

## BB&T AGREEMENT FOR ELECTRONIC LOCKBOX SERVICES

This AGREEMENT is made this 9<sup>th</sup> day of June, 2015 ("Effective Date") by and between the Village of Grayslake (the "Client") and BB&T (BB&T).

1. Service. BB&T shall, on behalf of Client, receive and aggregate electronic payments or remittances owed to the Client by third parties ("Electronic Payments") and the related payment detail information respecting the Electronic Payments (the "Payment Detail Information"), and shall transfer daily to Client (a) a single payment by Credit Entry (as defined in the ACH Rules) consisting of an amount equal to the aggregate of all Electronic Payments received by BB&T on behalf of Client, and (ii) a single data file containing the aggregated Payment Detail Information received by BB&T on behalf of Client with respect to each Electronic Payments. The services described in the preceding sentence are referred to herein as the "Service."

2. Receipt of Electronic Payments; ACH Rules. The Electronic Payments received by BB&T on behalf of Client may be received directly from third party bill payment processors ("Bill Payment Processors"), or through the automated clearing house ("ACH") system pursuant to the rules of the National Automated Clearing House Association ("ACH Rules"). With respect to Electronic Payments received through the ACH system, BB&T and the Client shall comply with and be bound by the ACH Rules as in effect from time to time.

3. Processing of Electronic Payments; Daily Payment. Except as otherwise provided in this Section, BB&T will credit to a demand deposit account maintained by BB&T (the "Concentration Account") each Electronic Payment received by it on behalf of Client as to which the instructions and information relating to such Electronic Payment delivered or transmitted to BB&T by the Bill Payment Processor, or other originator (such instructions and information hereafter collectively referred to as "Receiver Information") indicate that such Electronic Payment is to be credited to the Concentration Account. Except as otherwise provided in this Section, each such Electronic Payment will be credited to the Concentration Account on the later of the payment date/effective entry date specified in the respective Receiver Information, or the date on which such Electronic Payment and the related Receiver Information are received by BB&T. Amounts credited by BB&T to the Concentration Account on Client's behalf will be paid by ACH Credit Entry to Client at the end of each business day (the "Daily Payment") to the "Designated Settlement Account" identified in Schedule "B" of this agreement.

In no event shall BB&T have responsibility to determine whether any Electronic Payment received by it on Client's behalf has been authorized by the Payor (as defined in Section 4), corresponds to the amount specified by the Payor on any authorization, or is equal to an amount then owed to Client by such Payor.

4. Daily Report. At the end of each business day, BB&T will deliver to Client by means of electronic transmission, a report (the "Daily Report") setting forth the Payment Detail Information received by BB&T with respect to each Electronic Payment aggregated and delivered to Client in the Daily Payment pursuant to Section 3 above. The Daily Payment shall set forth the same Payment Detail Information as received by BB&T with respect to each Electronic Payment included in the Daily Payment, provided that the Daily Report shall, at a minimum, include the name of each individual or entity in respect of whom an Electronic Payment was included in the Daily Payment (each such person a "Payor"), and the amount of the payment received. BB&T shall compile each Daily Report from the information contained in the Payment Detail Information supplied to BB&T by Bill Payment Processors, or other originators in connection with Electronic Payments, and BB&T shall have no liability or responsibility for any inaccurate, incomplete or non-current information provided in the Daily Report

which was obtained from such Payment Detail Information.

Client shall promptly review each Daily Report and post payments included in each Daily Report within 24 hours of receipt. If Client determines that the remitting entity made an error in the amount of any Electronic Payment, Payor's name or other information, Client shall promptly notify the remitting entity. If Client is unable to post any payment due to incomplete or inaccurate information received, Client will return payment within 48 hours of receipt.

5. Reversals of Electronic Payments. In the event that BB&T receives from any Bill Payment Processor, a reversing entry or any other demand or notice to return any Electronic Payments for any reason, BB&T will notify Client of such Debit Entry, reversal or return (collectively, "Reversal") and will transmit to Client notice of the Reversal in the Client's Daily Report. Upon BB&T's receipt of any Reversal, BB&T will set off the amount of such Reversal against funds due Client in the next Daily Payment.

6. Warranties; Indemnity. Client hereby represents and warrants to BB&T that each Electronic Payment received by BB&T on Client's behalf has been authorized by the named Payor thereof, and that at the time of receipt by BB&T of any Electronic Payment in respect of a Payor and at the times such Electronic Payment is credited to the Concentration Account and paid to Client in the Daily Payment, such authorization has not (a) been revoked or terminated by such Payor or, (b) been terminated as a whole or in part by operation of law. Client continually represents and warrants, so long as Client uses the Service, that it is neither bankrupt nor insolvent, that it has not made an assignment for the benefit of creditors or sought the protection of any bankruptcy, insolvency or similar statute governing creditors' rights generally and does not have a present intent to do so, and that no governmental authority having jurisdiction over it has served a notice of intent to suspend or revoke its operations. Client further continually represents and warrants that (a) it is duly qualified, authorized and licensed to do business and to carry out the obligations under this Agreement, and (b) to the best of its knowledge, this Agreement does not violate any law, regulation or agreement to which Client is a party. Client must immediately notify BB&T if at any time these representations and warranties are no longer true or will, subject to the passage of time, become untrue.

Client shall indemnify BB&T, its parent affiliates, and their officers, directors, employees, attorneys, agents and representatives (each an "Indemnified Person") and hold each of them harmless from and against any and all claims, demands, losses, liabilities, damages, judgments, disputes, charges or expenses (including litigation expenses, costs of investigations and reasonable attorneys' fees and costs) (each a "Claim") resulting directly or indirectly from BB&T's entering into or performance under this Agreement, unless the exclusive cause of any such Claim is BB&T's failure to perform under this Agreement in accordance with the standards set forth herein. Client will, at its own expense, defend any action or proceeding brought against BB&T or any other Indemnified Person in connection with any such Claim.

7. Liability Limitations. Client acknowledges and agrees that, due to the automated nature of many aspects of the Service, the large volume of transactions that may occur, and Client's desire to minimize fees associated with the Service, BB&T shall not be liable for any damages or losses of any kind resulting from any unintentional error or omission by BB&T in performing the Services in accordance with, or unintentional deviation by BB&T from, the terms and conditions of this Agreement or any exhibits, schedules or addenda attached to this Agreement. Further, Client acknowledges and agrees that if BB&T has failed to perform under this Agreement in accordance with the standards set forth herein, BB&T's liability for any damages, losses or other compensation owing to Client shall be limited to interest on the funds at issue at the average "federal funds rate" at the Federal Reserve Financial Institution of New York

for the period during which such breach of this Agreement remains uncorrected.

To the maximum extent permitted by law, BB&T shall not be liable for any loss, damage, liability or claim arising, directly or indirectly, from: (i) any act or failure to act of a Bill Payment Processor or any other third party; (ii) any event or circumstance beyond the reasonable control of BB&T, including any fire, earthquake, natural disaster, war, civil unrest, power surge or failure, governmental act, labor dispute, communications or computer network failure, legal constraint, whether or the possibility or likelihood of any such event was known or contemplated by BB&T; or (iii) indirect, special or consequential damages, regardless of the form of action and even if BB&T is advised of the possibility of such damages.

8. Service Fees. Client shall compensate BB&T for the Service in accordance with the fee schedule attached hereto as Schedule A. Fees will be charged via ACH from the "Designated Checking Account for Service Fees" identified in Schedule B of this agreement.

9. Term; Termination. This Agreement shall commence on the Effective Date and continue for a period of one year ("Initial Term"). Thereafter, the term shall continue for consecutive one (1) year periods (each a "Renewal Term" and together with the Initial Term, a "Term") unless earlier terminated as provided for below. Either party may terminate this Agreement, with or without cause, at any time, effective sixty (60) days after sending written notice to the other party. Notwithstanding the foregoing, either party may terminate this Agreement immediately upon written notice to the other party in the event of (i) a material breach of this Agreement by the non-terminating party; or (ii) the non-terminating party's inability to meet its debts as they come due, receivership or voluntary or involuntary bankruptcy or the institution of any proceeding therefore, or any assignment for the benefit of the non-terminating party's creditors, or a determination by the terminating party, in its reasonable discretion, that the financial condition of the non-terminating party has become impaired. The obligations and liabilities of the parties incurred prior to the termination date shall survive the termination of this Agreement for whatever reason.

10. Amendment. This Agreement, including the attached Schedule and the fee schedules, may be amended by BB&T from time to time upon written notice to Client. Any such amendment shall be effective thirty (30) days after BB&T sends such notice to Client. In the event that performance of the Service by BB&T would result in a violation of any present or future federal or state law, rule, statute, regulation or policy, this Agreement shall be automatically amended to the extent necessary to comply with such law, rule, statute, regulation or policy, and BB&T shall have no liability to Client as a result of such amendment.

11. Disputes. Both parties agree to mediate any disputes with a mutually agreed upon mediator and each party will bear its own costs for such mediation.

12. Notices. All notices to BB&T shall be sent to BB&T at: 2501 Wooten Blvd., SW, Wilson, NC 27893-4426. All notices to Client shall be sent to Client at Client's last known address on the books and records BB&T. All notices shall be given by U.S. mail (first class, postage prepaid, addressed as indicated above), by hand delivery or by facsimile transmission providing transmittal receipt.

13. Telephonic Communications. Client consents to the recording of telephone conversations of its personnel in connection with the Service and assumes responsibility for obtaining the consent of, and giving of notice to, such personnel. The decision to record any telephone conversation is solely at BB&T's discretion and BB&T will have no liability for failing to do so.

14. Entire Agreement. This Agreement, including the attached Schedules and fee schedules from time to time in effect, contains the entire understanding of the parties with respect to the subject matter hereof and may not be changed or waived orally and supersedes any other understanding or agreement

with respect to the Service.

15. Assignment. Client shall not assign this Agreement or any rights or duties hereunder to any third party without BB&T's prior written consent.

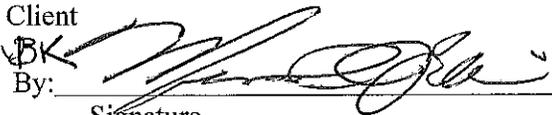
16. Confidentiality. To the fullest extent allowed by law, each party represents, warrants and mutually agrees that all information concerning the other party that comes into its possession as a result of this Agreement and that all communications and transactions contemplated hereby shall be maintained as confidential and shall not be used or divulged to any other party except as necessary to permit the activities contemplated under this Agreement. BB&T may advise potential users of the Service that Client has a relationship with BB&T.

17. No Waiver of Rights. A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver and will not preclude any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.

18. Severability. Any provisions of this Agreement or any addendum, exhibit or schedule to this Agreement, that is deemed invalid or unenforceable in any jurisdiction shall, as to such jurisdiction and to the extent of such invalidity or unenforceability, be deemed replaced with a valid and enforceable provision as similar as possible to the one replaced, and all remaining provisions of this Agreement shall remain in full force and effect.

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

In witness, the parties to this Electronic Lockbox Agreement hereby acknowledge and agree to be bound by the terms and conditions contained in this Agreement and in all exhibits, schedules and addenda attached and made a part hereof or otherwise referenced herein.

Client  
By:   
Signature

Michael J. Ellis  
Print Name

Village Manager  
Title

10 So. Seymour Ave.  
Address (Line 1)

Address (Line 2)

Graylake IL 60030  
City State Zip

BB&T  
By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**SCHEDULE A**

Service Fees

Client agrees to pay BB&T the following service fees:

One time setup fee.....	\$.00
Monthly maintenance.....	\$.00
Per Transaction.....	\$.10
Per swap entered.....	\$.00
Per reversal/return submitted.....	\$.00

**SCHEDULE B**

Client authorizes BB&T to provide full administrative access to \_\_\_\_\_ (“Administrator”) including User IDs and passwords necessary to provide support for the Service. Administrator has the authority to make any and all changes on behalf of Client unless BB&T receives written notice to revoke this authority.

**Designated Settlement Account**

Client designates the following settlement account to receive the Daily Payment.

Financial Institution Name First Merit

Routing Number 041200555

Account Number 50 5000 0217

All monthly invoices should be emailed to the attention of Bettina OConnell at boconnell@villageofgraylake.ca

**Designated Checking Account for Service Fees**

Client hereby authorizes BB&T to initiate debit entities for monthly service fees to our Checking Account indicated below at the Financial Institution named below. Debits will be scheduled for the 15<sup>th</sup> of each month for the previous month’s volume.

Financial Institution Name First Merit

Routing Number 041200555

Account Number 50 5000 0217

This authorization is to remain in full force and effect until BB&T has received written notification of its termination in such time and in such manner as to afford BB&T a reasonable opportunity to act on it.