CASH MANAGEMENT COMPLIANCE AGREEMENT

This Cash Management Compliance Agreement ("CM Agreement") is effective as of the 30th day of June, 2016, by and between Towson University ("University") and PNC Bank, National Association, a national banking association ("PNC").

Whereas, the parties have entered into a Lease dated August 15, 2011, (as amended by a First Amendment to the Lease dated September 9, 2013; a Second Amendment dated January 16, 2015; and a Third Amendment dated April 20, 2015 pursuant to which certain specified services create a Tier Two Arrangement as defined by the U.S. Department of Education (the "DoE") in its regulations, that include the direct marketing of a Financial Account (collectively, the "Lease"); and

Whereas, the parties have entered into a Web Linking Agreement dated August 15,2011, pursuant to which certain specified services create a Tier Two Arrangement as defined by the DoE in its regulations, that include the direct marketing of a Financial Account (the "Web Linking Agreement"); and

Whereas, the parties have entered into a Card Linking Agreement dated January 1, 2015, pursuant to which certain specified services create a Tier Two Arrangement as defined by the DoE in its regulations, that include the direct marketing of a Financial Account (the "Card Linking Agreement") (the Lease, the Web Linking Agreement and the Card Linking Agreement are hereafter collectively referred to as the "Original Agreements"); and

Whereas, the DoE has recently finalized regulations that create new obligations for educational institutions that are parties to Tier Two Arrangements; and

Whereas, the University intends to comply with the DoE Regulations;

Now, therefore, in consideration of the mutual covenants herein contained and intending to be legally bound hereby, it is agreed as follows:

1. Definitions.
   a. Access Device shall have the meaning given in 34 C.F.R. 668.161(a)(2)(i). As of the Effective Date of this CM Agreement, Access Device means a card, code, or other means of access to the PNC Financial Account, or any combination thereof, that may be used by a student to initiate electronic fund transfers.
   b. As of the Effective Date of this CM Agreement, Award Year means the period of time from July 1 of one year through June 30 of the following year during the term of any Original Agreement.
   c. Customer shall mean a PNC customer, applicant or other user of PNC’s products or services contemplated by, or offered or performed pursuant to, any of the Original Agreements, who is also a full-time or part-time student or parent of a full-time or part-time student as co-owner of PNC’s product or service with such student of the University.
   d. Customer Complaint shall mean an expression of dissatisfaction by a Customer, with PNC’s products, services, and/or business practices contemplated by, or offered or performed pursuant to, any of the Original Agreements, regardless of whether such dissatisfaction is expressed verbally, in writing, or by electronic or other means.
   e. Direct Marketing shall have the meaning given in 34 C.F.R. 668.164(f)(3). As of the Effective Date of this CM Agreement, Direct Marketing means: (i) the University communicating
information directly to its students about a PNC Financial Account and how it may be opened; (ii) the PNC Financial Account or Access Device is cobranded with the University’s name, logo, mascot, or other affiliation and is marketed principally to students at the University; or (iii) a card or tool that is provided to the student for University purposes, such as a student ID card, is validated, enabling the student to use the device to access a Financial Account.

f. DoE Regulation shall mean the Department of Education Regulations for Cash Management (34 C.F.R. 668, Subpart K).

g. Effective Date shall mean June 30, 2016.

h. Financial Account means a checking or savings account owned by a student or by a student jointly with a parent, prepaid card account, or other consumer asset account held directly by the Financial Institution and contemplated by, or offered or performed pursuant to, any of the Original Agreements.

i. Financial Institution shall mean PNC Bank.

j. PNC Financial Account shall mean any Financial Account offered by PNC pursuant to any or all of the Original Agreements (which does not include credit cards).

k. Review means a reasonable due diligence review conducted by University to ascertain whether fees imposed under a Tier Two Arrangement are, considered as a whole, consistent with or below prevailing market rates, in accordance with the provisions of 34 C.F.R. 668.164(f)(3)(viii)(A).

l. Secretary shall mean the Secretary of the U.S. Department of Education.

m. Tier Two Arrangement shall have the meaning given in 34 C.F.R. 668.164(f)(1). As of the Effective Date of this CM Agreement, Tier Two Arrangement means that the University has a contract with a financial institution, or entity that offers Financial Accounts through a financial institution, under which Financial Accounts are offered and marketed directly to students enrolled at the University, as defined or described in the DoE Regulations.

n. Title IV shall mean Title IV of the Higher Education Act of 1965, and any implementing rule, regulation, instruction or procedure issued by the Secretary.

2. **University Compliance.** University is required by the DoE Regulations to take certain actions with respect to Tier Two Arrangements. The parties agree that the Original Agreement contains provisions that create a Tier Two Arrangement. The parties also agree that PNC does not provide any Title IV payment services on behalf of the University; therefore, there is no Tier One Arrangement (as defined in the DoE Regulations) between the parties. PNC acknowledges, understands, and agrees that among its obligations to comply with the DoE Regulations for a Tier Two Arrangement, University:

   (a) Is required to post on a web site, in the manner required by the Secretary, a copy of the Original Agreement, and the terms and conditions of each Financial Account offered pursuant to the Tier Two Arrangement;

   (b) May provide, for students’ benefit, information about certain available Financial Accounts other than those offered pursuant to a Tier Two Arrangement;

   (c) Is required to disclose on a web site, in the manner required by the Secretary, the total consideration for the most recently completed Award Year, monetary and non-monetary, paid or received by University and/or PNC under the terms of the Original Agreement; and,
for any year in which University’s enrolled students open thirty (30) or more Financial Accounts marketed under the Tier Two Arrangement, the number of students who had financial accounts under the Tier Two Arrangement at any time during the most recently completed Award Year, and the mean and median of the cost incurred by those account holders; and
(d) is required to take affirmative steps, by way of contractual arrangements with PNC, to ensure that the University complies with the DoE Regulations with respect to all Financial Accounts offered pursuant to Tier Two Arrangements.

3. **PNC Obligations.** During the term of the Original Agreement, in order to assist University in complying with the DoE Regulations with respect to all Financial Accounts offered pursuant to the Tier Two Arrangements, PNC Bank agrees:

(a) By June 15 of each calendar year during the term of the Original Agreement, beginning June 15, 2016, PNC will provide University with a list of the major features and fees commonly assessed in connection with any PNC Financial Account which, in the University’s judgment, will assist the University in complying with the DoE Regulations (the “PNC List”). The PNC List will include, but not be limited to, a statement of any costs to students for opening a PNC Financial Account or for initially receiving or validating an Access Device, and any surcharges for students to execute balance inquiries and/or access funds through in-network ATMs.

(b) Before a student opens a PNC Financial Account PNC will provide the student full account information, as required by applicable law and which includes the PNC List.

(c) PNC warrants and represents that: (i) PNC complies with all applicable laws that govern the account opening process; (ii) its standard practice is to secure student consent before opening a PNC financial account; (iii) PNC does and will continue to, obtain student consent before opening a PNC Financial Account for the student.

(d) PNC warrants and represents to University that no PNC Financial Account offered to University students will be marketed or portrayed as, or converted into, a credit card.

(e) PNC warrants and represents to University that no University students will incur any cost for opening a PNC Financial Account offered to University students or for initially receiving or validating an Access Device. PNC will provide evidence of its compliance with this provision by providing University with the PNC List.

(f) PNC warrants, represents, and agrees to ensure that student account holders can execute balance inquiries and access funds deposited in PNC Financial Accounts through surcharge-free in-network ATMs in accordance with the Lease in sufficient in number such that funds are available to the account holder as required by law applicable to the parties’ obligations hereunder. PNC will provide any evidence of its compliance with this provision by providing the PNC List and complying with the uptime commitment in the Lease.

(g) Upon request, PNC will provide the University with a copy of non-confidential information, including information on PNC’s processes, that demonstrate its compliance with provisions (b), (c) and (d) in this Section 3.

(h) No later than August 1, 2017, and then no later than thirty (30) days following the most recently completed Award Year thereafter, disclose to University (i) the total consideration for the most recently completed Award Year, monetary and non-monetary, paid or received
by PNC under the terms of each of the Original Agreements; and (ii) for any year in which University’s enrolled students open thirty (30) or more PNC Financial Accounts, the number of students who had PNC Financial Accounts at any time during the most recently completed Award Year as determined in PNC’s ordinary course of business, which PNC warrants will represent at least reasonable commercial efforts, and the mean and median of the actual cost incurred by those account holders.

4. Notification to PNC of Customer Complaints. In the event that, during the term of this CM Agreement, University receives a Customer Complaint that becomes public knowledge (e.g., media) or raises questions with respect to compliance with applicable law, University will promptly notify PNC and provide PNC with a written summary of such Customer Complaint.

5. Termination. University may terminate the Tier Two Arrangement created by any Original Agreement because of: (i) Customer Complaints by students; (ii) a determination by the University after a Review that the fees assessed under a Tier Two Arrangement are not consistent with or are above prevailing market rates; (iii) PNC’s breach of any of its obligations under this CM Agreement, including but not limited to its beach of any warranty or representation in this CM Agreement; or (iv) PNC’s refusal to amend this CM Agreement to assist the University in complying with the DoE Regulations as amended from time to time.

(a) In the event that Customer Complaints, collectively or individually, are deemed a reason for termination by the University or that PNC fees are deemed above prevailing market rates (“DoE Cause for Termination”) University agrees that, prior to terminating the Lease under this Section 5, University shall enter into a forty five (45) day discussion period with PNC (the “Discussion Period”). During said Discussion Period University and PNC shall review the findings of the DoE Cause for Termination, to determine if it is inaccurate, non-conclusive, or if corrective action is necessary by PNC for those items deemed unsatisfactory.

(i) If the parties mutually agree the findings are inaccurate or non-conclusive the Agreement shall remain in full force and effect;
(ii) If the University determines in its sole and absolute discretion that corrective action is required, the parties will negotiate in good faith to establish a mutually agreeable plan to address those items considered unsatisfactory by the University (the “Plan”) and a mutually agreed upon implementation period (the “Plan Implementation Period”). PNC Bank shall begin implementation of the Plan promptly upon the end of the Discussion Period and will complete the Plan within the Plan Implementation Period.
(iii) If the parties cannot agree to a Plan or if PNC Bank does not complete the Plan within the Plan Implementation Period, then the University may terminate this CM Agreement and any or all of the Original Agreements upon seventy five (75) days written notice to PNC Bank.

(b) If PNC breaches its obligations under this CM Agreement or refuses to amend this CM Agreement to assist University in complying with the DoE Regulations as amended from time to time, then the University may terminate this CM Agreement and any or all of the Original Agreements in accordance with the terms and conditions of the applicable Original Agreement.
6. **DoE Compliance Information.** University will request information regarding the Tier Two Arrangement(s) or the PNC Financial Accounts from PNC, including but not limited to: (i) PNC Financial Account data, or information related thereto; (ii) information used to derive the PNC List; and (iii) any other information required to be provided by PNC pursuant to Section 3 of this CM Agreement. PNC agrees promptly to provide information requested by the University, subject to any restrictions in applicable law or regulation or PNC privacy policy. However, nothing in this section shall be construed to restrict the University from taking any and all actions it deems necessary in good faith to comply with the DoE Regulations.

7. **Compliance with Law.** University and PNC each represents and warrants on its behalf to the other party hereto, that, in fulfilling its obligations hereunder, it shall comply with all laws and regulations to which it is subject and which are applicable to its performance hereunder.

In witness whereof, intending to be legally bound, each party hereto has caused its duly authorized representative to execute this Cash Management Compliance Agreement on its behalf, as of the Effective Date.

**Towson University**

By: [Signature]
Name: Joseph J. Cser
Date: 8/9/2016

**PNC Bank, National Association**

By: [Signature]
Name: Nicholas Ceredo
Date: 8-8-16