periodic statement issued by Capital Bank for the Company's account will reflect entries credited and debited to the Company's account. The Company agrees to notify Capital Bank promptly of any discrepancy between the Company's records and the information shown on any such periodic statement. If the Company fails to notify Capital Bank within 30 days of receipt of a periodic statement, the Company agrees that Capital Bank shall not be liable for any other losses resulting from the Company's failure to give such notice or any loss of interest or any interest equivalent with respect to an Entry shown on such periodic statement. If Company fails to notify Capital Bank of any such discrepancy with 30 days of receipt of such periodic statement, Company shall be precluded from asserting such discrepancy against Capital Bank.

#### 14. Company Representations and Agreements; Indemnity.

With respect to each and every Entry transmitted by Company, Company represents and warrants to Capital Bank and agrees that (a) each person shown as the Receiver on an entry received by Capital Bank from the Company has authorized the initiation of such entry and the crediting of its account in the amount and on the Effective Entry Date shown on such entry, (b) such authorization is operative and required at the time of transmittal or crediting by Capital Bank as provided herein, (c) entries transmitted to Capital Bank by the Company are limited to those types of entries agreed to by Capital Bank, set forth in Section 1, Transmittal of Entries by Company, (d) the Company shall perform its obligations under this Agreement in accordance with all applicable laws and regulations and orders, including but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws,

regulations, and orders administered by FinCEN; and any state laws, regulations, or orders applicable to the providers of ACH payment services, and (e) the Company shall be bound by and comply with the *Rules* (among other provisions of the *Rules*) , including without limitation the provision thereof making payment of an entry by the Receiving Depository Financial Institution to the Receiver provisional until receipt by the Receiving Depository Financial Institution of final settlement for such entry; and specifically acknowledges that if such settlement is not received, the Receiving Depository Financial Institution shall be entitled to a refund from the Receiver of the amount credited and the Company shall not be deemed to have been paid the Receiver. The Company shall indemnify Capital Bank against any loss liability or expense (including attorneys' fees and expenses) resulting from any breach of any of the foregoing warranties, representations, or agreements.

Further the Company agrees to be bound by the NACHA Operating Rule, Article Two, subsection 2.3.4, known as the Data Passing Rule. The Data Passing Rule prohibits the sharing of certain customer information by Originators, Third-Party Service Providers and Originating Depository Financial Institutions. (ODFI) In accordance with subsection 2.3.4, the Company shall not disclose and must ensure that the Originator and any Third Party Service Provider acting on behalf of the Originator or ODFI do not disclose, the Receiver's account number or routing number to any third party for such third party's use, directly or indirectly, in initiating a debit Entry that is not covered by the original authorization.

15. Capital Bank Responsibilities; Liability; Limitations on Liability; Indemnity.

- In the performance of the services required by this Agreement, Capital Bank shall be entitled to rely solely on the information, representations, and warranties provided by Company pursuant to the Agreement, and shall not be responsible for the accuracy or completeness thereof. Capital Bank shall be responsible only for performing the services expressly provided for in this Agreement, and shall be liable only for its negligence or willful misconduct in performing those services. Capital Bank shall not be responsible for the Company's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or due authorization of any entry received from the Company) or those of any other person, including without limitation any Federal Reserve Bank, ACH Operator or transmission or communications facility, any Receiver or RDFI (including without limitation the return of an entry by such Receiver or RDFI), and no such person shall be deemed Capital Bank's agent. Company agrees to indemnify Capital Bank against any loss, liability or expense (including attorneys' fees and expenses) resulting from any claim of any person that Capital Bank is responsible for, any act of omission by the Company or any other person described in this Section 15 .
- Capital Bank shall be liable only for Company's actual damages due to claims arising solely from Capital Bank's obligations to Company with respect to Entries transmitted pursuant to this Agreement; in no event shall Capital Bank be liable for any consequential, special, incidental, punitive or indirect loss or damage that the Company may incur or suffer in connection with this Agreement, whether or not the likelihood of such damages was known or contemplated by Capital Bank and regardless of the legal or equitable theory of liability which Company may assert, including, without limitation, loss or damage from subsequent wrongful dishonor resulting from Capital Bank's acts or omissions pursuant to this Agreement.
- Without limiting the generality of the foregoing provisions, Capital Bank 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 communication facilities, equipment failure, war, emergency conditions or other circumstances beyond Capital Bank's control. In addition, Capital Bank shall be excused from failing to transmit or delay in transmitting an Entry if such transmittal would result in Capital Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to Federal Reserve guidelines or in Capital Banks' reasonable judgment otherwise would violate any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority.

- Subject to the foregoing limitations, Capital Bank's liability for loss of interest resulting from its error or delay shall be calculated by using a rate equal to the average Federal Funds Rate at the Federal Reserve Bank of Richmond for the period involved. (At Capital Bank's option, payment of such interest may be made by crediting the Account.)

#### 16. Compliance with the Security Procedures.

- (a) If an Entry (or a request for cancellation or amendment of an entry) received by Capital Bank purports to have been transmitted or authorized by the Company, it will be deemed effective as the Company's entry and the Company shall be obligated to pay Capital Bank the amount of such Entry even though the Entry (or request) was not authorized by the Company, provided Capital Bank accepted the Entry in good faith and acted in compliance with the security procedure referenced in Schedule A with respect to such Entry. If signature comparison is to be used as a part of that security procedure, Capital Bank shall be deemed to have complied with that part of such procedure if it compares the signature accompanying a file of Entries (or request for cancellation or amendment of an Entry) received with the signature of an authorized representative of the Company and, on the basis of such comparison, believes the signature to be that of such authorized representative.
- (b) If an Entry (or request for the cancellation or amendment of an Entry) received by Capital Bank was transmitted or authorized by the Company, the Company shall be obligated to pay the amount of the Entry, whether or not Capital Bank complied with the security procedure referred to in Schedule A with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if Capital Bank had complied with such procedure.

#### 17. 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 transmitted to the RDFI might be made by the RDFI (or by Capital Bank in the case of an On-Us Entry) on the basis of the account number supplied by the Company, even if it identifies a person different from the named Receiver, and that the Company's obligation to pay the amount of the entry to Capital Bank is not excused in such circumstances.

#### 18. Payment for Services.

The Company shall pay Capital Bank the charges for the services provided for herein set forth in Schedule C. Such charges do not include, and the Company shall be responsible for payment of, any sales, use, excise, value-added, utility or other similar taxes relating to the services provided for



herein, and any fees or charges provided for in the agreement between Capital Bank and the Company with respect to the account.

19. Amendments.

From time to time Capital Bank may amend any of the terms and conditions contained in this Agreement, including without limitation, any cut-off time, any business day, and any part of the Schedules attached hereto. Such amendments shall become effective upon receipt of notice by the Company or such later date as may be stated in Capital Bank's notice to the Company.

20. Notices, Instructions, Etc.

- (a) Except as otherwise expressly provided herein, Capital Bank shall not be required to act upon any notice or instruction received from the Company or any other person, or to provide any notice or advice to the Company or any other person with respect to any matter.
- (b) Capital Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an Authorized Representative, and any such communication shall be deemed to have been signed by such person. The names and signatures of Authorized Representatives are set forth in Schedule D attached hereto. The Company may add or delete any Authorized Representative by written notice to Capital Bank signed by at least two Authorized Representatives other than that being added or deleted. Such notice shall be effective on the second business day following the day of Capital Bank's receipt.
- (c) Except as otherwise expressly provided herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by US mail or by express carrier, and, if to Capital Bank, addressed to:

Capital Bank  
2275 Research Blvd. Suite 600  
Rockville, MD 20850  
Attention: Operations Manager

And, if to Company, addressed to:  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Attention: \_\_\_\_\_

Unless another address is substituted by notice delivered or sent as provide herein except as otherwise expressly provided herein, any such notice shall be deemed given when received.

21. Data Retention.

The Company shall retain data on file adequate to permit remaking of Entries for 90 days following the date of their transmittal by Capital Bank as provided herein, and shall provide such data to Capital Bank upon its request. Without limiting the generality of the foregoing provisions, Company specifically agrees to be bound by and comply with all applicable provisions of the Rules regarding

the retention of documents or any record, including, without limitation, Company's responsibilities to retain all items, source documents, and records of authorization in accordance with the *Rules*.

#### 22. Evidence of Authorization.

Company shall obtain all consents and authorizations required under the *Rules* and shall retain such consents and authorizations for two years after they expire.

#### 23. Cooperation in Loss Recovery Efforts.

In the event of any damages for which Capital Bank or Company may be liable to each other or to a third party pursuant to the services provided under this Agreement, Capital Bank and Company will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

#### 24. Reversing Entries.

The Company must notify the Receiver that a reversing entry has been transmitted to the Receiver's account no later than the settlement date of the reversing entry. This notification may be made by the Company's method of choice (fax, telephone, etc.).

#### 25. Termination.

Capital Bank or Company may terminate this Agreement at any time. Such termination shall be effective on the second business day following the day of receipt of written notice of such termination or such later date as is specified in that notice. Capital Bank reserves the right to terminate this Agreement immediately upon providing written notice of such termination to Company. Any termination of this Agreement shall not affect any of Capital Bank's rights and Company's obligations with respect to Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to services performed by Capital Bank prior to termination, or any other obligations that survive termination of this Agreement.

Capital Bank has the right of the ODFI to terminate or suspend the agreement for breach of these rules in a manner that permits the ODFI to comply with these rules.

#### 26. Entire Agreement.

This Agreement (including the attached Schedules), together with the Account Agreement, is the complete and exclusive statement of the agreement between Capital Bank and Company with respect to the subject matter hereof and supersedes any prior agreement(s) between Capital Bank and Company with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement and the account Agreement, 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 Capital Bank 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 a policy, and Capital Bank shall incur no liability to Company as a result of such violation or amendment. No course of dealing between Capital Bank and the Company will constitute a modification of this Agreement, the *Rules*, or the security procedures or constitute an

agreement between Capital Bank and Company, regardless of whatever practices and procedures Capital Bank and Company may use. Capital Bank has the right of the ODFI to audit the Originator's compliance with the agreement and these rules.

27. Non-Assignment.

Company may not assign this Agreement or any of the rights or duties hereunder to any person without Capital Bank's prior written consent.

28. Waiver.

Capital Bank may waive enforcement of any provision of this Agreement. Any such waiver shall not affect Capital Bank's rights with respect to any other transaction to modify the terms of this Agreement.

29. Binding Agreement; Benefit.

This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against Capital Bank or Company hereunder.

30. Severability.

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.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Company: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

Capital Bank, N.A.:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: Paul Mastroni Title: VP

# Schedule (A)

## **ACH Transmittal/Security Procedures**

All files will be formatted in a NACHA or other pre-approved format; transmission specifications will be established by Capital Bank.

## **Restrictions on Data Passing**

Article Two, subsection 2.3.4, known as the Data Passing Rule, the Data Passing Rule prohibits the sharing of certain customer information by Originators, Third-Party Service Providers and Originating Depository Financial Institutions. (ODFI) In accordance with subsection 2.3.4, the Company shall not disclose and must ensure that the Originator and any Third Party Service Provider acting on behalf of the Originator or ODFI do not disclose, the Receiver's account number or routing number to any third party for such third party's use, directly or indirectly, in initiating a debit Entry that is not covered by the original authorization.

## **Personal Computer Transmissions**

The Company will transmit files to Capital Bank, 2275 Research Blvd., Ste. 600, Rockville MD 20850, Phone: 301-468-8848

## **Security Procedures**

Capital Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by the Authorized Representative, and any such communication shall be deemed to have been signed by such person.

## **Personal Computer File Transmission**

The Company's Authorized Representative will have access to the ACH system by utilizing the pre-arranged logon procedures.

Capital Bank will anticipate the receipt of an ACH file transmission from the Company on each scheduled processing date identified by the Company in writing and agreed to by Capital Bank. The Company is responsible for ensuring that Capital Bank receives the transmission on each processing date indicated in the processing schedule. The Company's Authorized Representative will notify Capital Bank if a transmission will not take place on the prearranged scheduled processing date.

Capital Bank will verify that the file totals agree with the Company information. In the event of a discrepancy in the totals, Capital Bank will call the specified Company Authorized Representative designated by an authorized signatory of the Company. If an Authorized Representative is not available for notification, the file will not be processed until the Company's Authorized Representative can be contacted on the next business day.

The Company is solely responsible for the accurate creation, modification, and deletion of the account information maintained on the Company's personal computer and used for ACH money transfer. The Company agrees to comply with written procedures provided by Capital Bank for the creation, maintenance, and initiation of ACH money transfers.

# Schedule [B] Processing Schedule

## ODFI Processing Schedule

### Debit Transactions:

<b>Delivery Method</b>	<b>Deadline</b>	<b>Lead Days*</b>
Transmission via Capital Express	5:00pm (EST)	One (1) Business Day Prior to Effective Entry Date*

\* Number of business days a transfer must be loaded and approved within Capital Express ACH Manager prior to the scheduled transfer date.

### Credit Transactions:

<b>Delivery Method</b>	<b>Deadline</b>	<b>Lead Days*</b>
Transmission via Capital Express	5:00pm (EST)	One (1) Business Day Prior to Effective Entry Date*

\* Number of business days a transfer must be loaded and approved within Capital Express ACH Manager prior to the scheduled transfer date.

**Schedule [B] Continued on next page  
ACH Payroll Calendar**

# ACH CALENDAR

ACH CALENDAR																									
<b>Company Name:</b>																									
<b>Account Number(s):</b>		<b>Phone:</b>																							
PAYROLL SCHEDULE																									
<input type="checkbox"/> Weekly  <input type="checkbox"/> Bi-Weekly  <input type="checkbox"/> Semi-Monthly  <input type="checkbox"/> Monthly  <input type="checkbox"/> Other _____  If the Company does not Originate Payroll files click here:  <input type="checkbox"/> No Payroll Files	<b>Payroll Start Date:</b>  <div style="background-color: black; height: 15px; margin-bottom: 10px;"></div> <p><b>ACH Payroll Files must be received no later than 5pm EST one day prior to the effective date/payroll date. Originators of payroll files must ensure to account for Federal Holidays and weekends.</b></p> <p><b>Standard Federal Reserve Bank Holidays:</b></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tbody> <tr><td><b>New Year's Day*</b></td><td><b>January 1<sup>st</sup></b></td></tr> <tr><td><b>Martin Luther King Jr. Day</b></td><td><b>Third Monday in January</b></td></tr> <tr><td><b>President's Day</b></td><td><b>Third Monday in February</b></td></tr> <tr><td><b>Memorial Day</b></td><td><b>Last Monday in May</b></td></tr> <tr><td><b>Juneteenth Natl Independence Day*</b></td><td><b>June 19<sup>th</sup></b></td></tr> <tr><td><b>Independence Day*</b></td><td><b>July 4<sup>th</sup></b></td></tr> <tr><td><b>Labor Day</b></td><td><b>First Monday in September</b></td></tr> <tr><td><b>Columbus Day</b></td><td><b>Second Monday in October</b></td></tr> <tr><td><b>Veterans Day*</b></td><td><b>November 11<sup>th</sup></b></td></tr> <tr><td><b>Thanksgiving Day</b></td><td><b>Fourth Thursday in November</b></td></tr> <tr><td><b>Christmas Day*</b></td><td><b>December 25<sup>th</sup></b></td></tr> </tbody> </table> <p style="margin-top: 10px;"><b>*For Holiday's falling on a Sunday the Bank will be closed the following Monday</b></p>			<b>New Year's Day*</b>	<b>January 1<sup>st</sup></b>	<b>Martin Luther King Jr. Day</b>	<b>Third Monday in January</b>	<b>President's Day</b>	<b>Third Monday in February</b>	<b>Memorial Day</b>	<b>Last Monday in May</b>	<b>Juneteenth Natl Independence Day*</b>	<b>June 19<sup>th</sup></b>	<b>Independence Day*</b>	<b>July 4<sup>th</sup></b>	<b>Labor Day</b>	<b>First Monday in September</b>	<b>Columbus Day</b>	<b>Second Monday in October</b>	<b>Veterans Day*</b>	<b>November 11<sup>th</sup></b>	<b>Thanksgiving Day</b>	<b>Fourth Thursday in November</b>	<b>Christmas Day*</b>	<b>December 25<sup>th</sup></b>
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# Schedule [C]

## ODFI Fee Schedule

One-time Set-Up Fee	\$ 50.00
Conversion Fee	\$ 0.00
Software Fee for Diskette Processing	\$ 0.00
Regular Monthly Fees	
Debit Items Originated*	\$ 0.15
Reversing/Correcting Debit Items Originated	\$ 0.00
Credit Items Originated*	\$ 0.15
Reversing/Correcting Credit Items Originated	\$ 0.00
Per File/Batch Origination Fee	\$ 5.00
Prenote Items Originated	\$ 0.00
Addenda Records Originated	\$ 0.00
ACH Return Items	\$ 7.50
*Minimum Monthly Fee	\$ 25.00

**ACH Originations:** \$25.00/Monthly Maintenance Fee\*

*\*Per item fees may also be charged on Analysis Accounts*

# Schedule [D]

## ACH Authorized User Form

All ACH transaction files/batches must be delivered by an authorized user

DATE \_\_\_\_\_

COMPANY NAME *(One per Form)*: \_\_\_\_\_

ACCOUNT NUMBER(s): \_\_\_\_\_

COMPANY EIN NUMBER *(One per Form)*: \_\_\_\_\_

The \_\_\_\_\_ (#) Users below are the employees with full authority to submit ACH Origination files to the Bank. The number of Users required to submit an ACH transaction file for processing is: \_\_\_\_\_ (#)

Authorized User Name	Contact Information <i>Will be used for Callback Verification and Notifications</i>	Dual Control Required	Initiate	Approve
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Email: Phone:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

***Signature of authorized signer of the Company:***

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



## ACH TRANSFER TYPES and APPROVED LIMITS

NACHA requires that when a transaction is submitted to the Federal Reserve for processing, the transaction must include something called a Standard Entry Class (SEC) Code to communicate exactly how the receiver gave authorization to debit or credit their bank account.

### **Authorized Transaction Types:**

Corporate Credit or Debit Entry (CCD): The code that identifies an Entry initiated by an Organization to transfer funds *to or from* an account of that Organization or another **Organization**.

Prearranged Payment and Deposit Entry (PPD): The code that identifies an Entry initiated by an Organization based on a Standing or a Single Entry authorization from a Receiver to transfer funds *to or from* a **Consumer** account of the Receiver.

The Bank reserves the right to review ACH files and batches prior to submission to the ACH Operator to ensure compliance with the Bank's ACH agreement and all applicable ACH rules and regulations. Capital Bank may reject a file if the Company originates an ACH type that the Company is not authorized to make, to include aggregated or co-mingled ACH transaction types (PPD & CCD) in the same file.

By signing below, Company agrees to use, and correctly indicate the appropriate SEC code for all ACH transactions and agrees to maintain records of all authorizations, for a minimum of two years after they expire. Additionally, the Company agrees to provide Capital Bank the original, copy or other accurate record of the receiver's authorization within five (5) banking days of the request.

Effective, \_\_\_\_\_, 20\_\_\_\_\_ the Company is **approved** to originate the following transactions, with a daily origination limit of:

#### Credit Entries:

- CCD – Corporate Credits (Business)
- PPD - Prearranged Deposits (Consumer)
- PPD Payroll Direct Deposits (Consumer)

#### Debit Entries:

- CCD – Corporate Debits (Business)
- PPD - Prearranged Payments (Consumer)

Daily Credit Limit \$ \_\_\_\_\_

Daily Debit Limit \$ \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date