
Changes have been made to the Master Membership Contract, Associate Master Membership Contract, Check Deposit Services Operating Agreement and Check Clearing Services Operating Agreement:

Consistent with its mission as a cooperative, Alloya has a responsibility to ensure that its contracts protect Alloya and its members' capital. At the same time, it has a responsibility to provide members with even-handed contracts that help them manage the risks in their operations. To achieve those goals, Alloya has made its member contracts simple to understand, fair to both parties, and convenient to administer.

Alloya has committed to regularly review its member contracts. We receive input from members from time to time with suggested changes and improvements. Our product management and legal teams review these suggested changes and if they benefit all members and Alloya, we make them. The changes summarized below meet that criteria and will be added to the Master Membership Contract, the Check Deposit Services Operating Agreement, and the Check Clearing Operating Agreement. Alloya is changing language to clarify the handling of termination fees for selected products. Alloya's intent has and continues to be that it only charges members termination fees that are costs Alloya will pay on the member's behalf, plus reasonable internal handling costs to terminate a product or service. These liquidating costs are typically fees that Alloya's vendor(s) charge it for service termination and do not include future Alloya revenue or opportunity costs.

Per the Master Membership Contract, Section II.5, Alloya may make changes with sixty days' (60) notice; these changes will become effective 08/15/22. Please see the Contracts microsite at www.alloyacorp.org/contracts for a redline and clean copy of the changes. If you have any questions about these changes, please contact your Alloya representative.

Master and Associate Master Membership Contract

Section III – Term and Termination

- Section 2 is changed to remove, "without sixty (60) days' notice" and add, "Member may be liable to Alloya for liquidated damages as per the particular POA(s)."

Check Deposit Services Operating Agreement

- Section XIX has been added to clarify termination fees, "Termination Fees. Member shall pay Alloya termination fees as described on Alloya's Pricing Schedule if Member terminates service. Termination fees are limited to amounts Alloya's vendor(s) charge Alloya for termination of the service, plus reasonable internal processing costs, plus any other expenses Alloya incurred on the Member's behalf to acquire or offer the service that Alloya cannot recover. Termination fees do not include future Alloya revenue or its opportunity costs.

Check Clearing Services Operating Agreement

- Section XIII has been added to clarify termination fees, "Termination Fees. Member shall pay Alloya termination fees as described on Alloya's Pricing Schedule if Member terminates service. Termination fees are limited to amounts Alloya's vendor(s) charge Alloya for termination of the service, plus reasonable internal processing costs, plus any other expenses Alloya incurred on the Member's behalf to acquire or offer the service that Alloya cannot recover. Termination fees do not include future Alloya revenue or its opportunity costs.