



## Business Online Service Description

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### 1. Business Online Service

Banc of California ("Banc") hereby offers its Customer and Customer hereby accepts the Business Online Service described in this Business Online Service Description (the "Business Online Service"). The Business Online Service is an Internet based service that enables Customer to access its accounts and to facilitate certain electronic services online, as identified in and subject to this Business Online Service Description ("Service Description"). Banc reserves the right, without prior written notice to Customer, to place, from time to time, limits on Customer's right to use the Business Online Service.

Subject to Banc's prior approval and system limitations, Customer's Business Online Service may include the following:

- a. View balances, Account history, and check images on Customer's linked Accounts;
- b. Access Account periodic statements electronically;
- c. Transfer funds between eligible linked Accounts at Banc, excluding certificates of deposit transfers ("Book Transfers");
- d. Make advances from and initiate loan payments to eligible linked Accounts (collectively, "Loan Transfers");
- e. Request check stop payments;
- f. Initiate domestic U.S. dollar funds transfer requests ("Wire Transfer Service");
- g. Initiate bill payments ("Bill Payment Service");
- h. Initiate eCheck payments;
- i. Check & ACH Positive Pay Service ("Check & ACH Positive Pay Service");
- j. Originate automated clearing house ("ACH") entries ("ACH Service");
- k. Remote deposit capture ("RDC") service ("RDC Service");
- l. Set up account alerts;
- m. Access Business Online Services using Customer's wireless access device ("Mobile Banking Service"), including mobile check deposits ("Mobile Deposit").

Additional Business Online Services may be added to or removed by the Banc from time to time. Some Business Online Services may not be available without special application to and approval by Banc, may be limited to specific types of accounts, and may require Customer to agree to additional terms and conditions. Banc reserves the right to terminate or suspend some or all of the Services, including but not limited to, in the event Customer's access becomes inactive.

### 2. Treasury Management Services Disclosure; Separate Service Descriptions

This Service Description forms part of the Treasury Management Services Disclosure ("Disclosure") executed by Customer. In the event of conflicts between the terms of this Service Description and the terms of the Disclosure, the terms of this Service Description shall control. To the extent Customer is enrolled in the Check & ACH Positive Pay Service, the ACH Service, the RDC Service, the SFTP Service, or the Integrated Payables Service, Customer's use of the service will also be subject to the terms and conditions of the separate Check & ACH Positive Pay Service Description, the Automated Clearing House (ACH) Service Description, the SFTP Service Description, and the Integrated Payables Service Description, respectively. Defined terms in this Service Description shall have the meaning provided in the Disclosure, unless otherwise defined in this Service Description. An "account" shall mean any deposit account Customer maintains with Banc and can include all accounts and products Customer uses with Banc. Customer's "Account" shall mean the deposit or loan account(s) accessible through the Services.

### 3. Account Designation

Customer may need to designate certain accounts for specific purposes in connection with some of the Business Online Services. If Customer links more than one checking account to certain transactional services, Customer will need to specify the account from which transfers should be made. Banc is not obligated to establish access to any or all of Customer's accounts, and not all Business Online Services are available with all accounts.

### 4. Administrator and User(s)

If prompted by the Business Online Service, Customer will appoint an individual to act as an administrator (for the purpose of this Service Description, referred to herein as "Administrator") with the authority to determine who will be authorized to use the Business Online Services on Customer's behalf.

**The Administrator will have full online access to the Account and Services levels, by automatic default, including newly added Accounts and Services. If attempts are made to disable particular Accounts or Services at the Administrator level, the Accounts and Services will be automatically reinstated for the Administrator. If Customer wishes to disable an Administrator's authority, the Administrator must be removed and replaced as the Administrator by Customer within the Business Online Service.**

Banc will not control or oversee the Administrator function. Customer agrees to all action taken by the Administrator or any User designated or authorized by the Administrator, and all such persons are Customer's agents for purposes of use of Business Online Services, each authorized to act individually or in concert. The fact that Banc is, or may be made aware of, or could have discovered, any limitation on access to the Business Online Service does not make Banc obligated to enforce or attempt to enforce any limitation. Customer understands that the Administrator and each User may utilize Business Online Services (including inquiries, transfers, and account verification) without regard to any restrictions otherwise applicable to an Account. For example, the Administrator and each User will be able to utilize the Business Online Services regardless of whether they are also authorized signers on the Customer's



signature card.

Customer acknowledges and agrees that the Administrator has permission to enable Customer's Account(s) in conjunction with the payment processing services offered by Autobooks® and/or Deluxe®, and that the Account(s) will be subject to the end user terms of Autobooks® and/or Deluxe®, as same may be modified from time to time. Customer will remain fully responsible for all acts or omissions of Autobooks® and Deluxe® in connection with Customer's Account(s) and any action of Autobooks® and Deluxe® shall be considered to be an action authorized by Customer. Customer will not hold Banc responsible for, and will indemnify Banc from, any liability arising out of or related to any act or omission of Autobooks® and Deluxe®. Without limiting Customer's indemnification or other obligations otherwise provided under the Disclosure or this Service Description, Customer shall indemnify, defend, and hold Banc and its affiliates, directors, officers, employees, successors, and assigns harmless from and against all claims, damages, losses, liabilities, and expenses, including attorneys' fees, claimed, owed, incurred, arising from, or alleged to have arisen out of: (a) any information, including without limitation billing information, account information, or contact information provided by Customer being incorrect or misleading; (b) the infringement of any third party's intellectual property rights by Customer's name, logo, combination of the Services with any other product, service, or technology, or otherwise; (c) any action or omission of Customer or its employees, including without limitation Customer's breach of the Disclosure or this Service Description or any representation or warranty by Customer being incorrect or misleading; (d) any dispute between Customer and a payee; (e) the failure of Customer to receive or properly process any payment; (e) any transaction submitted for processing pursuant to this Agreement; or (f) Customer's violation of any law, regulatory requirement, card brand requirement, or applicable rule. Customer's indemnification obligations will survive termination of this Service Description and the Disclosure.

## 5. Communications; Security Devices

For the purpose of this Service Description, Communications shall have the meaning provided in the Disclosure and shall include Communications to Banc in connection with the Business Online Service. For the purpose of this Service Description, Security Devices shall have the meaning provided in the Disclosure and shall include but not be limited to any Security Devices used to access Accounts and to use the Business Online Services. Banc may offer to Customer or require Customer to use additional authentication tools or methods from time to time (for example, one-time passcodes (OTP); hard and soft tokens). If Customer chooses not to implement supplemental authentication tools, Customer's access to some or all Business Online Services may be limited. The term "Security Devices" will include any supplemental authentication tools that are made available by Banc and used by Customer.

Customer has the responsibility for ensuring that Customer has the current security patches installed and configured, Customer maintains up-to-date virus detection program(s), and that Customer regularly scans for the existence of malware and spyware and takes appropriate action if found. Customer expressly acknowledges that encryption of data transmissions does not guarantee privacy. Data transferred via the Service is encrypted in an effort to provide transmission security. Notwithstanding Banc's efforts to ensure that the Services are secure, Customer acknowledges that the Internet is inherently insecure. Banc cannot and does not warrant that all data transfers utilizing the Services will not be monitored or read by others.

## 6. Templates

Depending on the Service requested, Customer may be assigned a free-form Service template to initiate Communications, including transfer and other requests. Customer may also be granted rights and permissions to create predefined Service templates to use for repetitive or recurring Communications. If Banc authorizes Customer's use of Service template(s) with maintenance authority, the designated Administrator may create Service templates through the Service and assign such templates to other Customer Users. In the event Customer is not assigned free-form Service templates or Service template maintenance authority, Customer's use of the underlying Service will be subject to the Service requirements, as applicable. Access to Service templates or Service template maintenance authority does not constitute a waiver by Banc to require Customer's compliance with applicable security procedure or other Service requirements.

## 7. Computer Equipment and Software to Access the Business Online Services

To use the Business Online Services, Customer must have sufficiently powerful computer hardware and appropriate software as described in the Supporting Documents. Some Business Online Services may require Customer to download software from Banc's website; in some cases, Banc may place software on Customer's computer as part of Banc's security and/or user verification tools.

## 8. Access to Account Data

Subject to system limitations, Customer can obtain balance and other Account information through the Business Online Services. Since certain information and transactions may not be processed by Banc until after the close of Banc's business day, some transactions may not be reflected in the online banking system ("System") until the next banking day. Posted items may be reversed due to insufficient funds, stop payment orders, legal process, and other reasons. Certain balances also may not be available for immediate withdrawal. Due to security measures and applicable laws, Business Online Services are for use only by persons located in the United States. Banc makes no claims that the Business Online Services are accessible or appropriate outside of the United States. Banc assumes no responsibility for any loss arising from incomplete information or for any temporary interruption in the System. If Customer is unable to access the System for any reason, Customer may contact Customer's branch of Account for account information.

## 9. Electronic Statements

If Customer elects to receive electronic statements, Banc may discontinue sending paper statements and make periodic statements available to Customer in electronic form only. This includes, but is not limited to, ongoing terms currently provided on the back of Customer's paper statement, notices posted as messages on the face of the statement, and all notices or other communications that



accompany mailed statements. Customer agrees to review Customer's electronic statements in a timely manner, just as Customer would paper statements, and to promptly notify Banc of any errors, unauthorized activity or other problems, as provided in Banc's agreement with Customer. Customer will be deemed to receive electronic statements when they are made available to Customer. Any time periods within which Customer must notify Banc of any problems or errors reflected on Customer's statement(s) will begin on the date Banc makes the electronic statement available to Customer, regardless of when it is actually viewed by Customer. Banc reserves the right to determine from time to time which accounts are eligible for electronic statements. A valid email address may be required to be maintained by Customer with Banc. If Customer fails to maintain a valid email address with Banc, Customer acknowledges and agrees that any electronic statement shall nevertheless be deemed to have been provided to Customer if emailed to the email address Banc has on file for Customer. Banc reserves the right, in its sole discretion, to discontinue providing statements in electronic form. If Customer receives images of checks or receives cancelled checks with Customer's paper statements, Customer understands that paper copies of these items will not be available once Customer elects to receive electronic statements. If Customer cannot access, print, or view an electronic statement, Customer agrees to contact Banc immediately at 877-770-BANC (2262) make alternate arrangements. Customer agrees to periodically logon and check on the delivery of new electronic statements.

## 10. Account Transfer Limitations

All transfers to and from an Account will be subject to the terms and conditions applicable to the Account as set forth in the Deposit Account Agreement and Disclosure, including but not limited to transfer limitations. In addition, there may be other transfer limits addressed in the Supporting Documents.

## 11. Book Transfers

Transactions posted to Customer's Account as of a certain business day may not be reflected in account balances reported by the Service until the following business day. Information on Book Transfers to or from Customer Accounts with Banc will be reflected on Customer's periodic statements and will be available to Customer online. Banc does not provide any other notice of the receipt or processing of Book Transfers.

- a. Scheduling Fund Transfers. Customer may instruct Banc to initiate single or recurring Book Transfers on any business day (the "Transfer Process Date"). If the Transfer Process Date for an automatic transfer falls on a weekend or holiday, the transfer may be sent the following business day. To initiate a Book Transfer, Customer must specify the account to be debited, the account to be credited, the transfer amount, and the Transfer Process Date.
- b. Changing or Cancelling Transfer Instructions. For same-day Book Transfer requests, once submitted, the transfers cannot be cancelled through the Business Online Service. For future dated Book Transfers, the transfers can be cancelled through the Business Online Service subject applicable cutoff hour.

## 12. Loan Transfers

- a. Eligible Loan Transfer Accounts. Banc will determine in its discretion which accounts will be eligible for Loan Transfers. Customer agrees that the relevant loan agreement, note, or other document is modified to the extent necessary to allow the transfers or other Services that may be utilized pursuant to this Agreement. Banc may process transactions from loan Accounts without regard to access limitations in any loan documentation or agreements.
- b. One-Time Advance/Payment. Customer can use the Loan Transfer feature to make one-time or recurring "on-us" loan Account advances ("Loan Advance(s)") and payments ("Loan Payment(s)"), subject to applicable dollar limitations. Check with a Banc loan representative for additional restrictions and details. The Loan Transfer will be processed on the Loan Transfer processing date ("Loan Transfer Processing Date"); provided that the Loan Transfer Processing Date selected by Customer is a business day and Customer submits the one time Loan Transfer instruction prior to the Loan Transfer cutoff hour for that date. If Customer selects a Loan Transfer Processing Date that is not a business day or submits the Loan Transfer instruction after the Loan Transfer cutoff hour for that date, then the Loan Transfer Processing Date may be the next business day. Loan Advances will only occur to the extent there are sufficient available funds in the eligible loan Account, as determined by the terms and conditions of the applicable loan documents and agreements, including, but not limited to, the promissory note, governing the loan Account.
- c. Loan Payments. Customer may designate the Loan Payment as a regular installment or an interest/principal only payment. If funds transferred will be applied as a reduction in principal only, funds will be applied as unscheduled reductions of principal and as such will not satisfy the installment obligations under the payment schedule for the loan Account or pay accrued interest. If funds transferred will be applied as a regular installment payment, Customer is responsible for ensuring that Customer initiates a Loan Payment instruction in time for the payment to be received by Banc before Customer due date. Banc is not responsible for any damages, costs, or fees Customer may suffer if Customer does not allow sufficient time between the Processing Date and the due date.
- d. Noncompliance with Borrowing Base. This paragraph is applicable if the promissory note or other loan document for your loan Account provides that the loan Account is tied to a borrowing base of eligible receivables. At any time that Customer is not in compliance with the borrowing-base requirement, Banc may reverse any transfer that constitutes an advance on the loan Account.
- e. Loan Transfer Changes and Cancellation. Customer may change or cancel a Loan Transfer instruction via the Service as long as Customer submits the change or cancellation request by the applicable cutoff hour, prior to the Loan Transfer Processing Date for the Loan Transfer instruction and Customer follows the Loan Transfer instructions provided by the Loan Transfer feature for changes and cancellations.

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- f. Provisional Credit. Customer agrees that any credit by Banc to Customer for any Loan Transfer is provisional until Banc has received final settlement for such Loan Transfer. Banc may delay availability of provisional credit at Banc's discretion. If final settlement is not received, Banc is entitled to and Customer agrees to pay a refund of the amount credited; Banc may charge your account for the amount due.

### 13. Bill Payment Service

- a. Bill Payment Account Designation; Payment Details. When using the Bill Payment Service, Customer must designate the Account ("Bill Payment Account") from which the bill payments ("Bill Payments") are to be made. For each Bill Payment, Customer will also be required to provide the complete name of the payee, the account number and the payee's remittance address (exactly as shown on the billing statement or invoice), the amount of the payment and the date Customer wants the payment to be processed by Banc ("Send on Date"). If the Send on Date is not a business day, then the Bill Payment will be processed by Banc the next business day. To have a Send on Date that is the same date Customer accesses the System and initiates the Bill Payment instruction, the Bill Payment instruction must be received by Banc on a business day, prior to the Bill Payment Service cutoff hour.
- b. Use of Vendors; Use of Information. Banc may use one or more bill payment vendors to provide the Bill Payment Service, and Customer understands that various financial intermediaries and their servicers may be involved in processing any one of Customer's Bill Payment instructions. These intermediaries may benefit from interest that accrues on Bill Payments between the time Customer's Bill Payment Account is debited and the time the payee is paid. Any information Customer provides may be used by Banc or any of these other parties to complete or otherwise deal with Customer's transaction or comply with any laws, rules or regulations. If there is a dispute between Customer and Banc, or either party and any other person (including any merchant, payee, financial institution or other intended or actual recipient of any Bill Payment), Customer authorizes Banc to obtain information regarding Customer, Customer's account and Customer's Bill Payment obligations (or the absence of them) from any party that was involved in the Bill Payment transaction or that might otherwise assist in the resolution of the dispute or problem. This may include financial and other information regarding Customer.
- c. Setting Up Payees. When Customer signs onto the Bill Payment Service, Customer must establish Customer's list of payees. A payee is anyone, including Banc, that Customer designates to receive a Bill Payment, provided that Banc accepts the payee for the Bill Payment Service. Banc reserves the right to reject any payee at any time, at its discretion. Banc is not responsible if a Bill Payment is not made to a payee because Customer provided Banc with incomplete, incorrect, or outdated information regarding the payee or Customer attempted to make a payment to a payee that is not on Customer's authorized list of payees. Payments to payees outside of the United States or its territories or to payees blocked by federal, state or local law, statute or ordinance, are prohibited through the Bill Payment Service.
- d. Available Funds. As of the business day prior to the Send on Date, and subject to the applicable cutoff hour, Customer must have sufficient available funds in the Bill Payment Account and continue to maintain until the Bill Payment has been applied against Customer's Bill Payment Account.
- e. Non-Recommended Payees. Banc does not recommend that Customer use the Bill Payment Service to pay Customer's federal, state, or local taxes, or to pay courts or other governmental entities. Banc will not be liable for penalties, interest, or other damages of any kind if Customer tries to use the Bill Payment Service to remit or pay money for taxes, or to courts or governmental agencies.
- f. Scheduling Bill Payment. Customer must designate a Send on Date so that it is scheduled sufficiently in advance of the due date of Customer's bill ("Due Date") to allow the payee to receive it on the Due Date set by Customer's payee and without taking into account any grace period that may be offered by Customer's payee. Some companies Customer pays through Banc's Bill Payment Service will receive a paper draft on Customer's behalf, rather than receiving an electronic payment. These paper draft payments can take longer to process before the payee receives the payment. Banc is not responsible for any damages Customer may suffer if Customer does not allow sufficient time between the Send on Date and the Due Date of Customer's bill or obligation, without counting any grace period offered by the payee.
- g. Payment Methods. Banc reserves the right to select the method in which to remit funds on Customer's behalf to Customer's payees. These payment methods may include, but may not be limited to, an electronic payment, an electronic check payment (where the check is drawn off Banc's third party service provider's account), or a demand draft payment (where a negotiable instrument is created and drawn off of Customer's Bill Payment Account).
- h. Payment Changes and Cancellation; Stop Payments. Customer may change or cancel a payment that has been scheduled through the Bill Payment Service but has not begun processing as long as Customer logs onto the Service prior to the Send on Date for the Bill Payment instruction and Customer follows the Bill Payment instructions provided by the Bill Payment Service for changes and cancellations. Customer's ability to stop payment on a processed Bill Payment will depend on the payment method and, if by check, whether or not the check has cleared. The Bill Payment Service and/or Banc must have a reasonable opportunity to respond to any stop request. To stop payment on any Bill Payment that has already been processed, Customer must call Banc. Fees and additional documentation may be required by Banc to process a stop payment request. Banc will have no liability to Customer for Banc's refusal or failure to stop a Bill Payment that has already been processed.
- i. Accurate Information on Payees. If the Bill Payment Service provides Customer with a series of options regarding payee address or location, Customer is responsible for correcting that information if such information does not agree with Customer's records or with Customer's particular bill. Banc and the others that handle Customer's Bill Payment (including the payee's bank) are entitled to rely on information Customer supplies, such as the payee's account number or the routing number of the payee's



bank, even if the name Customer gives to Banc and the number Customer gives to Banc identify different persons.

- j. Automated Clearing House Entries. Electronic payments that are made through the Automated Clearing House (“ACH”) are subject to the rules of the ACH, and Customer agrees to be bound by the Operating Rules of the ACH, including the rule making payment to the payee provisional until receipt by the payee’s bank of final settlement of the credit transaction. If final settlement is not received, Customer will not be deemed to have paid the payee the amount of the bill payment.

#### 14. Remote Deposit Capture (RDC)

- a. Introduction. Banc hereby offers its Customer and Customer hereby accepts the remote deposit capture service (“Remote Deposit Capture Service”) described herein. The Remote Deposit Capture Service allows Customer to transmit paper checks converted to Imaged Items to Banc for processing and deposit into the designated account of Customer maintained at Banc. Banc reserves the right, with prior written notice to Customer, to place, from time to time, limits on Customer’s right to use the Remote Deposit Capture Service.
- b. Access. The Remote Deposit Capture Service enables Customer to use an approved Software application together with a compatible wireless access device (“Wireless Access Device”) or other compatible scanning hardware maintained by Customer to create electronic images of the front and back of Original Checks and transmit those images and other information, including, without limitation, information captured from the magnetic ink character recognition (“MICR”) line, to Banc for review and processing in accordance with this Service Description.

Customer agrees to exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by Banc or otherwise required for use of the Remote Deposit Capture Service and shall further prevent the use of the same by unauthorized persons. Customer assumes full responsibility for the consequences of any missing or unauthorized use of or access to the Remote Deposit Capture Service or disclosure of any confidential information or instructions by Customer, or anyone acting on Customer’s behalf.

- i. Wireless Access. Customer’s access to the Remote Deposit Capture Service via Customer’s Wireless Access Device (“Wireless RDC”) is subject to Banc’s prior and ongoing approval. Banc may deny Customer’s access to all or any part of the Remote Deposit Capture Service, at Banc’s sole discretion, including wireless access. To access and utilize Wireless RDC Customer will need a compatible Wireless Access Device that is connected to the Internet through Customer’s mobile communications service provider. If Customer obtains a different Wireless Access Device, Customer will be required to download and install software, to that different Wireless Access Device, under the same terms set forth in this Service Description, as amended. Customer agrees to delete all such software from Customer’s Wireless Access Device promptly if the licenses or this Service Description terminate for any reason. The availability, timeliness and proper functioning of Wireless RDC depends on many factors, including Customer’s Wireless Access Device location, wireless network availability and signal strength, and the proper functioning and configuration of hardware, Software, and Customer’s Wireless Access Device. Neither Banc nor any of Banc’s service providers warrant that Wireless RDC will operate without interruption, and neither Banc nor Banc’s service providers shall be liable for any loss or damage caused by any unavailability of Wireless RDC, including service interruptions, delays, or loss of personalized settings. Neither Banc nor any of Banc’s service providers assume responsibility for the operation, security, functionality or availability of any Wireless Access Device or mobile network which Customer utilizes to access the Remote Deposit Capture Service. Customer agrees that, when Customer uses Wireless RDC, Customer remains subject to the terms and condition of Customer’s existing agreements with any unaffiliated service providers, including, but not limited to Customer’s mobile service provider. Customer understands that those agreements may provide for fees, limitations and restrictions (such as data usage or text messaging charges imposed on Customer by Customer’s mobile service provider) which might impact Customer’s use of the Remote Deposit Capture Service when Customer uses a camera-enabled mobile device to capture and electronically send check images and associated deposit information to Banc for review and processing in accordance with this Service Description, and Customer agrees to be solely responsible for all such fees, limitations and restrictions. Customer also agrees that only Customer’s mobile service provider is responsible for its products and services. Accordingly, Customer agrees to resolve any problems pertaining to Customer’s Wireless Access Device or mobile services with Customer’s provider directly.
- ii. Security of Data in Transition and Storage. Customer expressly acknowledges that any wireless access to Customer’s accounts may not be secure and, as such, Customer assumes the risk associated with unauthorized access to the Remote Deposit Capture Service and any information contained therein, resulting from such wireless connectivity. Customer assumes all risk that any information Customer download or otherwise stored on Customer’s Wireless Access Device may be accessed by unauthorized third parties. Without limiting the foregoing, Customer acknowledges that Customer’s Wireless Access Device may become subject to unauthorized tracking, “hacking” or other manipulation by spyware, viruses or other malicious code (“malware”). Banc is not responsible for advising Customer of the existence or potential effect of any malware. Customer’s use of Customer’s hardware and Software is at Customer’s own risk.

Banc is not responsible for the security and confidentiality of information when Customer: (1) uses wireless connections to download Customer’s account information, in which case Customer acknowledge such connection may permit other persons to access the information being downloaded, or (2) allows other persons access to Customer’s Wireless Access Device. Customer agrees that any account information that Customer downloads is done at Customer’s own risk, and Customer is solely responsible for any damage that might occur to the electronic device to which Customer downloads any information, or any loss or corruption of data that might occur as a result of the downloading or its storage on an electronic device.



CUSTOMER AGREES TO TERMINATE THE REMOTE DEPOSIT CAPTURE SERVICE AND/OR DISABLE CUSTOMER'S REGISTERED WIRELESS ACCESS DEVICE FROM THE REMOTE DEPOSIT CAPTURE SERVICE IMMEDIATELY IN THE EVENT CUSTOMER'S REGISTERED DEVICE BECOMES LOST, STOLEN, OR IS NO LONGER IN USE BY CUSTOMER.

- c. Primary Account Designation. Customer may use the Remote Deposit Capture Services to facilitate a deposit to any deposit account Customer has with Banc (other than those with deposit restrictions, such as certificate of deposits). The account to which Customer designates a deposit shall be referred to as the "RDC Account" for the purpose of this Service Description and the deposit transaction. Customer authorizes Banc to debit the RDC Account (or any other account maintained by Customer at Banc) for any fees or other amounts due Banc in connection with the Remote Deposit Capture Services. If the RDC Account is closed for any reason, Customer's Remote Deposit Capture Services will be stopped along with any unprocessed Remote Deposit Capture Services transfers. To reinstate its Remote Deposit Capture Services, Customer must designate a new RDC Account.
- d. Customer Rights. Subject to the terms provided herein, Banc hereby grants Customer a non-exclusive, non-transferable right to access and use the Remote Deposit Capture Service in connection with Customer's own business operations in accordance with the Supporting Documents.
- e. Definitions. For purposes of the Remote Deposit Capture Service outlined herein, the term "Communications" shall have the meaning provided in the Disclosure and shall include Communications to Banc in connection with the Remote Deposit Capture Service, including transmission of output files from Customer to Banc; the terms "Security Procedures" and "Security Devices" shall have the meaning provided in the Disclosure and shall include but not be limited to any Security Procedures and Security Devices used to access the RDC Account and to use the Remote Deposit Capture Service. The following definitions further apply to this Paragraph 14 and the Remote Deposit Capture Service.
- i. "Check" means an Original Check, as defined in Regulation CC.
  - ii. "Endpoint" means any Federal Reserve Bank, financial institution, local clearing house, courier or other entity or location for the delivery of cash letters or other presentment of Electronic Items or Substitute Checks.
  - iii. "Image Exchange Item" means a digitized image of an Item cleared and settled directly with a Paying Bank without conversion to a Substitute Check.
  - iv. "Imaged Item" means the digitized image of a Check that is created by Customer and transmitted to Banc using the Remote Deposit Capture Service.
  - v. "Item" means a Check that is payable on demand, drawn on or payable through or at an office of a United States Financial Institution and payable or endorsed to Customer, and includes Original Checks, Substitute Checks, and Image Exchange Items.
  - vi. "Non-cash Item" means an Item that would otherwise be an Item, except that: (1) a passbook, certificate or other document is attached; (2) it is accompanied by special instructions, such as a request for special advice of payment or dishonor; (3) it consists of more than a single thickness of paper, except an Item that qualifies for handling by automated check processing equipment; or (4) it has not been preprinted or post-encoded in magnetic ink with the routing number of the Paying Bank.
  - vii. "Non-qualifying Item" means Non-cash Items, Items payable in a medium other than United States money, currency, warrants, Items payable to third parties, Items payable to joint payees (unless payable to the payees alternatively and deposited into an account in the name of all payees), demand drafts or remotely created checks as defined by the UCC and Regulation CC, respectively, Items that are stale dated by six months or more or post dated, savings bonds, Items payable to "cash", Substitute Checks, non-negotiable Items, Items that have been returned unpaid for any reason and any Item that exceeds Customer's transaction limitations as established by Banc from time to time.
  - viii. "Original" with respect to a Check means the first paper Item issued with respect to a particular payment transaction.
  - ix. "Paying Bank" means the United States financial institution ordered in an Item to make payment to the payee(s) named on the Item.
  - x. "Remote Deposit Capture Services" means the services described herein to be provided by Banc to Customer to enable the processing of Items digitally as Image Exchange Items through image exchange networks or through creation of Substitute Checks and presentment to established Endpoints, including collectively the procedures, protocols, and software used by Banc and its licensors and contractors in connection with the electronic processing of Items.
  - xi. "Software" means any software which may be offered or required by Banc for use in receiving, validating, and packaging images and data from a bulk file to be forwarded to Banc for additional processing.
  - xii. "Substitute Check" means a paper reproduction of an Item that satisfies the requirements and definition of "substitute check" set forth in Regulation CC.
  - xiii. "UCC" means the Uniform Commercial Code as enacted and amended in the state whose law governs interpretation of this Service Description.
  - xiv. "United States Financial Institution" means (1) any person, located in the United States, engaged in the business of banking; (2) a Federal Reserve Bank; (3) a Federal Home Loan Bank; and (4) to the extent it acts as a payor, the U.S. Treasury, the U.S. Postal Service, or a State or local government.
- f. Remote Deposit Capture Service Provisions.
- i. Customer will create images of Checks at Customer's location by use of scanning hardware and Software, if any, approved or provided by Banc (as applicable). Customer will enter all amounts and any other required information correctly and as provided in the Supporting Documents.



- ii. The electronic images of Checks will be transmitted by Customer to Banc, or Banc's authorized processor, over the Internet through a secure web-based interface.
  - iii. Customer's RDC Account will be provisionally credited upon Banc's acceptance of the Imaged Items for deposit which are received by Banc from Customer through the Remote Deposit Capture Service.
  - iv. Customer will maintain the RDC Account for Customer to receive credit and provide other specific information required by Banc related to the Remote Deposit Capture Service. As set forth in this Service Description, all deposits received by Banc are accepted subject to Banc's verification and final inspection and may be rejected by Banc in Banc's sole discretion. All deposits are subject to the terms of the deposit account agreement governing Customer's accounts.
- g. Customer Responsibilities. In connection with the Remote Deposit Capture Service, Customer shall comply with the following:
- i. Customer shall maintain the RDC Account at Banc for the receipt of deposits of Items.
  - ii. Customer will create images of Checks at Customer's location by use of scanning hardware and Software approved or provided by Banc. Customer will enter all amounts and any other required information correctly.
  - iii. Customer will only submit Checks for processing to Banc that meet the definition of "Item" as provided herein and will ensure that the Items scanned meet the standards for image quality established by the American National Standard Institute (ANSI) required by Regulation CC, or other standards established or required by Banc or applicable law, as amended from time to time. Customer will not process any Non-qualifying Items. Banc's processing of any Non-qualifying Items shall not constitute a waiver by Banc or obligate it to process such Non-qualifying Items in the future. Banc may discontinue processing of Non-qualifying Items at any time, without cause or prior notice.
  - iv. Unless with prior approval by Banc in writing, Customer will not attempt to scan and transmit to Banc any Item which is drawn on a deposit account of Customer at Banc or any other financial institution, or a deposit account of any business entity of which Customer is a principal, officer, or authorized signer. Customer will only use the Remote Deposit Capture Service for its own purposes and in accordance with this Service Description.
  - v. Customer will not attempt to scan and transmit to Banc any third-party checks or photocopies of an Original Check.
  - vi. Customer will not attempt to scan and transmit to Banc any previously truncated and reconverted Substitute Check. Any previously truncated and reconverted Substituted Check must be physically deposited with the Banc. Notwithstanding the foregoing, Banc may redeposit any returned Substitute Check or Image Exchange Item consistent with the terms of the deposit account agreement governing Customer's accounts.
  - vii. Customer will (1) ensure that, prior to scanning, Items are restrictively indorsed "FOR REMOTE DEPOSIT TO BANC OF CALIFORNIA," (2) handle, process, maintain and destroy Original Checks as set forth in this this Service Description and the Supporting Documents, and (3) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Item more than once in any form (no second presentment);
  - viii. Customer will deploy access controls and procedures to manage the re-access of previously processed Original Checks.
  - ix. Except to the extent otherwise expressly agreed by Banc, Customer will provide, at its own expense, a broadband Internet connection, such as via a digital subscriber line (DSL) or other connectivity having equivalent or greater bandwidth and all other computer hardware, software, including but not limited to a compatible Web browser, and other equipment and supplies required to use the Remote Deposit Capture Service, all of which must satisfy any minimum requirements set forth in the Supporting Documents or as otherwise may be acceptable to Banc. Except to the extent otherwise provided in this Service Description or the Supporting Documents, Customer will provide, or obtain from another party selected by Customer at Customer's expense, support and maintenance of such Internet connection and all other computer hardware, software, and equipment required to use the Remote Deposit Capture Service, including without limitation troubleshooting Internet connectivity issues with Customer's internet service provider (ISP).
  - x. Customer will balance the dollar amount of each deposit to the sum of Checks prior to transmitting to Banc.
  - xi. Customer will: (1) maintain a daily control record of all Checks, including transaction counts and dollar amounts; and (2) balance transactions transmitted from the previous business day and immediately notify Banc of any error or discrepancy discovered.
  - xii. Unless Banc specifically agrees otherwise in writing, Customer will not use the Remote Deposit Capture Service to deposit any Check or Checks that exceed the transaction limits established by Banc from time to time. Banc may communicate the transaction limits, including changes to the same, by written or electronic notice to Customer.
  - xiii. Customer will be responsible for verifying Banc's receipt of Customer's transmission(s) by verifying that deposits have been posted to the RDC Account, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Banc.
  - xiv. Customer will maintain fully qualified, properly trained and experienced administrative staff and employees sufficient to perform its obligations outlined herein. Customer will have a process to review and oversee employee use of the Remote Deposit Capture Service on a periodic basis, and immediately revoke user access for terminated or transferred employees.
  - xv. Customer shall ensure that all users of the Remote Deposit Capture Service have a unique username to log into the system and shall exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by the Banc or otherwise required for use of the Remote Deposit Capture Service, and shall further prevent the use of the same by unauthorized persons. Customer assumes full responsibility for the consequences of any missing or unauthorized use of or access to the Remote Deposit Capture Service or disclosure of any confidential information or instructions by Customer, its employees, and agents (as applicable).
  - xvi. Customer will maintain physical, technical, procedural, and administrative controls and safeguards reasonably designed to ensure the security, integrity, and confidentiality of information, including firewalls, up-to-date antivirus software, or updated



operating systems for all equipment, Software, Wireless Access Devices, mobile devices, Intellectual Property, and computer components necessary for the Remote Deposit Capture Service.

xvii. Customer will cooperate with Banc and provide immediate assistance as needed in the investigation or defense of any claim or complaint arising from the Remote Deposit Capture Service.

h. Equipment. Customer is responsible for obtaining and maintaining the compatible and Banc approved scanner equipment to facilitate the Remote Deposit Capture Service. Customer agrees to use only scanner equipment and software that meet Banc's service specifications, and shall not use any scanner equipment purchased or provided by third parties without Banc's prior written consent. "Scanner equipment" will mean any compatible and Banc approved hardware, including a Wireless Access Device. Customer will ensure that the equipment is clean and operating properly, and will inspect and verify the quality of images and ensure that the digitized images of Original Checks are legible for all posting and clearing purposes, including reviewing the MICR line, signature, and amount. Customer will be solely responsible for verifying the compatibility of any equipment used with the Remote Deposit Capture Service.

To the extent Banc provides access to equipment for Customer's use of the Remote Deposit Capture Service ("Banc-Provided Equipment"), Customer agrees not to remove the Banc-Provided Equipment from Customer's place of business. Customer is responsible for the maintenance of the Banc-Provided Equipment and Banc may require Customer's use of the same to be subject to additional terms. Banc's provision of Banc-Provided Equipment may be subject to separate terms and conditions. If any Banc-Provided Equipment is lost, stolen, or damaged in such a manner that Customer cannot comply with the capture, transmission, processing, and other applicable procedures and requirements outlined herein, Customer agrees to inform Banc and to then obtain and substitute new equipment that is acceptable to Banc before Customer begins using the equipment and the Remote Deposit Capture Service. If Customer's use or maintenance resulted in damage to any Banc-Provided Equipment, Customer agrees to reimburse Banc on demand for Banc's costs to repair the equipment, or to replace the equipment if repair is not reasonably feasible. Upon termination of Customer's use of the Remote Deposit Capture Service, Customer's right to use the Banc-Provided Equipment shall terminate and Customer agrees to return the scanner and all program materials within ten (10) calendar days (or Banc shall charge Customer the replacement cost of the scanner).

Customer agrees to notify Banc in the event Customer's scanning equipment is relocated. Banc assumes no liability for any computer virus or related problems arising in connection with Customer's use of equipment, including Banc-Provided Equipment, and Customer shall indemnify, defend, and hold harmless the Banc for any losses, damages, costs, and expenses resulting directly from any computer virus or related problems the Banc may suffer or incur from any computer virus or related problem caused by Customer.

i. Software. At any time during Customer's use of the Remote Deposit Capture Service, Banc may require, in its sole discretion, the use of Software in connection with the Remote Deposit Capture Service. Banc may require Customer to upgrade or install patches to the Software which Customer agrees to do within 30 days of notice, or sooner if directed by Banc. The software may include tracking and other information technology features that are stored and shared with Banc and its providers.

Customer will implement and use the Software, as set forth in the Supporting Documents and any applicable materials relating to the Supporting Documents to transmit output files to Banc.

To the extent the Remote Deposit Capture Service involves Banc's having granted Customer Software license usage rights, such grant shall be a personal, non-exclusive, non-transferable right to access and use the Remote Deposit Capture Service in connection with Customer's use in accordance with this Service Description. The Remote Deposit Capture Service does not involve the sale of software. Nothing in this Service Description will entitle Customer to receive technical support, telephone assistance regarding the Software, or updates to Software.

Customer acknowledges that (i) its license to any Software that may be required for the Remote Deposit Capture Service is directly from the Software provider, pursuant to the license agreement that appears when any such Software is electronically accessed by Customer or otherwise provided to Customer, (ii) Banc may but is not obligated to provide certain "first level" support to Customer with respect to the Software, but that Banc will have no responsibility, for maintenance, support, infringement protection, or otherwise, to Customer with respect to the Software, and (iii) Customer will look strictly to the Software provider, or its successors, with respect to any issues concerning the Software that cannot be satisfactorily resolved with Banc's assistance.

Customer will use the Software solely for the purpose of transmitting output files to Banc consistent with the Remote Deposit Capture Service outlined herein and not for communications with any other party. Customer will not allow access to the Software or the use of the Remote Deposit Capture Service by any person other than Customer. Customer will only process Items arising from a transaction or obligation between the account holder and its direct payor. Without limiting the foregoing, Customer agrees to implement and maintain separation of duties and dual control procedures at Customer's location(s) to ensure compliance with the limitation on access commitments outlined herein.

Customer acknowledges and agrees that the Software and content used by Banc in the operation of Banc's website and provision of the Remote Deposit Capture Service, and the copyright patent, trademark, trade secret and all other rights in and to the technology, software, content, designs, graphics, and trademarks included by Banc on Banc's website and as part of the Remote Deposit Capture Service and Banc's name and product names and the website's URL (collectively, by the "Intellectual Property"), are owned by Banc and Banc's licensors. As such, Customer will not gain any ownership or other right, title, or interest in or to such Intellectual Property. Customer may not use, reproduce, duplicate, copy, or distribute the content found at Banc's website or provided by the Remote Deposit Capture Service.



Customer may not distribute, reuse, reproduce, duplicate, copy, publish, sell, or otherwise transfer (1) any portion or element of the Remote Deposit Capture Service or the Intellectual Property or (2) access to Banc's Remote Deposit Capture Service or Intellectual Property. Further, Customer may not (1) create derivative works of any portion or element of the Remote Deposit Capture Service or Intellectual Property; (2) reverse engineer, modify, decompile, or disassemble any of the Intellectual Property; (3) deactivate or disable any password protection or other protection, security, or reliability technology Banc incorporates in the Remote Deposit Capture Service; (4) modify or erase any copyright or trademark notice Banc places in connection with the Remote Deposit Capture Service; (5) engage in the practice known as "screen-scraping" or otherwise attempt to, or actually, obtain copies of content provided through the Remote Deposit Capture Service (sometimes known as "scrapers," "spiders," "robots", or "bots") to systematically access and download data; (6) access the Remote Deposit Capture Service by any means other than via Customer's Wireless Access Device; (7) frame any content provided through the Remote Deposit Capture Service or any Intellectual Property; or (8) use any circumvention tools, meta tags or any other "hidden text" utilizing Banc's name, trademark, URL, product name, or other Intellectual Property. Customer agrees to comply with the terms of any license agreement made available to Customer through the Remote Deposit Capture Service.

Customer will promptly return all copies of the Software and Supporting Documents, including materials related to the Supporting Documents, to Banc upon termination of its use of the Remote Deposit Capture Service.

To ensure Customer's retention obligations as outlined herein, Customer agrees to implement and maintain business continuity procedures, including but not limited to those needed to ensure proper backup of data and periodic testing of the same.

Banc reserves the right to change, add to, or terminate services with Banc's third-party software providers, to substitute different software providers, and to enter into or arrange for the provision Remote Deposit Capture Services by other licensors and third-parties.

- j. Retention and Destruction of Original Check. When using the Remote Deposit Capture Service, the physical Checks remain in Customer's possession rather than in the Banc's. Maintaining custody of Checks may increase risk to Customer, such as exposure to monetary liability or reputational risk. Customer shall take precautions to prevent loss to either itself or to its own customers, including, but not limited to, the requirements set forth in this Section. Customer will retain each Original Check in accordance with the Supporting Documents. If not directed otherwise by the Banc, Customer will store Original Checks in a safe and secure environment with restricted access for 45 days after such Item has been digitized and processed. Customer shall take appropriate security measures to ensure that: (i) only authorized personnel shall have access to Original Checks, and (ii) that the information contained on such Original Checks or on any corresponding Imaged Items are not disclosed to third parties. Customer will promptly (but in any event within 5 business days) provide any retained Original Check (or, if the Original Check is no longer in existence, a sufficient copy of the front and back of the Original Check, with the copy indicating that it is a copy on its face) to Banc as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Item or as Banc otherwise deems necessary. If Customer fails to produce the Original Check upon Banc's request, Customer agrees that Banc may deduct the amount of the Original Check from any of Customer's accounts. Customer will use a commercially reasonable method which is consistent with any requirements of Regulation CC and approved by Banc to securely and permanently destroy Original Checks after Customer's retention period has expired. Customer agrees to mark Original Checks "VOID" just before destroying as provided in this Section.
- k. Processing Times. Notwithstanding any provisional credit that may be applied to the RDC Account in connection with Customer's transmitted Imaged Items, Imaged Items processed for deposit through the Remote Deposit Capture Service will be deemed to have been received by Banc for deposit at the time the Imaged Items are actually received and accepted at the location where Banc or its designated agent posts the credit to the RDC Account. A deposit of Imaged Items will be deemed to have been received and accepted by Banc for deposit when all of the following have occurred: (1) Banc has preliminarily verified that the image quality of the Imaged Items is acceptable to Banc in its discretion, all Item information is complete and the deposit totals are balanced to the Item information provided for the deposit; and (2) Banc has successfully performed all further validation routines with respect to the deposit. Notwithstanding the foregoing, Imaged Items received by Banc for deposit may be rejected by Banc in Banc's sole discretion.

Items will be processed and ready for presentment by Banc after Banc receives all digitized images and associated data for any given transmission from Customer. Customer agrees to view the images of each scanned Item that is sent to Banc. If Item information received by Banc is not complete or cannot be processed by Banc for any reason, Banc may reject the Imaged Item, notwithstanding any transmission confirmation and charge the amount back against any provisional credit to Customer's RDC Account. Customer will be responsible for verifying Banc's receipt of Customer's transmissions by verifying that deposits have been posted to Customer's RDC Account. Banc will use commercially reasonable efforts to present Items for payment to the applicable Endpoint within a reasonable period of time following such receipt.

If an Imaged Item is not accepted for deposit, Customer may then submit the Original Check to Banc for processing or contact the maker to reissue the Check. If Customer submits the Original Check for processing, Banc reserves the right to refuse to process the Check for deposit and presentment to the Paying Bank and may instead require Customer to have the maker reissue the Check.

It is Customer's responsibility to understand and build into its transmission schedules the appropriate deadlines necessary to meet the availability schedules of Banc as set forth in the Disclosure or as otherwise established by Banc. Customer is further responsible for understanding and building into its transmission schedule the changes in transmission windows required by time changes associated with Daylight Savings Time.



- l. Returned Items. Customer understands and agrees that an Item that is not paid by a Paying Bank, or is otherwise returned for any reason, will in Banc's discretion be: (1) re-presented to the Paying Bank; or (2) returned to Customer and Customer's RDC Account charged for the amount of the Item plus any associated fees as disclosed in Banc's applicable fee schedule, which may be changed from time to time in Banc's discretion. Customer agrees that Items may be returned as Image Exchange Items, rather than Substitute Checks. Banc's right to charge the RDC Account of Customer will apply without regard to whether the Item is timely returned to Banc or whether there is any other claim or defense that the Item has been improperly returned to Banc.
- m. Banc Rights and Responsibilities. For all Imaged Items processed by Customer pursuant to the Remote Deposit Capture Service, either (1) digitized images will be converted to Substitute Checks and presented for payment to established Endpoints, or (2) Imaged Exchange Items will be presented for payment through image exchange networks. Banc may in its sole discretion determine the manner of processing. All such processing and presentment shall be done in accordance with timeframes and deadlines set forth in the Supporting Documents and as otherwise established by the Banc from time to time.

Unless otherwise agreed by Customer and Banc, Banc will process any returned Items in accordance with applicable law and the Disclosure.

Subject to the terms outlined herein, availability of credit from Items processed under this Service Description will be subject to the availability schedule of Banc, which may be amended from time to time.

Banc may, in its sole discretion, and without notice to Customer, with or without cause, at any time and from time to time, refuse to process any Imaged Items. Banc may from time to time establish transaction limitations and assign them to Customer.

Banc shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure or other technical issues, war, emergency conditions, or other circumstances beyond Banc's control. In addition, Banc shall be excused from failing to transmit or delay in transmitting an Item for presentment if such transmittal would result in Banc's having exceeded any limitation upon its intraday net funds position established pursuant to Federal Reserve guidelines or if Banc's otherwise violating any provision of any risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority. In the event of any failure or delay, Customer acknowledges that it may instead deposit directly with Banc any Original Items for processing and presentment, provided such Original Items have not been previously imaged and processed in connection with the Remote Deposit Capture Services.

In addition to any other rights Banc may have with regards to the accounts of Customer, Banc may hold and use funds in any Customer account following termination of this Service Description for such time as Banc reasonably determines that any Item processed by Banc prior to termination may be returned, charged back or otherwise a cause for any loss, liability, cost, exposure, or other action for which Banc may be responsible. Without limitation, Customer recognizes that under the UCC, Regulation CC, the Electronic Check Clearing House Organization™ ("ECCHO") Rules (as applicable), and the rules of any image exchange network, our representations and warranties with regards to Image Exchange Items and Substitute Checks may expose us to claims for several years following processing of the Image Exchange Item or Substitute Check.

- n. Customer Representations and Warranties. Customer makes the following representations and warranties with respect to each Item, including Non-qualifying Items, processed by Customer pursuant to this Service Description:
- i. The Imaged Item is a digitized image of the front and back of the Original Check and accurately represents all of the information on the front and back of the Original Check as of the time Customer converted the Original Check to an Imaged Item;
  - ii. The Imaged Item contains all endorsements applied by parties that previously handled the Original Check in any form for forward collection or return;
  - iii. Except as otherwise specifically disclosed in writing to Banc, Customer is not now engaged, and will not during the term of this Service Description engage, in any business that would result in Customer being or becoming a "money service business" as defined in the Federal Bank Secrecy Act and its implementing regulations;
  - iv. All encoding, transfer, presentment, and other warranties made under applicable law as Banc is deemed to make under applicable law, including without limitation those under the UCC, Regulation CC, and the rules of any image exchange network;
  - v. There will be no duplicate presentment of a Check in any form, including as a digitized image, as a paper negotiable instrument or otherwise and Customer will be liable for and otherwise assume responsibility for any such duplicate presentment of any Check. Customer agrees to indemnify and defend Banc against any and all claims, causes of action, or demands arising out of or directly or indirectly related to the duplicate presentment of any Check; and
  - vi. Customer will not engage in any activity directly or indirectly related to the use of the Remote Deposit Capture Service that is illegal or fraudulent.
- o. Customer's Indemnification Obligation. In addition to any indemnification obligations Customer has under the Disclosure, and except to the extent expressly prohibited by applicable law, Customer agrees that Customer will indemnify and hold Banc harmless against any and all third party suits, proceedings, claims, demands, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities, and other losses that result from or arise out of: (1) any fine, penalty, or sanction imposed on Banc by any clearing house or any governmental entity arising out of or connected with any Imaged Item processed by Banc for Customer or at Customer's instruction; (2) actions by third parties, such as the introduction of a virus, that delay, alter, or corrupt the transmission of an Imaged Item to Banc; (3) any loss or corruption of data in transit from Customer to Banc; (4) any claim by a third party resulting from Banc's breach of warranty regarding the paid status or



image quality of a check Customer has presented through the Remote Deposit Capture Service; or (5) any claim by any recipient of a Substitute Check corresponding to a Check processed by Customer under this Service Description, that such recipient incurred loss due to the receipt of the Substitute Check instead of the Original Check. Customer's indemnification obligations will survive termination of Customer's use of the Remote Deposit Capture Service and the Disclosure.

- p. Banc's Liability. In addition to any limitations in the Disclosure, Banc will not be liable to Customer for: (1) any refusal of a Paying Bank to pay an Image Exchange Item or Substitute Check for any reason (other than the gross negligence or willful misconduct of Banc), including without limitation, that the Original Check, Image Exchange Item, or Substitute Check was allegedly unauthorized, was a counterfeit, had been altered, or had a forged signature; or (2) Banc acting as a "reconverting bank" under the Check 21 Act through the creation of Substitute Checks or purported substitute checks using an electronic image or an illegible electronic image or an Image Exchange Item. Furthermore, Bank's liability for errors or omissions with respect to the data transmitted or printed by Banc in connection with the Remote Deposit Capture Service will be limited to correcting the errors or omissions. Correction will be limited to reprocessing, reprinting, and/or representing the Image Exchange Item or Substitute Checks to the Paying Bank.

## 15. Check Stop Payment Service

Customer may stop payment on a check by providing Banc with timely, complete, and accurate information on: the number of the Account in question; the date of the item; the item number; the payee information and the EXACT amount of the item (dollars and cents). If any information is incomplete or incorrect, Banc will not be responsible for failing to stop payment on the item. A request becomes effective when Banc has had a reasonable opportunity to confirm its receipt and have verified that the item has not been paid. Customer may use the Business Online Services to stop payment on checks that Customer has written against Customer's Accounts. To confirm whether a stop payment has been placed on a check, Customer agrees to communicate with Banc by telephone. System messages regarding Banc's receipt of Customer's stop payment order, or other system communications may not be relied on by Customer to confirm whether a stop payment order has been placed.

Customer may not use this check stop payment service to stop payment on any electronic fund transfer (EFT) transaction, point-of-sale EFT transfer; any cashier's check, certified check, or other official institution check that Customer has purchased from Banc or any check which Banc has guaranteed. Customer understands that its stop payment request is conditional and subject to Banc's verification that the check has not already been paid, or any Business Online Service not already been performed, or that stopping payment may subject Banc to risk of loss or damages under any law or regulation (including clearing house or other processor rules).

All Stop Payment orders, renewals, and revocations of stop orders will be subject to Banc's current policy on stop payment orders. From time-to-time, the System may be inoperable. If that occurs, Customer's request can be communicated to Banc by telephone. Telephone requests will expire unless confirmed in writing within 14 days. A check stop payment order is effective for six (6) months only and will expire automatically, at which time Customer is responsible for any renewal desired by Customer for another six (6) month term. There will be a fee assessed for each stop payment request processed.

## 16. Wire Transfer Service

Customer is responsible for all wire transfer requests ("Requests") to the fullest extent provided by law and as set forth in this Service Description. A "Request" includes a "payment order," as defined in Division 11 of the California Commercial Code. Banc may choose the funds transfer mechanism (for example, FedWire, correspondent bank transfer, internal transfer) to be used when acting on upon Customer's Request.

- a. Offline Requests. Requests submitted by Customer outside of the Service while offline ("Offline Request(s)") must be provided to Banc, which may be required to be in a form prescribed by Banc, presented by Customer through Banc's Secure Mail Message Center. Customer agrees to submit Offline Requests to Banc only when, and for so long as, Customer is advised by Banc that the online system for Requests is unavailable. Customer agrees that: (i) the security procedures used to authenticate Customer's Offline Requests will be limited to Banc calling any Authorized Signer on the Account from which the funds will be transferred, which may include the person that originated the Offline Request (the "Offline Request Security Procedures"); and (ii) the Offline Request Security Procedures continue to be a commercially reasonable method for verifying whether a Request is Customer's.
- b. Payment Account Designation. When Customer initiates a Request, Customer authorizes Banc to charge the designated Account for the amount of the payment, plus any applicable fees and charges imposed by Banc or by any intermediary bank. Each Request authorizes Banc and any intermediary bank to obtain payment for fees and expenses, including our and those of any (including subsequent) intermediary bank(s). Banc and any intermediary bank may obtain payment by issuing a payment order in an amount that is reduced by the amount of these fees and charges. Banc may but is not obligated to provide Customer with advance notice of intermediary bank fees and charges. Customer agrees that Banc may retain or be paid a portion of any fees or charges imposed or collected by an intermediary bank. Customer agrees that if an intermediary bank is used whose fees and charges are not disclosed to Customer in advance, then Banc is not liable in any manner whatsoever for any losses or damages Customer may suffer as a result of that bank's processing a payment order in an amount less than the payment order given requested by Customer.
- c. Accuracy. Customer assumes the sole responsibility for providing Banc with accurate transaction information in the form and format that Banc requires. Banc is not responsible for confirming such information, or for failing to detect and reject duplicate Requests. If Customer provides Banc with a Request that is incorrect in any way, Customer agrees that Banc may charge Customer's accounts for the transaction whether or not the error could have been detected by Banc. Banc is not obligated to detect errors in Customer's transfer or payment instructions.
- d. Account Transfer Limitations. All transfers to and from an account will be subject to the terms and conditions applicable to the



account as set forth in the Deposit Account Agreement and Disclosure, including but not limited to transfer limitations. If Customer exceeds any applicable limits, Banc may impose a fee, close, or convert Customer's account, limit Customer's use of the Wire Transfer Services, or any combination of the foregoing. In addition, there may be other transfer limits addressed in the Supporting Documents.

- e. Communications; Security Procedures. For the purpose of this Service Description, Communications shall have the meaning provided in the Disclosure and shall include Requests to Banc in connection with the Wire Transfer Service. For the purpose of this Service Description, Security Procedures shall have the meaning provided in the Business Online Services Security Controls & Procedures Agreement, and any related agreement, which have been selected by Customer to provide a commercially reasonable method for authenticating access and Communications, including but not limited to, verifying whether a Payment Order made through Business Online is that of Customer. Customer must immediately notify Banc if Customer determines that the Security Procedures no longer provide a commercially reasonable method of providing security against Unauthorized Activity.
- f. Wire Transfers Cutoff Hours. A Request is considered executed when Banc executes it. If a Request is received after the cutoff hour or on a day that is not a business day, Banc may automatically process the Request the following business day.

## 17. Subject Rules and Regulations

Customer acknowledges that any Request executed by Banc will be subject to rules and regulations applicable to payment orders, including recordkeeping and information transmittal requirement under the federal Bank Secrecy Act and its implementing regulations. Customer acknowledges and agrees that Banc may capture and transmittal information regarding a Request (for example, beneficiary's name and address, other beneficiary identifiers and beneficiary's account number) as part of the processing of a Request. Customer agrees to assist us in connection with any requirements imposed on us fulfilling our obligations in this regard.

## 18. Mobile Banking Service

Some Business Online Services may not be accessible while using Customer's wireless access device ("Wireless Access Device"). Additional Mobile Banking Services may be added to or removed by Banc from time to time. Some Mobile Banking Services may not be available without special application to and approval by Banc, may be limited to specific types of accounts, and may require Customer to agree to additional terms and conditions which may be presented online at the time the feature is activated.

- a. Mobile Deposit. Customer's use of the Mobile Deposit feature within the Mobile Banking Service will also be subject to the terms Remote Deposit Capture (RDC) section herein.
- b. Access To and Use of Mobile Banking Service. Customer's access to the Mobile Banking Service is subject to Banc's prior and ongoing approval. Banc may deny Customer's access to all or any part of the Mobile Banking Service, at Banc's sole discretion. To utilize the Mobile Banking Service, Customer must contact Banc and also be enrolled in Banc's Online Banking system. Once Customer has enrolled for the Business Online Services, Customer will need to download applicable software to a compatible Wireless Access Device. Once Customer is enrolled in the Mobile Banking Services, designated accounts linked to Customer's Online Banking security codes will be accessible through Customer's Wireless Access Device. Additionally, to access and utilize the Mobile Banking Service Customer will need a compatible Wireless Access Device. To access the Mobile Banking Service and functions, Customer's Wireless Access Device must be Internet enabled and connected to the Internet through Customer's mobile communications service provider. In order to properly use the Mobile Banking Service, Customer should review and follow the instructions provided in Banc's Online Banking system. Customer accepts responsibility for making sure that Customer, and anyone acting on Customer's behalf, knows how to properly use the Wireless Access Device. If Customer obtains a different Wireless Access Device, Customer will be required to download and install software, to that different Wireless Access Device, under the same terms set forth in this Service Description, as amended. Customer agrees to delete all such software from Customer's Wireless Access Device promptly if the licenses or this Service Description terminate for any reason. Banc reserves the right to change, add to, or terminate services with Banc's third-party software providers, to substitute different software providers, and to enter into or arrange for the provision of Mobile Banking Services by other licensors and third parties.

Customer agrees to maintain the confidentiality of any user identification, password, test key, or other code or authentication method provided by Banc or otherwise required for use of the Mobile Banking Service ("Security Tools") and shall further prevent the use of the Mobile Banking Service by unauthorized persons. FAILURE TO PROTECT SECURITY TOOLS MAY ALLOW UNAUTHORIZED PERSONS TO CONDUCT TRANSACTIONS ON CUSTOMER'S ACCOUNT(S) OR RETRIEVE INFORMATION RELATED TO CUSTOMER'S ACCOUNT(S). Customer assumes full responsibility for the consequences of any missing or unauthorized use of or access to the Mobile Banking Service or disclosure of any confidential information, Security Tools, or instructions by Customer, or anyone acting on Customer's behalf.

- c. **SMS TEXT AND EMAIL MESSAGING.** Customer expressly authorizes Banc to send SMS text messages and emails to Customer regarding Customer's accounts and financial transactions in connection with the Mobile Banking Services. Banc may send these messages to any mobile phone number or email address Banc has in Banc's records for Customer or Customer's Account(s). Message and data rates may apply.
- d. Hardware and Software. Customer is responsible for obtaining and maintaining the compatible Wireless Access Device required to use the Mobile Banking Service. To the extent Banc, in Banc's sole discretion, provides any hardware in conjunction with the Mobile Banking Service, the hardware will at all times remain the sole property of Banc. Upon termination of the Mobile Banking Service, Customer must promptly return any hardware that Banc provided to Customer.

To the extent the Mobile Banking Service involves Banc having granted Customer software license ("software") usage rights,



such grant shall be a personal, non-exclusive, non-transferable right to access and use the Mobile Banking Service in connection with Customer's use in accordance with this Service Description. The Mobile Banking Services do not involve the sale of software. Nothing in this Service Description will entitle Customer to receive technical support, telephone assistance regarding the software, or updates to software. Upon termination, Customer agrees to immediately destroy all copies of any software which had been downloaded to Customer's Wireless Access Device or otherwise in Customer's possession and control as part of Customer's access and use of the Mobile Banking Service. Customer acknowledges that Customer's license to use any software that may be required for the Mobile Banking Service is directly from the software provider, pursuant to the license agreement that appears when any such software is electronically accessed by Customer or otherwise provided to Customer. By enrolling in portions of the Mobile Banking Service relating to those software systems and programs, and by downloading and installing Mobile Banking software, Customer will be evidencing Customer's acceptance of the terms and conditions of those licenses. Banc may also condition Customer's use of the Mobile Banking Service upon Customer affirming such licenses by the use of "I Accept" or similar dialogue box acknowledgements, or by other affirmative or use-based acknowledgement and agreement systems.

- e. Mobile Banking Service Limitations. The availability, timeliness and proper functioning of the Mobile Banking Service depends on many factors, including Customer's Wireless Access Device location, wireless network availability and signal strength, and the proper functioning and configuration of hardware, software, and Customer's Wireless Access Device. Neither Banc nor any of Banc's service providers warrant that the Mobile Banking Service will operate without interruption, and neither Banc nor Banc's service providers shall be liable for any loss or damage caused by any unavailability of the Mobile Banking Services, including service interruptions, delays, or loss of personalized settings. Neither Banc nor any of Banc's service providers assume responsibility for the operation, security, functionality or availability of any Wireless Access Device or mobile network which Customer utilizes to access the Mobile Banking Service.

THE MOBILE BANKING SERVICE IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR ANY OTHER WARRANTY AS TO PERFORMANCE, ACCURACY OR COMPLETENESS.

Customer agrees to exercise caution when utilizing the Mobile Banking Service on Customer's Wireless Access Device and to use good judgment and discretion when obtaining or transmitting information.

- f. Relationship to Third Party Agreements. Customer agrees that, when Customer uses Mobile Banking Services, Customer remains subject to the terms and conditions of Customer's existing agreements with any unaffiliated service providers, including, but not limited to Customer's mobile service provider. Customer understands that those agreements may provide for fees, limitations, and restrictions which might impact Customer's use of the Mobile Banking Services (such as data usage or text messaging charges imposed on Customer by Customer's mobile service provider), and Customer agrees to be solely responsible for all such fees, limitations, and restrictions. Customer also agrees that only Customer's mobile service provider is responsible for its products and services. Accordingly, Customer agrees to resolve any problems pertaining to Customer's Wireless Access Device or mobile services with Customer's provider directly.
- g. Security of Data in Transition and Storage. Customer expressly acknowledges that any wireless access to Customer's accounts may not be secure and, as such, Customer assumes the risk associated with unauthorized access to the Mobile Banking Service and any information contained therein, resulting from such wireless connectivity. Customer assumes all risk that any information Customer downloads or otherwise stores on Customer's Wireless Access Device may be accessed by unauthorized third parties. Without limiting the foregoing, Customer acknowledges that Customer's Wireless Access Device may become subject to unauthorized tracking, "hacking" or other manipulation by spyware, viruses or other malicious code ("malware"). Banc is not responsible for advising Customer of the existence or potential effect of any malware. Customer's use of Customer's hardware and software is at Customer's own risk.

Banc is not responsible for the security and confidentiality of information when Customer: (i) uses wireless connections to download Customer's account information, in which case Customer acknowledges such connection may permit other persons to access the information being downloaded, or (ii) allows other persons access to Customer's Wireless Access Device. Customer agrees that any account information that Customer downloads is done at Customer's own risk, and Customer is solely responsible for any damage that might occur to the electronic device to which Customer downloads any information, or any loss or corruption of data that might occur as a result of the downloading or its storage on an electronic device.

CUSTOMER AGREES TO TERMINATE THE MOBILE BANKING SERVICE AND/OR DISABLE CUSTOMER'S REGISTERED WIRELESS ACCESS DEVICE FROM THE MOBILE BANKING SERVICE IMMEDIATELY IN THE EVENT CUSTOMER'S REGISTERED DEVICE BECOMES LOST, STOLEN, OR IS NO LONGER IN USE BY CUSTOMER.

## 19. Account Alerts

The account alerts ("Alerts") feature is a convenience tool that permits Customer to request automated notification in specific situations. Alerts do not replace standard communications Customer receives from Banc concerning Customer's accounts. If Customer elects to receive Alerts by text messaging from Banc, Customer acknowledges that such messages will be automatically sent to Customer's Wireless Access Device. Customer assumes all responsibility for the secure receipt of the text messages and acknowledges that these Alerts are not sent through a secure channel and may be intercepted or read by others. Receipt of Alerts may be delayed or prevented by factor(s) affecting Customer's access, including Internet service provider(s), phone operator(s), and other relevant entities. Banc guarantees neither the delivery nor the accuracy of the contents of any Alert. Banc will not be liable for losses or damages arising from: (i) non-delivery, delayed delivery, or wrong delivery of any Alert; (ii) inaccurate content in an Alert;



or (iii) Customer's use or reliance on the contents of any Alert for any purposes. Banc reserves the right to terminate any request from Customer for any Alert, at any time. The information in any Alert may be subject to certain time lags and/or delays. Customer may stop or suspend text Alerts at any time.

Customer acknowledges that Customer's mobile service provider may charge for sending and receiving text messages on Customer's Wireless Access Device. For help, text HELP to 20736 and to cancel text alerts, text STOP to 20736 at any time.

## 20. Email Communications

While access to Banc through the secure email function of the Services is "on-line," messages sent to Banc through email are not reviewed by Banc personnel immediately. If immediate attention is required, Customer must contact Banc by telephone or in person. The email function is not intended for use by Customer to initiate a transaction on Customer's account(s), including check stop payment orders. If Customer sends Banc an email message outside of the secure logon feature within the Services, Customer's communication will not be secure and Banc's receipt and response to the email may be further delayed. Customer agrees not to rely on any form of email communication for any matter requiring immediate attention.

Customer's secure email messages may be acted upon by Banc if received in a manner and in a time providing Banc a reasonable opportunity to act. Nevertheless, unless otherwise expressly provided herein, email messages will not serve as a substitute for any requirement imposed on Customer to provide Banc with "written" notice.

## 21. Inconsistencies

If a beneficiary of any requested Business Online Service, including but not limited to Bill Payments, Fund Transfer Service requests, ACH Service transmissions, payment orders or other monetary transactions, or any other Communication from Customer (collectively, "payment order"), is identified by both name and account number, payment may be made by Banc and by any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a payment order by both name and account number, Banc and other financial institutions may rely on the account number even if the name and the account number are not consistent or identify different parties.

## 22. Provisional Credit

Customer acknowledges that credit for a payment order is provisional until the receiving financial institution obtains final settlement. If final settlement does not occur, the originator of the payment order is not deemed to have made payment to the beneficiary, and the beneficiary's bank is entitled to a refund of the provisional credit. Customer agrees that when Banc gives Customer credit for an incoming payment order, including but not limited to, returned credited transactions or credit reversals, it is provisional until Banc receives final settlement for the payment order. Banc may delay availability of provisional funds at its discretion. If Banc does not receive final settlement, Customer must return the funds previously credited to Customer's account to Banc, and the person who sent the payment order will not be treated as having paid Customer. Banc may refuse to permit the use of any amount credited for an incoming payment order, including but not limited to a debit entry or credit reversal if Banc believes in its sole discretion that there may not be sufficient funds in Customer's account to cover chargeback or return of such transaction.

## 23. Cutoff Hours

A number of Banc's Business Online Services are subject to processing cutoff hours. The cutoff hour applicable to each Business Online Service is reflected in the Supporting Documents. Instructions received after the cutoff hour or on a non-business day may be deemed received as of the next business day. Alternatively, some Business Online Services may require Customer to resubmit an instruction when it is received after the cutoff hour or on a non-business day.

## 24. Uploaded Content; Linked Sites and Advertisements

From Banc's website, Customer may be able to access uploaded content provided or operated by third parties. Unless Banc tells Customer otherwise in writing, Banc does not operate or control any such content or any of the information, products, or services on such linked websites. Customer acknowledges and agrees that: (i) Customer accesses such content and linked sites at Customer's own risk; (ii) Banc makes no representation or warranty, and assumes no responsibility for, content on Banc's website and any linked site or the actions or omissions of its/their owners, operators or providers (iii) Banc makes no endorsement of, and assumes no responsibility for, content uploaded to Banc's website or goods or services offered on or advertising on or by any other website; (iv) by using other websites and services, Customer may be exposed to content that is offensive, indecent, or objectionable; and (v) although Banc may have a contractual or other relationship with the operators of a linked website or the providers of content, Banc will not be responsible for the content, accuracy, integrity, availability, timeliness, or operation of their website or content. Customer agrees to hold Banc harmless in connection with all of the foregoing.

Banc reserves the right, but shall have no obligation, to reject, move, or delete content that Banc, in Banc's sole discretion, believes violates this Service Description, or contains content, including viruses, that may interfere with the operation of Banc's website. Banc may, but has no obligation to, monitor, and/or retain copies indefinitely of, uploaded content, message boards, chat rooms or other forums or review content, or messages posted at such locations, to confirm their compliance with these guidelines. Banc shall have the right, but not the obligation, to disclose content to any third party if required or permitted by law or if Banc believes reasonably necessary to: (a) comply with legal process; (b) enforce this Service Description; (c) respond to claims that any content violates rights of third parties; or (d) protect Banc's rights, properly, or personal safety, or those third parties.

## 25. Third Party Content

Banc may receive, process, and make available to Customer content that Banc receives from Customer and others. In this regard, Banc is merely a passive conduit for such content, although Banc reserves the right to block or remove any content that Banc believes



violates this Service Description. Banc assumes no responsibility for determining the accuracy, reliability, timeliness, ownership, legality, appropriateness or completeness of any information that Customer or others provides to Banc, nor for any mistakes, defamation, slander, libel, omissions, falsehoods, obscenity, pornography or profanity on such sites. Banc will not have a duty to interpret or evaluate any content transmitted to Banc or through Banc's website or the Business Online Services, except to the limited extent, if any, set forth in this Service Description. Banc will not be required (by means of any security procedure or otherwise) to detect errors or illegality in the transmission or content of any content Banc receives from Customer or third parties. Banc will not have a duty to notify Customer about any inaccuracy, unreliability, ownership, incompleteness, or other problem that may be associated with third party content on Banc's website, even if Banc has reason to know of its existence. Use of any content Customer obtains from Banc's website is at Customer's own risk.

**Customer's execution of the Acceptance constitutes Customer's acknowledgement and acceptance of the terms and conditions of the Disclosure, together with each applicable Service Description, including any Supporting Documents, corresponding exhibits, schedules, enrollments, or attachments to the same, each as amended by Banc from time to time.**