



Principal Bank
P.O. Box 9351
Des Moines, IA 50306-9351
1-800-672-3343
www.principalbank.com
A member of the Principal Financial Group®

Principal Bank ACH Agreement

Company: _____
Telephone Number: _____

The above-listed company ("Company") desires to use the services of Principal Bank (the "Bank") to initiate Credit and Debit Entries by means of the Automated Clearing House Network pursuant to the terms of this Agreement and the rules of the National Automated Clearing House Association (the "Rules"), and Principal Bank is willing to act as an Originating Depository Financial Institution with respect to such Entries.

Unless otherwise defined herein, capitalized terms shall have the meanings provided in the Rules. The term "Entry" shall have the meaning provided in the Rules and shall also mean the data received from Company hereunder from which the Bank initiates each Entry.

Company and Principal Bank hereby agree as follows:

1. **ACH Rules.** Company acknowledges receipt of a copy or has access to a copy of the Rules. Company agrees to comply with and be bound by the Rules. In the event Company violates any of the applicable Rules and NACHA imposes a fine on the Bank because of Company's violation, the Bank may charge the fine to Company, and Company hereby agrees to pay such fine. The Bank agrees to inform Company of revisions to the Rules of which the Bank has knowledge.

2. Transmittal of Entries By Company.

(a) All Entries shall be transmitted via the Bank's website through the Bank's online business banking tool. In order to transmit credit and debit Entries via the Bank's website, Company must designate at least one (1) company system administrator (a "CSA") via an Online Banking/Enrollment Agreement. Company's CSAs shall be responsible for designating "company users" who Company authorizes to transmit Entries on its behalf. Company's CSAs may also set dollar limits on ACH transfer amounts for company users per account. The Bank shall not be responsible for the limits established by Company's CSAs. The Bank shall be entitled to rely on the designations made by Company's CSAs and shall not be responsible for matching the names of the company users designated by the CSAs to names or titles listed in Company's banking resolutions.

(b) Company shall transmit credit and debit Entries to the Bank 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 set in accordance with the Rules and as set forth in Schedule A attached hereto.

3. Security Procedures.

(a) Company agrees to comply with the security procedures and requirements described in the Online Banking Enrollment/Agreement and such other security procedures as determined by the Bank from time to time, which are subject to change without prior notice to Company (collectively, the "Security Procedures"), with respect to Entries transmitted by a company user to the Bank. Company acknowledges that the purpose of the 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 the Bank and Company.

(b) Company is strictly responsible for establishing and maintaining procedures to safeguard against unauthorized transmissions. Company promises and 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 the Bank in connection with the Security Procedures. If Company believes or suspects that any such information or instructions have been made known to or accessed by unauthorized persons, Company agrees to notify the Bank immediately followed by written confirmation. The occurrence of unauthorized access will not affect any transfers made in good faith by the Bank prior to receipt of such notification and within a reasonable time period thereafter to prevent unauthorized transfers, and the Bank shall have no liability for such unauthorized transfers.

4. Compliance With Security Procedures.

(a) If an Entry (or a request for cancellation or amendment of an Entry) received by the Bank purports to have been transmitted or authorized by a company user, it will be deemed effective as Company's Entry (or request) and Company shall be obligated to pay the Bank the amount of such Entry even though the Entry (or request) was not authorized by Company, provided the Bank accepted the Entry in good faith and acted in compliance with the Security Procedures.

(b) If an Entry (or request for cancellation or amendment of an Entry) received by the Bank was transmitted or authorized by Company, Company shall pay the Bank the amount of the Entry, whether or not the Bank complied with the Security Procedures with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if the Bank had complied with such procedures.

5. Recording and Use of Communications. Company and the Bank agree that all telephone conversations or data transmissions between them or their agents made in connection with this Agreement may be electronically recorded and retained by either party by use of any reasonable means.

6. Processing, Transmittal and Settlement by the Bank.

(a) Except as provided in Section 7, On-Us Entries, and Section 8, Rejection of Entries, the Bank shall (i) process Entries received from Company that conform with the file specifications set forth in the Rules and the terms and conditions of this Agreement, (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) The Bank shall transmit such Entries to the ACH Operator by the deadline of the ACH Operator set forth in Schedule B attached hereto two (2) Banking Days prior to the Effective Entry Date shown in such Entries, provided (i) such Entries are received by the Bank's related cut-off time set forth on Schedule B on a Banking Day, (ii) the Effective Entry Date is at least two (2) days after such Banking Day, and (iii) the ACH Operator is open for business on such Banking Day. For purposes of this Agreement, Entries shall be deemed received by the Bank when the transmission (and compliance with any related Security Procedures provided for herein) is completed as provided in Schedule A.

(c) If any of the requirements of clause (i), (ii) or (iii) of Section 6(b) is not met, the Bank shall use reasonable efforts to transmit such Entries to the ACH Operator by the next deposit deadline of the ACH Operator following that specified in Schedule B.

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 the Bank (an "On-Us Entry"), the 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 clauses (i) and (ii) of Section 6(b) are met. If either of those requirements is not met, the Bank shall use reasonable efforts to credit or debit the Receiver's account in the amount of such Entry no later than the next Banking Day following such Effective Entry Date.

8. Rejection of Entries. The Bank may reject any Entry that does not comply with the requirements of Section 1, ACH Rules, Section 2, Transmittal of Entries By Company, or Section 3, Security Procedures, or which contains an Effective Entry Date more than two (2) days after the Banking Day such Entry is received by the Bank. The Bank may reject an On-Us Entry for any reason for which an Entry may be returned under the Rules. The Bank may reject any Entry if Company has failed to comply with its account balance obligations under Section 12, The Account. The Bank may reject any entry if Company does not adhere to the Security Procedures. The Bank shall notify Company by phone or electronic transmission of such rejection no later than the Banking Day such Entry would otherwise have been transmitted by the 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. The Bank shall have no liability to Company by reason of 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. Company shall have no right to cancel or amend any Entry after its receipt by the Bank. However, if such request complies with the Security Procedures, the Bank shall use reasonable efforts to act on a request by 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 the Bank for any expenses, losses, or damages the 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. The Bank shall notify Company by phone or electronic transmission of the receipt of a returned entry from the ACH Operator no later than one (1) Banking Day after the Banking Day of such receipt. Except for an Entry retransmitted by Company in accordance with the requirements of Section 2, Transmittal of Entries By Company, the Bank shall have no obligation to retransmit a returned Entry to the ACH Operator if the Bank complied with the terms of this Agreement with respect to the original Entry. Company shall notify the Originator by phone or electronic transmission of receipt of each return entry no later than one (1) Banking Day after the Banking Day of receiving such notification from the ODFI.

The Bank shall provide Company all information, as required by the Rules, with respect to each Notification of Change (NOC) Entry or Corrected Notification of Change (Corrected NOC) Entry received by the Bank relating to Entries transmitted by Company. The Bank must provide such information to Company within two (2) Banking Days of receipt 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 the Bank or prior to initiating another Entry to the Receiver's account, whichever is later.

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

(a) Company shall pay the Bank the amount of each credit Entry transmitted by the Bank pursuant to this Agreement at such time on the date of transmittal by the Bank of such credit Entry as the Bank, in its discretion, may determine.

(b) Company shall promptly pay the Bank the amount of each debit Entry returned by an RDFI that was transmitted by the Bank pursuant to this Agreement.

(c) The Bank shall pay Company the amount of each debit Entry transmitted by the Bank pursuant to this Agreement at such time within two (2) Banking Days of the Settlement Date with respect to such debit Entry as the Bank, in its discretion, may determine, and the amount of each On-Us Entry at such time within two (2) Banking Days of the Effective Entry Date with respect to such Entry as the Bank, in its discretion, may determine.

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

12. The Account. The Bank may, without prior notice or demand, obtain payment of any amount due and payable to it under this Agreement by debiting the account or accounts of Company identified in Schedule A attached hereto (each an "Account"). Company shall maintain at least one (1) Account with the Bank at all times during the term of this Agreement. Company shall at all times maintain a balance of available funds in the applicable Account sufficient to cover its payment obligations under this Agreement. In the event there are not sufficient available funds in such Account to cover Company's obligations under this Agreement, Company agrees that the Bank may debit any account maintained by Company with the Bank or any affiliate of the Bank or that the Bank may set off against any amount it owes to Company, in order to obtain payment of Company's obligations under this Agreement. Upon request of the Bank, Company agrees to promptly provide to the Bank such information pertaining to Company's financial condition as the Bank may reasonably request.

13. Account Reconciliation. Entries transmitted by the Bank or credited to a Receiver's account maintained with the Bank will be reflected on Company's on-line account records. Company agrees to review its on-line account records after each transfer and notify the Bank within fourteen (14) days after the effective date of a transfer of any discrepancy or error concerning the transfer. In the event Company fails to notify the Bank of a discrepancy or error within such fourteen (14) day time period, Company agrees that the Bank is not liable to pay any interest with respect to such transfer. In the event Company fails to notify the Bank of a discrepancy or error within thirty (30) days after the effective date of the transfer, Company shall be precluded from any claim against the Bank.

14. Company Representations And Agreements; Indemnity. (a) With respect to each and every Entry transmitted by Company, Company represents and warrants to the Bank and agrees that (i) each Entry is accurate, is timely, has been authorized by the party whose account will be credited or debited and otherwise complies with the Rules; (ii) each debit Entry is for a sum that, on the Settlement Date with respect to it, will be owing to Company from the party whose account will be debited, is for a sum specified by such party to be paid to Company, or is a correction of a previously transmitted erroneous credit Entry; (iii) Company has complied with all pre-notification requirements of the Rules; (iv) each person shown as the Receiver on an Entry received by the Bank from Company has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry, (v) such authorization is operative at the time of transmittal or crediting or debiting by the Bank as provided herein, (vi) Entries transmitted to the Bank by Company are limited to those types of credit and debit Entries set forth in Section 2, Transmittal of Entries By Company, (vii) Company shall perform its obligations under this Agreement in accordance with all applicable laws, regulations, and orders, including, but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws, regulations, and orders administered by FinCEN; the Electronic Funds Transfer Act; and UCC Article 4A and any other state laws, regulations, or orders applicable to the providers of ACH payment services, (viii) Company and any third party service providers of Company shall adopt and implement commercially reasonable policies, procedures and systems to receive, store, transmit and destroy consumer-level ACH data in a safe and secure manner, shall protect such data against data breaches, and shall provide copies of such policies and procedures and evidence of Company's compliance thereto to the Bank upon request, and (ix) Company shall be bound by and comply with the provision of the Rules (among other provisions of the Rules) making payment of an entry by the RDFI to the Receiver

provisional until receipt by the RDFI of final settlement for such entry. Company specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the entry.

(b) Company shall be liable to the Bank and shall indemnify and hold the Bank and its affiliates and their respective officers, directors, employees and agents harmless from and against any and all claims, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses arising or resulting from acts or omissions of Company, including without limitation (i) a breach by Company of any provision of this Agreement, including without limitation a breach of any of the warranties, representations and agreements set forth in Section 14(a); (ii) the Bank's debiting or crediting of the account of any person or entity as requested by Company; and (iii) the failure to act or the delay of any financial institution other than the Bank, or from the provision of invalid or inaccurate data by Company or by any other person or entity acting on Company's behalf.

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

(a) In the performance of the services required by this Agreement, the Bank shall be entitled to rely solely on the information, representations, and warranties provided by Company pursuant to this Agreement and shall not be responsible for the accuracy or completeness thereof. The Bank shall be responsible only for performing the services expressly provided for in this Agreement, and shall be liable only for its gross negligence or willful misconduct in performing those services. The Bank shall not be responsible for Company's acts or omissions (including, without limitation, the amount, accuracy, timeliness of transmittal or authorization of any Entry received from 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 the Bank's agent. Company agrees to indemnify the Bank against any loss, liability or expense (including attorneys' fees and costs) resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of Company or any other person described in this Section 15(a).

(b) The Bank shall be liable only for Company's actual damages due to claims arising solely from the Bank's obligations to Company with respect to Entries transmitted pursuant to this Agreement; in no event shall the Bank be liable for any consequential, special, incidental, punitive or indirect loss or damage which Company may incur or suffer in connection with this Agreement, its use of this service or its relationship with the Bank, whether or not the likelihood of such damages was known or contemplated by the Bank and regardless of the legal or equitable theory of liability that Company may assert, including, without limitation, loss or damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to this Agreement.

(c) Without limiting the generality of the foregoing provisions, the 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 the Bank's control. In addition, the Bank shall be excused from failing to transmit or delay in transmitting an Entry if such transmittal would result in the Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in the Bank's 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.

(d) Subject to the foregoing limitations, the 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 New York for the period involved. At the Bank's option, payment of such interest may be made by crediting the Account.

16. Inconsistency of Name And Account Number. Company acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by the Bank to the RDFI may be made by the RDFI (or by the Bank in the case of an On-Us Entry) on the basis of the account number supplied by Company, even if it identifies a person different from the named Receiver, and that Company's obligation to pay the amount of the Entry to the Bank is not excused in such circumstances.

17. Payment for Services. Company shall pay the Bank the charges for the services provided in connection with this Agreement, as set forth in the Schedule of Fees associated with the Accounts, a current copy of which is available on the Bank's website. All fees and services are subject to change at any time in accordance with the terms of the Business Account Agreement between the Bank and Company. Such charges do not include, and Company shall be responsible for payment of, any sales, use, excise, value added, utility or other similar taxes relating to such services, and any fees or charges provided for in Business Account Agreement".

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

19. Notices, Instructions, Etc.

(a) Except as otherwise expressly provided herein, the Bank shall not be required to act upon any notice or instruction received from Company or any other person, or to provide any notice or advice to Company or any other person with respect to any matter.

(b) All written notices provided to Company under this Agreement shall be sent via electronic message, the U.S. mail or overnight courier to the address contained in the records of the Bank or such other address provided from time to time by Company. All written notices provide to the Bank by Company under this agreement shall be sent via electronic message, the U.S. mail or overnight courier to the address listed below. Confidential information should not be sent through unsecured email.

20. Data Retention. Company shall retain data on file adequate to permit remaking of Entries for sixty (60) days following the date of their transmittal by the Bank as provided herein, and shall provide such data to the Bank upon its request. Without limiting the generality of the foregoing provision, 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.

21. Tapes and Records. All magnetic tapes, Entries, Security Procedures and related records used by the Bank for transactions contemplated by this Agreement shall be and remain the Bank's property. The Bank may, at its sole discretion, make available such information upon Company's request. Any expenses incurred by the Bank in making such information available to Company shall be paid by Company.

22. Evidence of Authorization. Company shall obtain all consents and authorizations required under the Rules and shall retain such consents and authorizations for two (2) years after they expire.

23. Cooperation in Loss Recovery Efforts. In the event of any damages for which the Bank or Company may be liable to each other or to a third party pursuant to the services provided under this Agreement, the 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. Audit. Upon the request of the Bank, the Bank shall be entitled to audit the Entries initiated by Company, together with all associated documentation and data, to determine Company's compliance with the Rules and this Agreement.

25. Termination. Company may terminate this Agreement at any time. Such termination shall be effective on the second Banking Day following the day of the Bank's receipt of written notice of such termination or such later date as is specified in that notice. The 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 the 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 the Bank prior to termination, or any other obligations that survive termination of this Agreement.

26. Breach of Rules. If the Company breaches the Rules or causes the Bank to breach the Rules, this Agreement may be terminated or suspended by the Bank upon ten (10) banking days notice.

27. Entire Agreement. This Agreement (including the Schedules attached hereto) and any amendments thereto, together with the Business Account Agreement, as amended from time to time, are the complete and exclusive statement of the agreement between the Bank and Company with respect to the subject matter hereof and supersedes any prior agreement(s) between the Bank and Company with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement and the Business 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 the 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 policy, and the Bank shall incur no liability to Company as a result of such violation or amendment. No course of dealing between the Bank and Company will constitute a modification of this Agreement, the Rules or the Security Procedures or constitute an agreement between the Bank and Company, regardless of whatever practices and procedures the Bank and Company may use.

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

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

30. 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 the Bank or Company hereunder.

31. Headings. Headings are used for reference purposes only and shall not be deemed a part of this Agreement.

32. 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.

33. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Iowa.

The Bank and Company have caused this Agreement to be duly executed as of the ____ day of _____, 20____.

This Agreement must be executed on behalf of Company by an individual who has been authorized to do so in the corporate or authorizing resolutions (or similar document satisfactory to the Bank) of Company's Board of Directors or other managing body provided to the Bank by Company in connection with the opening or maintenance of Company's account or accounts at the Bank.

PRINCIPAL BANK

Company's Full Legal Name:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Notice Information for the Bank:

Principal Bank
P.O. Box 9351
Des Moines, IA 50306-9351
Attention: ACH Operations
Email address: Principalbank@principal.com

*** Be sure to retain a copy of this agreement for your records. ***

SCHEDULE A
Authorized ACH Transactions and Origination Limits

This Schedule will define the extent to which Company may use the Bank's online banking system to originate, create and/or deliver PPD or CCD NACHA-formatted files for further processing in accordance with the ACH Agreement by and between Company and the Bank. All Entries shall be conducted via the Bank's online banking system in accordance with the instructions provided by Bank representatives or set forth on the Bank's website. This Schedule sets forth Company's daily limit and transaction limit. Company is responsible for knowing and abiding by such limits, as revised from time to time, at all times. Fees are disclosed on the Business Banking Schedule of Fees, as amended from time to time.

Company's daily limit: \$ _____
Company's transaction limit: \$ _____

These limits may be revised at any time at the sole discretion of the Bank and apply in the aggregate to all of your eligible Accounts noted below, except for those Accounts for which you indicate you do not want ACH service:

Account Number: _____	Allow ACH Transactions?: Yes ___ No ___
Account Number: _____	Allow ACH Transactions?: Yes ___ No ___
Account Number: _____	Allow ACH Transactions?: Yes ___ No ___
Account Number: _____	Allow ACH Transactions?: Yes ___ No ___

Only Business Analysis Checking Accounts are eligible for ACH transactions.

SCHEDULE B
Transaction Settlement/Delivery Timeframes

All ACH credit Entries should be completed/authorized at least two (2) Banking Days prior to the effective date of the transactions. All ACH debit Entries should be completed/authorized at least two (2) Banking Days prior to the effective date of the transactions. If the transactions are not completed/authorized by the required timeframe, the Bank cannot guarantee the transactions will be accepted by ACH processors, or be received/posted on the effective date by the recipient's financial institution. The Bank may accept these items and they will be forwarded to the ACH processor no later than the Bank's next regularly scheduled delivery time.

For Settlement/Delivery purposes, a Banking Day is defined as legal banking days where both the Bank and the ACH processor are open for business. The end-of-cutoff time is shown below:

End-of-day Cut-off Time 2:30 p.m., Central Standard Time

All ACH Credit originations represent financial obligations for Company and the Bank. The Bank may reject any Entry if Company has failed to comply with its account balance obligations under Sections 12 or 13 of the ACH Agreement. The balance showing in the Online Banking system associated with the Account designated as the settlement account for the Entries must be sufficient to cover the total originations on the Delivery date as described above. If the settlement account does not have sufficient funds at that time, the Bank may, without any liability, deny, reject, or process the Entries. If the entries are processed, Company is still obligated to pay the Bank for the Entries.