



Business Online Banking
Treasury Management

Terms and Conditions

Pacific West Bank (“Bank”) offers a variety of treasury management services to its business customers (“Customer”, “you”, “your”, “yours”). This Agreement sets forth the terms and conditions applicable to all of the Services offered by Bank. By executing one or more Applications or requesting one or more Services or by using one or more Services, Customer accepts the terms of this Agreement and acknowledges that this Agreement, each Application executed by Customer or its Agent and any Supplemental Documentation govern the Services.

In the event that Customer has designated an Agent to act on Customer’s behalf with respect to this Agreement, Bank will accept all Instructions from such Agent upon receipt of evidence satisfactory to Bank, in its sole discretion, of Agent’s ability to act on behalf of Customer. Bank may continue to accept such Instructions until Bank has received written notice of revocation or termination of such authority from a representative demonstrating authority to act on behalf of Customer, in a form and manner reasonably satisfactory to Bank.

All Services involving any Accounts remain subject to other agreements concerning such Accounts, including without limitation, any deposit agreement and any Account Disclosures and availability schedules in effect from time to time.

General

Application

Customer shall execute an Application requesting each Service elected by Customer. An Agent may execute an Application requesting Services on behalf of Customer upon furnishing evidence of authorization satisfactory to Bank in Bank’s sole discretion. Customer may add or delete Services by requesting such additions or deletions through execution of additional Applications or other authorization method accepted by Bank. Subject to Bank’s approval, Customer may change the processing instructions for a Service by providing notice to Bank. Bank may accept any Instruction which purports to be from Customer’s Agent or an officer or principal of Customer and will not be obligated to verify the authenticity of the requests purporting to be from Customer. Bank may require that certain Instructions be in writing and in a certain form. Bank may also require Customer to execute a new Application, if applicable, reflecting any modifications.

Modifications to this Agreement

Bank may modify the terms and conditions contained in this Agreement, as applicable to all Services, or may modify the terms and conditions for any particular Service, from time to time by doing any of the following (i) posting the revisions on Bank’s website, (ii) by Electronic Communication, or (iii) delivering notice of the modification to. The modification will be deemed to be accepted and agreed to by Customer when it uses the Services after Bank has provided notice of the modification pursuant to this Section.

Termination

Bank may suspend or terminate any Service provided to Customer for cause without notice if Customer or Customer’s Agent (i) does not comply with this Agreement or any other agreement contained in the Account Disclosures or Supplemental Documentation, (ii) becomes insolvent or files, or has filed against it, any bankruptcy or other insolvency, reorganization, liquidation or dissolution proceeding of any kind, (iii) has a material adverse change occur in its business or financial condition, or (iv) fails to provide financial information reasonably requested by Bank; additionally, Bank may suspend or terminate this Agreement or any Service if Bank has reason to believe that Customer or Customer’s Agent has engaged in fraudulent or illegal activity. Bank may suspend or terminate a particular Service for cause without notice as more fully set forth in the section of this Agreement applicable to such Service. In addition, Bank may terminate this Agreement for convenience and cease providing any Services at any time, in Bank’s discretion, by providing Customer with thirty (30) days’ prior written notice. Customer may terminate any Service for convenience by providing at least thirty (30) days prior written notice to Bank. The parties agree that, after any termination, this Agreement and the relevant Application(s) will continue to apply to all transactions which, by their nature should survive termination (including but not limited to indemnification and limitation of liability), will survive termination, as applicable.

Payments and Fees

Customer will pay Bank the Service Fees established by Bank from time to time and disclosed to Customer. Service Fees may be modified by Bank from time to time by providing notice to Customer. Service Fees provided pursuant to this Agreement are in addition to fees for banking services as provided in the Account Disclosures. For Customers on Account Analysis, fees shall be offset in whole or in part by applying earnings credit obtained through Account Analysis. Earnings credit is calculated by Bank for Customer’s Account(s), based on applying a rate established by Bank from time to time to the total of Customer’s collected balances.

Customer will receive an Account Analysis statement that will disclose the analyzed fees for the applicable period and the earnings credit rate. Any Service Fees and other costs payable by Customer that exceed the earnings credit for the applicable period will be deducted from the Payment Account on a monthly basis. Similarly, if Customer does not qualify for Account Analysis, Service Fees shall be deducted from the Payment Account on a monthly basis and Customer agrees to maintain sufficient funds in the Payment Account to pay the Service Fees as such fees become due. In addition to Service Fees, Customer will be responsible for:

- A. all reasonable attorneys' fees and other costs and expenses Bank may incur in collecting amounts Customer owes Bank in connection with any Service;
- B. the amount of any taxes levied or based on the Service Fees, if any, including without limitation, federal, state or local privilege, excise or sales taxes; and
- C. any third-party expenses incurred on behalf of Customer.

No Service Fees will be refunded or prorated if a Service is terminated prior to the end of a month including any credits related to Account Analysis, which shall be forfeited.

Confidentiality

Bank will maintain the confidentiality of information obtained from Customer in accordance with Applicable Law and Bank's policies and procedures for safeguarding commercial Customer information. Customer will use any confidential information obtained from Bank, including without limitation, security information, user identification codes, passwords, access codes, security devices and Bank's business processes, only as Bank specifies and in the ordinary course of using the Services. All specifications, programs, concepts and techniques developed or utilized by Bank for Customer or provided by Bank to Customer in connection with the provision of Services are and will remain the sole property of Bank. Customer agrees to keep such information confidential and to limit access to such confidential information to its Agents, officers, employees and other representatives who require access in the normal course of their duties on a need to know basis. Customer shall notify Bank immediately if any of Bank's confidential information is lost or its confidentiality is reasonably believed to be compromised. Customer will return to Bank all manuals, software or other documents or materials provided to Customer upon termination of any Service or this Agreement.

This Section does not limit either party's ability to disclose information (i) with prior approval in writing or Electronic Communication from the other party; (ii) to its attorneys, accountants, auditors or other professional advisors, or to Customer's Agents who are under a similar contractual or professional duty of confidentiality; (iii) that becomes public prior to such disclosure through legal means (other than a breach of this Agreement or a breach of obligations of a third party); (iv) that was in its possession or available to it prior to its receipt in connection with a Service hereunder; or (v) that is required or requested by a regulatory body to which either party is subject, or otherwise by Applicable Law, provided that the disclosing party shall provide notice to the other party prior to its disclosure.

Communication Terms

All communication and notices provided pursuant to this Agreement will be provided in writing to the other party at the postal, e-mail, facsimile or other address on the relevant Application and as updated from time to time by other authorization method accepted by Bank. If Electronic Communication is accepted pursuant to these Terms and Conditions, the Bank will assume all communication shall be electronic except for legal notices which shall be in writing and mailed pursuant to this paragraph. Each party will provide notice to the other if any relevant contact information changes. Notices will be deemed to have been given or made (i) when received, if delivered by hand or courier; or (ii) three (3) Business Days after such notice is deposited in the United States mail; or (iii) if sent by e-mail, express mail or facsimile, the earliest to occur of its actual receipt by the intended recipient or the Business Day following the day in which it was sent; provided, however, that Bank shall not be deemed to have received an e-mail or facsimile until Bank confirms such receipt by returning a facsimile or e-mail to Customer.

If Customer provides an e-mail address for itself or its Agent(s) listed on any Application, Customer consents and agrees to receive information and notices from Bank via Electronic Communication. Customer understands that Electronic Communications are inherently insecure due to the possibility of error, delay or observation or receipt by an unauthorized person. Bank may rely in good faith on Customer's Instructions received via e-mail or facsimile that Bank reasonably believes to have been initiated by Customer.

Security Procedures

Bank and Customer shall agree to one or more Security Procedures to be used in connection with certain Services. Customer agrees that such Security Procedures are commercially reasonable for Customer, and Customer shall be bound by any Instructions, Entries, Wire Transfer Request, fund transfer, transaction, service change order or any other communication that is acted upon by Bank in accordance with the Security Procedures. Customer acknowledges and agrees that the Security Procedures are not for the purpose

of detecting errors in the transmission or content of any information, Wire Transfer Request, service change order or Instruction transmitted by Customer. If Customer selects certain Security Procedures to use in connection with a Service and the selected Security Procedures provide less protection than other Security Procedures offered by Bank, the Security Procedures chosen by Customer shall be deemed commercially reasonable. Bank reserves the right to audit Customer's compliance with the Security Procedures and to mandate controls or suspend Services until Customer complies with such Security Procedures. Bank may, in its sole discretion, require additional or new Security Procedures and/or change any Security Procedures from time to time, which shall also be deemed commercially reasonable. Customer's continued use of a Service after Bank has required new or additional Security Procedures or changed the Security Procedures shall constitute Customer's agreement that such Security Procedures are commercially reasonable for Customer.

Bank's Reliance; No Review

Bank is entitled to rely on any Electronic Communication, notice, document or Instruction believed by it in good faith to be genuine and correct and to have been given, signed and/or sent by Customer or on behalf of Customer by its Agent or its designated representative(s), and shall not be obligated to verify the authenticity of the information, and Bank will not be liable to Customer for the consequences of any such reliance. Bank has no obligation of any kind to review any data or to correct any error in any data provided to Customer through any Service or any data or Instruction provided by Customer to Bank through any Service received in good faith and believed to be genuine.

Status of Parties

The relationship of Bank and Customer and its Agent is solely that of independent contractors. Neither party will be considered to be an employee or agent of the other. Nothing contained in this Agreement will be construed to create any partnership or joint venture between the parties.

Access

We will not be liable under this Master Agreement or any applicable Agreement for failure to provide access or for interruptions in access to our Services due to a system failure or due to other unforeseen acts or circumstances.

Your Computer Equipment & Your Software

We will not be responsible for any errors or failures from any malfunction of your computer or any computer virus or other problems related to your computer equipment used with our Services.

We are not responsible for any error, damages or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser (Mozilla Firefox®, Microsoft Internet Explorer®, or otherwise), your Internet service provider, your personal financial management or other software (such as Quicken® or Microsoft Money®), or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with the Online Banking Services.

Intercompany Services

Bank may, in its discretion and subject to receipt of documentation satisfactory to Bank, permit Customer to use Services on behalf of a parent company, subsidiary, affiliate or other commonly owned company (a "Related Entity"). If Bank permits Customer to use Services on behalf of Related Entities, Customer shall be jointly and severally liable for the Related Entities' obligations under this Agreement. Additionally, Customer represents and warrants that any and all transfers of a Related Entity's funds, or commingling of funds of one or more Related Entities with another Related Entity's or Customer's funds and Customer's use of the Services on behalf of the Related Entities have been duly authorized by all necessary parties and that Customer will make such documentation available to Bank immediately upon request. Customer represents and warrants that with respect to any Services used by Customer on behalf of Related Entities, such action is not in violation of any agreement, bylaw or board resolution of Customer or the Related Entities and is not in violation of any Applicable Law.

Standard of Care

Bank's duties and responsibilities are limited to those specifically described in this Agreement. Bank will exercise commercially reasonable and ordinary care in performing its obligations, unless otherwise expressly provided herein or required by Applicable Law. Bank makes no warranty, either express or implied, to Customer with respect to any service or product provided or to be provided hereunder.

Customer Responsibilities

Customer is solely responsible for (i) use of the Services in accordance with the terms of this Agreement, and implementing internal policies and procedures to safeguard confidential information, security codes and User access to the Services; (ii) any activity of any kind generated by Customer's computer systems or networks, including fraudulent activity or corruption of Customer's system or corruption or infection of Bank's computer systems or networks; and (iii) the provision, repair and maintenance of any equipment used by Customer to access the Services; (iv) the protection of any equipment and software used by Customer to access any Service from intrusion or attack through use of commercially reasonable anti-virus and anti-spy programs and/or software; and (v) the actions or inaction of Customer, its designated Agent(s) or its designated representative(s) to facilitate fraud or any security related events. Customer shall immediately notify Bank if it believes that the security of any password, identification number or any other means of access to any Service has been compromised or any fraudulent activity described in this Section has occurred. In addition, Bank shall from time to time make information available via Supplemental Documentation or its website, regarding fraud awareness and education to assist Customer in the prevention and mitigation of any fraudulent or suspicious activity.

No Extension of Credit

Neither this Agreement nor the provision of any Service, nor the terms of any Supplemental Documentation will be construed to obligate Bank to create an overdraft, pay any amount in excess of Customer's collected and available funds in any applicable Account, lend money or otherwise advance funds to or on behalf of Customer unless expressly set forth in a written agreement between Customer and Bank.

Release; Force Majeure

Unless otherwise required by expressly Applicable Law, Bank will not be liable for, and Customer hereby releases Bank from, any loss arising directly or indirectly, in whole or in part, from any of the following causes: (i) any act, failure to act or delay in acting on the part of any person not within Bank's reasonable control, including Customer or its Agent or designee; (ii) the negligence or misconduct of Customer, any Agent or any other officer, employee or agent (apparent or otherwise) of Customer; (iii) any inaccuracy or ambiguity in any information given to Bank (including, without limitation, any incorrect, incomplete or untimely information) by Customer; (iv) any error, failure or delay in the provision of any Service, execution of any Instruction, performance under any other instruction that is caused by any natural disaster, an act of governmental or military authority, legal constraint, fire, flood, earthquake, windstorm, other natural calamity, war, riot, civil unrest, act of terrorism, labor disturbance, strike, lockout, inability of Bank to obtain labor, materials or transportation in a timely manner, electrical, communication, telecommunication, word processing or computer failure or interruption of service (whether hardware, software or both) and which failure or delay in performance is not within the direct and reasonable control of Bank; or (v) any other cause or circumstance beyond the reasonable control of Bank.

Indemnification of Bank; Right of Setoff:

Customer, including without limitation a Customer acting in its capacity as an Agent, shall indemnify, reimburse or otherwise hold harmless Bank, its affiliated companies and its officers, employees and agents for any and all costs, losses, claims, taxes, expenses, liabilities and damages incurred or sustained by Bank in the performance of Services for Customer (including without limitation Services provided for a principal of a Customer acting in its capacity as an Agent), except to the extent caused solely by the gross negligence or intentional misconduct of Bank. Any claim for indemnification will be promptly submitted by Bank to Customer in writing along with a summary of the facts constituting the basis of such claim. Upon notice to Customer specifying in reasonable detail the basis for such claim, Bank may set off any amount to which it may be entitled under this Section or otherwise relating to any of the Services or other terms or conditions of this Agreement against any amounts or obligations owed to Customer, whether under this Agreement or otherwise relating to the Services or pursuant to another agreement between Customer and Bank. The exercise of this right by Bank, whether or not ultimately determined to be justified, will not constitute a breach, event of default under this Agreement or under any other agreement between Bank and Customer. Neither the exercise of nor the failure to exercise any of this right will constitute an election of remedies or limit Bank or any of its affiliated companies and/or officers, employees and agents in any manner in the enforcement of any other remedies that may be available to them hereunder.

Customer Representations and Warranties

Customer represents that it is duly organized in accordance with the laws of the jurisdiction of its organization, and that each person executing any Agreement or Application is properly authorized. Bank is entitled to rely on such signatures as conclusive authority to enter into this Agreement and obtain the applicable Service. Customer also covenants to Bank each time Customer uses a Service, that: (i) Customer is validly existing and in good standing under the laws of the jurisdiction of its organization; (ii) Customer's assent to this Agreement is authorized and that its obligations hereunder are Customer's legal, valid and binding obligation; (iii) each

person signing documents on behalf of Customer, including its Agent, has the requisite power and authority and has taken all necessary action to execute and deliver the Instructions, and to perform Customer's obligations under this Agreement and each Service used by Customer; (iv) any consent or authorization of any governmental authority or third party required to be obtained by Customer in connection with this Agreement or any Service used or performed pursuant to this Agreement has been obtained; (v) the Services are not intended to and will not be used by Customer for purposes in violation of Applicable Law; (vi) Customer is not acting on behalf of or transmitting funds to or from any party subject to sanctions enforced by OFAC; (vii) Customer is utilizing the Service solely for commercial use and not for any personal, family or household purposes; and (viii) if Customer is acting in its capacity as an Agent, Customer is a duly authorized Agent for the principal Customer and has the power and authority to use the Services on behalf of the principal Customer.

Disclaimer of Bank Warranties, Limitations on Liability

BANK HEREBY DISCLAIMS ANY WARRANTIES, EXPRESS OR IMPLIED, RELATED TO THE SERVICES, INCLUDING ALL WARRANTIES AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR SUITABILITY OF ANY SERVICES FOR CUSTOMER, OR AS TO ANY EQUIPMENT OR SOFTWARE PROVIDED BY BANK OR THE COMPATIBILITY OF BANK'S SOFTWARE, EQUIPMENT OR COMMUNICATION INTERFACES WITH CUSTOMER. Customer acknowledges that the Services are provided by Bank without representation or any of the warranties discussed above and that Bank is not responsible for determining the accuracy, timeliness or completeness of information provided to Bank by Customer or any third party. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL BANK BE LIABLE TO CUSTOMER FOR ANY LOST PROFITS OR THIRD-PARTY CLAIMS OR ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) FROM ANY CAUSE WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATING TO, CONNECTED WITH OR PERTAINING TO EITHER THIS AGREEMENT OR THE PERFORMANCE OR NON-PERFORMANCE OF ANY SERVICES HEREUNDER.** These limitations will apply whether or not the likelihood of such losses or damages was known or should have been known by Bank, regardless of the legal or equitable theory of liability advanced by Customer. Customer's exclusive remedy for any cause whatsoever and regardless of the form of action (whether in contract or in tort, including negligence) will be limited to the actual, proven damages of Customer that are the immediate and direct result of an action or failure to act by Bank constituting gross negligence or willful misconduct. To the extent permitted by Applicable Law, in no event shall the Bank or any Vendors be liable to Customer for any claim or cause of action, whether based in contract, tort, strict liability or any other legal theory: (i) in the case of an Entry, Wire Transfer, Instruction or other payment that is misdirected, lost or otherwise paid to the wrong Account as a result of Bank's failure to comply with the terms of this Agreement or Applicable Laws, for an amount in excess of the face amount of such Entry, Wire Transfer, Instruction or item or other payment; and (ii) in all other cases, for an amount in excess of three (3) times the Services Fees for the Services to which the claim or cause of action relates during the month immediately prior to the month in which the act or omission giving rise to the claim occurred.

Compliance with Law

Customer will (and will ensure its Agents will) comply with all Applicable Laws and regulations in connection with the Services, including without limitation, the Rules and OFAC-enforced prohibitions. Customer shall indemnify and hold Bank harmless for any and all fines and assessments imposed on Bank as a result of any alleged violations of Applicable Law. Bank shall have the right to request information from Customer, its Agents and employees, to ensure compliance with United States legal requirements including, but not limited to, the following: OFAC, FinCEN, foreign payment systems rules, Uniform Commercial Code, Check rules and regulations, and any foreign laws or payment system rules regarding authorization or other transactional information. Customer shall promptly provide such information or shall cause such information to be promptly provided to Bank upon request.

Customer's Records and Review

Without limiting any obligations of Customer to retain records as specifically set forth in this Agreement with respect to a Service, Customer will retain and provide to Bank, upon request, all information necessary to remake or reconstruct any deposit, transmission, file or entry for thirty (30) days following such transaction. Customer will regularly and promptly review and verify all information provided to it concerning the Services, including without limitation account statements, reports, Check payment records, adjustments, charges, and/or other billing statements, and other transactions and, within a reasonable time (which in no event will be greater than thirty (30) days) will notify Bank of any error or discrepancy between Customer records and any Bank notice or statement, or any transaction or transfer which Customer believes was not authorized. Customer's failure to notify Bank of such error or unauthorized transaction within the requirements of Applicable Law and the Account Disclosures shall relieve Bank of any liability.

Bank Records

Bank has no obligation to retain any records, including records relating to Instructions delivered by Customer, for longer than the period required of Bank by Applicable Law. In the event Customer fails to report any alleged error to Bank during the period of time Bank is required to retain such records, any good faith attempt by Bank to reconstruct the contents of the Instructions will be conclusively presumed correct.

Bank Cutoff Times; Timeliness of Action

Bank establishes cutoff times for various purposes. Information, Instructions, data or requests received after an applicable cutoff time will not be effective until the following Business Day. Bank shall have a reasonable time to act on any Instruction, or request of any kind. If it is unable to act on such Instruction or request prior to an applicable cutoff time, the action requested of Bank shall be effective the following Business Day.

Binding Effect

This Agreement binds and benefits the parties and their permitted successors and assigns. Bank will not be bound by any agreement or representation made by any Bank employee or Agent that is in conflict with this Agreement, unless that agreement or representation is contained in a validly executed agreement or amendment. Bank will not be deemed to waive any right or power under this Agreement as a result of any delay in exercising such right, nor will any single or partial waiver or exercise of any right or power limit Bank's ability to subsequently fully exercise the right or power or to exercise any other right or power under this Agreement. The rights and remedies set forth in this Agreement are cumulative and not exclusive of any other rights or remedies available to Bank.

Entire Agreement

This Agreement, the terms and conditions contained in the Account Disclosures, the executed Application(s), and any Supplemental Documentation provided by Bank represent the complete statement of the agreement between Bank and Customer for the Services. In the event of any conflict between this Agreement, the Account Disclosures and any Supplemental Documentation, the terms of this Agreement will control. In the event of any inconsistency between the terms of this Agreement and the Application(s), the terms of the Applications(s) shall control.

Assignment

Customer may not assign its right to receive Bank's Services hereunder without the prior written consent of Bank. Bank will have the right to delegate its obligation to perform Services hereunder to an appropriate third party as determined by Bank in its sole discretion. Bank may provide certain Services through third-party service providers. While Bank will have the right to delegate its duty to perform under this Agreement; it will be under no duty to do so.

Governing Law

This Agreement and the rights and obligations of the parties hereunder will be governed by, and construed, interpreted and enforced in all respects in accordance with the federal law of the United States, and to the extent that federal law does not apply, the law of the State of Oregon without regard to conflict of laws principles.

Venue; Jurisdiction; Service of Process; Jury Trial Waiver

Any legal action or proceeding arising out of or relating to this Agreement must be instituted in the courts of the state where the main office of Bank is located or of the United States of America for the district where the main office of Bank is located, and Customer hereby irrevocably submits to the jurisdiction of each such court in any such action or proceeding. By executing any Application(s) or utilizing any of the Services, Customer irrevocably consents to the service of any and all legal process, summons, notices and documents out of any of the aforesaid courts in any such action, suit or proceeding by mailing copies thereof by overnight or certified mail, postage prepaid, to Customer at its address provided for notices. CUSTOMER AND BANK EACH WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM RELATING TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY SERVICE OR TRANSACTION HEREUNDER.

No Waiver

No failure or delay on the part of Bank or Customer to exercise any right hereunder will operate as a waiver of such right, nor will any single or partial exercise by Bank or Customer of any right hereunder preclude any other or further exercise thereof, or exercise of any other rights.

Severability

Any provision of this Agreement, or any Supplemental Documentation which is unenforceable will only be ineffective to the extent of such unenforceable provision, without invalidating the remaining provisions of the document.

Business Online Banking

Pacific West Bank's Business Online Banking services allows Customers to perform the following transactions and/or services

1. Account inquiry (checking, savings, certificates of deposit, loans)
2. Review recent transactions on your Accounts (checking, savings, certificates of deposit, loans)
3. Review pending transactions inquiry
4. Establish alerts based on transactions, balances, and other details
5. Make transfers between Accounts you may have with us
6. Obtain Account balances. Your account balance is generally current as of 8:30 a.m. Pacific Time (Standard or Daylight) of each Business Day, but may not include current transactions (such as checks cashed at a teller on the Business Day). In addition, your account balance may show funds that have been credited to your account but are not yet available for withdrawal.
7. Make Payments to a Payee from your Account(s) (CheckFree Bill Payment Service)
8. Transfer money to make loan payments
9. Download account information in various formats
10. Issue Stop Payment orders
11. View check images
12. Make deposits via Remote Deposit Capture*
13. Originate ACH entries*
14. Make Wire Transfers*

*You must execute the applicable Applications to use these services.

These activities are limited to the extent noted herein and in any agreement(s) governing your various accounts with us.

Additional Services

Additional services may be included in an update to this Master Agreement or in other separate agreements to notify you of the existence of any new services available through Online Banking. Information about new services may be obtained from our website at www.bankpacificwest.com. By using these services when they become available, you agree to be bound by the terms and conditions contained in this Master Agreement or separate agreements covering these services.

Eligibility

To have access to the Services you must be an authorized user of the Software you select, if required for use with the Equipment. You must also have at least one eligible deposit or loan account with us. If you have more than one Account, you will have access through the Service to the Accounts you specify on the Authorization Form. If you specify more than one Account on the Authorization Form, we will "link" the Accounts together. Accounts which are "linked" under the Services will have one common owner and signer. Any signer, acting alone, must be authorized to access a linked account. Any non-linked account will not be accessible through the Service. You must designate a User Name and Password which will be required to gain access to the Service. Prior to your first use of Online Banking, the Financial Institution will assign you a User Name and Password (the User Name and Password collectively are referred to as the "Access Codes"), required to gain access to Online Banking. The Online Banking system will ask you to change your Password the first time that you use the system.

"Eligible Accounts" include the following:

1. Checking (Demand Deposit) Accounts
2. Savings Accounts
3. Money Market Accounts

4. Loans
5. Certificates of Deposit

Restrictions; Limits.

In most cases you may use Online Banking to gain access to deposit accounts in which you have an unrestricted right to withdraw funds. However, the Financial Institution, as it may determine at any time and from time to time in its sole discretion, may deny Online Banking account access, restrict Online Banking account transactions, or place limits on the specific dollar amount of funds that may be withdrawn or transferred from any account.

Vendor

You acknowledge and agree that the Service can be provided by an independent third party service provider (“Vendor”) as selected by Financial Institution, and that both the Vendor and the Service are subject to change from time to time without notice to you. You further acknowledge, agree, and stipulate that the Vendor is an independent contractor providing software and data transmission services and is not the agent of you or Financial Institution. Neither the Financial Institution nor the Vendor is responsible for the actions or omissions of the other.

Account Access.

Transfers and Payments from your Account will be deducted on the date you instruct us to process them. If the date you schedule a Transfer or Payment falls on a weekend or holiday, we will process your transaction the next Transfer Day. We may refuse to act on your Transfer instructions or Payment request if sufficient funds, including funds available under any overdraft protection plan, are not available in your Account on the date you want us to make the Transfer or Payment.

Processing Fund Transfers

We can process a Transfer until 5:00 p.m., Pacific Time (Standard or Daylight) on a Transfer Day. If you request a Transfer after the cutoff time, the Transfer will be processed the following Transfer Day. If you schedule a Transfer for a future date, we will process the transaction after the close of business on that date, if that day is a Transfer Day.

You are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize to be made. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permissible by the applicable law and the terms of any other relevant agreements.

If there are insufficient funds in your Account to make a Transfer or Payment, we may refuse to make the Transfer or Payment or we may make the Transfer or Payment and overdraw your Account. In either event, you are responsible for any non sufficient funds (“NSF”) charges that may apply.

Canceling Transfers or Payments

You may cancel a pending Transfer or Payment transaction. However, to do so, we must receive your instruction to cancel prior to the cutoff time on the Transfer Day the transaction is scheduled to be processed. If we don’t receive your instruction to cancel a transaction before that time, we may process the transaction.

Transfer(s) from Savings/Money Market Deposit Accounts

Federal regulations require us to limit, either by contract or in practice, the number of certain types of transfers from savings and money market deposit accounts. You are limited to six (6) preauthorized electronic fund transfers per month. Each fund transfer through these Services from your savings or money market deposit account is counted as one of the six (6) transfers permitted each calendar month. However, payments to your loan accounts with us are not counted toward this transfer limit for savings/money market deposit accounts.

Overdrafts: Order of Payments, Transfers, and Other Withdrawals

If funds are withdrawn from any of your accounts by means of electronic funds transfers, other than through Online Banking on the same business day as an Online Banking transaction, and if the account contains insufficient funds to enable both the electronic

funds transfer and the Online Banking transfer to be made, then the electronic funds transfer will have priority and the Online Banking transfer will be refused or will result in an overdraft on your account. This is at the Financial Institution's sole discretion.

Bill Payment Service

You can arrange, at your option, for the payment of your current, future and recurring bills from your designated Bill Pay Account. For Bill Payment Service, your Payee list may include utility companies, merchants, financial institutions, insurance companies, individuals, etc. within the United States whom you wish to pay through Bill Payment Service. Please include the full name of the Payee and a complete mailing address and telephone number for each Payee, along with your account number with the Payee, the amount of the Payment, and whether the Payment is recurring. The Financial Institution reserves the right to decline to make Payments to certain persons and entities. You agree that any Payment for taxes, Payments that are court-ordered, government payments and Payments outside of the United States are prohibited and you agree that you will not attempt to use the Service to make these types of Payments. On recurring Payments, it is the responsibility of the account owner or designated authorized users to update Payee account information such as address changes, account numbers, etc.

Payments are posted against your ledger balance.

With the Small Business Bill pay service you may:

- Pay bills to a company or person
- Attach up to 10 invoices to payments
- Assign authority levels to users
- View 45 days of bill pay history
- Sign up for eBills
- Receive alerts, reminders, and messages to the business email address indicated during enrollment (the messages are not sent to individual business users' email addresses).
- Add up to 60 payee groups (each business user has the ability to create and manage biller groups that are meaningful and viewable only to that user).

Payment Scheduling

You may schedule Payments to be initiated on the current Business Day, on a future date, or on the same date of each month. The earliest possible Scheduled Payment date for each Biller (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Biller. When scheduling payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period.

The Service Guarantee

Due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to your account. The Service will bear responsibility for any late payment related charges up to \$50.00 should a payment post after its Due Date as long as the payment was scheduled in accordance with the guidelines described under "Payment Scheduling" in this Agreement.

The Service will use its best efforts to make all your payments properly. However, the Service shall incur no liability and any Service Guarantee shall be void if the Service is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:

1. If, through no fault of the Service, your Payment Account does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of your overdraft account;
2. The payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction;
3. You have not provided the Service with the correct Payment Account information, or the correct name, address, phone number, or account information for the Biller; and/or,
4. Circumstances beyond control of the Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the foregoing exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Biller which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to your Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges.

Payment Methods

The Service reserves the right to select the method in which to remit funds on your behalf to your Biller. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a laser draft payment (funds remitted to the Biller are deducted from your Payment Account when the laser draft is presented to your financial institution for payment).

Payment Cancellation Requests

You may cancel or edit any Scheduled Payment (including recurring payments) by following the directions within the application. There is no charge for canceling or editing a Scheduled Payment. Once the Service has begun processing a payment it cannot be cancelled or edited, therefore a stop payment request must be submitted.

Stop Payment Requests

The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may also not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you desire to stop any payment that has already been processed, you must contact Customer Service at 844-781-8075. Although the Service will make every effort to accommodate your request, the Service will have no liability for failing to do so. The Service may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.

General

If the transaction shows an (IN PROCESS) status, then the Payment cannot be modified or deleted. Although you can enter Payment information through the Service twenty-four (24) hours a day, seven (7) days a week, the Financial Institution only initiates on Business Days. Funds must be available in your Account on the scheduled payment date. After funds are withdrawn from your Account to make a Payment, we may make the Payment either by transferring funds electronically to the Payee or by mailing the Payee a check. Funds will be deducted from your account on the same Business Day for Electronic Payments. Payments made by check will be deducted from your Account when the check clears your account. If you direct the initiation of a Payment to occur on a day other than a Business Day, it will be initiated on the following Business Day. The Bill Payment Service will indicate whether a Payee is paid electronically or by check.

When you create a new Payee in the Bill Payment service, it has a temporary status until we have had sufficient time to set up the account, and for your business Payees, verify information about your account. You should schedule a Payment to a new Payee at least four (4) Business Days before any Payment due date, to allow us time to set up the Payee and verify information about your account with the Payee. Financial Institution is not liable for any service fees or late charges levied against you due to postal delays or processing delays by the Payee. There is no limit on the number of Payees or number of Payments that may be authorized. The maximum per Payment amount is \$999,999.99 for check Payments and the minimum per Payment amount is \$0.01. Electronic Payments are subject to the availability of sufficient funds in the designated checking account. However, Financial Institution reserves the right to impose limits at some future date, with proper written notice.

For all subsequent Payments, you agree to allow at least four (4) Business Days for electronic payments and at least four (4) Business Days for check payments between the date you schedule a Payment to be initiated and the Payment due date (that is, the due date shown on your invoice or provided in your agreement with the payee, not taking into account any applicable grace period). If you do not, you will be fully responsible for all late fees, finance charges or other actions taken by the Payee. If you schedule your Payment and follow all instructions provided, and the Payment is not received by the Payee in a timely manner, a representative of Financial Institution will work with the Payee on your behalf to have any late fees or charges reversed.

When you schedule a Bill Payment that will be made by check, you authorize us to issue a check drawn on your qualified designated checking account for the requested amount. If sufficient funds are not available in your designated account when the check is presented for payment, we may refuse to honor the check and return it unpaid. At our sole discretion, we may elect to pay the check regardless of the insufficient funds. In either event, your qualified designated account will be charged our then current fee for

processing insufficient items, whether the check is paid or returned, as applicable. You are responsible for any loss or penalty that you may incur due to a lack of sufficient funds or other conditions that may prevent the withdrawal of funds from your account.

If Payment is to be made electronically and your Account does not have sufficient funds to make a Payment as of the date the transfer or Payment is attempted or scheduled to be made, the Transfer or Payment will be canceled and no further attempt will be made by Financial Institution to make the Transfer or Payment. Financial Institution shall have no obligation or liability if it does not complete a Transfer or Payment because there are insufficient funds in your account to process a transaction. In all cases, you are responsible for either making alternate arrangements for the Payment or rescheduling the Payment through the Service. In the case of recurring Payments, only the Payment currently scheduled will be canceled. Recurring Payments schedule for future dates will not be affected.

Recurring Payments and Transfers are those made for the same amount, on the same date, on a weekly, bi-monthly, monthly basis, etc. Once started, recurring Payments and Transfers will be made automatically until you delete the Payment or Transfer or upon expiration. If the Payment is not a recurring Payment, it will be a "one-time Payment." One-time Payments do not recur and are not made until you enter the Payee and amount of the current bill and submit the Payment. A recurring Bill Payment Service transaction that you want deleted must be deleted or the next Payment date changed four (4) Business Days before the current transaction date.

A stop payment cannot be placed on an Electronic Bill Payment transaction once issued. However, a stop payment can be placed on a Bill Payment transaction by Bill Payment check any time prior to 8:30 a.m. Pacific Time on the day such check is scheduled for final payment.

There is no fee for deleting a Payment initiated through Bill Payment; however a fee will apply for a stop on a Bill Payment check.

In the event a Payment is returned to us for any reason, you authorize us, in our sole and absolute discretion, to either research or correct the Payment information or to void the Payment and re-credit your Account.

Bill Delivery and Presentment

This feature is for the presentment of electronic bills only and it is your sole responsibility to contact your Billers directly if you do not receive your statements. In addition, if you elect to activate one of the Service's electronic bill options, you also agree to the following:

Information provided to the Biller - The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes will need to be made by contacting the Biller directly. Additionally it is your responsibility to maintain all usernames and passwords for all electronic Biller sites. You also agree not to use someone else's information to gain unauthorized access to another person's bill. The Service may, at the request of the Biller, provide to the Biller your e-mail address, service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing you about Service and/or bill information.

Activation - Upon activation of the electronic bill feature the Service may notify the Biller of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Biller to Biller and may take up to sixty (60) days, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Biller. While your electronic bill feature is being activated it is your responsibility to keep your accounts current. Each electronic Biller reserves the right to accept or deny your request to receive electronic bills.

Authorization to obtain bill data - Your activation of the electronic bill feature for a Biller shall be deemed by us to be your authorization for us to obtain bill data from the Biller on your behalf. For some Billers, you will be asked to provide us with your user name and password for that Biller. By providing us with such information, you authorize us to use the information to obtain your bill data.

Notification - The Service will use its best efforts to present all of your electronic bills promptly. In addition to notification within the Service, the Service may send an e-mail notification to the e-mail address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from Biller to Biller. You are responsible for ensuring timely payment of all bills.

Cancellation of electronic bill notification - The electronic Biller reserves the right to cancel the presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days, depending on the billing cycle of each Biller.

The Service will notify your electronic Biller(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

Non-Delivery of electronic bill(s) - You agree to hold the Service harmless should the Biller fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.

Accuracy and dispute of electronic bill - The Service is not responsible for the accuracy of your electronic bill(s). The Service is only responsible for presenting the information we receive from the Biller. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Biller directly.

This Agreement does not alter your liability or obligations that currently exist between you and your Billers.

Article V. Limitations.

Your use of these Services is subject to the following limitations:

Dollar Amount

There may be a limit on the dollar amount of the transactions you can make using these Services. Security reasons limit the dollar amount of transactions and these limits are subject to change from time to time. Payment can only be made with U.S. currency.

Frequency

In addition to the Federal banking regulations that restrict the number of transfers and withdrawals, there may be limits on the number of transactions you can make using these Services. These limits are for security reasons and are subject to change.

Foreign Transactions

No Payments may be made to Payees outside the United States, unless the Customer has been specifically approved by the financial institution through the use of certain cash management services such as ACH or Wire Transfer Services.

Additional Limitations

Additional limitations may be contained in this Master Agreement or the applicable Application. Your ability to initiate transactions may also be limited by the terms of other agreements you have with the Financial Institution or by applicable law.

Failed or Returned Transactions

In using the Service, you are requesting the Service to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction may not be completed. In some instances, you will receive a return notice from the Service. In each such case, you agree that:

1. You will reimburse the Service immediately upon demand the transaction amount that has been returned to the Service;
2. For any amount not reimbursed to the Service within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed;
3. You will reimburse the Service for any fees imposed by your financial institution as a result of the return;
4. You will reimburse the Service for any fees or costs it incurs in attempting to collect the amount of the return from you.

Biller Limitation

The Service reserves the right to refuse to pay any Biller to whom you may direct a payment. The Service will notify you promptly if it decides to refuse to pay a Biller designated by you. This notification is not required if you attempt to make a prohibited payment or an exception payment under this Agreement.

Returned Payments

In using the Service, you understand that Billers and/or the United States Postal Service may return payments to the Service for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. The Service will use its best efforts to research and correct the returned payment and return it to your Biller, or void the payment and credit your Payment Account. You may receive notification from the Service.

Information Authorization

Your enrollment in the Service may not be fulfilled if the Service cannot verify your identity or other necessary information. In order to verify ownership of the Payment Account(s) and/or Billing Account, the Service may issue offsetting debits and credits to the Payment Account(s) and/or Billing Account, and require confirmation of such from you. Through your enrollment in the Service, you agree that the Service reserves the right to request a review of your credit rating at its own expense through an authorized bureau. In addition, you agree that the Service reserves the right to obtain financial information regarding your account from a Biller or your financial institution (for example, to resolve payment posting problems or for verification).

ACH Origination Service

This Section sets forth the terms and conditions relating to Automated Clearing House Service (the "ACH Service") and is applicable only to Customers who execute an Application requesting ACH Service. By using the ACH Service, Customer may transfer funds by means of Entries which may be sent through the ACH network or processed directly by Bank. Capitalized terms used in this Section that are not otherwise defined in this Agreement will have the meanings provided in the Rules.

Transmittal of Entries

All Entries initiated by Customer and all transactions provided pursuant to the ACH Service are subject to, and Customer agrees to comply with, the terms of this Agreement, the Rules, any additional rules adopted by local or state ACH association, all Applicable Law, and the Security Procedures. Customer will transmit Entries to Bank to the locations and in compliance with the formatting and other requirements provided by Bank to Customer. Customer shall be bound by and comply with the Rules for all Entries, whether or not an Entry is sent through the ACH network. Customer agrees that it shall only originate the type of Entries designated on Customer's Application. However, Bank may, in its sole discretion, limit the type of Entries Customer is authorized to originate.

Security Procedures

All ACH Entries will be transmitted by Customer via a secure file delivery channel in accordance with the Security Procedures. Customer acknowledges receipt of the Security Procedures and agrees that the Security Procedures apply to the ACH Service and are commercially reasonable procedures for Customer. Customer is strictly responsible for establishing and maintaining security measures and complying with the Security Procedures. Customer agrees to take reasonable steps to maintain the confidentiality of the Security Procedures and any passwords, unique identifiers, codes, security devices, and any related information provided by Bank or established by Customer in connection with the Security Procedures. Customer will immediately notify Bank if it suspects or knows that any Security Procedures or any passwords, unique identifiers, codes, security devices, or any related information have been accessed by or provided to an unauthorized person. Customer will be responsible for unauthorized transfers made in good faith by Bank until Bank has been notified of the unauthorized access and has had a reasonable opportunity to act upon such notice.

Customer will comply with and maintain the minimum-security requirements on their computer systems as may be required and communicated to Customer from time to time by Bank. Customer releases Bank from liability and agrees to indemnify and hold Bank harmless from any and all claims or liability resulting from Customer's failure to comply with this Section and for allowing any malicious software to be loaded onto its computer systems.

If any Entry (or request with respect to an Entry) received by Bank was transmitted or authorized by Customer or its Agent, Customer shall pay Bank the amount of the Entry, regardless of whether Bank complied with the Security Procedures with respect to that Entry and regardless of whether such Entry was erroneous or contained an error that would have been detected if Bank had complied with the Security Procedures.

If any Entry (or request with respect to an Entry) received by Bank purports to have been transmitted or authorized by Customer or its Agent, it will be deemed effective and Customer shall be obligated to pay Bank for the amount of such Entry even if the Entry was not authorized by Customer, provided Bank accepted the Entry in good faith and acted on it in compliance with the Security Procedures.

Processing, Transmittal and Settlement

Customer authorizes Bank to: (i) process Entries received from Customer or its Agent; (ii) transmit such Entries as an Originating Depository Financial Institution to the ACH network; and (iii) settle for such Entries. Subject to the terms and conditions of this Agreement, Bank will transmit such Entries by the applicable deposit deadline of the ACH network, provided (iv) such Entries are completely received by the cut-off time established by Bank and the Rules from time to time; (v) the Entry Date on the file satisfies the criteria established by Bank from time to time; (vi) the Federal Reserve is open for business on such Business Day; and (vii) such

Entry otherwise complies with the terms of this Agreement. Customer shall have no right to cancel, reverse or amend any Entry after its receipt by Bank; however, Bank will use commercially reasonable efforts to act on a request by Customer to cancel an Entry before transmitting it to the ACH. Any such request shall comply with the Security Procedures and Bank shall have no liability if it fails to effect the cancellation. Customer acknowledges that in the case of a Same Day Entry, any request by Customer to cancel an Entry must be made immediately in order for the Bank to have an opportunity to effect cancellation. Despite Bank's commercially reasonable efforts to act on such a request, cancellation of a Same Day Entry may nevertheless be impossible, and Customer understands and accepts the risk of this occurrence.

Rejected Entries

Bank will have the right to reject any Entry that does not comply with the requirements of this Agreement or for any reason permitted under the Rules. Bank will also have the right to reject any Entry if Customer has failed to comply with the Account balance maintenance obligations, has exceeded the Exposure Limits, has failed to maintain reserve balances as provided in this Agreement, has failed to comply with the Security Procedures, and/or failed to notify the Bank of any new Company ID at least five (5) Business Days prior to receipt of a file containing the Company ID; or has failed to meet any obligation to Bank, including payment obligations, pursuant to this Agreement or any other obligation of Customer to Bank. Bank in its discretion may reject any credit Entry which contains an effective Entry date more than two (2) Business Days after the Business Day such Entry is processed by the ACH Operator; or the effective Entry date for a debit Entry is more than one (1) Business Day after the processing date, or longer in Bank's discretion. Bank will notify Customer of such rejection no later than the Business Day such Entry otherwise would have been processed by Bank or in the case of an "on-us" Entry, its effective date, unless the effective date is the Business Day the file was received, in which case Bank will notify Customer of rejection the following Business Day. Notices of rejection are effective when given. Bank shall have no liability to Customer for a rejection of any Entry or the fact that notice is not given at an earlier time than provided in this section. Bank will have no liability to Customer for any rejection of an Entry or the fact that notice is not given at an earlier time than that provided for in the Rules.

Payment With Respect To Entries

- **Payment Timing:** Bank will generally debit Customer's Account for credit Entries (including debit Reversals) on the settlement date, unless Customer is prefunding its Entries. Prefunding means that Customer would pay for all credit Entries by such time before the settlement date, as Bank may specify. At its sole discretion, Bank may at any time without notice require payment before processing Customer's Entries. Even if Bank has done so in the past, Bank is not obligated to process any Entries without having first been paid by Customer, but, if it does, the amount is immediately due and payable without notice or demand. Bank will generally credit Customer's Account for debit Entries (including credit Reversals) on the settlement date. All such credits are provisional and Bank may charge Customer's Account, as well as any other account of Customer with Bank, for the amount of a returned or rejected electronic debit Entry.
- **Returned Entries:** Customer will pay Bank for the amount of any returned debit Entries (including rejected debit Entries) or any adjustment Entries, which Bank previously credited to the Account. Customer agrees that Bank does not need to send a separate notice of debit Entries that are returned unpaid. Reports containing information regarding returned debit Entries are available. Customer authorizes Bank to debit Customer's Account on the day the returned or rejected electronic debit Entry is received by Bank or thereafter. Customer agrees to maintain a sufficient balance in Customer's Account to cover returned or rejected electronic debit Entries. If a returned or rejected electronic debit Entry cannot be debited against Customer's Account, Customer will pay Bank the amount of the returned or rejected debit Entry.

On-Us Entries; Notice of Returned Entries; Notification of Change; Reversals

- Except as otherwise provided in this section, if an Entry is received for a credit to an account maintained by Bank (an "on-us Entry"), Bank shall credit the Receiver's account in the amount of such Entry on the effective Entry date contained in such Entry if (a) the Entry is received by the Bank's cutoff time on a Business Day, and either (b) (i) the effective Entry date is at least two (2) days after such Business Day, or (b)(ii) the effective Entry date is the date of such Business Day and the Entry specifies Same Day Entry for settlement. If either of those requirements is not met, Bank shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next Business Day following such effective Entry date.
- As long as the effective date is after the Business Day the file was received, Bank shall notify Customer of the receipt of a returned Entry from the ACH no later than one (1) Business Day after the Business Day of such receipt if by Electronic Communication; and no later than five (5) Business Days if by US Mail or other postal service, and in a format specified by Customer. Bank shall have no obligation to re-transmit a returned Entry if Bank complied with the terms of this Agreement with respect to the original Entry; provided, however, Bank may reinitiate the returned Entry no more than two times in accordance with the Rules.

- Bank will inform Customer via Electronic Communication or other communication acceptable to Bank of all notifications of change (“NOC”) received no later than two (2) Business Days after the receipt of the Entries. Customer agrees to make the changes submitted within six (6) Business Days of the settlement date of the original Entry or before the next “live” Entry, whichever is later; provided that, Customer may choose, in its discretion, to make the changes specified in any NOC or corrected NOC received with respect to any ARC, BOC, POP, RCK, Single-Entry TEL, Single-Entry WEB, and XCK Entry. If an NOC is incorrect, Customer will generate a refused notification of change and deliver it to Bank.
- Customer may initiate a reversing Entry or file of Entries for erroneous or duplicate transactions, as permitted by the Rules. In doing so, Customer warrants it has initiated the Entries or files within five (5) days of the original Entry or Entries and within twenty-four (24) hours of the discovery of the error. Reversals must be initiated within five (5) Business Days of the original Entry and the account holder for the reversing Entry must have been notified of the reversal and the reasons for the reversal no later than the settlement day of the reversal. For both reversing Entries and files, Customer indemnifies all parties to the transaction(s) from and against any claim, demand, loss, liability or expense.

Liability; Limitations of Liability; Indemnity

In addition to the limitations of liability and indemnification obligations of Customer set forth elsewhere in this Agreement, with respect to the ACH Service, Bank will be liable only for its gross negligence or willful misconduct in performing the ACH Service. Customer will indemnify and hold Bank harmless against any loss, liability or expense (including attorneys’ fees and expenses) resulting from any breach of any warranties contained in the Rules.

Credit Risk

Bank may from time to time in its sole discretion impose limits (“Exposure Limits”) on the aggregate amount of Credit or Debit Entries that Customer may initiate, taking into account the total dollar amount of Entries transmitted, frequency of origination, and payment application originated by Customer as set forth in the ACH Service Application. Bank will establish an initial Exposure Limit for Customer, which will be disclosed to Customer and Customer agrees it will not transmit Entries that would cause it to exceed its Exposure Limits. Bank may also in its sole discretion and upon notice to Customer require it to maintain reserve balances in one or more Accounts in an amount equal to a percentage of all Entries Customer initiated within a certain preceding period, or, at Bank’s option projected by Bank to be initiated by Customer in a certain period. Bank will have the right to require Customer to provide, at any time in Bank’s sole discretion, appropriate information to enable Bank to assess the credit risk associated with providing services to Customer through the ACH Service. Customer hereby authorizes Bank to gather credit information regarding Customer from other sources, including one or more credit bureaus. Bank reserves the right to designate or terminate Entry classes Bank will process for Customer.

Bank also maintains the right to hold back a percentage of reserves after termination of ACH Service to cover any remaining transaction obligations and charge backs of Customer as determined in the Bank’s sole discretion. In addition, Bank may require general liability, D & O, E & O or other types of insurance coverage as a requirement to provide the ACH Services.

Customer Representations, Warranties and Agreements

Customer warrants to the Bank all warranties that Bank is deemed by the Rules to make with respect to Entries originated by Customer. Further, Bank has the right to audit Entries at any time to ensure compliance with this paragraph.

Customer further warrants as of the date hereof and in connection with each Entry transmitted to Bank that:

- Customer is bound by and has complied with the Rules, including that payment of an Entry by the Receiving Depository Bank to the Receiver is provisional until receipt by the Receiving Depository Financial Institution of final settlement for such Entry; if such settlement is not received, the Receiving Depository Financial Institution shall be entitled to a refund from the Receiver of the amount credited and Customer shall not be deemed to have paid the Receiver.
- Each Entry is accurate, timely, has been authorized by the party whose account will be credited or debited, and otherwise complies with the Rules, and such authorization is operative at the time of transmittal of credit or debiting by the Bank.
- Customer will comply with all pre-notification requirements in the Rules.
- Each debit Entry is for the sum which, on the settlement date with respect to it will be owing to Customer from the party whose account is debited, is for a sum specified by such party to be paid Customer, or is a correction of a previously transmitted erroneous credit Entry.
- Customer is in compliance with all Applicable Law in generating Entries and, without limiting the foregoing, shall obtain information regarding the OFAC enforced sanctions with respect to each Entry.
- Customer agrees to:

- obtain all authorizations as required under the Rules and Applicable Law and retain such authorizations for the greater of the period required under the Rules or two (2) years after they expire; and
- provide requested authorizations to Bank promptly within two (2) Business Days of receipt of Bank's written request.
- Customer warrants all Entries transmitted to Bank are retained on file and in a format adequate to permit remaking of Entries for seven (7) Business Days following the date of their transmittal, and shall provide such data to Bank upon its request.
- Customer shall indemnify and hold Bank harmless against any claim, demand, loss, liability or expense (including but not limited to reasonable attorneys' fees and costs) and damages, including consequential, special and punitive damages Bank may incur as a result of Customer's breach of this Agreement, the Rules and any other agreement between Customer and any of its customers whose accounts are affected by Entries.
- Bank, acting on its own behalf or through third parties, shall have the right to audit Customer's compliance with this Section and the Rules during regular business hours and upon reasonable notice to Customer. Customer shall cooperate with Bank in performing such audit.

Discrepancies

Information regarding Entries is made available to Customer on its Account summaries and/or statements provided to Customer by Bank in accordance with Customer's Account agreement(s). Customer agrees to notify Bank promptly of any discrepancy between Customer's records and the information shown on its Account summary. If Customer fails to notify Bank of a discrepancy within thirty (30) days after information concerning an Entry first became available to Customer, Bank will not be liable for any losses or costs resulting from Customer's failure to give notice and Customer will be precluded from asserting such discrepancy against Bank.

Notice of Error

If Bank receives a notice of error or unauthorized transaction as ODFI concerning an Entry processed or authorized to be processed to an account with Bank, Customer will, within two (2) Business Days after written or oral notice, provide Bank with a copy of the authorization to debit or credit the Receiver's account and, if applicable, proof of sending notice to the Receiver of the varying amount, or other proof satisfactory to Bank that the error alleged did not occur or resolve the error. If the referenced documents or proof are not delivered timely, or the documents or proof do not give Bank a reasonable basis for determining that no error occurred, or if the error alleged did occur, Bank may charge Customer for the amount of the alleged error and for any penalty imposed upon Bank.

Inconsistency of Name and Account Number

Customer acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by Bank to the Receiving Depository Bank may be made by the Receiving Depository Bank (or by Bank in the case of an on-us Entry) on the basis of the account number supplied by the Customer, even if it identifies a person different from the named Receiver, and that Customer's obligation to pay the amount of the Entry to Bank is not excused in such circumstances.

Special Suspension and Termination Right

In addition to the termination rights set forth in this Section of this Agreement, Bank may immediately suspend or terminate the ACH Service without advance notice to Customer if (a) Bank has reason to believe Customer has breached the Rules, (b) Bank determines it is illegal or impractical to provide the ACH Services, or (c) Bank believes that an unauthorized Entry has been or may be made or otherwise, in Bank's sole discretion, believes that unacceptable risk to Bank or Customer exists.

Ownership of Tapes and Records

All magnetic tapes, Entries, Security Procedures and related records used by Bank for transactions using the ACH Service shall be and remain Bank's property. Bank may, in its sole discretion, make available such information upon Customer's request. Any expenses incurred by Bank in making such information available to Customer shall be paid by Customer.

Third Party Service Providers

If Customer initiates Entries through the use of a Third Party Service Provider, the Third Party Service Provider shall not be deemed to be the agent or service provider to Bank, but shall serve in such capacity for Customer. Any third party providing ACH services to Customer which is not a Third Party Sender shall be a Third Party Service Provider. Customer shall be deemed to have authorized Bank to follow Instructions provided by the Third Party Service Provider to the same extent and pursuant to the same terms that

would apply if the Instructions were provided directly by Customer. Customer shall be solely liable and responsible for compliance by the Third Party Service Provider with this Agreement and the Rules. Bank shall have no responsibility or liability for the acts or omissions of the Third Party Service Provider, and Customer shall indemnify and hold Bank harmless from any losses caused by the acts or omissions of the Third Party Service Provider. Customer shall require its Third Party Service Providers to permit the Bank to perform, at its option, on-site inspections of such Third Party Service Provider, upon reasonable notice to Third Party Service Providers, such inspection to be conducted during normal business hours. Customer acknowledges that Bank reserves the right to refuse to permit the use of any Third Party Service Provider. Customer or any Agent acting on behalf of Customer is solely responsible for the content of any Instructions or Electronic Communication received by Bank from the Third Party Service Provider and any errors or omissions of the Third Party Service Provider in the performance of its duties.

Entry Class Codes

When Customer originates an Entry, Customer makes each of the representations, warranties and covenants of an Originator for the applicable Entry class code as set forth in the Rules, including, without limitation, the following representations, warranties and covenants for the Entry class codes set forth in this Section.

TEL Entries: If Customer elects to initiate TEL Entries on its Application, and Bank agrees to permit Customer to originate TEL Entries on applicable Accounts, such TEL Entries are subject to the provisions of this Section. With respect to all TEL Entries, Customer hereby makes each of the representations, warranties and covenants of an Originator of TEL Entries as set forth in the Rules regarding TEL Entries as of the date of this Agreement and each time it initiates a TEL Entry, including, without limitation, all warranties and covenants concerning consumer authorizations and disclosures. Customer specifically represents and warrants it has used commercially reasonable procedures to verify the identity of the consumer, including the consumer's name, address and telephone number and has used commercially reasonable procedures to verify that routing numbers are valid. Bank may, at its option and in its sole discretion, establish exposure limits limiting the number and/or dollar amount of TEL Entries which Customer may have outstanding at any one time. Bank may terminate Customer's right to originate TEL Entries at any time.

RCK Entries: If Customer elects to initiate RCK Entries on its Application Form, and Bank agrees to permit Customer to originate RCK Entries on applicable Accounts, such RCK Entries are subject to the provisions of this Section. With respect to all RCK Entries, Customer hereby makes each of the representations, warranties and covenants of an Originator of RCK Entries as set forth in the Rules regarding RCK Entries as of the date of this Agreement and each time it initiates a RCK Entry. Immediately upon request of Bank, Customer will provide Bank with a copy of a returned Check.

WEB Entries: If Customer elects to initiate WEB Entries on its Application Form, and Bank agrees to permit Customer to originate WEB Entries on applicable Accounts, such WEB Entries are subject to the provisions of this Section:

- **Capability:** Bank shall only process WEB Entries from accounts drawn on United States financial institutions that participate in the ACH Network. Bank may, in its sole discretion, terminate Customer's ability to originate WEB Entries at any time without prior notice to Customer.
- **Additional Representations, Warranties and Covenants:** With respect to all WEB Entries, Customer hereby makes each of the representations, warranties and covenants of an Originator of WEB Entries as set forth in the Rules regarding WEB Entries as of the date of this Agreement and each time it initiates a WEB Entry, including, without limitation, that Customer has employed a commercially reasonable fraudulent transaction detection system to screen each WEB Entry, employed commercially reasonable methods of authentication to verify the identity of the Receiver, taken commercially reasonable steps to verify that routing numbers are valid, and will conduct an annual audit to ensure that the financial information obtained from Receivers is protected by adequate securities practices in accordance with the Rules.
- **Chargebacks and Fees:** Bank shall have the right to charge back to Customer's Account(s) the full amount of any WEB Entry as set forth in the Rules. Bank will assess a fee to the Customer's Account, or, at Bank's discretion, to the account holder(s) for each return related to an eCheck.
- **Special Termination Provision Regarding Charge Backs:** Upon the termination of Customer's Account, Bank may set off or otherwise hold Customer's funds in an amount sufficient to cover any possible returns of WEB Entries for such period that is reasonably determined by Bank.
- **Exposure Limits.** Bank may, at its option and in its sole discretion, establish exposure limits limiting the number and/or dollar amount of WEB Entries which Customer may have outstanding at any one time. Bank may terminate Customer's right to originate WEB Entries at any time.

POP Entries: If Customer elects to initiate POP Entries on its Application, and Bank agrees to permit Customer to originate POP Entries on applicable Accounts, such POP Entries are subject to the provisions of this Section. With respect to all POP Entries, Customer hereby makes each of the representations, warranties and covenants of an Originator of POP Entries as set forth in the Rules regarding POP Entries as of the date of this Agreement and each time it initiates a POP Entry, including, without limitation, that Customer has posted the required notices, has obtained Receiver's authorization and provided a copy of same to Receiver in accordance with the Rules. Bank may, at its option and in its sole discretion, establish exposure limits limiting the number and/or dollar amount of POP Entries which Customer may have outstanding at any one time. Bank may terminate Customer's right to originate POP Entries at any time.

ARC and BOC Entries: If Customer elects to initiate ARC and BOC Entries on its Application, and Bank agrees to permit Customer to originate ARC and BOC Entries on applicable Accounts, such ARC and BOC Entries are subject to this Section. Without limiting Customer's representations and warranties set forth elsewhere in this Agreement, with respect to all ARC and BOC Entries, Customer hereby makes each of the representations, warranties and covenants set forth in the Rules for an Originator of ARC and BOC Entries as of the date of this Agreement and each time it initiates an ARC or BOC Entry, including, without limitation, that prior to the receipt of each Check converted into an ARC or BOC Entry, Customer has provided a clear and conspicuous notice to the consumer in accordance with the Rules, and for BOC Entries, Customer has employed commercially reasonable procedures to verify the identity of each consumer receiving BOC Entries, and maintains a working telephone number, answered during Customer's normal business hours, for consumers to make inquiries regarding BOC transactions.

SD Entries: If Customer elects to initiate Same Day Entries on its Application, and Bank agrees to permit Customer to originate Same Day Entries on applicable Accounts, such Same Day Entries are subject to the provisions of this Section:

- **Designating Same Day Settlement:** Bank shall have the right to require Customer to designate Entries as Same Day Entries by including the entry code SD in the Customer's Entry, using the correct effective Entry date in the file and it is timely received prior to Bank's designated cut-off time. Bank is not liable for failing to process an Entry as a Same Day Entry if this code is not included in the Entry in a manner that satisfies the criteria established by the Bank to readily identify an Entry as a Same Day Entry. Customer agrees and understands it is Customer's responsibility to ensure the correct Entry date to be designated as SD.
- **Entries Omitting SD Designation:** An Entry including an effective date of the same Business Day a file was received, but omitting the SD designation may be processed as a Same Day Entry or may be held for next-day settlement at Bank's discretion or if further instruction is received by Customer to clarify settlement.
- **Stale or Invalid Entry Date:** An Entry containing an effective date prior to the Business Day the file was received may be submitted to the ACH Network and processed as a Same Day Entry in the discretion of the Bank. Any fees for Same Day Entry shall apply.
- **Same Day Entry Fees:** Bank will assess a fee to the Customer's Account, or to the account holder(s) for each Same Day Entry and for each Entry omitting the SD designation but processed as a Same Day Entry as provided above.
- **Entry Limits:** Any single Same Day Entry over \$25,000 is ineligible for Same Day settlement, pursuant to the Rules.
- **Limitations and Eligibility:** Bank shall in its sole discretion establish exposure limits and credit review requirements limiting the number of entries or dollar limits of Same Day Entries that Customer may have outstanding at any time. Further, Bank may terminate Customer's right to originate Same Day Entries at any time in accordance with this Agreement.

Loss Recovery Efforts

If either party becomes liable for damages suffered by the other party or a third party in connection with the ACH Service, the parties will undertake reasonable efforts to cooperate with each other, as permitted by Applicable Law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

WIRE TRANSFER SERVICE

This Section sets forth the terms and conditions of Bank's Wire Transfer Service.

Access

Customer may request Wire Transfers through Business Online Banking and Mobile Business Banking, subject to any applicable Supplemental Documentation relating to the Service. Bank may accept and process any and all Wire Transfer Requests that have been initiated in compliance with the applicable Security Procedures. All Wire Transfers are governed by this Agreement, Regulation J of the Federal Reserve Board, OFAC regulations and all other Applicable Laws.

Correspondent Bank

Customer acknowledges that Bank does not directly execute Wire Transfers, but typically executes such Wire Transfers through a correspondent bank.

Customer Internal Approval Process

Bank encourages Customer to establish an internal approval process for Wire Transfers requiring the approval of two persons to protect against improperly initiated Wire Transfers. Customer acknowledges that Bank has no responsibility to establish or monitor such a process or to determine whether Customer has established such a process. Bank shall have no liability for the processing of appropriate Wire Transfer Requests whether or not Customer has established or complied with its own appropriate internal approval processes.

Wire Transfer Templates

Bank may, at its sole discretion, limit Customer's wire transfer ability to predetermined and approved templates.

Execution of Wire Transfer Requests

Bank will execute Wire Transfer Requests within a reasonable time upon receipt and may process Wire Transfer Requests in any order, as determined solely in the discretion of Bank. Customer will be unable to recall, alter, or otherwise make changes to its Wire Transfer Request once submitted. Customer shall defend and indemnify Bank against any loss, liability, or expense resulting directly or indirectly from transmittal of any Wire Transfer, without regard to whether Customer actually authorized such Wire Transfer. Bank is entitled to rely on information Customer provides for any Wire Transfer Request, and Bank will be responsible for neither the beneficiary's receipt of proper credit for the transfer, nor rejection or return of the Wire Transfer by the beneficiary's financial institution. Bank will process Wire Transfers in accordance with any routing or account number submitted to Bank in Customer's Wire Transfer Request, regardless of any names accompanying such numbers. Customer shall examine and verify such numbers for accuracy, and pay any amount transferred in accordance with such numbers. Customer will provide to Bank any information Bank may request regarding any Wire Transfer Request, including without limitation, affected accounts, transfer dates, the beneficiary's name and account number, and the name and routing number of the beneficiary's financial institution.

Rejection of Wire Transfer Requests

Bank may reject a Wire Transfer Request if the Wire Transfer Request has not been initiated in compliance with the applicable Security Procedure, if Bank is unable to obtain confirmation satisfactory to Bank, if there is any inconsistency between the Wire Transfer Request and other information provided to Bank, if there are insufficient collected funds in the applicable Account or if Bank has any other reasonable grounds to refuse to honor the Wire Transfer Request.

Limits

Bank may, in its discretion, establish a Wire Transfer limit for Customer from time to time, and shall have no obligation to process any Wire Transfer Request that exceeds such limit; provided, however, that Bank may, in its sole discretion, allow and process such Wire Transfers despite the limit. Any such discretionary decision by Bank will not be construed as an obligation to so perform by Bank in the future. All Wire Transfers are subject to limits imposed by Applicable Law, and agreements or operating rules applicable to Bank in executing Wire Transfers.

Routing/Time Deadlines

Bank may route outgoing Wire Transfers in the manner that Bank determines in its discretion to be suitable for outgoing wire transfers. Bank will establish a specific time of day after which Bank will not accept an incoming Wire Transfer Request to be processed on the day of receipt. Wire Transfer Requests received after Bank's established deadline or on a day which is not a Business Day will be considered received on the next Business Day.

Incoming Wire Transfers

Credit for incoming Wire Transfers is provisional until Bank receives final settlement. Bank may, in its discretion, reject an incoming Wire Transfer.

Standing Wire Transfer Requests

If permitted by Bank, Customer may establish a standing wire transfer request pursuant to which Customer may establish a specific beneficiary and related information for the purpose of automatically sending repetitive Wire Transfers (each a "Standing Wire Transfer Request"). Customer shall provide Bank with all information required by Bank to establish the Standing Wire Transfer Request, including without limitation, the beneficiary, beneficiary's financial institution, the accounts to be debited and credited, the dollar amount to be transferred, the frequency of the order and the date or time period in which the Wire Transfers are to be executed. Customer may terminate a Standing Wire Transfer Request by providing Bank with written notice, provided that Bank shall have a reasonable time to act upon such notice.

International Wire Transfers

Bank does not directly execute Wire Transfers across country borders, but typically executes such Wire Transfers through a correspondent bank. If Customer submits an international Wire Transfer Request in U.S. Dollars, the correspondent bank or Bank may exchange the funds for the appropriate currency at a current rate of exchange. Customer will be responsible for any applicable currency conversion costs incurred by the correspondent bank or Bank, if any, and for any fees, commissions or charges imposed by the correspondent bank or any intermediary bank. Bank makes no representations or warranties regarding any conversion rate and will not be liable for any currency risk such as sudden change in value. Bank shall have no responsibility for any country risk. Payment to a foreign country is subject to the laws of such country and any international Wire Transfers shall be done at Customer's sole risk, therefore, there may be delays out of the control of Bank and Bank shall have no liability therefor.

Consumer Transactions Prohibited

The Wire Transfer Service is provided for commercial accounts and commercial transactions only. Under no circumstances shall Wire Transfers be used for a personal, family or household purpose. Accounts may be subject to suspension or closure for violation of this Bank policy.

Remote Deposit Capture

Subject to the terms, provisions and conditions of this Agreement and the Application, Financial Institution shall provide the Remote Deposit Service to Customer, which allows Customer to make deposits to Customer's approved deposit accounts from Customer's office by scanning checks on a desktop scanner and delivering the images and information required hereby to Financial Institution or Financial Institution's designated processor (a "Processor"). The terms Financial Institution and Processor may be used interchangeably when used in relation to any services performed by a Processor on behalf of Financial Institution including, but not limited to, the receipt and processing of images and check data and any notices related thereto.

The scanner must capture an image of the front and back of each Check (as herein defined) to be deposited (each an "Image" and, if more than one, "Images") in accordance with the Procedures (as herein defined), must read and capture the magnetic ink character recognition ("MICR") line on each check and must read and capture all such other data and information as is required by this Agreement. After capture of the Images, the MICR line on each check and all other required data and information from each check, Customer will transmit one or more files containing the Images, the MICR line from each check and all other required data and information from or pertaining to all checks and all batched ACH (as herein defined) data and other required information (each such file a "File" and, if more than one, "Files") to Financial Institution or Processor via the Internet. Subject to compliance with the terms, provisions and conditions of, and as provided in, this Agreement, Financial Institution will provisionally credit the Account or Accounts designated by Customer for the amount of the deposit(s) to which the File(s) pertains on the day of receipt of the File(s) and enter the images of the checks into the collection process, in accordance with the provisions of Financial Institution's then current deposit account agreement and disclosure pertaining to the Account(s) into which the deposit is to be made (the "Deposit Agreement") and this Agreement. Customer acknowledges and agrees that Financial Institution may discontinue, and/or change the terms of the Remote Deposit Service or any related content, features, products or services associated therewith, at any time without notice or liability to Customer or any third party. Customer hereby agrees that Financial Institution shall be the exclusive provider of the Remote Deposit Service provided in accordance with this Remote Deposit Service Schedule and that Customer will not use the same or similar services of any other party.

Hardware and Software

Customer understands it must, and hereby agrees to, at its sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of the Remote Deposit Service and that fulfills Customer's obligation to obtain and maintain secure access to the Internet. Customer understands and agrees it may also incur, and shall pay, any and all expenses related to the use of the Remote Deposit Service, including, but not limited to, telephone service or Internet service charges. Customer is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Remote Deposit Service. Customer understands and agrees that it is solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Remote Deposit Service and the cost thereof, and Customer hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements, and such performance shall be rendered by properly trained personnel, whether they are employees of Customer or third-party employees. Financial Institution is not responsible for, and Customer hereby releases Financial Institution from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. Financial Institution hereby advises Customer, and Customer hereby agrees, to scan its computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses. In connection with its use of the Remote Deposit Service, Customer shall only use the hardware hardware as is approved in advance by Financial Institution and shall only use such software as is approved in advance by Financial Institution.

All right, title and interest in and to (a) any and all computer programs, including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto and any and all documentation, user guides and instructions pertaining thereto (everything in this clause (a), collectively, "**Software**"), (b) the Remote Deposit Procedure Manual (defined herein below) and (c) any and all users guides, instructions and other documentation provided to, or used by, Customer in connection with the Remote Deposit Service (everything in this clause (c) together with the Remote Deposit Procedure Manual, collectively, the "**Documentation**") shall be, and remain, the property of Financial Institution or any third party Software provider, as applicable. Unless otherwise expressly authorized, Customer may not (a) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, reverse engineer, reverse compile or create derivative works of, the Software in any form or (b) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit the Documentation.

Checks Deposited and Security Interest

Customer hereby agrees that it will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC ("**Reg CC**"). Customer agrees that the image of the check that is transmitted to Financial Institution (each such check and other item a "**Check**" and, if more than one, "**Checks**") shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text).

Items Eligible/Not Eligible for Deposit

Generally all Items except foreign Items are eligible for deposit through use of the System. Checks drawn on Company's own or any affiliates' accounts at the Bank or another financial institution without good cause for such Items to be deposited through RDC are restricted. Savings bonds, cash (coin and paper currency) are not eligible for deposit using the System. Also prohibited are remotely created checks that do not contain the signature of the drawer or have been altered in the "Payee", "Date" or "Amount" fields.

Customer further agrees that it will not remotely deposit any check or other item that:

- (a) are payable to any person or entity other than Customer,
- (b) are drawn, or otherwise issued, by Customer or any affiliate of Customer on any account of Customer or of such affiliate,
- (c) are prohibited by Financial Institution's then current procedures pertaining to the Remote Deposit Service (the "Procedures") or are in violation of any law, rule or regulation,
- (d) Customer knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Check is drawn,
- (e) have been previously endorsed by a financial institution and are either "substitute checks" (as defined in Reg CC or other applicable federal law or regulation) or "image replacement documents" that purport to be substitute checks, without Financial Institution's prior written consent,
- (f) are drawn on financial institutions that are located outside of the United States or Territories of the United States,

(g) is a Remotely Created Check, or
(h) which are not acceptable to Financial Institution for deposit into a deposit account as provided in the Deposit Agreement, which is incorporated herein by reference and made a part hereof (Checks described in clauses (a) through (h) each a "Prohibited Check" and, collectively, "Prohibited Checks").

Review of Items for Deposit

Company shall review each Item prior to deposit. Only Items that are payable to Company, contain the drawer's signature and have been properly endorsed by the Company shall be included in a Deposit. All items deposited must be physically endorsed with "For Deposit Only" to the appropriate account.

Altered and counterfeit Items

Company shall make reasonable efforts to detect counterfeit, altered or otherwise suspicious Items and shall not include any such Items in a Deposit. Company shall promptly report suspicious Items to Bank for investigation.

Balancing of Deposits

Prior to submitting a Deposit, the System requires the entry on a Deposit Receipt of the total of all Items in the Deposit. Company shall provide an accurate total and will be responsible for verifying that the total amount of the Deposit so indicated on a Deposit Receipt is equal to the total of the amount of all Items contained in the Deposit.

Security Interest

Customer grants Financial Institution a security interest in all Accounts or other deposits (whether general or special) of Customer's at the Financial Institution, and in all funds in such Accounts or other deposits, to secure Customer's obligations to Financial Institution under this Agreement. This security interest will survive termination of this Agreement.

Settlement Reserve

Customer may be required to maintain a reserve ("Settlement Reserve") of an amount to be solely determined by the Financial Institution ("Reserve Balance"). Customer acknowledges and agrees that any Settlement Reserve will be deposited in a Financial Institution account for exclusive use by the Financial Institution for purposes of offsetting any of Customer's obligations under this Agreement. Customer grants the Financial Institution a security interest in any Settlement Reserve to enable the Financial Institution to enforce any obligation owed by Customer under this Agreement without notice or demand to Customer.

Customer's obligation to maintain a Settlement Reserve shall survive the termination of this Agreement, with such obligation lasting until all of Customer's obligations under this Agreement have been fully offset.

Scanning of Checks and Transmission of Files

Customer shall properly install and use all software and hardware required by this Agreement or otherwise required for, or related to, the use of the Remote Deposit Service. Customer shall (a) endorse each Check to be deposited in accordance with the Procedures, (b) scan the front and back of each Check to be deposited and thereby capture the image of the front and back of each Check and capture the MICR encoding on, and any other required data from, each Check and (c) transmit the File containing the images of, the MICR line from and all other required data and information from or pertaining to, such Checks and all batched ACH data and other information to Financial Institution or its Processor in accordance with the Procedures, a copy of which Procedures have either heretofore been, or are herewith, provided to Customer by Financial Institution, and Customer acknowledges receipt thereof. Financial Institution reserves the right to amend the Procedures, with or without prior notice to Customer. Financial Institution may also provide Customer with, or require Customer to establish, a User ID, a personal identification number ("PIN") and/or passwords and other procedures (collectively, "Security Procedures") to access the Remote Deposit Service. The specific Security Procedures will be described in the Procedures. Customer agrees to, at all times, (a) comply with the Procedures, (b) safeguard the confidentiality and security of the Procedures, Security Procedures and all other proprietary property or information Financial Institution provides to Customer in connection with the Remote Deposit Service and (c) notify Financial Institution immediately if Customer has any reason to believe the security or confidentiality required by this provision has been or may be breached. Customer acknowledges, understands and agrees the Security Procedures are not designed for the detection of errors. Financial Institution is not, and will not be, obligated to detect errors by Customer or others, even if Financial Institution takes certain actions from time to time to do so.

To ensure accuracy, Customer shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the File in accordance with the Procedures. Customer may send multiple Files to Financial Institution or Processor throughout the day, not to exceed the number of Files specified in Attachment A. The total dollar value of the Files sent by Customer to Financial Institution on any day shall not exceed the dollar amount specified in Attachment A (the "Deposit Limit"). If the total dollar value of the Files sent by Customer to Financial Institution on any day exceeds the Deposit Limit, Financial Institution may, at its option, refuse to accept the

File that exceeds the Deposit Limit, or Financial Institution may accept and process the File. Customer agrees not to exceed the Deposit Limit.

To be eligible for processing on the day transmitted, Files must be received by Financial Institution no later than the cut-off time specified in Attachment A (the "Cut-Off Time"). A File is considered received by Financial Institution when a complete copy of such File has been written on a Financial Institution electronic storage device in conformity with Financial Institution's technical and operational requirements. To meet the Cut-Off Time, the entire File must be received by Financial Institution prior to the Cut-Off Time, and the File must successfully pass the edits for conformity with the technical requirements. For purposes of determining when a File has been delivered and received, Financial Institution's records shall be determinative. A File which is not balanced in accordance with the Procedures or which is received after the Cut-Off Time shall be deemed to have been received on the business day following the business day on which the File is actually received by Financial Institution. Financial Institution reserves the right to change the number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time. All such changes shall be effective immediately and may be implemented prior to Customer's receipt of notice thereof. Customer may contact Financial Institution at any time to verify the current number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time.

Maintenance and Destruction of Original Check

Customer shall stamp the original Check "For Deposit Only to Pacific West Bank/Customer Name" and check will be "franked" during the process of scanning the Check in accordance with this Section of this Agreement. Customer shall securely store all original Checks for a period of thirty (30) days after Customer has received notice from Financial Institution that the File containing the images of such Checks has been accepted (such period the "Retention Period"). During the Retention Period, Customer shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, (b) the information contained on such Checks shall not be disclosed, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be deposited or negotiated in any form. Customer shall also implement proper security procedures and internal controls to ensure the confidentiality of any information that is considered to be confidential personal information that is retained by Customer. Customer shall destroy original Checks upon the expiration of the Retention Period applicable to such Checks. Customer will use commercially reasonable methods of destruction approved by Financial Institution to destroy original Checks after expiration of the Retention Period. Customer will promptly (but in all events within 5 business days) provide any retained Check (or, if the Check is no longer in existence, a sufficient copy of the front and back of the Check) to Financial Institution as requested to aid in the clearing and collection process or to resolve claims by third parties with respect to any Check.

Image and MICR Quality

Each File transmitted by Customer to Financial Institution shall contain Images of the front and the back of the Checks scanned and remotely deposited by Customer. Each Image of each Check shall be of such quality that the following information can clearly be read and understood by sight review of such Image:

- (a) the amount of the Check;
- (b) the payee of the Check;
- (c) the signature of the drawer of the Check;
- (d) the date of the Check;
- (e) the Check number;
- (f) the information identifying the drawer and the paying financial institution that is preprinted on the Check, including the MICR line; and
- (g) all other information placed on the Check prior to the time an image of the Check is captured, such as any required identification written on the front of the Check and any endorsements applied to the back of the Check.

Each Image shall also meet all standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve or any other regulatory agency, clearing house or association.

Customer shall also capture and transmit to Financial Institution the full-field MICR encoding on each Check. In accordance with the Procedures, Customer shall ensure that the following information is captured from the MICR line of each Check:

- (a) the American Bankers Association routing transit number ("RTN");
- (b) the number of the account on which the Check is drawn;
- (c) when encoded, the amount of the Check; and

- (d) when encoded, the serial number and the process control field of the Check.

Receipt of File

Customer agrees that Customer shall be solely liable for, and Financial Institution shall not have any liability whatsoever to Customer for, any File or the Images or other information contained therein that are not received by Financial Institution or for any File or the Images or other information contained therein that are intercepted or altered by an unauthorized third party. Customer agrees that Financial Institution has no obligation to accept a File and, therefore, may reject any File or the Images or other information contained therein submitted by Customer. Financial Institution has no obligation to notify Customer of the rejection of a File or the Images or other information contained therein. Financial Institution shall have no liability to Customer for the rejection of a File or the Images or other information contained therein or for the failure to notify Customer of such rejection. Upon receipt of a File submitted by Customer, Financial Institution may examine such File and the Images and other information contained therein to ensure that Customer has complied with this Agreement and followed the Procedures. If Financial Institution determines that Customer has not complied with this Agreement or followed the Procedures or if errors exist in the Images or other information contained in the File, Financial Institution, in its sole discretion, may either reject the File or elect to correct the error and accept and process the corrected File (a "Corrected File"). As a form of correction, Financial Institution may credit Customer's Account for the full amount of the deposit and make any necessary adjustments to the Account to correct the error. Financial Institution may, at its option, also perform a risk management analysis of one or more Files submitted by Customer to detect potentially fraudulent Checks, and, in its sole discretion, Financial Institution may reject any such File or the Images or other information contained therein. If after examination of a File and the Images and other information contained therein, Financial Institution determines that Customer has complied with this Agreement and processed and transmitted the File in accordance herewith and with the Procedures, the File is balanced and the Images meet the requirements of this section of this Agreement, then Financial Institution shall accept the File (an "Accepted File") for deposit to Customer's Account. Upon acceptance of the File, Financial Institution shall electronically notify Customer of receipt and acceptance of the Accepted File for deposit. Financial Institution will provide notice of receipt of deposits to Customer's Account on the periodic statement for such Account and deposits may be viewed in the Online Banking website. Notwithstanding the fact that Financial Institution has accepted a File for deposit, any credit made to Customer's Account shall be provisional, and Customer shall remain liable to Financial Institution for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against, Financial Institution.

Provisional Credit and Availability of Funds

Upon acceptance of the File, Financial Institution shall grant Customer's Account Provisional Credit (as herein defined) for the total amount of the Corrected File or the Accepted File, as applicable. As used herein, "Provisional Credit" means that the credit is made to Customer's Account subject to final payment of the Checks and subject to the terms of the Deposit Agreement. For the purpose of determining availability of funds, Financial Institution may hold funds for the period of time permitted by Financial Institution's availability disclosure.

Laws, Rules and Regulations

Customer agrees to comply with all existing and future operating procedures used by Financial Institution for processing of transactions. Customer further agrees to comply with, and be bound by, all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars and pronouncements, affecting checks and drafts and ACH transactions, including, but not limited to, all rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, Electronic Check Clearing House Organization ("ECCHO") and any other clearinghouse or other organization in which Financial Institution is a member or to which rules Financial Institution has agreed to be bound. The Rules are incorporated herein by reference. These procedures, rules, and regulations (collectively the "Rules") and laws are incorporated herein by reference. In the event of conflict between the terms of this Agreement and the Rules, the Rules will control.

Collection of Checks

Financial Institution, in its sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee financial institution. Financial Institution, in its sole discretion, shall select the clearing agents used to collect and present the Images, and Financial Institution's selection of the clearing agents shall be considered to have been designated by Customer. Financial Institution shall not be liable for the negligence of any clearing agent. Collection of Checks is also subject to the Rules and the terms of the Deposit Agreement.

Contingency Plan

Customer agrees that, in the event Customer is not able to capture, balance, process, produce or transmit a File to Financial Institution, or otherwise comply with the terms hereof or of the Procedures, for any reason, including, but not limited to, communications, equipment or software outages, interruptions or failures, Customer will transport the originals of all Checks to the closest office of Financial Institution and deposit original Checks with Financial Institution until such time that the outage, interruption or failure is identified and resolved. Customer hereby acknowledges and agrees that Financial Institution shall not be liable to Customer for any loss or damage of any nature sustained by Customer as the result of the inability of Customer to use the Remote Deposit Service. The deposit of original Checks at an office of Financial Institution shall be governed by the terms and conditions of the Deposit Agreement and not by the terms of this Agreement. Notwithstanding the foregoing, and to the extent applicable, this Section of this Agreement dealing with warranties shall apply to the deposit of original Checks.

Warranties

Customer represents, warrants and covenants the following to Financial Institution:

- (a) Checks Deposited. Customer shall only deposit Checks that are authorized by this Agreement, the Procedures and the Deposit Agreement;
- (b) Image Quality. Each Image transmitted by Customer to Financial Institution contains an accurate representation of the front and the back of each Check and complies with the requirements of this Agreement;
- (c) Accuracy of Information. All data and other information submitted by Customer to Financial Institution, including but not limited to data contained in the MICR line of each Check, is complete and accurate and complies with the requirements of this Agreement;
- (d) Business Purpose Only. Customer is not a consumer, and the Remote Deposit Service shall be used for business purposes only;
- (e) No Duplicates. Customer will not: (i) create duplicate Images of the Checks, (ii) transmit a duplicate Image or File to Financial Institution, or (iii) deposit or otherwise negotiate the original of any Check of which an Image was created. Customer further warrants that no subsequent transferee, including but not limited to Financial Institution, a collecting or returning financial institution, drawer, drawee, payee or endorser, will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic, including ACH entries) of the Item(s);
- (f) No Loss. No Subsequent transferees of the Item(s), including but not limited to Financial Institution, a collecting or returning financial institution, drawer, drawee, payee or endorser, shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check;
- (g) Information. All information provided by Customer to Financial Institution is true, complete and accurate and properly reflects the business, financial condition and principal partners, owners or officers, of Customer. Customer is not engaged in, or affiliated with, any businesses, products or methods of selling other than those disclosed by Customer to Financial Institution;
- (h) Authority and Legality. (i) Customer is authorized to enter into, and perform its obligations under, this Agreement; (ii) the person signing any Agreement or Application on behalf of Customer is duly authorized to execute those Agreements and/or Applications; (iii) this Agreement is valid and enforceable against Customer in accordance with its terms; and (iv) the entry into, and performance of, this Agreement by Customer will not violate any law, or conflict with any other agreement, to which Customer is subject;
- (i) No Litigation. There is no action, suit or proceeding pending or, to Customer's knowledge, threatened which, if decided adversely, would impair Customer's ability to carry on its business substantially as now conducted or which would adversely affect Customer's financial condition or operations.
- (j) Transactions. All Checks and business transactions of Customer are, and will be, bona fide. All signatures on Checks are authentic and authorized.
- (k) Rule Compliance. Customer conducts its business, and submits Checks and Files in compliance with this Agreement, the Procedures, applicable law and the Rules.
- (l) Computer Virus. No Files or Checks contain any computer viruses or other harmful, intrusive or invasive codes.

Returned Checks

Chargeback of Returned Checks

If Images of Checks deposited by Customer are dishonored or otherwise returned unpaid by the drawee financial institution, or are returned by a clearing agent for any reason, including, but not limited, to issues relating to the quality of the Image, Customer

understands and agrees that, since Customer either maintains the original Check or has destroyed the original Check in accordance with this Section of this Agreement, the original Check will not be returned, and Financial Institution may charge back an Image of the Check to Customer's Account. Customer understands and agrees that the Image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. Unless otherwise instructed by Financial Institution, Customer agrees not to deposit the original Check if an Image or other debit as previously described is charged back to Customer.

Special Instructions

Customer may request that Financial Institution re-present returned Images of Checks to the drawee or process returned Images of Checks according to instructions provided by Customer to Financial Institution (the "Special Instructions"). These Special Instructions may be given to Financial Institution in a separate document in conjunction with or subsequent to the execution of this Agreement. Financial Institution shall not be bound by such Special Instructions until such time as Financial Institution has agreed in writing to accept the Special Instructions. Notwithstanding the fact that Financial Institution has agreed to accept the Special Instructions, Financial Institution may, in its sole discretion, disregard the Special Instructions and charge the returned Check back to Customer Account to which the Checks were deposited. In the event that Customer has requested that returned Images of Checks be re-presented, in no event will Financial Institution re-present an Image of a Check or an ACH entry in excess of the limit established or permitted for the number of times that a Check or ACH entry may be re-presented by the Rules. Customer may change or amend the Special Instructions by providing Financial Institution a written request to change or amend the Special Instructions. Changes or amendments to the Special Instructions shall not become effective until acknowledged and accepted in writing by Financial Institution. Customer hereby agrees to pay Financial Institution the fees for processing returned Checks and Special Instructions contained in Financial Institution's then current schedule of fees for such services.

Confirmation: Account Reconciliation

Financial Institution will provide notice of receipt of deposits to Customer's Account on the periodic statement for such Account. Customer is responsible for detecting and reporting to Financial Institution any discrepancy between Customer's records and the records Financial Institution provides to Customer. If Customer does not detect and notify Financial Institution of such a discrepancy within 30 days of Customer's receipt of any terminal printout, mailed report or periodic statement (each a "Report"), whichever is received first, then such transactions shall be considered correct, and Customer shall be precluded from asserting such error or discrepancy against Financial Institution.

Update Notice

Customer shall provide written notice to Financial Institution of any changes to the information previously provided by Customer to Financial Institution, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided and method of conducting sales. Such notice must be received by Financial Institution within 5 business days of the change. Customer shall provide any additional information requested by Financial Institution within 5 days of such request. Financial Institution retains the right to: (i) review Customer's Checks, Files and business activities from time to time to confirm Customer is conducting business as stated by Customer at the time of the execution of this Agreement and (ii) re-price or terminate the Remote Deposit Service based on changes to information previously provided to Financial Institution by Customer.

Financial Institution's Duties

Financial Institution's duties and responsibilities are limited to those described in this Agreement, the Deposit Agreement and any other agreements governing the Accounts. Financial Institution will use commercially reasonable care in performing its responsibilities under this Agreement.

Third Parties; Maintenance

Remote Deposit Service from Others

Customer may be using special equipment, services or software provided by a third party to assist it in processing Checks and Files hereunder (each a "Third Party" and, if more than one, "Third Parties"). Customer (i) agrees that any Third Party is acting as Customer's agent in the delivery of Checks and Files to Financial Institution, and (ii) agrees to assume full responsibility and liability for any failure of that Third Party to comply with the Rules or this Agreement. Financial Institution will not be liable for any losses or additional costs incurred by Customer as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party. Customer shall provide at least 10 days advance written notice to Financial Institution in the event it uses any such Third Party. Customer is solely responsible for maintaining compliance with the requirements of any Third Party, including obtaining any

software updates. Financial Institution shall not have any responsibility for any Check or File handled by a Third Party until that point in time when Financial Institution accepts and approves a Check or File from such Third Party for processing.

Equipment Maintenance

Customer shall be solely responsible for obtaining and properly maintaining its equipment and system requirements, its electrical services, and telephone system, including computer equipment, Internet connectivity, scanning terminals (unless contracted with Financial Institution) and any other equipment or items necessary to receive the Remote Deposit Service. Financial Institution shall not be liable to Customer, in any manner whatsoever, for any type of errors, losses, damages or other claims related to Customer's failure to do so.

Equipment Requirements

Company will at its expense provide, maintain, update and replace (i) equipment, software and services (collectively, the "Equipment") necessary to access and use the system including a personal computer with operating software and internet service as specified in Exhibit B attached hereto, and (ii) any network equipment, utilities and service lines for System use at Company's premises. Bank may modify the specifications for Equipment from time to time upon reasonable notice to Company. During the term of, and subject to, this Agreement, Bank will at its initial expense provide for Company's use with the System, a scanner with operating software (Scanner) as specified in Exhibit B. While the Scanner is in its possession, Company shall at its expense maintain, update and repair the Scanner to keep it in good working order and also provide all necessary supplies for Scanner operation and maintenance. In performance of its maintenance obligation, Company shall have a scheduled maintenance agreement with a qualified service company approved by Bank as specified in Exhibit B. Company shall be responsible for any damage or loss to the Scanner while in Company's possession and for insuring the Scanner against insurable losses. The Scanner shall remain the property of the Bank to be returned upon termination of the Agreement. Company shall be solely responsible for verifying the compatibility of the Equipment, System and Scanner with the Company's equipment, software, network, utilities and services.

Financial Accommodation

Customer and Financial Institution agree that this Agreement and the Service constitute an agreement to provide a "financial accommodation" as defined in 11 U.S.C. §365.

Glossary of Terms

"Account" means any deposit account, investment deposit account, reserve account, certificate of deposit, overdraft protection line of credit, commercial loan or any other deposit or loan account that Customer has established and maintained with Bank primarily or exclusively for business-related purposes, as identified in any Application Form.

"Account Analysis" means the process by which Bank determines an earnings credit available to offset Service Fees based on the balances in Customer's Accounts.

"Account Disclosures" means any terms and conditions, agreements or disclosures provided to Customer relating to any Account.

"Affiliate" means an entity that, directly or indirectly, (i) owns or controls a party to this Agreement or (ii) is under common ownership or control with a party to this Agreement.

"Agreement" means this Business Online Banking and Treasury Services Terms and Conditions as agreed upon by Customer or its Agent and Bank by an executed Application.

"Agent" means a person, legal entity, management services company, or other person or legal entity that is authorized to act on Customer's behalf in connection with the specific Services described on the relevant Application Form and in this Agreement.

"Applicable Law" means all applicable federal, state or local laws, executive orders, ordinances, rules or regulations together with all applicable rules or regulations of any clearinghouse or other organization.

"Application" means one or more properly executed application form which has been completed by the Customer or its authorized Agent, and in which customer requests one or more Services and agrees to comply with the terms, conditions and procedures for a specific service.

“ARC Entry” means an ARC Entry as defined by the Rules.

“Authorized Contact” means a representative of Customer who is designated on an Application Form and authorized to act on Customer’s behalf in connection with the specific Services described on the relevant Application Form.

“Bank” means Pacific West Bank and any branch where Customer maintains the deposit account(s) identified on the applicable Application Form.

“BOC Entry” means a BOC Entry as defined by the Rules.

“Business Day” means any day that the Bank is open to the public for carrying on substantially all business functions, but excludes Bank holidays, any day that is not a business day for the Federal Reserve or any day which is not a business day for any Vendor the Bank utilizes for business functions.

“Chargeback” means a returned Check, returned ACH as described in the Rules. Customer is responsible for payment to Bank for all Chargebacks.

“Check” means a draft, payable on demand and drawn on or payable through or at a United States office of a bank, whether or not negotiable, that is handled for forward collection or return, including a traveler’s check or cashier’s check. An instrument may be a check even though it is described on its face by another term, such as money order.

“Customer” means Bank’s Customer requesting treasury management services, either directly or through the use of an Agent, pursuant to this Agreement and one or more Application Forms. The term “Customer” also includes a person or entity acting as Agent.

“Designated Account” means an Account held at Bank named as the Designated Account for Services by Customer.

“Electronic Communications” means secured and unsecured electronic mail and facsimile transmissions.

“Entry” means an “Entry” as defined in the Rules, including the data that Bank receives from Customer to prepare an ACH transmission.

“Equipment” means any equipment provided by Bank or a Vendor for use in a Service.

“Equipment Software” means software incorporated into any Equipment.

“Exposure Limits” has the meaning set forth in the ACH and Remote Deposit Capture sections.

“Fed Wire” means the Federal Reserve Bank’s wire transfer system.

“FinCEN” means the Financial Crime Enforcement Network Agency of the United States Department of Treasury.

“IAT Entry” means an “IAT Entry” as defined in the Rules. “Image Exception” has the meaning set forth in the Remote Deposit Capture section.

“Infringement Claim” means a claim that Licensed Software infringes another party’s intellectual property rights.

“Instruction” means any instruction Customer issues to Bank, either electronically, verbally or in writing, to perform certain Services.

“Licensed Software” means the Equipment Software and any other software required for use by Customer in connection with the Image Deposit Service and provided to Customer by Bank through the sublicense set forth in this agreement.

“Loan Account” has the meaning set forth in this Agreement

“Master License” means a master license agreement entered into by Bank with a third party vendor to Bank in which Bank has the right to sublicense Licensed Software.

“MICR Line” means the line on the bottom of an original Check containing information concerning the Check and is printed in Magnetic Ink Character Recognition form.

“NACHA” means the National Automated Clearing House Association.

“NOC” has the meaning set forth in the ACH Section

“Operating Procedures” mean Payment Facilitator’s operating rules and regulations, as may be changed by us from time to time.

“Originator” means an “Originator” as defined in the Rules.

“OFAC” means the U.S. Department of Treasury’s Office of Foreign Assets Control.

“Payment Account” is the account Customer designates on any Application Form for payment of that Service Fees.

“POP Entry” means a “POP Entry” as defined in the Rules.

“Product” means Equipment, Licensed Software and any Supplemental Documentation such as a user guide or other materials provided to Customer by Bank, a Vendor, a third party vendor to Bank or the manufacturer of Equipment and/or Equipment Software.

“Product Support Services” are services that may be provided by Bank to support the Product has the meaning set forth in this Agreement

“RCK Entry” means an “RCK Entry” as defined in the Rules.

“Receiver” means a person that has authorized an Originator to initiate a credit Entry, debit Entry, or non-monetary Entry to the Receiver’s account at the Receiving Depository Financial Institution.

“Related Entity” has the meaning set forth in this Agreement.

“Reserve Account” means an account established and funded at Bank’s request or on Customer’s behalf.

“Reversal” means a “Reversal” as defined in the Rules.

“Risk Exposure Limits” has the meaning set forth in the ACH and Remote Deposit Capture sections.

“Rules” means the NACHA operating rules, as amended from time to time.

"Same Day Entry" means a "Same Day Entry" as defined in the Rules.

“Security Procedures” means the security procedures applicable to a particular Service agreed to by Customer and set forth in Bank’s Supplemental Documentation or in an Application Form.

“Service” means each treasury management service described in this Agreement.

“Service Fee” means the charges, fees and assessments established by Bank from time to time applicable to each Service which may include but not limited to, fees from any third party agents, vendors, or contractors engaged to provide services to Bank and the Bank’s cost for providing the service.

“Settlement Account” is an account or account(s) at a financial institution designated by Customer as the account to be debited and credited for, fees, Chargebacks and other amounts due under or in connection with a service.

“Standing Wire Transfer Request” has the meaning set forth in Online Wire Transfer section.

“Substitute Check” means a paper reproduction of the original Check that meets all requirements of Applicable Law.

“Supplemental Documentation” means supplemental information provided to Customer from time to time by Bank with respect to certain Services, including instructions, security procedures and tokens and operational guidelines.

TEL Entry” means a “TEL Entry” as defined in the Rules.

“Third-Party Service Provider” is an organization other than an Originator, ODFI or RDFI that performs a function of ACH processing on behalf of the Originator, the ODFI or the RDFI.

“Transaction” is a transaction conducted between a person or legal entity and Customer utilizing a Card in which consideration is exchanged between the person or legal entity and Customer.

“Transaction Data” is the written or electronic record of a Transaction.

“User” means an employee or Agent designated by Customer’s Company Administrator from time to time as being authorized to issue Instructions on Customer’s behalf.

“Vendor” is a third party that provides Equipment, Licensed Software or services to Customer or Bank.

“WEB Entry” means a “WEB Entry” as defined in the Rules.

“Wire Transfer” means any transfer of funds into or out of Customer’s Accounts accomplished via Fed Wire or other wire transfer service.

“Wire Transfer Request” means any Instruction received by Bank from Customer as affects a transfer of funds activity with Customer’s Accounts.