

QCR SERVICES INC. Standard Terms and Conditions

These Terms and Conditions constitute a legally binding contract and are supplementary to a Service Delivery Action Plan (“SDAP”) between QCR Services Inc. (“QCR”) and the client named therein (the “Client”) for the provision of certain quality, compliance and regulatory services rendered by QCR to the Client (the “Services”). In the event QCR renders any other services and issues a document containing additional terms and conditions governing such services, the terms and conditions set forth in such other documents(s) shall prevail and govern those services to the extent that any conflict occurs with the Terms and Conditions contained herein.

1. DEFINITIONS

- (a) “Client” shall mean the person or entity for which QCR is rendering the Services, as well as its affiliates, subsidiaries, related companies, agents, and/or representatives. It is the responsibility of the Client to provide notice and copy(s) of these Terms and Conditions to all such parties as necessary;
- (b) “Documentation” shall mean all information received directly or indirectly from the Client, whether in paper or electronic form;
- (c) “Enhancements” means modifications, alterations, and updates to the Services not included in the SDAP;
- (d) “QCR” shall mean QCR Services Inc., its affiliates, subsidiaries, related companies, agents and/or representatives.

2. ESTIMATES NOT BINDING

Estimates as to fees or other charges given by QCR to the Client are for informational purposes only and are subject to change without notice or upon expiration if set out in the SDAP. No quotation shall be binding upon QCR unless QCR in writing agrees to undertake the provision of the Services at a specific or flat rate or amount set forth in the SDAP and payment arrangements are agreed to between QCR and the Client.

3. ENHANCEMENTS

QCR and the Client acknowledge that at any time during the term of the SDAP, Enhancements may be proposed by either QCR or the Client which fall outside of the scope of the Services. Upon such proposal, QCR shall confer in good faith with the Client concerning the feasibility of developing such Enhancements, the proposed time frame for developing, compiling, and incorporating such Enhancements into the Services, and QCR shall provide an estimate of the additional charge associated with such Enhancement. QCR and the Client shall mutually agree in

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writing as to whether QCR shall pursue the development of such Enhancements, and if so, the Services will be amended to include such Enhancements if mutually agreed upon by QCR and the Client.

4. DUTIES AND RESPONSIBILITIES OF THE CLIENT

The Client shall:

- (a) provide to QCR on a timely basis all information necessary for QCR to provide the Services, including all Documentation and information requested and reasonably required by QCR to complete the Services; and
- (b) review all documents, forms, applications, and declarations prepared by QCR and/or filed by QCR on the Client's behalf with any government or governing agencies and/or third parties, and will immediately advise QCR of any errors, discrepancies, incorrect statements or classifications, or omissions on any document or other submission filed on the Client's behalf.

In preparing and submitting applications, filings, documentation and/or required data, QCR relies on the accuracy and correctness of all Documentation, whether in written or electronic format, and all information furnished by the Client, and the Client shall use reasonable care to ensure the correctness of all such documentation and information and shall indemnify and hold QCR harmless from and against any and all claims asserted and/or liability or losses suffered by reason of the Client's failure to disclose documentation or information, or any incorrect, incomplete or false statement by the Client or its agent, representative or contractor upon which QCR reasonably relied. The Client agrees that the Client has an affirmative non-delegable duty to disclose any and all documentation and information required to obtain any regulatory authorization from any government or governing agencies and/or third parties.

5. COMPLIANCE WITH LAW

The Client represents and warrants to QCR that it will comply with all laws and regulations applicable to the Client and/or any transaction hereunder, including but not limited to all regulatory requirements to provide a safe and healthy work environment to any employee, contractor or representative of QCR that attend may at the Client's offices or premises as may be set out in the *Ontario Human Rights Code, the Employment Standards Act, 2000, and the Occupational Health and Safety Act*.

6. CONSULTANTS

QCR will make reasonable efforts to comply with the wishes of the Client in respect of the consultant(s) involved in carrying out the Services. However, QCR reserves the right to make the final decision as to which consultant(s) will be involved, including the right to allocate, substitute, or replace any consultant(s) in QCR's sole discretion.

7. DISCLAIMERS: LIMITATIONS OF LIABILITY

- (a) Except as specifically set forth herein, QCR makes no express or implied warranties in connection with the Services.
- (b) In no event shall QCR be liable or responsible for consequential, indirect, incidental, statutory or punitive damages even if it has been put on notice of the possibility of such damages.

8. INDEMNIFICATION

The Client agrees to indemnify, defend, and hold QCR harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from services provided, any conduct of the Client, and/or the Client's breach of any representation, warranty or covenant herein, including but not limited to the inaccuracy of information supplied by the Client or its agent or representative, which violates any applicable laws, and further agrees to indemnify and hold QCR harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable legal fees, which QCR may hereafter incur, suffer or be required to pay by reason of such claims. In the event that any claim, suit or proceeding is brought against QCR, it shall give notice in writing to the Client by mail, courier or by electronic communications at its address on file with QCR.

9. INVOICING, PAYMENT AND COSTS OF COLLECTION

- (a) Prior to the commencement of the Services, QCR may request that the Client deliver a retainer of such amount to be determined in the discretion of QCR to be applied against fees and charges rendered by QCR, and as such retainer is applied, QCR may also request that the Client replenish the retainer to its original amount before continuing performance of the Services.
- (b) QCR shall issue invoices to the Client for all fees and charges, including all travel costs and applicable taxes, pertaining to the Services rendered to and on behalf of the Client.
- (c) All such invoices shall be payable upon receipt and within 30 days, or as otherwise agreed between the Client and QCR.
- (d) Interest on all late payments shall be paid at the rate of eighteen percent (18%) per annum (one and one-half percent (1.5%) per month), upon which interest shall be charged commencing 30 days after the invoice due date or as otherwise agreed.
- (e) The Client shall pay QCR for all costs and expenses incurred by QCR in connection with the recovery of all payments due under this agreement including, but not limited to, costs of collection, reasonable legal fees, court costs and reasonable compensation for all time expended by QCR as result of such collection action.

10. MODIFICATION OF TERMS AND CONDITIONS

These Terms and Conditions may be modified by QCR at any time, and from time to time, and the Client agrees that it shall be bound by such modifications to the Terms and Conditions upon their publication herein. Because this page can change from time to time, QCR recommends that the Client periodically review this page for any such changes.

11. FORCE MAJEURE

QCR shall not be liable for losses, damages, delays or non-performance, in whole or in part, of its responsibilities under the Agreement, resulting from circumstances beyond the control of either QCR or its sub-contractors, including but not limited to: (i) acts of God, including flood, earthquake, storm, hurricane, power failure or other natural disaster; (ii) war, hijacking, robbery, theft or terrorist activities; (iii) incidents or deteriorations to means of transportation, (iv) embargoes, (v) civil commotions or riots, (vi) defects, nature or inherent vice of the goods; (vii) acts, breaches of contract or omissions by Client or anyone else who may have an interest in the products, (viii) acts by any government or any agency or subdivision thereof, including denial or cancellation of any import/export or other necessary license; or (ix) strikes, lockouts or other labour conflicts.

12. SEVERABILITY

In the event any paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect. QCR's decisions to waive any provision herein, either by conduct or otherwise, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

13. GOVERNING LAW; CONSENT TO JURISDICTION AND VENUE

These Terms and Conditions and the relationship of the parties shall be construed according to the laws of the Province of Ontario, and the federal laws of Canada applicable therein, without giving consideration to principles of conflict of law.

The Client and QCR:

- (a) irrevocably consent to the jurisdiction of the Superior Court of Justice of Ontario;
- (b) agree that any action relating to the services performed by QCR, shall only be brought in said courts;
- (c) consent to the exercise of *in personam* jurisdiction by said courts over it, and
- (d) further agree that any action to enforce a judgment may be instituted in any jurisdiction.

14. TERMINATION

The SDAP shall immediately terminate upon completion of the Services and shall also immediately terminate without notice, and without prejudice to the enforcement of any other legal remedy by QCR, if the Client:

- (a) commits an act of bankruptcy or becomes an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or institutes any proceeding or petition under any statute or otherwise relating to insolvency or bankruptcy, or should any proceeding under any such statute or otherwise be instituted against the Client;
- (b) ceases or threatens to cease conducting its business in the normal course; or
- (c) breaches any of the terms or conditions herein, in the SDAP, or in any other agreement or undertaking entered into between QCR and the Client and such breach shall continue for a period of five (5) days after written notice thereof has been given to the Client.

15. NON-SOLICITATION OF EMPLOYEES OR CONTRACTORS

At any time during the term of the SDAP and for a period of one (1) year following the termination date, the Client shall not offer employment to or endeavour to entice away from QCR, any person who is either employed as an employee or retained as an independent contractor by QCR at any time during the term of the SDAP.