

This Wire Transfer Service Agreement is made by and between the undersigned customer ("Customer") and PEGASUS BANK, a Texas chartered bank ("Bank") to provide for the wire transmission of Customer's funds to and/or from Customer-designated account(s).

DEFINITIONS. The following terms have the meanings assigned when used herein:

"Agreement" means this Wire Transfer Service Agreement between Customer and Bank, together with the properly completed and signed forms attached to this Agreement, as they may be amended from time to time.

"Fedwire" means the funds transfer system owned and operated by the Federal Reserve Banks that is used primarily for the transmission and settlement of payment orders governed by the Fedwire Regulation.

"Fedwire Regulation" means subpart B of Regulation J of the Board of Governors of the Federal Reserve System, as amended from time to time.

"Foreign Transfer" means a payment to a bank or other recipient outside the United States. These wires may be completed by a combination of Fedwire, correspondent banks and SWIFT (Society for Worldwide Interbank Financial Telecommunication).

"Repetitive Transfer" means Wire Transfers in which the receiving bank, beneficiary bank, payee, and account are the same for each transfer, and only the transfer date and amount vary.

"Request" means a Customer's request to Bank for a Wire Transfer, or for a cancellation or amendment of a Wire Transfer, made in the name, or having the unique identifier, of Customer as sender requesting that funds belonging to, or under the control of, Customer be transferred to a specified account or beneficiary.

"Security Procedure" means each of the procedures described in the Security Addendum for verifying the authenticity of Requests.

"Wire Transfer" means any transfer described in a Wire Transfer Order from Customer to Bank.

"Wire Transfer Business Day" means any day, other than a Saturday or a Sunday, on which Bank is open for business in Washington. The end of the Wire Transfer business day is determined by a Wire Transfer deadline set by Bank and subject to change from time to time.

"Wire Transfer Order(s)" means the direction from Customer to Bank to make a Wire Transfer, which direction shall be in form and content acceptable to Bank. This will include either a Domestic Wire Transfer Request, or a Foreign Wire Transfer Request or a Request for Repetitive Transfer.

## 1. Scope

- a. *Terms and Conditions.* Customer agrees to submit Wire Transfer Requests to the Bank in accordance with the terms and conditions of this Agreement. In all other respects the terms and conditions of Customer's deposit account agreement(s) with the Bank regarding the Customer-designated account(s) that are subject to this Agreement will supplement this Agreement and apply to any such Request. If there is a conflict between such deposit account agreement(s) and this Agreement, this Agreement shall control with respect to Wire Transfers. Customer may also complete a Treasury Management Master Agreement if Wire Transfer requests are to be sent through the Bank's TMS system. If there is a conflict between the Treasury Management Master Agreement and this Agreement, the Treasury Management Master Agreement shall control with respect to Wire Transfers.
- b. *Service Description.* Customer authorizes the Bank to transfer funds to and/or from any of their accounts as designated in a completed Request. The Bank, subject to its then current security procedures, will execute Wire Transfers in accordance with Requests from authorized customer representatives (Signers on Signature Card) whether such Requests are written, oral, telephonic, or by approved electronic delivery methods. Funds must be available in the account specified in the Request at the time the Request is made. The Bank will not search for funds in accounts other than the one(s) specified in the Request.
- c. *Fedwire Notice.* In connection with Customer's use of this service, Bank notifies Customer of the following:
  - i. Bank may use Fedwire when acting upon Customer's Request.
  - ii. Any subsequent bank may use Fedwire when carrying out Customer's Request.
  - iii. The rights and obligations of Bank and Customer in a Wire Transfer intended to carry out Customer's Request, any part of which is carried out through the use of Fedwire, are governed by Fedwire Regulation.
- d. *Accounts.* Customer agrees that this Agreement will apply to all accounts for which a Customer is an Authorized Signer authorized to make a Wire Transfer Request and such account is listed on Exhibit A attached hereto and made a part hereof. Such Exhibit A may be updated from time to time and attached to this Agreement.

## 2. Responsibilities

- a. *Security.* Customer agrees that the Bank's security procedures recorded on the Wire Transfer Security Addendum attached to this Agreement are commercially reasonable. Customer agrees that Bank will use such procedures to attempt to detect an unauthorized Request prior to accepting Customer's Request. Customer furthermore agrees that any Request acted upon by Bank in compliance with these security procedures, whether or not authorized by Customer, shall be treated as Customer's authorized Request. Customer acknowledges that the Bank reserves the right to change its security procedures from time to time.
- b. *Authentication Methods.* The Bank will authenticate Requests by verifying signatures. The Bank, also may assign to the Customer one or more confidential methods of authentication (passwords, PIN, codes, tokens) to be used in requesting Wire Transfers. When so assigned, Requests will not be acted upon without use of correct authentication unless signature may be verified in accordance with Bank policy. The Customer has the responsibility of maintaining the confidentiality of such authentication and for notifying the Bank if it is suspected the authentication has been compromised.
- c. *Recording and Records.* Customer authorizes Bank, at Bank's discretion, to record electronically all telephone calls between Bank and any person acting on Customer's behalf, and to keep those recordings as long as Bank considers it necessary. Customer assumes the duty of obtaining the required consents from its Authorized Representatives for these recordings. If Bank's records about a Request are different than Customer's records, Bank's records will govern. Bank's records include its written records and any recordings about Wire Transfers.
- d. *Payment to Bank.* Unless otherwise agreed to in writing, Customer must pay Bank the amount of the Wire Transfer, plus any applicable fees, before Bank will execute Customer's Request. Fees applicable to Wire Transfers are posted in the Bank's Schedule of Fees as applicable, and are subject to change from time to time at the sole discretion of Bank.
- e. *Acceptance and Execution of Request by Bank.* Customer's Request is considered accepted by Bank when Bank executes it. Customer acknowledges that the Bank maintains deadlines for accepting Wire Transfer requests and such request is not effective until a complete, properly authorized request is received by Bank. If Customer's Request is received prior to the deadline, it will be executed by Bank that Wire Transfer Business Day. A Customer's Request received after the deadline may be executed the next Wire Transfer Business Day. Wire Transfer deadlines are subject to change from time to time at the sole discretion of the Bank. No instructions or other restrictions limiting Bank's acceptance of Customer's Request(s) shall be effective unless accepted and agreed to in writing by Bank. However, Bank at its option may elect to act consistently with such instructions or other restrictions which it believes in good faith were made by Customer.
- f. *Rejection of Wire Transfer.* Bank has no responsibility to accept any incoming Wire Transfer for Customer's benefit. Likewise, Bank has a right to reject Customer's Request for an outgoing Wire Transfer for reasons including, but not limited to, insufficient funds or insufficient collected funds in the account specified in the Request, Bank's inability to execute the Wire Transfer for the reasons set out in Paragraph 2(l) below, or if Bank is unable to verify the authenticity of Customer's Request. Bank will notify Customer if it rejects the Customer's Request.
- g. *Cancellation or Amendment of Wire Transfer Request.* Customer may not be able to cancel or amend a Request after it is received by Bank. However, Bank may at its discretion use reasonable efforts to act on Customer's Request for cancellation or amendment. However, Bank shall have no liability if such cancellation or amendment is not effected. Furthermore, Customer agrees to indemnify and hold Bank harmless from any and all liabilities, costs, and expenses Bank may incur in attempting to cancel or amend the Wire Transfer.
- h. *Repetitive Transfers.* If Bank or Customer determines that Requests have become repetitive, Bank may assign a repetitive number to Customer's Request. If Bank does so, Customer may utilize such number as part of an expedited procedure in communicating such Requests to Bank in the future. Bank may execute Requests containing this number.
- i. *Erroneous Requests.* Customer acknowledges and agrees that when Customer provides Bank with a name and account number when requesting a Wire Transfer, that payment may be made solely on the basis of the account number even if the account number identifies a beneficiary different from the beneficiary named by Customer. Customer furthermore agrees that its obligation to pay the amount of the Wire Transfer to Bank is not excused in such circumstances. Likewise, Wire Transfers received by the Bank for Customer's benefit may be paid by Bank solely on the basis of account number. Customer agrees that Bank shall not be responsible for any delay arising out of Bank's attempt to reconcile inconsistencies between name and account number, or otherwise investigate suspected irregularities.
- j. *Account Statements.* All Wire Transfers will be reflected on Customer's periodic bank statement. In some cases, Bank will also notify Customer in writing, electronically, or by a notification produced by one of Bank's information reporting services. Customer should review each statement or other such Bank notice for any discrepancies in connection with Wire Transfers. If Customer thinks a Wire Transfer is wrong or needs more information about a Wire Transfer, Customer must contact Bank in writing upon discovery of the error or within 14 days after Customer receives the first notice or statement which has a discrepancy, whichever is earlier. Failure to do so will relieve Bank of any obligation to pay interest on or otherwise compensate Customer for the amount of an unauthorized or erroneous Wire Transfer.

- k. *Method Used to Make the Wire Transfer.* Bank may select any means for the transmission of funds which it considers suitable, including but not limited to Bank's own internal systems or Fedwire. Bank is not responsible for performance failure as a result of an interruption in transfer facilities, labor disputes, power failures, equipment malfunctions, suspension of payment by another bank, refusal or delay by another bank to accept the Wire Transfer, war, emergency conditions, fire, earthquake, volcanic eruption or other circumstances not within Bank's control.
- l. *Authorization Changes.* Customer agrees that only those persons authorized on the Signature Card may initiate and/or verify Requests with Bank. Furthermore, wires may be initiated only from the account numbers owned or controlled by the Customer listed below.

### 3. Liability

- a. *Duty of Reasonable Care.* Bank shall exercise good faith and reasonable care in processing Customer's Wire Transfers. Customer shall similarly exercise good faith and reasonable care in observing and maintaining security procedures, in communicating Wire Transfer Requests to Bank, and in reviewing bank statements or notices for any discrepancies. Customer is responsible for ensuring the accuracy of Requests and Bank has no duty whatsoever to verify the accuracy of Requests, nor will it be liable for losses or damages arising out of Requests containing erroneous information.
- b. *Liability of Bank.* Bank is responsible only for performing the Services described in this Agreement. Bank shall not be responsible for the acts or omission of Customer, any Federal Reserve Bank, Correspondent, or other financial institution, any transmission or communication or any other person, and no such person shall be deemed to be Bank's agent under this Agreement.
- c. *Liability of Customer.* Customer agrees to hold harmless, defend and indemnify Bank, its officers, directors, agents, employees, and all persons in privity with it (the "Indemnified Parties") from and against any and all liabilities, claims, costs, expenses, losses, and damages (including reasonable attorney's fees and costs) arising out of or resulting, directly or indirectly, from the acts or omissions of Customer in connection with this Agreement or the transfers contemplated herein, except to the extent of Bank's liability under the above Paragraph.

### 4. Foreign Transfers

- a. *Additional Information.* Foreign Transfers may require additional information that varies by country and the transmission method. That information will be determined at the time of submitting the Foreign Transfer Request and may include currency exchanges, location codes, branch codes, and regulatory codes of the receiving country or other information. Foreign wires are structured transactions dealing with multiple currencies, languages, and time zones that require accurate information to process. Bank will use reasonable efforts to process all Foreign Transfers but cannot provide assurance on timing or completion.
- b. *Timing.* Foreign Transfers take longer to complete than domestic Fedwire transactions. Bank will make reasonable effort to initiate wire on same schedule as Domestic Wire Transfers. The Foreign Transfers may process through multiple banks or countries with differing business days, holidays, time zones or may cross the international date line. As such Foreign Transfers may take three or more days to complete if executed accurately. If the Customer notifies Bank of a Foreign Wire not received at the destination by the fifth business day Bank will attempt to trace and retrieve the wire. Bank will not credit any disputed Foreign Wire back to the sending account until such time as the Bank, in its sole discretion, determines the funds are recoverable.
- c. *Exchange Rates.* Bank does not accept any liability for its exchange rates. Any and all liability relating to exchange rate information and the rates provided by Bank is hereby disclaimed, including without limitation, direct, indirect, or consequential loss, and any liability if our exchange rates are different from rates offered or reported by third parties, or offered by Bank as a different time, at a different location, for a different transaction amount, or involving a different payment media (including, but not limited to bank notes, checks, wire transfers, etc.).
- d. *Problem Areas.* From time to time, Bank experiences various difficulties in transferring funds to certain countries ("Problem Areas"). Those difficulties include without limitation (a) excessive delay in applying funds, (b) incorrect application of funds, (c) disappearance of funds, (d) excessively slow response to inquiries, or (e) government restriction on the transfer of such funds. Bank may identify such Problem Areas from time to time. Customer hereby acknowledges and assumes any expense in connection with such transfers, which may be incurred by Bank in addition to normal and customary charges. Customer is obligated to comply with all laws relating to the transfer of funds for foreign countries, individuals, or agencies. Non-compliance may result in the delay of funds transfer, fines equivalent to a percentage of the principal or confiscation of the entire principal amount of the transfer if an attempt is made to transfer funds to a sanctioned individual, agency, corporation or other entity of government.
- e. *Foreign Currency.* If a transfer is in currency other than U.S. Dollars, the rate of conversion shall be according to the Bank's then stated rate. If a transfer is in U.S. Dollars, but is to be converted by a correspondent to the place of payment, such conversion shall be at such correspondent's conversion rate at the time of payment.

## 5. General

- a. *Amendments.* Bank may amend this Agreement, including the security procedures described below and any of its other Wire Transfer procedures, upon written notice to the Customer.
- b. *Waiver and Severability.* Bank or Customer may delay exercising their rights without losing them. Any waiver or partial exercise of one right is not a waiver of other rights or the same right at another time. If any provision of this Agreement, or its application to any person or set of circumstances, is held invalid or unenforceable to any extent, the remainder of this Agreement, and the application to any person or set of circumstances, is not impaired or otherwise affected.
- c. *Termination.* This Agreement may be terminated in the following circumstances:
  - i. Either party may terminate this Agreement with or without cause by giving 30 days prior written notice. Such termination shall not affect transfers made prior to receipt and implementation of the termination notice.
  - ii. Notwithstanding Paragraph 4(c)(i), Bank may terminate this Agreement immediately at any time upon telephone notification to an Authorized Representative/Signers on Signature Card, followed by written notification, if (A) Bank reasonably deems itself insecure, (B) Customer has breached this Agreement, or (C) Bank becomes aware of information which may indicate illegal or improper transactions.
- d. *Choice of Law.* The rights, duties, and liabilities of parties to this Agreement shall be subject to Uniform Commercial Code Article 4A as in effect in the State of Texas and as amended there from time to time. In all other respects, this Agreement will be subject to the laws of the State of Texas. If any part of a Wire Transfer involves the use of Fedwire, the rights and obligations of Bank and Customer regarding that Wire Transfer are governed by Regulation J of the Federal Reserve Board.
- e. *Force Majeure.* Bank shall have no responsibility or liability for failure or delay in performance pursuant to the terms of this Agreement when such failure or delay is due to any natural disaster, fire, flood, storm, strike, labor unrest, war, riot, act of God, power failure, equipment failure, errors or acts by any third party or any other cause beyond the Bank's reasonable control.
- f. *Severability.* If any provision of this Agreement is held to be invalid, illegal, or unenforceable, such provision shall be deleted, and the remainder of this Agreement shall be enforced as if such invalid, illegal, or unenforceable provision had never been contained herein.
- g. *Parties Bound.* This Agreement is a legal, valid and binding obligation of Customer and Bank. This Agreement shall be binding upon inure to the benefit of the parties hereto and their respective heirs, successors, and assigns; however, this Agreement may not be assigned by Customer without prior written consent of Bank.
- h. *Attorney Fees.* In the event of litigation concerning the subject matter of this Agreement, the prevailing party's legal fees, court costs, and other related expenses shall be paid by the other party.
- i. *Addresses.* Except as otherwise provided, all written correspondence shall be addressed as follows: If to the Bank: Pegasus Bank 4515 W. Mockingbird Ln. Dallas, TX 75209. If to the Customer: the address on the signature page that follows.

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**PEGASUS BANK** WIRE TRANSFER SERVICE AGREEMENT

Customer hereby accepts the conditions set forth in the Pegasus Bank Wire Transfer Service Agreement.

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**Customer**

**Pegasus Bank**

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**Preferred Callback Phone Number:** \_\_\_\_\_

**Wire PIN (must be 6 digits, cannot be your birthday):**  
\_\_\_\_\_

**Challenge Question:** \_\_\_\_\_

**Challenge Question (Answer):**  
\_\_\_\_\_

**Challenge Question:** \_\_\_\_\_

**Challenge Question (Answer):** \_\_\_\_\_

**EXHIBIT A**

**ACCOUNTS FOR WHICH CUSTOMER MAY SUBMIT A WIRE REQUEST**

<b><u>ACCOUNT NAME</u></b>	<b><u>ACCOUNT NUMBER</u></b>