



## WIRE TRANSFER SERVICE ADDENDUM

This is an Addendum (hereinafter the "Addendum") to the John Marshall Bank Cash Management Services Agreement (hereinafter the "Agreement"). This Addendum between John Marshall Bank, (also referred to as the "Bank") and Client (also referred to as the "Customer"), sets forth the procedures to be followed in initiating wire transfer services.

Unless defined otherwise in this Addendum, all terms shall have the meaning set forth in Article 4A of the Uniform Commercial Code and Subpart B of Federal Reserve Regulation J which may be supplied to customer upon request.

### 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 Addendum, and the terms conditions of Customer's Deposit Account Agreement with the Bank. If there is a conflict between this Addendum and the Customer's Deposit Account Agreement, Wire Transfer Addendum will control with respect to wire transfers.
- b. *Service Description.* Customer authorizes the Bank to transfer funds from any accounts which are designated in Schedule A attached to the Agreement. The Bank will execute wire transfers in accordance with wire transfer requests from authorized customer representatives ("Authorized Representatives") via the Bank's internet based Cash Management Services system. Funds must be available in the account specified in the wire transfer request at the time the wire transfer request is made. The Bank will not search for funds in accounts other the one(s) specified in the wire transfer request. The Bank reserves the right to refuse to make a wire transfer except upon receipt of collected funds and may refuse to make wire transfers which the Bank in good faith believes may be improper or for illegal purposes.
- c. *Fedwire Notice.* Wire transfers or cancellation of wire transfers may be processed by use of the funds transfer system of the Federal Reserve Banks ("Fedwire"). The rights and obligations of the Bank and the Customer with respect to any wire transfer, any part of which is carried out using Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve System and the operating circulars of the Federal Reserve banks. Wire Transfers, or cancellations of the wire transfer, carried out through a funds transfer system, will be governed by all applicable funds transfer system rules, whether or not the Bank is a member of the system. The Customer acknowledges that the Bank's right to reverse, adjust, stop payment, or delay posting of an executed wire transfers is subject to the laws, regulations, circulars and systems rules described in this paragraph.
- d. *Intermediary Banks.* The Bank may transfer funds through an intermediary bank or funds transfer system that is different from that shown in your instructions. Foreign transfers may be subject to delays, charges imposed by other banks, and changes in foreign currency exchange rates. The Bank will not be responsible for any changes in an exchange rate involved with a foreign transfer. Refunds, if necessary, will be at the Bank's current buying rate for exchange at the time of such refund.

### 2. Security

- a. *Wire Transfer Requests.* Bank is authorized to accept online wire transfer requests from any Authorized Representative identified in Schedule A attached hereto; from those who are provided authorized access to the Customer's online banking system by the Customer's designated Security Administrator; or, as otherwise provided in the Agreement or other agreement between the Bank and Customer. All Authorized Representative must have a valid log-in ID and password to obtain access to the online banking system, with access levels authorized by the Customer's online banking Security Administrator. The Bank is also authorized to act upon such other directions and instructions relating to wire transfer request, including the cancellation or amendment of prior wire transfer requests, as may be provided to Bank from time to time by an Authorized Representative or as otherwise provided in this Addendum.
- b. *Wire Verification.* The Bank will verify all wire transfer requests through use of its online banking system's two-factor authentication process. After an Authorized Representative initiates a wire transfer request, an authorization code will be texted to a designated Authorized Representative's mobile device ("Authorization Code"). The Authorized Representative receiving the Authorization Code may be the same or different than the Authorized Representative who initiated the wire transfer request, based on access levels granted by the Customer's online banking Security Administrator. In order to release the wire transfer, the Authorization Code must be entered into the online banking system by an Authorized Representative. Wire transfer requests will not be accepted unless initiated by an Authorized Representative, and verified by an Authorized Representative by entering the proper Authorization Code into the online banking system. Authority to initiate wire transfer requests shall be conclusively presumed if the person initiating the wire transfer request uses the Authorization Code to verify the wire transfer, regardless of whether the person is in fact an Authorized Representative. Customer agrees to be solely responsible for maintaining the accuracy and security of Authorized Representatives' access rights to the online banking system. Any actual or suspected breach of confidentiality shall be reported promptly by Customer to the manager of the Bank's Wire Transfer Department or Branch Office as applicable.

The Bank reserves the right, at its option and in its sole discretion, to take additional actions to verify or authenticate wire requests. Additional actions by the Bank may include telephone calls to the Customer, or any other actions which the Bank may deem appropriate. The Bank shall not be liable for its refusal to honor the wire request or other action related to the wire request if the Bank in good faith is unable to satisfy itself that the Customer has authorized the wire request or other action. The Bank's failure to verify or authenticate the wire request shall not be evidence of any failure to exercise reasonable care or good faith.

- 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 tape recordings about wire transfers. Customer agrees that in the event the recording is unintelligible or ambiguous, Bank's understanding of the communication will control. Customer agrees to indemnify and hold harmless Bank against any liability Bank may incur as a result of such recording.

### **3. Payment to Bank**

Unless otherwise agreed to in writing, Customer must pay Bank the amount of the wire transfer, plus any applicable fees, as stated in the Bank's Fee Schedule, before Bank will execute Customer's wire transfer request. Additionally, any fees or charges either now or hereafter imposed on Bank by the Federal Reserve or any other bank relating to the services provided by Bank to Customer shall be added to the fees charged by Bank effective the same day as such fees are imposed on Bank.

### **4. Cut-Off Time for Receipt of Payment Order**

All instructions for international wire transfer requests must be received by Bank prior to 1:00 PM EST, prevailing time at Bank on the business day the transfer is to be made. All instructions for domestic wire transfer requests must be received by Bank prior to 5:00 PM EST, prevailing time at Bank, on the business day the transfer is to be made. Bank has no obligation to accept any wire transfer request instructions after these deadlines. Bank may change the cut-off times provided for in this Paragraph by advance notice to Customer.

### **5. Rejection of Wire Transfer**

Bank has a right, in its discretion, to reject Customer's wire transfer request for an outgoing wire transfer for reasons including, but not limited to, insufficient funds or insufficient collected funds in the account specified, or incomplete or inaccurate wire instructions, and agrees to indemnify and hold Bank harmless from any and all liabilities, costs, and expenses Customer may incur because of any such rejections. The Bank also reserves the right to refuse to make a wire transfer which the Bank in good faith believes may be improper or for illegal purposes. Bank may notify Customer verbally, electronically or in writing if it rejects the Customer's request.

### **6. Cancellation or Amendment of Wire Transfer Request**

Customer may not be able to cancel or amend a wire transfer request after it is received by Bank. However, Bank may at its discretion use reasonable efforts to act on Customer's wire transfer request for cancellation or amendment. Bank shall have no liability if such cancellation or amendment is not effected. Furthermore, Customer agrees that Bank shall incur no liability whatsoever to Customer or any third party in attempting to cancel or amend the wire transfer.

### **7. Erroneous Requests**

Customer understands that Bank's normal operating procedures are not designed to detect or prevent Customer errors in wire transfer requests. Customer errors include (but are not limited to) providing Bank with the wrong name and/or wrong account number of the beneficiary; providing Bank with the wrong name and/or wrong account number of the beneficiary bank or intermediary bank (if applicable); providing Bank with an incorrect amount of a wire transfer request or instructing Bank to initiate the same wire transfer request twice. Bank shall have no liability to Customer for Customer errors in wire transfer request.

### **8. Reliance on Account Number and Bank Numbers**

Customer understands that a wire transfer request may be processed and posted by each bank handling the wire transfer request (including "Bank") based on (a) the **ACCOUNT NUMBER** of the beneficiary and **not** by the name of the beneficiary, and (b) the identification number (such as FRD-ABA routing number) of the beneficiary bank (and any specified intermediary bank) and not by the name of any bank. The FEDERAL RESERVE DISTRICT - AMERICAN BANKERS ASSOCIATION ("FRD-ABA") routing number is the number assigned to each bank in the United States by the Federal Reserve System. It is the sole and exclusive obligation of Customer to make sure that the account number of the beneficiary and the identification number of the beneficiary bank (and any specified intermediary bank) are **ABSOLUTELY, POSITIVELY** correct. Bank shall have no obligation to compare or otherwise ascertain that the name of a beneficiary agrees with the account number of the beneficiary or that the name of any bank agrees with the identification number of any bank as provided by Customer.

## 9. Restricted Funds Transfer

The Bank reserves the right to delay or not to accept wire transfer requests for beneficiaries located in certain foreign countries, beneficiaries listed on the Office of Foreign Asset Control (OFAC) lists from the Department of Treasury, or for any other reason related to the Executive Order of the President, Foreign Governmental Embargos/Sanctions, or any Directives of Governmental Authorities. The Customer shall cooperate with any and all procedures related to such wire transfer request.

## 10. Account Statements

All wire transfers will be reflected on Customer's periodic bank statement. 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 10 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.

## 11. 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 or other circumstances not within Bank's control.

## 12. Authorization Changes

Customer agrees that only those persons authorized on Schedule A ("Authorized Representatives") attached to the Agreement may initiate and/or verify wire transfer requests with Bank. Furthermore, wires may be initiated only from the account numbers designated on the Authorization. Changes by Customer in any information supplied to Bank or any changes in the designated account number or authority of the persons named on the Authorization shall not be binding upon Bank until Bank has received actual written notice of the changes at the address of Bank designated in Paragraph 14 of this Addendum and has had reasonable time to implement them.

## 13. Liability

- a. *Duty of Reasonable Care.* Bank shall exercise good faith and reasonable care in processing Customer's wire transfer requests. 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 wire transfer requests and Bank has no duty whatsoever to verify the accuracy of wire transfer requests, nor will it be liable for losses or damages arising out of wire transfer requests containing erroneous information.
- b. *Liability of Bank.* Bank shall be liable for Customer's lost interest and Customer's expenses directly related to Customer's wire transfer request if Bank fails to exercise ordinary care. Bank is not liable in any case for any special, indirect, exemplary or consequential damages (including lost profits) of any kind. Compensation for loss of interest or use of funds will be, at Bank's option, in the form of an adjustment to Customer's account(s) to reflect the average balance on Customer's account analysis that would have resulted had no error or delay occurred, or by a direct credit to Customer's account, not to exceed Bank's actual cost of funds for the period and amount in question. The adjustment will be computed on a daily basis.
- c. *Liability of Customer.* Customer shall be liable for any loss or damage resulting from Customer's breach of this Addendum or to which Customer's negligence contributed, or which resulted from unauthorized, fraudulent, or dishonest acts by Customer's current and/or former Authorized Representative. Such liability includes instances when a current or former Authorized Representative affects one or more wire transfers to Customer's detriment.
- d. IN ANY EVENT AND WITHOUT RESTRICTING THE ABOVE CONDITIONS, THE BANK'S LIABILITY UNDER THIS AGREEMENT SHALL BE LIMITED TO (1) REFUNDING ANY CHARGES COLLECTED AND (2) UPON ACTUAL RETURN TO THE BANK OF ANY FUNDS TRANSFERRED, RETURNING THE FUNDS TO THE CUSTOMER. IN NO EVENT SHALL THE BANK BE LIABLE FOR ANY ACTUAL OR CONSEQUENTIAL OR INCIDENTAL DAMAGES IN EXCESS OF THESE AMOUNTS, EVEN IF THE BANK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## 14. Notices

All notices to Bank under this Addendum should be sent to John Marshall Bank, Attn: Wire Transfer Department, 1943 Isaac Newton Square, Suite 100, Reston, VA 20190. Phone number 703-289-5949. Email address [cmsupport@johnmarshallbank.com](mailto:cmsupport@johnmarshallbank.com).