

ACH ORIGINATION AGREEMENT**Illinois National Bank**

____Capital Township____ for itself and on behalf of its affiliates and subsidiaries (“Company”) has requested that Illinois National Bank (“INB”) permit it to initiate Entries to Accounts maintained at INB and other financial institutions by means of the Automated Clearing House (ACH) Network where standards, rules, and procedures are established by the National Automated Clearing House Association (NACHA). INB has agreed to do so on the terms of this Agreement made this ____ day of _____, 2012.

Capitalized terms used in this Agreement are defined in the Glossary or in the sections in which they are used. The Agreement sets out Company’s rights, responsibilities and obligations, and INB’s rights, responsibilities and obligations with respect to this Service INB may provide to you from time to time.

1. Types of Entries. INB will transmit debit and/or credit Entries initiated by Company to the ACH Network as provided in the *NACHA Operating Rules* (referred to as the “Rules”) and this Agreement. As used in this Agreement, the following are ACH Standard Entry Class Codes (SEC) approved for use by INB:

- ARC – Accounts Receivable Entry** – An ACH debit created from a check received in the U.S. Mail or a drop box location and converted to an ACH debit.
- BOC – Back Office Conversion** – During back office processing, an ACH debit is created from a check received at the point of check being tendered or received at a “manned” bill payment location for in-person payments.
- CCD – Corporate Credit or Debit** – Either a credit or debit where funds are either distributed or consolidated between corporate entities.
- CTX – Corporate Trade Exchange** – The transfer of funds (debit or credit) within a trading partner relationship in which payments related information is placed in multiple addenda records.
- POP – Point-Of-Purchase** – ACH Debit application used by Originators as a method of payment for the in-person purchase of goods or services by receivers (check conversion). (Refer to NACHA Rules regarding items eligible for check conversion).
- PPD – Prearranged Payment and Deposit**
 - Direct Deposit** – The transfer of funds into a consumer’s account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, dividends, etc.
 - Direct Payment** – Preauthorized payment is a debit application. This includes recurring bills that do not vary in amount -- insurance premiums, mortgage payments, charitable contributions, and installment loan payments or standing authorizations where the amount does vary, such as utility payments.
- RCK – Re-presented Check** – An ACH debit application used by originators to re-present a consumer check that has been processed through the check collection system and returned because of insufficient or uncollected funds.
- TEL – Telephone-Initiated Entry** – This is used for the origination of a single debit Entry transaction to a consumer’s account pursuant to an oral authorization obtained from the consumer via the telephone.
- WEB – Internet-Initiated Entry** – A debit Entry or enrollment in recurring debit to a consumer account initiated by an Originator pursuant to an authorization that is obtained from the receiver via the Internet.

The above SEC Codes are the most commonly-used and not an all-inclusive list. INB has identified the types of ACH transactions that may be originated by Company in **Schedule F** of this Agreement.

2. ACH Rules. Company agrees to comply with and be bound by the current Rules in existence which may be amended from time to time. The duties of Company set forth in this Agreement in no way limits the requirements of complying with the Rules. Any fines or liabilities imposed against INB for a violation of the Rules arising out of any action and/or inaction of Company may be assessed against Company. Costs associated with Rules publications and/or association membership will be the responsibility of Company. If Company utilizes third-party vendors or processors, Company will take all necessary measures to ensure compliance with the Rules by such vendors and processors.

3. United States Laws and Regulations. Company acknowledges that it will not generate transactions that violate any law or regulation of the United States. This includes, but is not limited to, sanction laws administered by the Office of Foreign Assets Control (OFAC). It shall be the responsibility of Company to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from the OFAC's home page site at www.ustreas.gov/ofac.) Company agrees that the performance of any action by INB to debit or credit an Account or transfer funds otherwise required by the Rules is excused from the performance of such action to the extent that the action is inconsistent with any applicable law or regulation, including the obligations of INB under OFAC or any program administered by the United States Department of the Treasury's Financial Crimes Enforcement Network (FinCEN). Company warrants to INB that all actions by Company contemplated by this Agreement, including the preparation, transmittal, and settlement of Entries and payment orders, shall comply in all material respects with all applicable laws, regulations, regulatory guidelines and guidance, and official commentaries, including without limitation all such regulations, guidelines, and commentaries issued by the Board of Governors of the Federal Reserve and the Federal Financial Institutions Examination Council (FFIEC).

4. Underwriting. Company approval for use of this Service may be subject to underwriting criteria established by INB from time to time. If INB requires application of underwriting criteria to Company approval for use of this Service, INB will communicate to Company the nature and content of that criteria and the information Company will be required to provide to INB. Company agrees to provide INB such financial, business and operating information as INB may reasonably request in connection with INB's underwriting and approval process.

5. Authorizations. Before Company's initiation of the first debit or credit Entry to a Customer's account, Company will obtain a proper authorization in accordance with the Rules and U.S. law. An authorization agreement must be readily identifiable as either an ACH credit or an ACH debit authorization and must clearly and conspicuously state the terms of the authorization in order that the consumer or company understands the authorization to which he or she is agreeing. All debits to consumer accounts must be authorized by the consumer in writing and must be signed or similarly authenticated using a digital signature or other code, with the exception of Entries for RCK, ARC, and BOC, which require Company to provide the consumer with notice of the check conversion policy. For debit Entries, Company must provide the consumer with evidence of the authorization and information regarding the manner in which authorization can be revoked. Company, upon request, must present a copy of the Customer's authorization to INB within five (5) banking days. Company must retain the signed or authenticated authorization for a period of two (2) calendar years following the termination or revocation of the authorization. Company will initiate no Entry after the termination or revocation of a consumer's authorization.

The following table lists the proper SEC Codes to use depending on how Company obtained the authorization to debit/credit a consumer's or business' account:

<u>SEC Code</u>	<u>Debit / Credit</u>	<u>Authorization Method</u>
PPD	Debit or Credit	Document signed by individual or similarly authenticated
CCD, CTX	Debit or Credit	Document signed or verbal agreement by Company*
WEB	Debit Only	Via the Internet
TEL	Debit Only	Verbal authorization via the telephone. (phone line must be recorded line or notice sent)
ARC	Debit Only	Check received via mail/courier and converted to electronic transaction. Notice on statement for each transaction

* All transactions from a business account must be CCD or CTX. Please see the CCD and CTX Definition in section 1 above or refer to the NACHA Rules for a detailed explanation.

6. Prenotifications. If Company chooses to originate non-dollar prenotification Entries to verify the accuracy of routing and account numbers, it agrees not to initiate live dollar Entries until at least six (6) banking days following the settlement date of the prenotification Entry. Prenotifications will be provided to INB in the format provided in the Rules. If Company receives notice that a prenotification has been rejected or returned, Company will determine why the rejection or return occurred and make any necessary corrections before transmitting another Entry.

7. Notifications of Change. INB will notify Company of Correction Entries (COR), which are commonly referred to as Notification of Change (NOC) Entries, received no later than two (2) banking days after the settlement date of the NOC. Company agrees to make the changes submitted within six (6) banking days of the receipt of the NOC information or before the next "live" Entry, whichever is later.

8. Transmission of Entries and Security Procedures. Company will transmit all Entries to INB on or before the deadlines described on **Schedule A** to this Agreement. Company will conform all Entries to the format, content, data encryption, and other specifications contained in the Rules. Company authorizes INB to transmit all Entries received by INB from Company in accordance with the terms of this Agreement and to credit or debit such Entries to the specified accounts. Company is strictly responsible to establish and maintain the security 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 INB in connection with the Service. See **Schedule G** for suggested security procedures.

9. Audit and Review. Company agrees, upon reasonable notice by INB, to permit INB to audit, inspect, and review Company's policies and processes for purposes of ensuring the Company's compliance with this agreement, the ACH Rules, and applicable laws and regulations. Company acknowledges that from time to time INB may require that Company develop and adopt internal controls and processes related to ACH origination as mandated by INB as a condition to INB's continued provision of services pursuant to this Agreement.

10. INB Obligations. In a timely manner and in accordance with the Rules, INB will process, transmit, and settle for the Entries received from Company which comply with the terms of this Agreement, including the Security Procedures. INB shall have no obligation to transmit Entries if Company is in default of any of its obligations under this Agreement, including any obligation to pay INB.

11. Warranties. Company certifies to INB all warranties INB is deemed by the Rules to make with respect to Entries originated by Company. Without limiting the foregoing, Company warrants and agrees that (a) 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; (b) each debit Entry is for the sum which, 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; and (c) Company will comply with the terms of the Electronic Funds Transfer Act and Regulation E, if applicable, or Uniform Commercial Code Article 4A, if applicable, and shall otherwise perform its obligations under this Agreement in accordance with all applicable laws and regulations. For any RCK Entries, ARC Entries, BOC Entries, WEB Entries, and TEL Entries originated, Company certifies its compliance with all warranties made by INB pertaining to such Entries exchanged through the ACH Network. Company shall indemnify INB against any loss, liability, or expense (including attorneys' fees, costs and expenses) resulting from or arising out of any breach of any of the foregoing warranties or agreements.

12. Data Retention. Company shall retain data on file adequate to permit remaking of Entries for one (1) year following the date of their transmittal by INB as provided herein, and shall provide such data to INB upon its request. Company shall retain all items, source documents and records of authorization in accordance with the Rules.

13. Provisional Credit. Company acknowledges that the Rules make provisional any credit given for an Entry until INB crediting the account specified in the Entry receives final settlement. If INB does not receive final settlement, it is entitled to a refund from the credited party and the Originator of the Entry shall not be deemed to have paid the party.

14. Form and Format. INB shall notify Company whether Entries shall be in the form of balanced or unbalanced files. If INB requires a balanced file, then INB shall control when and where offset Entries occur. If INB requires that Entries shall be in the form of an unbalanced file, then this means an Entry shall contain only the originating items for that Entry without any corresponding offset or settlement transaction.

Credit Entries. INB reserves the right to require that Company pay INB in immediately available funds at the time of transmittal or at any time prior to settlement the amount of each credit Entry submitted by Company.

Debit Entries. On the applicable Settlement Date, INB shall credit the account with the amount of each debit Entry transmitted to INB. In the event any Entry is returned in accordance with the Rules by a Receiving Depository Financial Institution after INB has provided credit, Company shall, upon demand, repay INB the amount of the Return Entry. INB may require Company to maintain reserves in accordance with Section 22 of this Agreement.

Entry Settlement. Company shall provide INB with immediately available funds not later than 8:00 a.m. local time on each Settlement Date sufficient to pay all Entries initiated by Company which are to be settled on that date. Company hereby authorizes and instructs INB to make deposits, withdrawals and transfers to and from Company's Accounts as appropriate or necessary in connection with any of the ACH services provided by INB under this Agreement. Notwithstanding anything in this Agreement to the contrary, INB reserves the right to require that sufficient collected funds be in Company's Accounts prior to the time any Entry is processed by INB under this Agreement.

15. Pre-Funding. INB reserves the right to require Company to pre-fund an Account maintained at INB prior to the Settlement Date of the ACH file. INB shall determine whether pre-funding is required based on criteria established from time to time by INB. INB will notify Company if pre-funding is required and, if requested by Company, will provide Company with an explanation of its pre-funding criteria. If it is determined that pre-funding is required, Company will provide immediately available and

collected funds sufficient to pay all Entries initiated by Company (a) not later than 8:00 a.m. local time two (2) banking days before each Settlement Date, and (b) prior to initiating any Entries for which pre-funding is required.

16. Settlement. Company will maintain an Account with INB at all times during the term of this Agreement and until the period for Return Entries has elapsed. Company will maintain in the Account immediately available funds sufficient to cover all credit Entries originated and returns of debit Entries originated. Company authorizes INB to debit its Account in the amount of each file.

17. Settlement Discrepancies. The periodic statement issued by INB for Company's Account will reflect Entries credited and debited to Company's Account. Company agrees to notify INB within a reasonable time not to exceed thirty (30) calendar days (except where applicable law provides a sixty (60) calendar day review period) after Company receives a periodic statement of any discrepancy between Company's records and the information in the periodic statement. Company and INB agree to cooperate in performing loss recovery efforts in the event either party may be liable to the other for damages.

18. Cancellation or Amendment of Entries. Company shall have no right to cancel or amend any Entry/File after receipt of such Entry/File by INB. However, INB shall use reasonable efforts to act on a request by Company to cancel an Entry/File before transmitting it to the ACH Network or processing it as an On-Us Entry. INB shall have no liability if it fails to effect the cancellation.

19. Rejection of Entries. INB may reject any Entry/File, including an On-Us Entry, which does not comply with the requirements of Sections 2 and 3 of this Agreement and may reject any Entry if Company is not otherwise in compliance with the terms of the Agreement. INB shall notify Company of such rejection no later than the business day such Entry would otherwise have been transmitted by INB to the ACH Network or, in the case of an On-Us Entry, its effective Entry date. It shall be the responsibility of Company to remake any Entries or Files rejected by INB or the ACH Operator.

20. Return Entries. INB shall notify Company of the receipt of a Return Entry from the ACH no later than one (1) banking day after the banking day of such receipt. INB shall have no obligation to re-transmit a Return Entry if INB complied with the terms of this Agreement with respect to the original Entry. Company authorizes INB to charge back returns to Company's designated Account the amount of any Return Entry as soon as information is made available to INB. Company will promptly provide immediately available funds to indemnify INB if any debit Entry is returned after INB has permitted Company to withdraw funds in the amount thereof or if any adjustment memorandum that relates to such Entry is received by INB.

21. Reversals. Company may initiate a reversing Entry or File for erroneous or duplicate transactions, as permitted by the Rules. In doing so Company warrants that it has initiated the Entries or Files within five (5) banking days of the original Entry or Entries and within twenty-four (24) hours of discovery of the error. Company also warrants that the account holder of a reversing Entry has been notified of the reversal, and the reason for the reversal, no later than the Settlement Date of the reversal. For both reversing Entries and Files, Company indemnifies all parties of the transaction(s) from and against any claim, demand, loss, liability, or expense.

22. Reserves. From time to time, INB shall evaluate Company's transaction activity for the purpose of establishing averages for transaction frequency, amount, and returns and adjustments. These evaluations may occur annually or may occur more frequently at INB's discretion. In connection with these evaluations, INB reserves the right to require Company to establish reserves with INB calculated by INB to cover Company's obligations to INB arising from ACH activities under this Agreement. Reserves may be expressed as a fixed dollar amount or as a "rolling reserve" calculated based on "rolling" averages determined by INB's periodic evaluations. The amount of reserves required by INB, if any, will be communicated directly to Company from time to time. Company agrees to establish

reserves as required by INB within seven (7) banking days after receipt of a communication from INB setting forth the amount of required reserves and the basis of calculation used to determine the amount of reserves. INB may suspend ACH processing activity for Company if Company fails to establish the required amount of reserves within the time period specified by INB in its communication to Company.

23. Name and Account Number Inconsistency. Company acknowledges and agrees that, if an Entry describes the receiver inconsistently by name and account number, payment of the Entry may be made as provided in the Rules on the basis of the account number even if it identifies a party different from the named receiver.

24. Fees. Company shall pay INB for services provided under the Agreement in accordance with the schedule of fees and charges attached to this Agreement as **Schedule B**. INB may change its fees from time to time upon written notice to Company.

25. Liability. INB shall be responsible only for performing the services expressly provided for in the Agreement, and shall be liable only for its gross negligence or willful misconduct in performing those services. In no event shall INB have any liability for any consequential, special, punitive, or indirect loss or damage which Company may incur or suffer in connection with this Agreement. In addition, INB 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 communications facilities, equipment failure, war, emergency conditions, or other conditions beyond INB's control. INB shall not be held liable for any delay by an ACH Operator or Receiving Depository Financial Institution in processing any credit or debit Entry Company originates, nor shall it be held liable for the failure of a third party to process, credit, or debit any such Entry, or for other acts of omission.

26. Exposure Limits. Company shall comply with the monetary file limits established by INB (See Exposure Limits in **Schedule C** attached to this Agreement).

"Entry Settlement Limit" means the maximum aggregate amount of In-Process Entries permitted to be outstanding at any time, which amount shall be separately communicated to Company by INB in writing from time to time.

"In-Process Entries" means the aggregate dollar amount of all credit or debit Entries initiated by Company and in process on any date for which settlement has not occurred with respect to credit Entries, or the applicable period for the return of items has not expired with respect to debit Entries.

"Overlimit Entry" means an Entry the amount of which would cause the aggregate amount of In-Process Entries to exceed the Entry Settlement Limit.

Company agrees that INB will not process an Overlimit Entry. INB will suspend any Overlimit Entry submitted by Company and may, following its receipt of an Overlimit Entry; suspend all In-Process Entries. Company acknowledges that any Overlimit Entry or other In-Process Entries suspended by INB will not settle on their scheduled Settlement Date. If Company wishes to initiate an Entry that would cause the amount of In-Process Entries to exceed the Entry Settlement Limit, Company may submit to INB its request to initiate an Entry that otherwise would be an Overlimit Entry. Company must submit its request at least two (2) banking days prior to the date on which Company wishes to initiate the Entry that otherwise would be an Overlimit Entry. INB may require from Company financial or other information in connection with INB's consideration of the request. INB may grant or deny Company's request in its sole discretion. In addition to the foregoing, INB generally reserves the right to limit the nature and amount of the preauthorized debit/credit Entries processed under this Agreement or to refuse to process any debit/credit Entries under this Agreement if, in INB's sole judgment (i) there is reasonable cause to believe that any Entry will be returned or will not settle in the ordinary course of the transaction for any reason, (ii) to do otherwise would violate any limit set by the applicable clearing house association or any governmental authority or agency to control payment system risk, or (iii) a

preauthorized credit Entry or the return of a preauthorized debit Entry would create an overdraft of Company's Accounts. If any of the foregoing actions are taken by INB with respect to a particular preauthorized debit/credit Entry, INB will notify Company as promptly as practicable, but in no event later than two (2) banking days after its decision.

27. Security Interest. In order to secure the prompt payment and performance of all of Company's obligations to INB under this Agreement, Company hereby grants to and in favor of INB a security interest in, to, and covering all of Company's Accounts maintained by Company with INB, including all amounts (including reserves) held in the Accounts at any time and from time to time. In the event Company initiates insolvency or bankruptcy proceedings, INB shall be deemed a secured party for all purposes with respect to the Accounts and all amounts held in the Accounts.

28. Amendments to Agreement. From time to time INB may amend any of the terms and conditions contained in this Agreement, including any part of **Schedules A** through **G** attached hereto. Such amendments shall become effective upon receipt of notice by Company or such later date as may be stated in INB's notice to Company.

29. Inspection. Upon reasonable notice from INB to Company, INB shall have the right to inspect Company's books and records and to make on-site visits to any and all Company locations with regard to all information deemed by INB to be necessary or pertinent to Company's use of ACH services provided by INB under this Agreement. Information subject to INB's right of inspection shall include all information maintained by Company with respect to Company's customers, clients, vendors and processors (including audits) if, in the opinion of INB, Company's relationship with such customers and clients is materially related to Company's ACH transaction activity conducted through INB under this Agreement. Physical site visits may be conducted to ensure notification and communication processes and disclosure requirements are being followed with respect to those addressed in the Rules.

30. Termination of Agreement. Either party may terminate this Agreement upon ten (10) calendar days written notice to the other; provided, however, that INB may terminate this agreement immediately upon its determination that Company is in violation of this Agreement, the ACH Rules or applicable laws or if Company initiates any bankruptcy proceeding or is otherwise declared insolvent. Any termination of this Agreement shall not affect any of INB's rights or Company's obligations with respect to any Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to services performed by INB prior to termination, or any other obligations that survive termination of this Agreement. Company's obligation with respect to any Entry shall survive termination of this Agreement until any applicable statute of limitation has elapsed.

31. Miscellaneous. This Agreement, and the attached **Schedules A** through **G** supersede any prior agreement(s) between INB and Company with respect to such subject matter. Company may not assign this Agreement or any of the rights or duties hereunder without INB's prior written consent. INB may waive enforcement of any provision of this Agreement. Any such waiver shall not affect INB's rights with respect to any other transaction or modify the terms of this Agreement. 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 INB or Company hereunder. 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. INB shall be entitled to rely on any written notice believed by it in good faith to be signed by one of the authorized representatives whose names and signatures are set forth in this Agreement and the implementation process and forms. This Agreement shall be governed by and construed in accordance with the laws of the United States of America and the State of Illinois.

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

COMPANY: Capital Township

By: [Signature]

Name: Tom Cavanagh

Title: Capital T'ship Spouse

Date: 11/2/12

ILLINOIS NATIONAL BANK

By: _____

Name: _____

Title: _____

Date: _____

Glossary

“ACH Network” means the funds transfer system (network) governed by the NACHA Rules which provides for the inter-financial institution clearing of electronic entries for participating financial institutions.

“Account” means a demand deposit account or other deposit account Company has with INB which INB permits to be linked to a Service.

“Agreement” means the Agreement for ACH Origination, which may change from time to time. All references to Agreement include all Schedules, Addendums and User Guides INB provides to Company from time to time.

“Effective Entry Date” means the date placed on an ACH transaction by the Originator of the transaction or the ODFI – it is normally the date the Originator or ODFI intends the transfer to take place.

“Electronic Funds Transfer Act” means the law passed by the US congress in 1978, which set out the rights and obligations of consumers and their financial institutions regarding the use of electronic systems to transfer funds. This act is implemented in the Federal Reserve Bank’s Regulation E.

“Entries” mean Credit Entries and Debit Entries, including On-Ups Entries consistent with the NACHA Rules and also includes any data for entries or any prenotification entries.

“File” means a group of ACH entries stored for delivery to an ACH receiving point.

“ODFI or Originating Depository Financial Institution” means financial institutions which originate ACH transactions on behalf of its customers. ODFI’s must abide by the NACHA Operating Rules.

“Originator” means a company, individual or entity that initiates entries into the ACH Network.

“Password” means confidential, unique personal numbers, codes, marks, signs, public keys or other information composed of a string of characters used as a means of authenticating and accessing a Service.

“RDFI or Receiving Depository Financial Institution” means a financial institution qualified by NACHA to receive ACH transactions.

“Regulation E” means the regulation published by the Federal Reserve Bank to implement the Electronic Fund Transfer Act mandating consumer rights and obligation with regard to electronic fund transfers.

“Return Entry or Return Entries” mean any item, which cannot be processed and is being returned by the RDFI to the ODFI for correction or re-initiation.

“Rules” mean the NACHA Operating Rules which provide a complete guide to the Rules and Regulations governing the ACH Network.

“SEC Codes” or Standard Entry Class codes mean the three-character code within an ACH company/batch header, which identifies the type of transactions within that batch (e.g. CCD, CTX, PPD, etc.).

“Security Procedures” means, unless we agree otherwise with you, the applicable security requirements and procedure for verifying the authenticity of Entries.

“Service” means the ACH Services and features of those services which INB may provide from time to time to INB’s commercial or small business customers.

“Settlement Date” means the date on which settlement occurs, i.e., funds actually change hands as a result of an ACH entry.

“Uniform Commercial Code Article 4A (UCC4A)” means the portion of the Uniform Commercial Code which deals with certain funds transfers, including ACH credit transactions not subject to the Electronic Fund Transfer Act of Regulation E. This law outlines the protections and responsibilities given to the parties to wholesale credit transactions, and sets the legal standard for commercially reasonable security procedures to be used in conjunction with those transactions.

Attached Schedules

Company Name Capital Township Date _____**ACH Originator Schedules****A Through G****Schedule A – Delivery Specifications**

Delivery Deadline: All ACH input files must be received, file totals reported and balanced by INB no later than 4:00 p.m. CST to be processed on that same day. Input files containing credit transactions must be transmitted or delivered to INB at least 2 banking days prior to the Effective Entry Date of the Entries contained within the file. Input files containing debit transactions must be transmitted or delivered to INB at least 1 banking day prior to the Effective Entry Date of the Entries contained in the file.

Effective Entry Date: The Effective Entry Date (contained in the Company/Batch Header Record(s) of the ACH input file) is a date specified by Company on which it intends an Entry to be posted and settled. The Effective Entry Date must be a future date and must not be a Saturday, a Sunday, or a holiday observed by the Federal Reserve Bank as listed in **Schedule D**. The Effective Entry Date may be, but isn't necessarily always, the same date as the settlement of funds.

File Format: All ACH input files must be in the standard ACH format based on the *NACHA Operating Rules* or other pre-approved format established by Illinois National Bank.

Schedule B – Fees

Fee Schedule: Company agrees to pay INB any of the following fees from Company's Account Analysis billing as appropriate:

Transmittal Fee	\$ 5.00 per file (currently waived)
Transaction Item	\$ 0.15 per credit item
	\$ 0.15 per debit item
Return Item	\$ 2.00 per item
Return Item Represented	\$ 1.00 per item
NOC Item	\$ 0.25 per item
ACH Service Fee	\$ 25.00 per month (currently waived)
Corporate Rules Book	\$ 39.00 per rules book, if requested

**Fees subject to change with 30 days notice.*

Schedule C – ACH Exposure LimitsACH Daily Limits*Limit for Credit Transactions:* Daily Limit \$ 28,600*Limit for Debit Transactions:* Daily Limit \$ 28,600

Per NACHA Rules, in the case of WEB entries, the ODFI has to establish an exposure limit for the Originator or Third-Party Sender:

WEB Debit Limits: Daily Limit \$ _____**Schedule D – Holidays**

Use the list below or access the exact dates as provided by the Federal Reserve website at:
<http://www.frbervices.org/holidayschedules/index.html>

Holiday Calendar: INB will be closed on the following standard holidays observed by the Federal Reserve Bank. INB will not accept files for processing on the following days, as well as all Saturdays and Sundays. Be careful to make sure that these dates are not used as Effective Entry Dates:

New Year's Day (January 1)
Martin Luther King's Birthday (Third Monday in January)
Presidents Day (Third Monday in February)
Memorial Day (Last Monday in May)
Independence Day (July 4)
Labor Day (First Monday in September)
Columbus Day (Second Monday in October)
Veterans Day (November 11)
Thanksgiving Day (Fourth Thursday in November)
Christmas Day (December 25)

Note: If January 1, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.

Schedule E – Principal/Owner Guaranty

The undersigned hereby guarantees the prompt payment and performance of all amounts, fees, and obligations of _____ (Company) due and owing to Illinois National Bank ("INB") arising under or in connection with that certain Company Agreement for ACH Origination (the "Agreement"), dated of even date herewith between Company and INB. This Guaranty is intended to cover all obligations of Company under the Agreement, including, but not limited to, (a) the payment of fees and amounts arising under the Agreement or in connection with any deposit account maintained by Company with INB, (b) the compliance by INB with all laws, regulations and rules related to Company's origination and processing of ACH Entries under the Agreement, (c) Company's obligations with respect to Reserves and the return of ACH Entries under the Agreement and (d) the accuracy and performance of Company's warranties under the Agreement.

In order to secure the payment and performance of this Guaranty, the undersigned hereby grants to INB a security interest in and to all deposit accounts owned by the undersigned and maintained at INB.

The undersigned hereby agrees and acknowledges that this Guaranty is a guarantee of performance and not of collection, and that INB may, upon default or violation by Company of any terms of the Agreement, proceed directly against the undersigned for satisfaction and performance of the obligations of Company under the Agreement without first proceeding against Company.

Executed this 2 day of NOV, 2012



Signature of Principal/Owner

Thomas K. Cavanagh
Capital Township Supervisor
200 S. NINTH STREET, ROOM 102
SPRINGFIELD, ILLINOIS 62701

Schedule F – Permitted ACH Transactions

INB has identified the following ACH transactions which will be permitted pursuant to this Agreement:

CCD, PPD

Schedule G - Security Procedures

Company is responsible to strictly establish and to maintain procedures to safeguard against unauthorized transactions. 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 Financial Institution. If Company believes or suspects that any such information has been accessed by an unauthorized individual, Company will verbally notify INB immediately, followed by written confirmation. The occurrence of such notification will not affect any transfers made in good faith by INB prior to the notification and within a reasonable time period to prevent unauthorized transfers.

Data Security:

Limiting access and securely storing ACH data used in the routing and settlement of ACH transactions is a critical data security precaution. Company's ability to limit access to production data can be done through commercially available software products. Access can be limited to specific programs, user IDs, or read-only or read-and-edit-only access functionality. Files can also be transmitted between ACH participants using the following data protection methods: encryption and authentication.

- **Encryption** is a process of scrambling data content through hardware or software in order to protect the confidentiality of a file's contents. This information should remain encrypted between all parties in the ACH Network using commercially reasonable procedures and must be transmitted using security technology that is 128-bit RC4 technology (minimum standards).
- **Authentication** is a process of ensuring that files and data content have not been altered between the Originator and receiving points. Like encryption, this can be done using hardware or software to ensure data integrity.

Transmittal of Files:

- Company will only transmit files on the dates specified in the agreed upon transmittal schedule. Changes to this schedule must be made in writing and signed by an authorized contact (see **Schedule A**) of the Company.
- Company will transmit files to INB via pre-arranged access to ACH system utilizing agreed upon logon procedures and proper access identification.
- File totals will be confirmed by the INB upon receipt of the IVR File Verification totals.

Should any of the above procedures not be met, the file will be rejected by INB and Company will be notified.