

EXHIBIT A TO RFP #Z-46

~~THE STATE'S~~ SAMPLE BANKING SERVICES SCHEDULES

[The banking services schedules listed in this Exhibit are provided for informational purposes only; any specific banking services schedules or related documentation must be submitted in editable, Word format with Proposer's Administrative Proposal, labeled Exhibit C, and will be negotiated with the Awarded Bidder for incorporation into any final Contract]

- **Schedule 1 – Automated Clearing House (ACH) Electronic Data Interchange Service Schedule**
- **Schedule 2 – Positive Pay Service Schedule**
- **Schedule 3 – Automated Clearing House (ACH) Service Schedule**
- **Schedule 4 – Wire Transfer Service Schedule**
- **Schedule 5 – Automated Clearing House (ACH) Debit Protection – Electronic Payment Authorization (EPA) Service Schedule**

SCHEDULE 1

AUTOMATED CLEARING HOUSE ELECTRONIC DATA INTERCHANGE SERVICE SCHEDULE

The State has decided to use the Automated Clearing House ("ACH") Electronic Data Interchange ("EDI") Services described below and the Contractor (hereinafter, the "Bank") agrees to provide the ACH EDI Services as stated herein.

The State and the Bank agree to the terms and conditions below:

1. Services.

The ACH EDI Services provided hereunder by the Bank enable the State to originate Debit Entries, Credit Entries or both Debit Entries and Credit Entries to the accounts of Receivers at the Bank ("On-us Entries") or at Receiving Depository Financial Institution ("RDFI") pursuant to the Operating Rules of the National Automated Clearing House Association ("NACHA"). (Such rules shall hereinafter be referred to collectively as the "Rules"). The ACH EDI Services also enable the State to originate addenda records and other Entry Data that further describe the payment Entries. The Bank shall receive from the State, or the State designee(s), Entries and Entry Data originated in compliance with the formatting, media, deadlines and other requirements as mutually agreed upon, to enable the Bank to process and transmit Entries and Entry Data pursuant to this Agreement and the Rules. Undefined terms used in this Agreement, which are defined in the Rules shall have the meanings ascribed thereto in the Rules.

2. Operational Procedures.

The Bank and the State shall mutually agree upon the operational procedures regarding the ACH EDI Services selected as applicable. The State and the Bank shall follow the mutually agreed upon procedures.

3. State Account.

The State shall maintain a designated account (the "Account") with the Bank and hereby authorizes the Bank to debit or credit such Account, as appropriate, in connection with Entries processed and transmitted by the Bank in name of the State.

4. Entries and Entry Data.

The State shall transmit Entries and Entry Data to the Bank in the content and form, and within the time deadlines indicated in Section 10 of this Schedule 1. The Bank may refuse or delay processing or transmittal of Entries or Entry Data, including cancellations, reversals, error corrections or adjustments thereof, in the event Entries or Entry Data issued in the name of the State are not in accordance with mutually agreed security procedures, are unclear or incomplete or are not in compliance with any mutually agreed upon requirements and procedures.

5. Security Procedures.

The State and the Bank shall comply with **the agreed upon** security procedures in accordance with the RFP. All Entries and Entry Data issued in the name of the State are subject to verification by the Bank pursuant to the security procedures. The Bank may process and transmit Entries and Entry Data in the name of the State when verified by the Bank pursuant to such procedures. The Bank may deliver or disclose security procedure materials to any person designated by the State as an authorized representative on the appropriate authorization form.

6. Processing and Transmittal of Entries and Entry Data.

In processing and transmitting On-us Entries and Entry Data, the Bank shall debit or credit, as applicable, the accounts of Receivers on its books. In processing and transmitting Entries and Entry Data intended for the accounts of Receivers at RDFIs, the Bank shall process and transmit such Entries and Entry Data

to the ACH Network for processing and ultimate transmittal to RDFIs which have agreed to receive such Entries. The relationship between the Bank and the State with respect to Entries and Entry Data issued in the name of the State and transmitted by the Bank to the ACH Network, except as otherwise mutually agreed to by the parties, shall be governed by the terms of the applicable Rules. Bank and the State shall comply with and be bound by the Rules in effect at the time the Service is provided.

7. Entry Rejection by Bank.

In the event that the Bank detects any errors in the Entries or Entry Data delivered by the State, the Bank shall give notice to the State via telephone immediately, such telephone contact to be followed up in writing, preferably by e-mail, no later than the time specified in Section 10 of this Schedule 1, provided Entries and Entry Data are delivered to the Bank no later than the time on the same day specified in Section 10. The State will thereafter furnish to Bank, on the same day, a remake of the Entries and Entry Data no later than the time specified in Section 10.

8. ACH Entry Rejection.

In the event that any ACH Entries or Entry Data are rejected by the ACH or any RDFI, it shall be the State's responsibility to remake such ACH Entries or Entry Data, unless such ACH Entries or Entry Data rejection was due to mishandling by the Bank, then the Bank shall remake such ACH Entries or Entry Data. The State shall retain and provide to the Bank on request all information necessary to remake any File, Entries or Entry Data for three (3) banking days after midnight of the Settlement Date.

9. Reversals and Cancellations.

Any request by the State to reverse or cancel payment of an Entry shall be binding only if received by the Bank within the time deadline specified in Section 10, and in the format and media as specified in RFP ~~06 Z-46~~

10. Service Levels for Electronic Fund Transfers

(a) Delivery of Input Data

ACH transactions initiated via Direct Transmission, on encrypted substitute storage medium, or via other electronic transfer methods such as https. The State endeavors to deliver Input Data to be entered into the ACH not later than 6:00 p.m. ET on the banking day scheduled for delivery. However, the Bank acknowledges and accepts that, on rare occasions, the State is not able to complete the transmission during normal business hours.

Transactions are transmitted to the Depository Bank from The State Data Center in Albany , New York. This facility operates 24 hours a day, every day, except for the following schedule:

- Full Shut-down holidays – the Center closes 11:00 pm on the eve of the holiday and reopens at 7:00 pm on the day of the holiday. ** Please note that although the batch processing resumes at 7:00 pm Production Control staff do not start monitoring until 8:00 pm.

Data for Debit Entries is to be delivered no later than one banking day before the Settlement Date, except in cases where there are exigent circumstances, which shall be determined in the sole discretion of the State.

Data for Credit Entries is to be delivered no later than two banking days before the Settlement Date for Direct Deposit transactions and Debit card transactions with a one day settlement date. If a Credit Entry file is delivered less than two days before the Settlement Date, the Bank may, on its own initiative and without liability, endeavor to process the Credit Entry file. However, the entry may be subject to delayed posting at the RDFI if any processing delays occur at the ODFI, the ACH Operator, or the RDFI.

(b) File Deletions and Remake Capabilities

Section 10(a) establishes delivery schedules and a cut-off time for processing, but allows no

provision for error correction or adjustment by the State. Provisions for error correction or adjustment by the State are instead provided for hereunder.

- i. For files received for same day settlement, the State will endeavor to deliver to Bank's Operations Center in accordance with the terms under the following schedule in order to allow sufficient time for processing:
 1. Data to be delivered to Bank by 9:00 a.m. ET
 2. Error notification by Bank to the State by 10:30 a.m. ET
 3. Remade data file delivered to Bank by 11:00 a.m. ET
- ii. For files received prior to same day settlement, the State endeavors to deliver corrected or adjusted file not later than 12:00 Noon ET on the day prior to Settlement Date.

(c) File Maintenance Requests (Reversals)

As an alternative to the Remade Data File, the Bank will accept file reversals or adjustment advices. These advices will be accepted via electronic method of communication as agreed to by the parties.

File Maintenance Requests Received prior to Settlement Date

- i. For files received for same day settlement, data must be delivered by the State to Bank's Operations Center within the scheduled time shown in Section (b), paragraph (i).
- ii. For files received prior to same day settlement, the State is able to submit file maintenance requests to Bank's Operations Center prior to 12:00 Noon ET on the day prior to Settlement Date.

File Maintenance Requests Received after Settlement Date

File Maintenance requests are accepted up to five banking days after the Settlement Date to comply with the "5 day rule" in Subsection 2.4.2 of the NACHA Rules. Requests can be submitted to Bank's Operations Center prior to 5:00 p.m. ET of the fifth day.

"Bank's Operations Center" means the Automated Clearinghouse (ACH) Operations Section of Bank's Operations Center, located at **[insert address of Bank's Operations Center here.]**

SCHEDULE 2

POSITIVE PAY SERVICE SCHEDULE

The State has decided to use the Positive Pay Services described below and the Contractor (hereinafter, the "Bank") agrees to provide the Positive Pay Services as stated herein.

The State and the Bank agree to the terms and conditions below:

1. Service.

The Bank will provide the State with a service which will enable the State to provide Issuance Information for checks or drafts ("Item(s)") drawn on or through the State's account at Bank (the "Account") to enable the Bank to determine whether an Item drawn on the State's Account, and presented to the Bank, is properly payable, will be compared against Items being presented for payment against the Account to enable the State to determine whether to pay Items which do not match (the "Service").

The Bank will deliver a report to the State of items that do not match issue file criteria.

2. Conditions Precedent.

The State, as a condition precedent for receiving this Service in connection with the Account, must be receiving Bank's Account Reconciliation Service or Controlled Disbursement Service in connection with the same Account.

3. Issuance Information.

The State will provide Bank, by the banking day on which the State issues Items, the following issuance information for each Item: i) the State Account number; ii) Items check number; iii) dollar amount and iv) issue date (collectively "Issuance Information"). Bank will compare the Issuance Information with the Items presented to Bank which appear to be drawn on the Account.

4. Discrepancies.

If Items are presented to Bank for which it has not received Issuance Information or containing information different from the Issuance Information for that Item, Bank will notify the State by means of a mutually agreed upon transmission method, by the designated time of the banking day following the banking day the Item is presented. Bank will provide details of any such Items to the State including account number, check number and dollar amount. The State shall advise Bank by means of a mutually agreed upon transmission method by the designated time on that same banking day whether any such Item is authorized for payment ("Presentment Decision"). In the event that the State fails to timely inform Bank about any Item for which Issuance Information is requested, as required above, Bank is authorized to return such Item unless otherwise agreed to between the State and Bank.

5. Item Payment.

Bank is authorized to pay any Item drawn on the State Account: i) for which Bank receives Issuance Information, provided the information on the Item presented matches the Issuance Information, or ii) which Item is otherwise properly payable pursuant to Section 4 hereinabove. Except as provided herein, the State authorizes the Bank to accept and pay Items presented for payment. The Bank will exercise good faith and ordinary care in handling Items presented for payment against the Account.

6. Over-the-Counter Presentment.

As part of this Agreement, Items presented at teller lines of Bank branch offices will be reviewed against the Issuance File and paid or not paid. If an Item is presented for encashment at one of the Bank's branch locations that does not have Positive Pay capabilities at the teller line, the Bank will pay such Item.

7. Item Report.

Bank shall provide to the State, as prescribed by the State, reports on the Items paid or returned.

SCHEDULE 3

AUTOMATED CLEARING HOUSE (ACH) SERVICE SCHEDULE

The State has decided to use the ACH Services described below and the Contractor (hereinafter, the "Bank") agrees to provide the ACH Services as stated herein.

The State and the Bank agree to the terms and conditions below:

1. ACH Services.

The State agrees to purchase, and the Bank agrees to provide services which include ACH management and fraud prevention tools ("ACH Services").

- a. If any of the ACH Services or any functionality of the ACH Services is provided by the Bank over the internet, all such websites must be secure sites designed to protect the confidentiality of the State's Confidential Information as defined in ~~Section 7-2.27~~ Appendix GTC of RFP ~~V-06 Z-46~~. Any software used in performance of the ACH Services is licensed to the State for use in conjunction with the Internet access services provided by the Bank.
- b. The State acknowledges and agrees that by providing the Bank with State information through the Website, the State consents to the transmission of such State-related information to the Bank and its agents over state borders as necessary for processing in accordance with the requirements of RFP ~~V-06 Z-46~~ or the Bank's standard business practices if any situation is undefined in RFP ~~V-06 Z-46~~. The Bank maintains procedures designed to protect confidential information about the State and the State's use of any ACH Services.

SCHEDULE 4

WIRE TRANSFER SERVICE SCHEDULE

The State has decided to use the Wire Transfer Services described below and the Contractor (hereinafter, the "Bank") agrees to provide the Wire Transfer Services as stated herein.

The State and the Bank agree to the terms and conditions below:

1. Service.

The Bank provides the State with access to a Wire Transfer Service which enables the State to transfer available funds from Accounts at the Bank as stated herein. The parties agree to be legally bound by the following terms and conditions each time that the Wire Transfer Service are utilized. "Account(s)" shall mean any bank account statutorily subject to the State authorization.

2. Wire Transfer Authorizations.

Notwithstanding any provision in this Agreement to the contrary all wire transfers shall be subject to the following:

- a. The authority of any designee of the State may be established by the State. Without limiting the generality of the foregoing, the State hereby authorizes each of the persons listed on Attachment 1 – the State Authorization Form (each herein called an "Authorized Representative"), and any person who may be added to the State Authorization Form by amendment thereof, to issue or authorize to be issued requests, instructions, and payment orders, including any cancellation or amendment thereof, in the name and on behalf of the State, given by written communication, for or relating to any funds transfer from or into any Account or Accounts. The Bank may rely on the authorization set forth in the prior sentence with respect to any Authorized Representative until the Bank has received a proposed amended State Authorization Form removing such person as an Authorized Representative, which shall be effective immediately upon notice. Any Amendment to the State Authorization Form may be signed by any person who executed the State Authorization Form or by any other person whose authority to do so has been established to the Bank's satisfaction. The State may hand deliver any proposed amended the State Authorization Form to the Bank.
- b. The State requests the Bank to transfer funds from Account(s) whether such accounts are at the Bank or another financial institution, and to any Account of a third party specified by the State, whether such third party account(s) is at the Bank or another financial institution.
- c. The State requests the Bank to effect funds transfers based upon pre-determined repetitive transfer instructions described in any Repetitive Transfer Schedule executed in the name of the State currently on file with the Bank ("Repetitive Transfers"). Such instructions cover pre-authorized transfers of a repetitive nature (those in which transfer debit and credit parties remain the same; date and dollar amount may be variable).

3. Security Procedures.

- a. When a payment order issued in the name of the State is transmitted directly to the Bank, its authenticity will be verified pursuant to the security procedure chosen by the State. Where Repetitive Transfers are requested, such initial request and any proposed modification to the Repetitive Transfer Schedule will be verified in accordance with such Security Procedures.
- b. The State agrees that the Security Procedures chosen by the State are reasonable for the State. The State shall be bound by any payment order, whether or not authorized, issued in its name and accepted by the Bank in compliance with such Security Procedures. To the extent that the State fails to follow the security procedure(s), the State shall be deemed to have refused such security procedure(s) in such instance.

- c. The Bank may assign a unique Personal Identification Number (PIN) for each of the State's Authorized Representatives as designated in the State Authorization Form. The State shall be responsible for transmitting the PIN to the appropriate Authorized Representative and for assuring that it is not made known to any person other than the Authorized Representative by whom it is intended to be used. The State shall maintain the PINs in strictest confidence and take security measures sufficient to assure that they are not used to facilitate unauthorized transactions.
- d. If applicable, the Bank may assign to each user an identification number ("User ID"), a temporary Password, and require user to register a digital certificate which will enable the State to initiate payment orders by personal computer through the Internet. The State shall change the initial assigned Password immediately. Each user shall maintain his/her own unique User ID and Password. The State shall exercise reasonable care in determining when changes in the Password shall be made. If applicable, the State shall be responsible for terminating a user's access. The State has the option to require another authorized individual to approve or cancel a transfer request before it is released.
- e. With the State's consent, which shall not be unreasonably withheld, the Bank may require the use of a user authentication device for each of the State's Authorized Representatives as designated in the State Authorization Form. The State shall be responsible for transmitting the user authentication device to the appropriate Authorized Representative. The State shall maintain the user authentication device in strictest confidence and take security measures sufficient to assure that it is not used to facilitate unauthorized transactions.

4. Inconsistencies Between Names and Numbers.

If an identifying or bank account number provided in a payment order issued in the name of the State identifies a person different from the beneficiary named in the payment order, or if the words and numbers set forth in a payment order are otherwise inconsistent, the State understands that execution or payment of the payment order might be made by the Bank, another beneficiary's bank, or any other person on the basis of identifying number, or bank account number, rather than on the basis of the name or words. If a payment order identifies an intermediary bank or the beneficiary's bank both by name and an identifying number and the name and number identify different persons, the State understands that the Bank, another receiving bank, or any other person might rely on the number as the proper identification of the intermediary or beneficiary's bank even if it identifies a person different from the Bank identified by name. The Bank shall not, for any purpose, be deemed to know that an account identifying number in a payment order does not identify or match the person or words intended to be identified or otherwise set forth therein unless the officer or employee of the Bank who receives or accepts the payment order has actual knowledge and awareness of the contents of the payment order and the fact that a discrepancy exists.

5. Execution, Rejection and Payment of Payment Orders.

The payment order may be rejected by operation of law. If a payment order is rejected, the Bank shall notify the State by telephone, electronic transmission, in writing or by other means chosen by the parties. The notice shall be effective when given.

6. Execution Date.

The State shall not issue a payment order instructing execution or payment on a Banking Day later than the day the order is received by the Bank unless the Bank agrees to accept such order.

A "Banking Day" shall mean any day on which the ACH and the main office of the Bank are both open for business, but shall not include any Saturday, Sunday, or holiday.

7. Cut-Off Hours.

Format requirements and cut-off hours may be established by the parties. Payment orders received after

such cut-off hours may be treated by the Bank for all purposes as having been received on the following Banking Day.

8. Provisionality of Credits.

While an Account may be credited in the amount of an incoming payment order, such crediting shall be subject to receipt of final settlement by the Bank and any cancellation effected or agreed to by the parties. Nothing in this section shall limit any rights the State may have relating to overdraft protection.

9. Cancellation and Amendment.

Any request to cancel or amend a payment order must be received by the Bank, on or before the Banking Day on which the payment order is to be executed.

10. Report of Discrepancies in Payment Orders.

Within ninety (90) days after the date the State receives notification from the Bank, whether by advice, confirmation, statement or otherwise, or the Bank makes such notification available to the State, whether by computer link or otherwise, that a payment order in the name of the State was accepted by the Bank or Account was debited or credited with respect to a payment order, or within ninety (90) days of any earlier date upon which the State has notice from another source of execution, payment, non-execution, or non-payment by the Bank or any other party of any payment order issued in the name of or paid to the Account, the State must notify the Bank of the relevant facts regarding any unauthorized or erroneous payment order, any discrepancy reflected in such notification or notice, and any right of a refund.

11. Recording.

The Bank may, but shall not be obligated to, tape or otherwise record telephone conversations between the Bank and the State.

SCHEDULE 5

AUTOMATED CLEARING HOUSE (ACH) DEBIT PROTECTION – ELECTRONIC PAYMENT AUTHORIZATION (EPA) SERVICE SCHEDULE

The State and the Bank agree to the terms and conditions below:

1. Protected Account.

The State shall designate one or more of its accounts at the Bank with respect to which Bank shall provide the ACH Protection Services. Each such account shall hereinafter be referred to as a "Protected Account."

2. ACH Protection Services.

With respect to each Protected Account, the Bank shall provide the State with the ability to immediately trigger one of the following protections, as selected by the State:

- a. The ability of the State to reject all ACH debit entries; or
- b. The ability of the State to reject all ACH debit entries except those that meet the criteria specified by the State.

The Bank shall provide to the State, as prescribed by the State, a rejected Items report for every transaction on any day that has activity. Items are any monetary or non-monetary debit or credit origination submitted pursuant to NACHA Operating Rules.

The State shall:

- c. Provide the information requested by the Bank regarding the ACH Protection Service being selected for each Protected Account in such format as prescribed by the Bank; and
- d. Indicate the effective date or dates for the ACH Protection Service.

3. Subsequent Instructions.

Following the initial delivery of Set-Up Instructions to the Bank in accordance with Section 4 below, the State may deliver to the Bank additional subsequent instructions ("Subsequent Instructions"):

- a. In writing on a data sheet form as prescribed in Exhibit A, or
- b. Electronically through a secure or encrypted computer-to-computer transmission.

The State shall designate in the Set-Up Instructions the method it intends to use to deliver Subsequent Instructions to the Bank.

4. Genuineness of Instructions.

The State attests that it has in place sufficient internal safeguards to prevent fraudulent Set-Up Instructions and/or Subsequent Instructions (collectively, "Instructions") from being generated.

5. Return of ACH Debit Entries.

The Bank shall return to the originating financial institution ACH debit entries in accordance with the Instructions (using an ACH return code that indicates the entry is unauthorized) within the time period allowed by the applicable NACHA Operating Rules, as in effect from time to time.

6. State Information.

The State understands and acknowledges that, in order for the Bank to perform the Services hereunder, the State must provide all required information, including, the Instructions, in a timely manner, and such information must be accurate and complete. In the event that any such information is not timely, accurate and/or complete, the Bank may be unable to reject an entry in accordance with the Instructions, this Agreement, or any related documents, the Bank shall not be liable for its failure to return such entry. The parties shall mutually agree in advance as to what constitutes "timely manner."