



CHRISTY WHATLEY  
Operations Officer

110 West Panola  
P O Box 579  
Carthage, Texas 75633  
903-693-6606  
cwhatley@fsbcarthage.com

September 1, 2016

Debbie Crawford  
Panola County of Texas  
110 S Sycamore St  
Carthage, TX 75633

Dear Customer,

We are currently performing an annual review of your company's ACH origination activities. This review helps us ensure that we have up-to-date information about your company and that we are meeting regulatory requirements. As an additional focus of this review, we are taking steps to help reduce the risk to the bank and our customers from unauthorized and fraudulent transactions by updating ACH Originator Agreements.

In addition to the updated ACH Originator Agreement, we are providing you with the following information:

- **Online Security Best Practices** – This manual gives you guidance to protect your business from unauthorized access to your account and fraudulent transactions.
- **UCC 4A Disclosure** – This is a required disclosure to be provided to all ACH originators.
- **Federal Reserve Bank Holiday Schedule** – This provides you with a list of the non-processing bank days to allow you to plan your ACH transmittals.
- **NACHA Operating Rules** – While not included with this mailing, a copy of the rules is available to you upon request at no charge. Please contact our electronic banking department to request a copy.

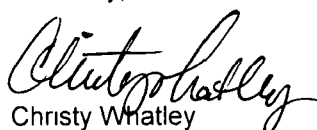
Please sign and return the following documents in the enclosed envelope:

- **First State Bank & Trust Company ACH Originator Agreement**
- **Contact Information Update**
- **Online Security Best Practices**
- **UCC 4A Disclosure**

Once I receive your signed documents, I will forward a bank signed copy of your updated ACH Originator Agreement to you for your records.

We appreciate your business, and we wish to provide excellent service to you. If you have any questions regarding any of the enclosed information, please do not hesitate to contact me.

Sincerely,

  
Christy Whatley  
Operations/ACH Officer

**ACH Originator  
Exposure Limit and Contact Information Update**

Please strike through any out-of-date information and update as needed. If all information is correct,  
please simply sign and return

Customer Name	Panola County of Texas
Account Number Ending in	2445 (Debit Entries)
Total daily dollar limit	\$30,000
Contact person	Debbie Crawford
Contact phone number	903-693-0345
Contact email address	<del>debbie.crawford</del> debbie.crawford@co.panola.tx.us
Individuals other than a signer on the account that is able to submit and verify ACH transactions	Gloria Coco

Company Representative

By

*Debbie Crawford*

Date

9-12-14

**UCC ARTICLE 4A DISCLOSURE**  
**DISCLOSURES REGARDING ELECTRONIC "WHOLESALE CREDIT" TRANSACTIONS SUBJECT TO**  
**UNIFORM COMMERCIAL CODE ARTICLE 4A**

**PROVISIONAL PAYMENT:**

Credit given by the First State Bank & Trust Co ("us or we") to you ("owners or holders of the deposit, including their authorized representatives") with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**NOTICE OF RECEIPT OF ENTRY:**

Under the operating rules of the National Automated Clearing House Association, (NACHA) which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide to you.

**CHOICE OF LAW:**

We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of Texas, unless it has otherwise specified in a separate agreement that the law of some other state shall govern

**For questions, please call or write:**

First State Bank & Trust Co.  
PO Box 579  
Carthage, TX 75633  
(903) 693-6606

**Keep this copy for your records**

## Protect Your Business – Online Security Best Practices

The cyber-security threat continues to grow, as potential thieves devise increasingly complex schemes in their efforts to defraud online consumers. First State Bank & Trust Company is proactive in making sure your money is protected online. We offer multiple layers of security within our online banking service, at no additional charge. The following is a list of security features that are available within the online banking system

- **ACH Limits** – Make sure ACH limits are set correctly. Review the limits that are sent to you annually. You do not want to set limits higher than what is required to do your day to day business. This limits your risk. If you feel that your limits need to be adjusted, please contact us.
- **Dual control** – We can activate dual control for your online activity, which would require one person to draft the transactions and a different person to review transactions before they are submitted to the bank. Contact us if you would like to activate this feature
- **Secure access** – You are assigned a username and temporary password for yourself and each of your employees who are signed up for Internet Banking. Upon the initial login, a series of challenge questions is offered to choose and answer. These questions are used to challenge any login that may seem to be fraudulent by the system. Also an image and passphrase are selected that are displayed at each login before entry of the password to validate that the employee has actually connected with our Internet Banking Site instead of being redirected to a fraudulent site. After successfully completing these features and entering and changing the temporary password, a cookie is placed on the employee's computer that connects that computer with that specific username and password. Now, that particular username and password will only be accepted from that computer which has that particular cookie. Should you or the employee need to login from another computer, which might arise if the computer is replaced or if the temporary Internet files and cookies have been deleted, you can contact the Bank's IT Department to have the cookie reset
- **ACH Verification** – If you are submitting your ACH transactions by file upload, First State Bank & Trust Company requires that the ACH Transmittal Register be submitted at the time of your upload by email or fax to verify your ACH transactions to further protect you from unauthorized ACH activity

Remember that First State Bank & Trust Company employees **will NEVER call you and ask for your password**. If you call for online banking support, we may ask you for your user name to help us look up your online account information. First State Bank & Trust Company will not send links or emails asking for you to enter any personal information, banking credentials, debit card numbers, or other sensitive information. If you receive an email requesting this type of information, you should disregard the message and call the bank if you have concerns

We recommend that businesses review internal controls over your computers and that all computers used to access online banking have up to date antivirus or anti-malware software installed. We also recommend that you patch your computer, use a firewall to protect your assets and have an acceptable use policy

We do not recommend that you share user IDs and passwords. If you have multiple employees sharing a user ID/password, please let us know and we can set each employee up separately. If you notice suspicious activity on your online banking account contact First State Bank & Trust Company Customer Service immediately at 903-603-6606

**Keep this copy for your records**

**Federal Reserve Bank  
Holiday Schedule  
(Non-processing Days)**

**Standard Federal Reserve Bank Holidays**

Holiday*	2016	2017	2018
New Year's Day	January 1	January 1	January 1
Birthday of Martin Luther King, Jr.	January 18	January 16	January 15
Washington's Birthday	February 15	February 20	February 19
Memorial Day	May 30	May 29	May 28
Independence Day	July 4	July 4	July 4
Labor Day	September 5	September 4	September 3
Columbus Day	October 10	October 9	October 8
Veterans Day	November 11	November 11*	November 12*
Thanksgiving Day	November 24	November 23	November 22
Christmas Day	December 26	December 25	December 25

\* For holidays falling on Saturday, Federal Reserve Banks will be open the preceding Friday. For holidays falling on Sunday, Federal Reserve Banks will be closed the following Monday

**Keep this copy for your records**

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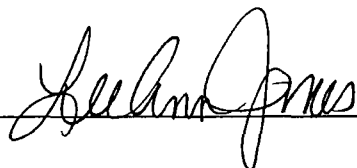
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- **Dual control** – We can activate dual control for your online activity, which would require one person to draft the transactions and a different person to review transactions before they are submitted to the bank. Contact us if you would like to activate this feature.
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Authorized Signature



Date

9-12-16

**UCC ARTICLE 4A DISCLOSURE**

**DISCLOSURES REGARDING ELECTRONIC "WHOLESALE CREDIT" TRANSACTIONS SUBJECT TO  
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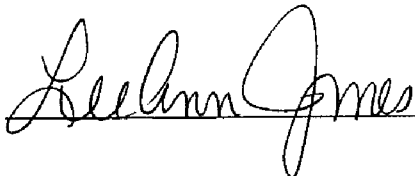
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**For questions, please call or write:**

First State Bank & Trust Co.  
PO Box 579  
Carthage, TX 75633  
(903) 693-6606

I have received the UCC ARTICLE 4A DISCLOSURE

Authorized Signature 

Date 9-12-16

This Agreement, dated as of September 1, 2016, is between Panola County of Texas (Company) and First State Bank and Trust Company (Financial Institution)

### RECITALS

- A Company wishes to initiate Credit or 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 and the local ACH Association (the "Rules"), and Financial Institution is willing to act as an Originating Depository Financial Institution with respect to such Entries
- B Unless otherwise defined herein, capitalized terms shall have the meanings provided in the Rules. The term "Entries" shall have the meaning provided in the Rules and shall also mean the data from Company hereunder from which Financial Institution prepares Entries

### AGREEMENT

#### 1 Transmittal of Entries by Company

Company shall transmit PPD (Prearranged Payments & Deposits) and/or CCD (Cash Concentration or Disbursement) credit or debit Entries to Institution to the location(s) and in compliance with the formatting and other requirements set forth in Schedule A attached hereto. The total dollar amount of Entries transmitted by Company to Financial Institution on any day shall not exceed the amount specified in the Transaction Limits section on Schedule A.

#### 2 Security Procedure

- (a) Company and Financial Institution shall comply with the security procedure requirements described in Schedule B attached hereto with respect to Entries transmitted by Company to Financial Institution. Company acknowledges that the purpose of such security procedure is for verification of authenticity and not to detect an error in the transmission or content of an Entry. No security procedure for the detection of any such error has been agreed upon between the Financial Institution and Company.
- (b) Company is strictly responsible to establish and maintain the 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 the Financial Institution in connection with the security procedure described in Schedule B. If Company believes or suspects that any such information or instructions have been known or accessed by unauthorized persons, Company agrees to notify Financial Institution immediately followed by written confirmation. The occurrence of unauthorized access will not affect any transfers made in good faith by Financial Institution prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers.

#### 3 Compliance with Security Procedure

- (a) If an Entry (or a request for cancellation or amendment of an Entry) received by Financial Institution purports to have been transmitted or authorized by Company, it will be deemed effective as Company's Entry (or request) and Company shall be obligated to pay Financial Institution the amount of such Entry even though the Entry (or request) was not authorized by Company, provided Financial Institution accepted the entry in good faith and acted in compliance with the security procedure referred to in Schedule B with respect to such entry. If signature comparison is to be used as a part of that security procedure, Financial Institution shall be deemed to have complied with that part of such procedure if it compares the signature accompanying a file of Entries (or request for cancellation or amendment of an Entry) received with the signature of an authorized representative of the Company and on the basis of such comparison believes the signature accompanying such file to be that of such authorized representative.
- (b) If an Entry (or request for cancellation or amendment of an Entry) received by Financial Institution was transmitted or authorized by Company, Company shall pay Financial Institution the amount of the Entry, whether or not Financial Institution complied with the security procedure referred to in Schedule B with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if Financial Institution had complied with such procedure.

#### 4 Recording and Use of Communications

Company and Financial Institution agree that all telephone conversations, emails or data transmissions between them made in connection with this Agreement may be recorded and retained by either party by use of any reasonable means.

#### 5 Processing Transmittal and Settlement by Financial Institution

- (a) Except as provided in Section 6, On-Us Entries and Section 7, Rejection of Entries, Financial Institution shall (i) process Entries received from Company to conform to the file specifications set forth in the Rules, (ii) transmit such Entries as an Originating Depository Financial Institution to Dallas Federal Reserve Bank (the "ACH") acting as an Automated Clearing House Operator, and (iii) settle for such Entries as provided in the Rules.
- (b) Financial Institution shall transmit or complete the necessary batch authorization of such ACH Entries by the Delivery Date deadline of the ACH set forth in Schedule A attached hereto prior to the Effective Entry Date shown in such Entries, provided (i) such Entries are received by Financial Institution's related cut-off time set forth in Schedule A on a business day, (ii) the Effective Entry Date is at least 2 days after such business day, and (iii) the ACH is open for business on such business day. For purposes of this Agreement, a "business day" is a day on which Financial Institution is open to the public for carrying on substantially all of its business (other than a Saturday or Sunday), and Entries shall be deemed received by Financial Institution, in the case of transmittal by electronic transmission, when the transmission (and compliance with any related security procedure provided for herein) is completed as provided in Schedule A.
- (c) If any of the requirements of clauses (i), (ii), or (iii) of Section 5(b) are not met, Financial Institution shall use reasonable efforts to transmit such Entries to the ACH by the next deposit deadline of the ACH, following that specified in Schedule A, which is a business day and a day on which the ACH's open for business.

#### 6 On-Us Entries

Except as provided in Section 7, Rejection of Entries, in the case of an Entry received for credit to an account maintained with Financial Institution (an "On-Us Entry"), Financial Institution shall credit 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 5(b) are met. If either of those requirements is not met, Financial Institution shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next business day following such Effective Entry Date.



Financial Institution may reject any Entry which does not comply with the requirements of Section 1, Transmittal of Entries by Company, or Section 2, Security Procedure, or which contains an Effective Date more than 20 days after the business day such Entry is received by Financial Institution. Financial Institution may reject an On-Us Entry, for any reason for which an Entry may be returned under the Rules. Financial Institution may reject any Entry if Company has failed to comply with its account balance obligations under Section 11, The Account. Financial Institution may reject any entry if Company does not adhere to security procedure as described in Schedule B. Financial Institution shall notify Company by phone or electronic transmission, including email, of such rejection no later than the business day such Entry would otherwise have been transmitted by Financial Institution to the ACH or, in the case of an On-Us entry, its Effective Entry Date. Notices of rejection shall be effective when given. Financial Institution shall have no liability to Company by reason of the rejection of any such Entry or the fact that such notice is not given at an earlier time than that provided for herein.

8. Cancellation or Amendment by Company

Company shall have no right to cancel or amend any Entry after its receipt by Financial Institution. However, if such request complies with the security procedure described in Section B for the cancellation of data, Financial Institution shall use reasonable efforts to act on a request by Company for cancellation of an Entry prior to transmitting it to the ACH or, in the case of an On-Us Entry, prior to crediting a Receiver's account, but shall have no liability if such cancellation is not affected. Company shall reimburse Financial Institution for any expenses, losses, or damages Financial Institution may incur in effecting or attempting to effect Company's request for the reversal of an entry.

9. Notice of Returned Entries

Financial Institution shall notify Company by phone or electronic transmission, including email, of the receipt of returned entries from the ACH no later than one business day after the business day of such receipt. Except for an Entry retransmitted by Company in accordance with the requirements of Section 1, Transmittal of Entries by Company, Financial Institution shall have no obligation to retransmit a returned Entry to the ACH if Financial Institution complied with the terms of this Agreement with respect to the original Entry.

10. Payment by Company for Entries

Company shall pay Financial Institution the amount of each Entry transmitted by Financial Institution pursuant to this Agreement at such time specified in Schedule A.

11. The Account

Financial Institution may, without prior notice or demand, obtain payment of any account due and payable to it under this Agreement by debiting the account(s) of Company identified in Schedule A attached hereto (the "Account"), and shall credit or debit the Account for any amount received by Financial Institution by reason of the return of an Entry transmitted by Financial Institution for which Financial Institution has previously received payment or credit from Company. Such credit or debit shall be made as of the day of such receipt by Financial Institution. Company shall at all times maintain a balance of available funds in the Account sufficient to cover its payment obligations under this Agreement. In the event there are not sufficient available funds in the Account to cover Company's obligations under this Agreement, Company agrees that Financial Institution may debit any account maintained by Company with Financial Institution or any affiliate of Financial Institution, or that Financial Institution may set off against any amount it owes to Company, in order to obtain payment of Company's obligations under this Agreement.

12. Account Reconciliation

Entries transmitted by Financial Institution or credited to a Receiver's account maintained with Financial Institution will be reflected on Company's periodic statement issued by Financial Institution with respect to the Account pursuant to the agreement between Financial Institution and Company. Company agrees to notify Financial Institution promptly of any discrepancy between Company's records and the information shown on any periodic statement. If Company fails to notify Financial Institution of any discrepancy within ten (10) days of receipt of a periodic statement containing such information, Company agrees that Financial Institution shall not be liable for any losses resulting from Company's failure to give such notice or any loss of interest or any interest equivalent with respect to any Entry shown on such periodic statement. If Company fails to notify financial institution of any such discrepancy within ten (10) days of receipt of such periodic statement, Company shall be precluded from asserting such discrepancy against Financial Institution.

13. Company Representations and Agreements, Indemnity

With respect to each and every Entry initiated by Company, Company represents and warrants to Financial Institution and agrees that (a) each person shown as the Receiver of an Entry received by Financial Institution from Company has authorized the initiation of such entry and the crediting of its account in the amount and on the Effective Entry Date shown on such Entry, (b) such authorization is operative at the time of transmittal for crediting by Financial Institution as provided herein, (c) Entries transmitted to Financial Institution by Company are limited to those types of Credit Entries set forth in Section 1, Transmittal of Entries by Company, (d) Company shall perform its obligations under this Agreement in accordance with all applicable laws and regulations, including the sanctions laws administered by OFAC, and (e) Company shall be bound by and comply with the Rules as in effect from time to time, including, without limitation, the provisional payment of an entry by the Receiving Depository Financial Institution 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 Receiving Depository Financial Institution 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. Company shall indemnify financial institution against any loss, liability or expense (including attorney's fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.

14. Financial Institution Responsibilities; Liability, Limitations on Liability; Indemnity

- a) In the performance of the services required by this Agreement, Financial Institution 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. Financial Institution shall be responsible only for performing the services expressly provided for in this Agreement, and shall be liable only for its negligence or willful misconduct in performing those services. Financial Institution shall not be responsible for Company's acts of 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 Financial Institution, Automated Clearing House or transmission or communications facility, or any Receiver or Receiving Depository Financial Institution) against any loss, liability, or expense (including attorney's fees and expenses) resulting from or arising out of any claim of any person that the Financial Institution is responsible for any act or omission of Company or any other person described in this Section 14(a).
- b) Financial Institution shall be liable only for Company's actual damages, in no event shall Financial Institution be liable of any consequential, special, incidental, punitive or indirect loss or damage which Company may incur or suffer in connection with this Agreement, whether or not the likelihood of such damages was known or contemplated by the Financial Institution and regardless of the legal or equitable theory of liability which Company may assert, including, without limitation, loss or damage from subsequent wrongful dishonor resulting from Financial Institution's acts or omissions pursuant to this Agreement.
- c) Without limiting the generality of the foregoing provisions, financial institution 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 Financial Institution's control. In addition, Financial Institution shall be excused from failing to transmit or delaying transmission of an entry if such transmittal would result in Financial Institution exceeding any limitation upon its intraday net funds position established pursuant to present or future Federal Reserve guidelines or, in Financial Institution's reasonable judgment, otherwise 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, Financial Institution'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 Financial Institution's option, payment of such interest may be made by crediting the Account resulting from or arising out of any claim of any person that Financial Institution is responsible for any act or omission of company or any other person described in Section 14(a).

15 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 Financial Institution to the Receiving Depository Financial Institution may be made by the Receiving Depository Financial Institution (or by Financial Institution in the case of an On-Us Entry) on the basis of the account number supplied by the Company, even if it identifies a person different from the named Receiver, and that Company's obligation to pay the amount of Entry to Financial Institution is not excused in such circumstances.

16 Notifications of Change

Financial Institution shall notify Company of all notifications of change received by Financial Institution relating to Entries transmitted by Company by mutually agreeable means, including email, no later than 10 business days after receipt thereof.

17. Payment For Services

If Financial Institution shall charge Company any fees for the services provided in connection with this Agreement, such charges shall be set forth in a Schedule attached hereto, and Company agrees to pay Financial Institution all charges as set forth in such Schedule. All fees and services are subject to change upon 30 calendar days prior written notice from Financial Institution to 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 the agreement between Financial Institution and Company with respect to the Account (the "Account Agreement").

18 Amendments

From time to time Financial Institution may amend any of the terms and conditions contained in this Agreement, including, without limitation, any cut-off time, any business day, and any part of any Schedule attached hereto. Such amendments shall become effective upon receipt of notice by Company or such later date as may be stated in Financial Institution's notice to Company.

19 Notices, Instructions, Etc.

- (a) Except as otherwise expressly provided herein, Financial Institution 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 person with respect to any matter.
- (b) Financial Institution shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an Authorized Representative, and any such communication shall be deemed to have been signed by such person. The names and signatures of Authorized Representatives are set forth in Schedule B attached hereto. Company may add or delete any Authorized Representative by written notice of Financial Institution signed by at least two Authorized Representatives other than that being added or deleted. Such notice shall be effective on the second business day following the day of Financial Institution's receipt thereof.
- (c) Except as otherwise expressly provided herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by United States registered or certified mail, email certified by PGP or a digital signature, postage prepaid, or by express carrier, and if to Financial Institution, addressed to

First State Bank & Trust Company  
P O Box 579  
Carthage, TX 75633  
Attn: Chrsty Whatley

And, if to Company, addressed to:

Panola County of Texas

110 Sycamore St Ste 128

Carthage, TX 75633-2527

Attn: Debbie Crawford or Gloria Coco

unless another address is substituted by notice delivered or sent as provided herein. Except as otherwise expressly provided herein, any such notice shall be deemed given when received.

20 Data Retention

Company shall retain data on file adequate to permit remaking of entries for five (5) days following the date of their transmittal by Financial Institution as provided herein, and shall provide such Data to Financial Institution upon its request.

21 Tapes and Records

All magnetic tapes, Entries, security procedures and related records used by Financial Institution for transactions contemplated by this Agreement shall be and remain Financial Institution's property. Financial Institution may, at its sole discretion, make available such information upon Company's request. Any expenses incurred by Financial Institution 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 years after they expire.

23. Cooperation in Loss Recovery Efforts

In the event of any damages for which Financial Institution or Company may be liable to each other or to third party pursuant to the services provided under this Agreement, Financial Institution 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. Termination

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

25. Entire Agreement

This Agreement (including the Schedules attached hereto), together with the Account Agreement, is the complete and exclusive statement of the agreement between Financial Institution and Company with respect to the subject matter hereof and supersedes any prior agreement(s) between Financial Institution and Company with respect to such matter. In the event of any inconsistency between the terms of this Agreement and the Account Agreement, the terms of this Agreement shall govern. In the event performance of the services provided herein in accordance with the terms of the Agreement would result in a violation of any present or future statute, regulation or government policy to which Financial Institution 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 Financial Institution shall incur no liability to Company as a result of such violation or amendment. No course of dealing between Financial Institution and Company will constitute a modification of this Agreement, the Rules, of the security procedures or constitute an agreement between the Financial Institution and Company regardless of whatever practices and procedures Financial Institution and Company may use.

26. Non-Assignment

Company may not assign this Agreement or any of the rights or duties hereunder to any person without Financial Institution's prior written consent

27. Waiver

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

28. 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 Financial Institution or Company hereunder.

29. Headings

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

30. 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

31. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Texas

32. Compliance with the Office of Foreign Asset Control (OFAC)

The Office of Foreign Asset Control is the agency within the Department of Treasury that administers a series of laws which impose economic sanctions against hostile targets (e.g., countries, entities, and individuals). The purpose of these laws is to further the foreign policy and national security objectives of the United States.

OFAC publishes and maintains a list of Specially Designated Nationals (SDN) with whom financial institutions are prohibited from transacting business. The SDN list includes people, businesses, trusts, foreign countries, and other entities. A current copy of the list can be downloaded from OFAC's website at [www.ustreas.gov/ofac](http://www.ustreas.gov/ofac). Company understands that it alone is responsible for ensuring all transactions it initiates are in compliance with OFAC's laws, rules, and regulations and will hold the bank harmless in the event such laws, rules, or regulations are broken.

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

Company Panola County of Texas  
By [Signature]  
Title Co. Judge  
Date 9-12-16

First State Bank & Trust Company  
By [Signature]  
Title ACH / Operations Officer  
Date 9/13/16

**SCHEDULE A**

**ACH DEBIT ORIGATION SERVICE REQUIREMENTS AND RESTRICTIONS**

This Schedule describes the terms, requirements, and restrictions that apply to the ACH Debit Origination services extended to the Company by the Financial Institution, and the level of service and specific accounts that will be authorized for use by the Company to originate the ACH entres. These terms will remain in effect until modified in writing by either party. If there are multiple Settlement Accounts, a separate Schedule A is required for each account.

**A Method of File Creation**

- Online Banking Cash Management
- Secure File Transfer of Approved NACHA File

**B Settlement Account**

This is the account that the funds will be deposited into for the total of the Debit Entries

Account Title Panola County of Texas Auto Account  
 Account Number: 112445  
 Contact Person Debbie Crawford  
 Telephone Number 903-693-0340  
 Email Address debbie.crawford@co.panola.tx.us

**C Delivery Date**

This is the date that the company must complete the batch approval process, or deliver a NACHA formatted file, prior to noon of the Financial Institution's business day in order to provide sufficient time for the financial Institution to process the ACH entres within the NACHA deadlines

- 1 business day prior to the "Effective Date" of the Debit Entries

**D Settlement Date**

This is the date that the funds will be deposited into the Settlement Account for the total of the Debit Entries

- On The "Effective Date" of the Debit entres
- Other (please describe) \_\_\_\_\_

**E Transaction Limits**

These are limits on the amount or frequency of entries put in place to protect the Company against fraudulent entries being made. The Financial Institution may verify these limits prior to processing ACH batches and, if limits are exceeded, may decline processing the entries with no liability to the Company. Limits may be changed at any time at the request of the Company or Financial Institution, provided the new limits are agreed upon by both the Company and Financial Institution in writing

If Company is using Online Banking Cash Management to originate Debit Entries

Daily Limit \$ 30,000

If Company is submitting an approved NACHA formatted file to originate Debit Entries

Dollar Limit per File Submitted. \$ \_\_\_\_\_  
 Maximum Monthly Number of Files Submitted \_\_\_\_\_

**F Settlement Account Required Minimum Balance**

This is the required minimum balance that must be shown in the Settlement Account as collected and available on the Financial Institution's verification systems for Debit Entries to be processed. This requirement is put in place to ensure funds are available to cover any returned items or chargebacks

Required Minimum Balance \$ 30,000

**G Employee Security**

Employee Security will be governed by the requirements set forth in Schedule B. the Company will be responsible for any transaction created, modified, or authorized by any Company representative initiated in accordance to the security level detailed in Schedule B

I hereby authorize the Company to originate ACH Debit Entries according to the terms, requirements, and restrinctions set forth in this Schedule

Company Representative  
 By DeLynn Jones  
 Date 9-12-16

First State Bank & Trust Company Representative  
 By Christopher Hall  
 Date 9/13/16

SECURITY AUTHORIZATIONS AND PROCEDURES

The Company hereby authorizes the following Representative to perform ACH Origination Services with the restrictions set forth below. The Company furthermore authorizes the Financial Institution to process entries and instructions from the Representative on behalf of the Company in accordance to the ACH Agreement and other Schedules. Both Parties agree to adhere to the rules established by NACHA and/or Federal Reserve Bank as they apply to prearranged payment and deposit entry originations and cash concentration or disbursement entry originations. A separate Schedule B must be completed for each Authorized Representative.

Name Debbie Crawford Title/Position Tax Assessor-Collector

Telephone Number 903-693-0340 Fax Number \_\_\_\_\_

Email Address debbie.crawford@co.paloal.tx.us

The Company authorizes Representative to perform the following functions (Representative is not authorized to perform any functions not selected below)

Originate Debit Entries

The following authorizations apply only to Debit Entries:

- Create batches and detail entries
- Modify batches and detail entries
- Approve batches and detail entries initiated by others
- Approve batches and detail entries initiated by Representative
- Contact the Financial Institution to recall or modify processed items

Maximum Dollar Restriction: \$ 30,000 daily

Associated Settlement Accounts 112445

Originate Credit Entries

The following authorizations apply only to Credit Entries:

- Create batches and detail entries
- Modify batches and detail entries
- Approve batches and detail entries initiated by others
- Approve batches and detail entries initiated by Representative
- Contact the Financial Institution to recall or modify processed items

Maximum Dollar Restriction: \$ \_\_\_\_\_

Associated Settlement Accounts \_\_\_\_\_

Company Approval

By Lee Ann Jones  
Date 9-12-16

First State Bank & Trust Company Acknowledgement

By Christy Shelley  
Date 9-13-16

SECURITY AUTHORIZATIONS AND PROCEDURES

The Company hereby authorizes the following Representative to perform ACH Origination Services with the restrictions set forth below. The Company furthermore authorizes the Financial Institution to process entries and instructions from the Representative on behalf of the Company in accordance to the ACH Agreement and other Schedules. Both Parties agree to adhere to the rules established by NACHA and/or Federal Reserve Bank as they apply to prearranged payment and deposit entry originations and cash concentration or disbursement entry originations. A separate Schedule B must be completed for each Authorized Representative.

Name Glora Coco Title/Position Chief Deputy Auto Registrations
Telephone Number 903-693-0340 Fax Number
Email Address debbie.crawford@co.panola.tx.us

The Company authorizes Representative to perform the following functions (Representative is not authorized to perform any functions not selected below).

Original Debit Entries

The following authorizations apply only to Debit Entries:

- Create batches and detail entries
Modify batches and detail entries
Approve batches and detail entries initiated by others
Approve batches and detail entries initiated by Representative
Contact the Financial Institution to recall or modify processed items

Maximum Dollar Restriction: \$ 30,000 daily

Associated Settlement Accounts 112445

Original Credit Entries

The following authorizations apply only to Credit Entries:

- Create batches and detail entries
Modify batches and detail entries
Approve batches and detail entries initiated by others
Approve batches and detail entries initiated by Representative
Contact the Financial Institution to recall or modify processed items

Maximum Dollar Restriction: \$

Associated Settlement Accounts

Company Approval
By [Signature]
Date 9-12-14

First State Bank & Trust Company Acknowledgement
By [Signature]
Date 9-13-16