

Transfer Funds Service - Terms and Conditions

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(a). Description

The following Terms and Conditions constitute an agreement between your broker-dealer and its clearing firm, First Clearing (a tradename of Wells Fargo Clearing Services, LLC) (hereinafter collectively “we” or “us”) and you regarding your use of the Transfer Funds Service (“Transfer Funds Service”). The Transfer Funds Service allows you to electronically transfer funds between your brokerage account with us and checking or savings accounts that you maintain with other financial institutions (a “Financial Institution”). The Transfer Funds Service is limited to consumer Accounts (not a business Account) used primarily for personal, family or household purposes. “Accounts” as used herein refers both to accounts you maintain with us and accounts you maintain with Financial Institutions. “External Accounts” refers to the accounts you maintain with other financial institutions. These Terms and Conditions supplement our other agreements with you, including the Online Access Agreement and the terms and conditions set forth in your Client Agreement. To the extent there is any conflict between these Terms and Conditions and our other agreements with you, these Terms and Conditions will prevail.

If your Accounts are terminated for any reason, you will have no further right or access to use the Transfer Funds Service.

(b). Service Providers

We are offering you the Transfer Funds Service through one or more service providers that we have

engaged to render some or all of the Transfer Funds Service to you on our behalf. However, notwithstanding that we have engaged such service providers to render some or all of the Transfer Funds Service to you, we are the sole party liable to you for any payments or transfers conducted using the Transfer Funds Service. You agree that we have the right to delegate to service providers all of the rights and performance obligations that we have under this agreement, and that the service providers will be third party beneficiaries of this agreement and will be entitled to all the rights and protections that this agreement provides to us.

(c). Information Authorization

Your enrollment in the Transfer Funds Service may not be fulfilled if we cannot verify your identity or other necessary information. In addition, you agree that we reserve the right to obtain personal information about you, including without limitation, financial information and transaction history regarding your Accounts. You further understand and agree that we reserve the right to use personal information about you for our and our service providers' everyday business purposes, such as to maintain your ability to access the Transfer Funds Service, to authenticate you when you log in, to send you information about the Transfer Funds Service, to perform fraud screening, to verify your identity, to determine your transaction limits, to perform collections, to comply with laws, regulations, court orders and lawful instructions from government agencies, to protect the personal safety of subscribers or the public, to defend claims, to resolve disputes, to troubleshoot problems, to enforce this Agreement, to protect our rights and property, and to customize, measure, and improve the Transfer Funds Service and the content and layout of the Transfer Funds site. Additionally, we and our service providers may use your information for risk management purposes and may use, store and disclose your information acquired in connection with this Agreement as permitted by law, including (without limitation) any use to effect, administer or enforce a transaction or to protect against or prevent actual or potential fraud, unauthorized transactions, claims or other liability. We and our service providers shall have the right to retain such data even after termination or expiration of this Agreement for risk management, regulatory compliance, or audit reasons, and as permitted by applicable law for everyday business purposes. In addition, we and our service providers may use, store and disclose such information acquired in connection with the Transfer Funds Service in statistical form for pattern recognition, modeling, enhancement and improvement, system analysis and to analyze the performance of the Transfer Funds Service.

1. **Mobile Subscriber Information.** You authorize your wireless carrier to disclose information about your account, such as subscriber status, payment method and device details, if available, to support identity verification, fraud avoidance and other uses in support of transactions for the duration of your business relationship with us. This information may also

be shared with other companies to support your transactions with us and for identity verification and fraud avoidance purposes.

2. **Device Data.** We may share certain personal information and device-identifying technical data about you and your devices with third party service providers, who will compare and add device data and fraud data from and about you to a database of similar device and fraud information in order to provide fraud management and prevention services, which include but are not limited to identifying and blocking access to the applicable service or Web site by devices associated with fraudulent or abusive activity. Such information may be used by us and our third party service providers to provide similar fraud management and prevention services for services or Web sites not provided by us. We will not share with service providers any information that personally identifies the user of the applicable device.

(d). Accounts

By using the Transfer Funds Service, you represent and warrant to us that:

- You own or are an authorized signer on the Account held with us and at the Financial Institution;
- If you are a joint owner of any Account, then you represent and warrant that (i) you have been authorized by all of the other joint owners to operate such Accounts without their consent (including without limitation to withdraw or deposit any amount of funds to such Accounts or to even withdraw all funds from such Accounts); and (ii) we may act on your instructions regarding such Accounts without liability to such other joint owners.
- Your Account at the Financial Institution is a United States account;
- Your Account and applicable law permit transfers;
- You have the right to authorize and permit us to access your Accounts to complete such fund transfers or for any other purpose authorized by this Section;
- By disclosing to us and authorizing us to use Account information and complete the transfer you are not violating any third party rights; and
- Information you provide to us is true, current, accurate, and complete.

You authorize and permit us to use information you submit to make transfers and to configure the Transfer Funds Service to be compatible with the Accounts.

At all times your relationship with each Financial Institution is independent of your use of the Transfer Funds Service. We will not be responsible for any acts or omissions by the Financial Institution,

including any modification, interruption or discontinuance of any Account by such Financial Institution or by any other third party, or any fees (including overdraft) that the Financial Institution may charge you during the validation process described in Section 7(b) above.

Not all types of accounts are eligible for Transfer Funds Service. We may decline the use of any Account that we believe may present a risk to you and/or us. Eligible Accounts include checking, money market or savings account that you maintain with your Financial Institution.

(e). Transfer Types and Limitations

Type of Transfers. We may add new features to the Transfer Funds Service. You will be approved or declined for any such additional service at our sole discretion and additional terms and conditions may apply. We may at any time decline a fund transfer that we believe may violate applicable law or regulation.

Initiating Transfers. You may initiate (1) a one-time transfer instruction for which processing shall be initiated immediately, (2) a one-time transfer instruction for which processing shall be initiated at a later specified date up to one (1) year, and (3) a recurring series of transfer instructions for which processing shall be initiated on the specified dates. Further details about each of these options can be found on the Transfer Funds Services site.

Frequency of Transfers. For security and risk management reasons we may modify the number, frequency and dollar amount of transfers you can make using the Transfer Funds Service.

Excess activity fees may apply if you exceed federally mandated transaction limits for savings accounts, including any additional limits that may be set by your Financial Institution. If the limit is exceeded on more than an occasional basis, your Financial Institution may be required to close the account or convert it to a checking account. For more information, please refer to your account agreement with the Financial Institution that maintains your Account.

Dollar Amount of Transfers. You may not make fund transfers in excess of dollar limits for the Transfer Funds Service. We reserve the right to change the dollar amount of fund transfers you are permitted to make using the Transfer Funds Service. In the event that your use of the Transfer Funds Service has been suspended and reinstated as provided below in Section 7(h), you understand and agree that your use of the Transfer Funds Service thereafter may be subject to lower dollar amount limitations than would otherwise be permitted by us.

Transfers subject to the Rules of the Accounts. All fund transfers are subject to the rules, laws, and regulations governing the relevant Accounts. You may not initiate any fund transfers from or to an

Account that are not allowed under the rules, laws, or regulations applicable to such Account including rules, laws, or regulations designed to prevent the transfer of fund in violation of the Office of Foreign Asset Control (OFAC) regulations.

Failure or Rejection of Transfers. Upon learning that the fund transfer could not be completed, we may, but are not required to, make a reasonable effort to complete the transfer again. In certain circumstances, our service provider may either advance funds drawn on their corporate account or via an electronic debit, and in such circumstances may attempt to debit the Account a second time to complete the transfer instruction. If the fund transfer fails, we will notify you to contact your Financial Institution to learn more about the failure. We will, to the extent permitted by law, make reasonable attempts to return any unclaimed, refused, refunded, prohibited, failed, or denied transfer to your Account that we debited for the funds transfer or use other reasonable efforts to return such transfer to you as permitted by law. In certain cases, we may require you to contact us or the Financial Institution for your External Account to initiate a request to receive such funds. You may receive notification from us.

We reserve the right to decline: (i) any fund transfer, (ii) to submit fund transfer instructions or orders, or (iii) to carry out change or cancellation requests.

You represent and warrant to us that you have enough money in the External Accounts to make any funds transfer you request that we make on your behalf through the Transfer Funds Service. If we receive a transfer request against your Account and there are not enough available funds in your Account to cover the transfer, we may at our sole discretion:

- Cover the transfer in accordance with the terms of any written overdraft protection plan that you and we have established;
- Cover the transfer and create an overdraft to your Account; or
- Decline the transfer.

We may make this decision regardless of whether we may have previously honored or dishonored overdrafts. Fees may vary depending on the action we take. Any negative balance on an Account with us is immediately due and payable, unless we agree otherwise in writing, and you agree to reimburse us for the costs and expenses (including attorney fees and expenses) we incur in recovering the negative balance (including overdraft and associated fees).

Your Right to Cancel a Transfer. Payments that are in process cannot be cancelled or stopped. When the Transfer Funds Service offers recurring and/or future one-time transfers, you may cancel any transfer as long as we receive the request before the process date of the one-time transfer or the

next scheduled recurring transfer. For recurring transfers, you may cancel only the next scheduled transfer or the entire recurring transfer schedule. After the entire recurring transfer schedule is cancelled, all future transfers will be cancelled and you must reschedule it if you want transfers to be made in the future.

You may cancel a transfer by logging on to the Transfer Funds Service or by contacting us at 888-715-0432.

Stop Payment Requests. If you desire to stop any transfer that has already been processed, you must contact us at 888-715-0432. Although we will make a reasonable effort to accommodate your request, we will have no liability for failing to do so. We may also require you to present your request in writing within fourteen (14) days. The charge for each request will be the current charge for such service as set out in the applicable fee schedule.

(f). Authorization

You agree that your transfer instructions are the authorization for us to (i) debit your Account you maintain with us and remit funds on your behalf to the External Account designated by you and to debit your applicable Account as described below in Section 7(g); or, as applicable, to (ii) credit your Account you maintain with us and remit funds on your behalf from the External Account designated by you and to debit your applicable Account as described below in Section 7(g). You also authorize us to reverse a transfer from the applicable Account if the debit is returned from the other Account in the transaction for any reason, including but not limited to nonsufficient funds. Transfers may be delayed or blocked to prevent fraud or comply with regulatory requirements. If we delay or block a transfer instruction that you have initiated, we will notify you in accordance with your user preferences (i.e. email, push notification). We or our service provider also reserve the right to select the method in which to remit funds on your behalf through the Transfer Funds Service, and in the event that your Account is closed or otherwise unavailable to us the method to return funds to you. You authorize us to select any means to execute your fund transfer instructions, such as the Automated Clearing House (ACH). You will be bound by the rules, laws, and regulations that govern the applicable fund transfer systems, such as ACH rules as published by the National Automated Clearinghouse Association (NACHA).

We will make all reasonable efforts to process your transfer requests in a timely manner; however, we reserve the right to hold funds pending settlement or for such period of time as we deem necessary, in our sole discretion, to cover items which may be returned unpaid. Any interest will remain in the brokerage Account. To complete your fund transfer we utilize ACH transfers, which will result in a debit to one of your Accounts and a credit to another of your Accounts. For ACH debit entries (which

debit your other Account and credit your Account with us), we typically hold funds for 3-4 Business Days to make sure that the item will not be returned unpaid before we will credit your Account. The hold times may vary. If the ACH transaction is returned for any reason and the payment has been credited to your Account, you authorize us to debit your Account, in whole or in part, for the amount of the returned item and for any returned item fee.

(g). Transfer Service Charges

Depending on the type of transfer or the type of Account we may charge fees for the use of the Transfer Funds Service, and for any additional services or features that we may introduce. We will notify you of such charge in advance of the transaction. If you choose to proceed with the transaction, you authorize us to debit your Account in the amount indicated. You agree to pay all fees associated with the use of the Transfer Funds Service. You are responsible for any and all telephone access fees and Internet service fees that may be assessed by your telephone and Internet service provider.

(h). Suspension, Reinstatement, and Termination

Without limiting any other right or remedy that we may have under this Agreement or otherwise, we reserve the right to suspend your right to use the Transfer Funds Service, immediately and without prior notice to you, if we incur a problem with your use of the Transfer Funds Service. We may do so if, for example, there is a failure in attempting to debit any of your Accounts or to collect any of your fund transfers as described above. You understand and agree that such action is reasonable for us to take in order to protect us from loss. In the event of such suspension, you may request reinstatement of your service by contacting us at 888-715-0432.

In our sole discretion, we may grant or deny reinstatement of your use of the Transfer Funds Service. If we agree to reinstate you, we may initially reinstate your Transfer Funds Service subject to lower per-transaction and monthly dollar limits and/or with other restrictions. Based upon your subsequent usage of the Transfer Funds Service, we may restore your ability to complete transfers subject to such higher limits as may then be in effect.

Subject to applicable law or regulation, we may terminate your right to use the Transfer Funds Service at any time and for any reason, including if in our sole judgment we believe you:

- Engaged in conduct or activities that violate any of the terms of this Agreement or our rights;
or
- Provided us with false or misleading information; or Interfered with other users or the administration of the Transfer Funds Service.

(i). Account Number Policy

If the instructions for a transfer under the Transfer Funds Service identify a bank or beneficiary by name and account number, we or the relevant Financial Institution may execute those instructions by reference to the account number only, even if the account number does not correspond to the name. You agree that neither we nor the relevant Financial Institution will have responsibility to investigate discrepancies between names and account numbers.

(j). Your Responsibility for Errors

We must rely on the information you provided, and you authorize us to act on any instruction, which has been or reasonably appears to have been sent by you or your Authorized Representative, to submit fund transfer instructions on your behalf. Financial Institutions receiving the fund transfer instructions may rely on such information. We are not obligated to take any further steps to confirm or authenticate such instructions and will act on them without getting further confirmation. If you or your authorized representative provide us with incorrect information or if there is any error in your instruction we will make all reasonable efforts to reverse or delete such instructions, but you accept full responsibility for losses resulting from any of your errors, duplication, ambiguities, or fraud in the information that you provide. If any information you provide is untrue, inaccurate, not current, or incomplete, without limiting other remedies, we may recover from you any costs or losses incurred as a direct or indirect result of the inaccurate or incomplete information.

We are not responsible for errors, delays and other problems caused by or resulting from the action or inaction of Financial Institutions holding the External Account, unless otherwise required by law or regulation. Although we will try to assist you in resolving any such problems, you understand that any such errors, delays, or other problems are the responsibility of the relevant Financial Institution. Any rights you may have against a Financial Institution for such errors, delays, or other problems are subject to the terms of the agreements you have with such Financial Institution, including any time limits during which complaints must be made.

Please refer to the section on Electronic Funds, Automated Deposits, Payments, and Transfers in your Client Agreement for terms and conditions that apply to electronic fund transfers that debit or credit a consumer checking, savings, or other asset account and are subject to Regulation E.

(k). Our Liability

If we do not provide a fund transfer instruction on time, if we cause an incorrect amount to be removed from an Account or if we cause funds from an Account to be transferred to any account other than the Account specified in the applicable fund transfer instruction, we shall be responsible for returning the improperly transferred funds and/or for directing any misdirected funds to the proper Account.

We are not liable for any costs, fees, losses or indirect, special, or consequential damages of any kind incurred as a result of:

- Our debit and/or credit or inability to debit and/or credit the accounts in accordance with your fund transfer instructions; or
- Inaccuracy, incompleteness, or misinformation contained in the information retrieved on the accounts; or
- Charges imposed by any Financial Institution or by applicable law or regulation; or
- Fund transfer limitations set by the Financial Institutions or applicable law or regulation; or
- Not enough money in your Account to make the fund transfer; or
- Transfers exceeding the credit limit on any applicable overdraft line; or
- System failures at a Financial Institution and we are unable to complete the transfer; or
- The Transfer Funds Service is not working properly and you know or have been advised by us about the malfunction before you execute the transaction; or
- Circumstances beyond our control (such as, but not limited to, fire, flood, network or system down time, issues with the Financial Institution(s), or interference from an outside force) prevent the proper execution of the transfer and we have taken reasonable precautions to avoid those circumstances; or
- Third party causes, including your Financial Institution.

(l). Text Messages, Calls and/or Emails to You.

By providing us with a telephone number (including a wireless/cellular, mobile telephone number and/or email address), you consent to receiving calls from us and our service providers at that number INCLUDING THOSE MADE BY USE OF AN AUTOMATIC TELEPHONE DIALING SYSTEM ("ATDS"), and/or emails from us for our everyday business purposes (including identity verification). You acknowledge and agree that such telephone calls include, but are not limited to, live telephone calls, prerecorded or artificial voice message calls, text messages, and calls made by an ATDS from us or our affiliates and agents. Please review our Privacy Policy for more information.

(m). Security

Security Procedures. The Financial Institution at which your account is maintained may contact us to verify the content and authority of fund transfer instructions and any changes to those instructions. In connection with the Transfer Funds Service, we may provide to that Financial Institution such information as may be required to verify the instructions and the verification may constitute a valid security procedure under the rules governing that Account.

Deviating from Security Procedures. You permit us to authorize your Financial Institution to accept funds and transfer instructions in accordance with any authorization procedures you and such

Financial Institution have agreed upon, or that we, on your behalf, and such Financial Institution have agreed upon, without verifying the instructions under the established security procedures, regardless of whether you agreed to the security procedures or we agreed on your behalf. In addition, we may authorize such Financial Institutions to charge and debit your Accounts based solely on these communications.