



Bankers Consulting Services

DATE

FINANCIAL INSTITUTION

ATTN:

ADDRESS

CITY, ST ZIP

Re: Kansas Bankers Consulting Services, LLC d/b/a Bankers Consulting Services

Dear **_____**:

Kansas Bankers Consulting Services, LLC, d/b/a Bankers Consulting Services (BCS) appreciates the opportunity to provide basic legal consulting services to your financial institution.

The following sets forth the arrangements upon which we have agreed.

Services Provided

a. Transaction Support

BCS will provide your financial institution with the following transaction support services:

1. Day-to-day consultation via mail, facsimile, telephone or e-mail on routine legal issues, including basic documentation review. It is understood that the services provided are intended to assist your institution in resolving certain customary legal problems which arise. If BCS (after thorough review of the situation) believes the matter will require extended or complex documentation review, the matter will be handled pursuant to the procedures described below (see "Services Not Covered by This Agreement");
2. Drafting or review of policies* in the areas of:
 - Deposits
 - Lending
 - Operations
 - Safe Deposit
 - Bank Secrecy Act
 - Financial Institution Security
 - Information Technology
 - Trusts

*Policy drafting and review services may not be provided in areas that are related to accounting or are based primarily upon your business judgment, rather than policies that are subject to specific legal or regulatory requirements.

3. Assistance with drafting of basic forms and agreements. This service is designed to provide financial institutions with forms and agreements that cannot be obtained from third-party forms providers.

b. Human Resource Support

BCS will provide your financial institution with the following human resource support services:

1. Day-to-day consultation via mail, facsimile, telephone, or e-mail on routine legal, regulatory, and compliance human resource questions. It is understood that the services provided are intended to assist your institution in resolving certain customary human resource problems which may arise. If, after thorough review of the situation, BCS believes the matter will require extended or complex consultation, the matter will be handled pursuant to the procedures described below (see "Services Not Covered by This Agreement");
2. Assistance with drafting of basic agreements, forms, policies, and procedures. This service is designed to provide financial institutions with forms and agreements that cannot be obtained from third-party forms providers;
3. Preparation and review of human resource-related handbooks and training material will not be included in the BCS annual fee described below, but will be an additional fee that will be based upon the specific service provided.

Payment for Services Provided

The fee for services under this contract, for both the initial term and subsequent renewal periods, will be based upon your financial institution's asset size as of the most recent Call Report filing available to the public as applied to a published fee schedule for BCS services. For the services provided and the right to receive the services for the initial term, you agree to pay the following to Bankers Consulting Services:

One payment of \$ [REDACTED] per year, beginning [REDACTED], 202[REDACTED].

Periodically, you will receive an itemized statement which will include the following information about each service provided during the reporting period: Date, name of financial institution personnel, service provided, and time spent providing the service requested. Upon reaching a renewal period, you will receive an invoice showing the institution's new annual fee, based upon its asset size applied to the current tiered-based fee schedule in effect. You agree that BCS will have the right to increase the tiered fee schedule by no more than *1.5% each year*. If the financial institution does not accept this new annual amount reflected in the renewal invoice, it may choose to terminate the service at that time.

Services Not Covered by This Agreement

If a situation arises which falls outside of the scope of this agreement (e.g. there is a high likelihood of litigation, the amount of the matter would pose a financial risk to BCS or to

its member, or the situation will require extended or complex consultation, documentation preparation or research), we will contact [REDACTED] (or a designee) for additional instructions, which may include referring the matter to your choice of legal counsel. BCS agrees to cooperate in the transition of the matter from BCS to your legal counsel.

Due to the nature of the services provided, you agree that BCS will have the authority to decline to provide services under this agreement due to the complexity or risk that the services could pose to BCS. BCS agrees that it will only decline said services when it has a good faith belief that the services requested pose an undue risk to BCS or the members of the limited liability company. The decision as to whether to decline services to you as described herein will be at the sole discretion of BCS.

You agree that BCS may not provide services under this agreement in the following areas (this list is not exclusive):

- areas of tax;
- corporate activities;
- corporate structure;
- Call Report preparation and filing;
- lending limit calculations;
- employee benefit plans;
- mathematical calculations required for compliance, including, but not limited to:
 - FDIC insurance;
 - flood insurance;
 - reimbursements required for compliance violations;
 - APR, APY, or similar interest rate and charge calculations;
- other financial institution-related accounting issues; or
- State laws outside the states of Kansas, Missouri, Texas, Oklahoma, Colorado, and Nebraska; or
- Litigation or other court actions.

In order to not adversely affect the financial institution's warranty on forms that it obtains from third-party providers, it is agreed that BCS will limit its review of such forms to any information added, deleted, or edited by the financial institution. The financial institution agrees to notify BCS of the provisions within the form which the financial institution has the authority to alter.

If a single matter requires more than ten (10) hours' worth of support services, you agree that the matter may be defined by BCS as "extended or complex" and BCS may either decline to provide the service or may assess an additional fee. No such additional fee will be incurred by you without your prior consent.

Confidentiality

You permit BCS to share with the Kansas Bankers Association (KBA), Missouri Bankers Association (MBA), including the KBA and MBA Board members, and with any affiliate of KBA, MBA or BCS, that you are a participant in BCS. However, no further information will be shared, such as the details of work performed, without your specific prior consent. With the exception of the foregoing, we will keep your institution's information confidential.

In some instances, an attorney-client privilege may exist. We will notify you when this privilege is applicable so that you can take appropriate steps to protect it. In other instances, we will observe at least the same level of confidentiality that your institution applies to the information you have provided us. Additionally, BCS agrees to maintain the confidentiality of any of your trade secrets, customer information, and databases that BCS may have access to as a result of the services provided.

BCS agrees that in the event there is a breach of security resulting in the unauthorized disclosure of your confidential information, BCS will promptly notify you of such breach, the nature of the breach, the effect on the financial institution, and the corrective action taken to respond to the breach. Furthermore, BCS agrees that upon a breach of security resulting in unauthorized disclosure of your confidential information, BCS shall immediately take all reasonable action necessary to identify the disclosed information and minimize the degree of the breach to the best extent possible.

To maintain the confidentiality of the financial institution's information and to protect any applicable attorney-client privilege, BCS uses cloud-based document exchange systems. You agree to use the systems then in place (currently MyCase) to exchange documents with BCS.

Conflicts of Interest

It is understood that BCS will decline to provide services that would be directly adverse to any other financial institution participant of the BCS program, or directly adverse to any member of the KBA or MBA. As a result, under certain circumstances, we may ask for additional information regarding parties involved in the situation presented to us to determine in advance whether such a potential conflict exists. We will make every reasonable effort to determine whether there is a conflict in advance of providing assistance under this agreement, but will not be liable if we fail to identify such conflicts when specific party information has not been provided. If it is determined that we have a conflict with the parties involved or regarding a particular matter, we will notify you or your designated contact immediately and BCS may request that you consent to said conflict in writing if you wish BCS to provide services.

It is acknowledged by the parties that the purpose of BCS is to provide legal consulting services to member financial institutions of the KBA or MBA. As such, BCS will be providing services to your market competitors, in a matter which is not substantially related to the work we do for you, but which may be adverse to your interests. You agree that this, in and of itself, is not a conflict of interest.

Financial Institution Personnel Changes

You agree to notify BCS when any financial institution employee who was granted access by BCS to a secure document exchange system maintained by BCS (e.g., MyCase) leaves the employment of your financial institution. BCS will then revoke that individual's access to the system and any documents which the employee had permission to access. BCS agrees to remove access within a reasonable time after receipt of notice from you. If you fail to provide us notice of such changes in a timely manner, you agree that you will not hold BCS responsible or liable for continued access of the individual or any potential breach of confidentiality.

Renewal and Termination of Services

The initial term of this agreement is from the date of [redacted] through [redacted]. This agreement will be automatically renewed in one-year increments under the terms and conditions described herein, subject to annual pricing changes, unless you notify us in writing. You will be notified of any pricing changes via an advanced annual billing prior to the expiration of the current term.

This agreement can be terminated by either of us, at any time, with or without cause, by notifying the other party in writing. If BCS services are terminated by BCS during a period for which you have already paid, we will return a pro rata portion of your fee to you, based upon the months remaining of the current contract term.

Indemnification of BCS

You agree to indemnify BCS against any and all loss, cost, claim, demand, judgment or liability asserted by any person or entity against BCS, arising from acts or omissions of BCS, or its officers, agents, employees or licensees pursuant to this Agreement, and from all costs and attorney’s fees incurred in the defense of any such claim or action or proceeding brought thereon, regardless of the theory on which such claim or action is based. Notwithstanding the foregoing, your obligation to indemnify BCS shall not extend to, and BCS shall not be exempt from liability for, any loss, cost, claim, demand, judgment or liability arising from the negligence or intentional wrongful act of BCS or its agents, employees or licensees.

If the above terms and conditions meet with your approval, please acknowledge your agreement by signing in the space provided for acceptance below and return the signed, scanned document to BCS via email to [redacted].

We appreciate the opportunity to serve your financial institution.

Sincerely,

Terri Thomas

Terri D. Thomas, J.D.
Kansas Bankers Consulting Services, LLC d/b/a Bankers Consulting Services (a subsidiary of Kansas Bankers Association)

Accepted and Agreed: Financial Institution

Date: _____

By: _____
Officer

Its: _____
Position