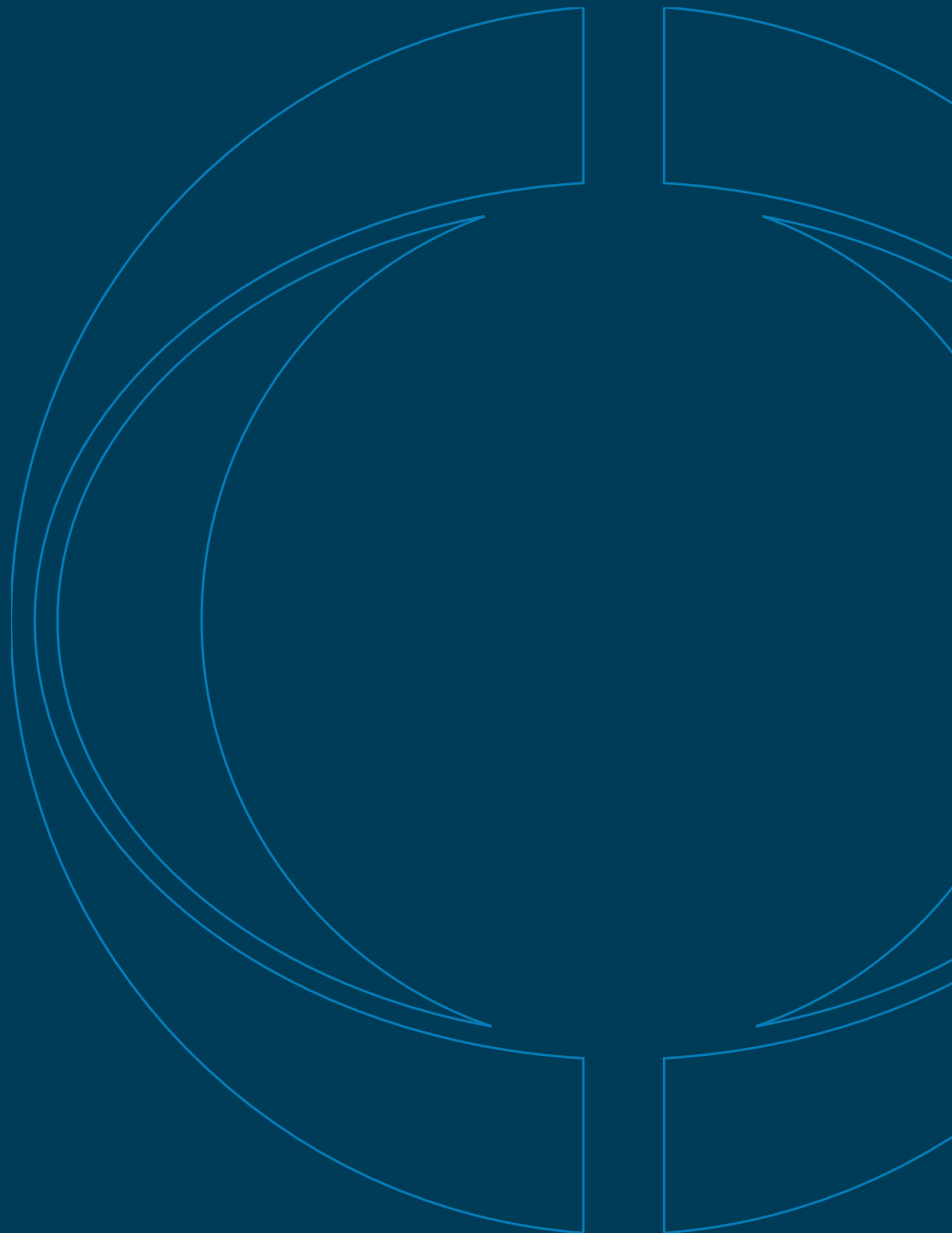


# Deposit Account Agreement and Disclosure

Effective: January 01, 2026



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## 1. Account Agreement

Welcome to Banc of California. These disclosures, which include the signature card(s) for your deposit account(s), and may further include a Master Signature Card (collectively herein, "Signature Card"), Schedule of Fees, Branch & Community Banking Rate Sheet, Account Disclosure(s), and certificate of deposit confirmation, if any, that you receive when you open your account, together with any additional documents, service descriptions, service disclosures, and agreements we give you pertaining to your account now or in the future, collectively represent our agreement with you, and the terms and conditions by which we each agree to abide.

This agreement is subject to applicable federal laws, the laws of the state of California and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary from such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- Summarize some laws that apply to common transactions;
- Establish rules to cover transactions or events which the law does not regulate;
- Establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- Give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

**THIS AGREEMENT CONTAINS IMPORTANT INFORMATION ABOUT YOUR ACCOUNT. PLEASE READ IT CAREFULLY. BY (I) SIGNING THE SIGNATURE CARD, AT ACCOUNT OPENING OR THEREAFTER, (II) SIGNING ANY RELATED ACCOUNT AGREEMENTS, AND/OR (III) MAINTAINING AN ACCOUNT WITH US, YOU ACKNOWLEDGE THAT YOU HAVE REVIEWED, UNDERSTAND AND AGREE TO BE GOVERNED BY ALL OF THE TERMS AND CONDITIONS WHICH ARE APPLICABLE TO YOUR ACCOUNTS AND TO ANY AMENDMENTS WE MAY MAKE FROM TIME TO TIME. NOTE THAT THIS AGREEMENT INCLUDES IMPORTANT DISCLOSURES, INCLUDING DISCLOSURES PROVIDED PURSUANT TO THE TRUTH IN SAVINGS ACT AND THE EXPEDITED FUNDS AVAILABILITY ACT. YOUR ATTENTION IS ALSO DRAWN TO THE ARBITRATION AGREEMENT UNDER WHICH MOST CLAIMS MUST BE RESOLVED BY ARBITRATION, AND NOT BY A COURT, JUDGE, OR JURY, AND YOU WAIVE ANY RIGHT TO BRING OR PARTICIPATE IN ANY CLASS OR REPRESENTATIVE ACTION OR IN MASS ARBITRATION. YOU MAY OPT OUT OF THE ARBITRATION AGREEMENT BY FOLLOWING THE PROCEDURE SET OUT IN THE ARBITRATION AGREEMENT BELOW WITHIN 30 DAYS OF SIGNING YOUR SIGNATURE CARD.**

- a. Terms. In this agreement, the words "you" and "your" refer to the owners and authorized signers of an account; "we," "us" and "Banc" refer to Banc of California. The term "consumer account" shall mean an account that is primarily established for personal, family or household purposes. All other accounts shall be considered business accounts. "Business days" are defined as Monday through Friday, excluding federal holidays. The term "items" as used in this agreement includes a check, draft, demand draft, preauthorized draft, or other order or instruction for the payment, transfer or withdrawal of funds including a withdrawal slip, deposit slip/adjustment, automatic transfers, electronic transactions, and miscellaneous charges to your account. An item also means any other document created or authorized in your name that would be a check or draft but for the fact that it has not been signed. Except to the extent otherwise indicated in this agreement, the term "may" shall mean that you authorize us to take action or not to take action at our sole discretion without resulting liability to you. Unless otherwise specified, the times indicated herein are Pacific Time. The headings in this agreement are for convenience only and are not part of these terms.
- b. Our Relationship. Unless otherwise expressly agreed in writing, our relationship with you will be that of debtor and creditor. That is, we owe you the balance of your account, subject to all applicable terms and conditions. No fiduciary, quasi-fiduciary or other special relationship exists between you and us. We owe you a duty of ordinary care. Any internal policies or procedures that we maintain in excess of reasonable commercial standards and general banking usage are solely for our own benefit and shall not impose a higher standard of care than otherwise would apply in their absence. There are no third-party beneficiaries to this agreement, unless expressly stated in writing in the Signature Card. All agreements between you and Banc, including any subsequent modifications to any agreements or terms, if any, must be in writing.
- c. Identification. To assist us in, among other things, properly identifying you in connection with the transactions which we process for you, we require that you provide us with identification at account opening. Additionally, to aid the government in fighting the funding of terrorism and other money laundering activities, federal law requires us to obtain, verify, and record information that identifies each person who opens an account. When you apply for an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. If you fail to provide us with the documentation we request, we may attempt to obtain the documentation directly and charge you for our expense. We also may place a temporary limitation on your ability to conduct transactions until your identity is verified in accordance with our customer identification policy. This may include, among other things, limiting your ability to withdraw cash, conduct electronic transactions, obtain a debit card, and order checks.
- d. Electronic Signatures and Electronically Retained Documents. You agree that we may use electronic communications to enter into agreements and contracts between you and us and otherwise to establish terms and conditions for products and services you receive from us. This may include the execution and retention of contracts, documents and certifications, electronically. You agree not to contest the authorization for, or validity or enforceability of, Banc's electronic records, contracts, and documents, or the admissibility of copies thereof, under any applicable law relating to whether certain agreements, files or records are to be in writing or signed by the party to be bound thereby. All "Covered Documents" (as that term is defined below) that are signed electronically by you (or on your behalf) shall be deemed to have been "signed" and will further

constitute an “original” when printed from records established and maintained by Banc or Banc’s authorized agent in the normal course of business. The foregoing includes, but is not limited to, instances where we or our authorized agent has scanned an original paper copy of a contract or record, including, but not limited to, your Signature Card. The term “Covered Documents” includes this agreement and the Signature Card, as well as any documents, service disclosures, agreements, contracts, or other documents that are related to either: (i) this agreement or the Signature Card; (ii) accounts covered by this agreement or the Signature Card; or (iii) services covered by this agreement or the Signature Card.

The words “execution,” “signed,” “signature,” and words of like import, as used in Covered Documents shall be deemed to include “Electronic Signatures” (as that term is defined below) to the extent permitted by applicable law. You agree that Electronic Signatures are valid and legally enforceable and will be admissible if introduced as evidence on paper in any judicial or other proceedings to the same extent and under the same conditions as if they contained your wet signature. An “Electronic Signature” means any electronic sound, symbol, or process, attached to or logically associated with any contract, agreement, record or any other document related to this agreement executed or adopted by you through electronic means, however evidenced, including but not limited to by you clicking a checkbox that contains or is next to words indicating an intent to sign (such as clicking a checkbox next to “I Agree”) or by signing a document electronically through a device (e.g., using a stylus, mouse or an individual’s finger) or software program to imprint a signature electronically on a document retained in electronic form.

Covered Documents which contain your Electronic Signature or are retained in electronic form, if introduced as evidence on paper in any judicial or other proceedings, will be admissible to the same extent and under the same conditions as other documentary business records. You and we further agree that delivery of a signature page to this or any agreement with us, including, but not limited to, your Signature Card, by email transmission of a scanned image, facsimile, or other electronic means, shall be effective as delivery of an originally executed signature page. Upon Banc’s written request, you agree to manually sign or place your signature on any paper original of any Covered Document which contains your Electronic Signature which Banc provides to you containing your purported signature; provided, however, the failure to request or deliver the same shall not limit the effectiveness of such Covered Document.

You further agree that when any payment order or other service generates items or transactions to be charged to an account of yours, that we may charge the affected account without requiring your signature and without prior notice to you. Any transactions resulting from your instructions which we receive in your name and under your credentials shall be deemed to have been “a writing” and authenticated by you “in writing” for purposes of any law in which a writing or written signature is needed or required.

- e. Additional Electronic Notification Provisions for Consumer Disclosures. Owners of consumer accounts have certain rights under law to receive consumer disclosures about their accounts in a non-electronic form, unless you affirmatively consent to the receipt of consumer disclosures electronically and have not withdrawn your consent. If you are a consumer, we will not substitute electronic communications in lieu of written consumer disclosures unless your consent is first obtained electronically in accordance with applicable law. This restriction does not apply to all electronic communications from us to you, only those that include consumer disclosures under applicable law that would otherwise be required to be delivered in writing.

## 2. Account Changes

We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the change will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.

## 3. Adjustments; No Legal Entitlement

We may make adjustments to your account whenever a correction or change is required. Adjustments might occur, for example, if deposits are recorded in the wrong amount, deposits are recorded into the wrong account, withdrawals are processed in the wrong amount, or items you deposit are returned unpaid. Such adjustments may also include but will not be limited to processing provisional credits to your account and thereafter adjusting such credits if we later determine in our sole discretion that they were given in error.

## 4. Amendments / Change in Account Terms

We may change (add to, delete or alter) the terms of this agreement, any terms, any service descriptions, and any other document that forms the relationship between you and Banc at any time by mailing, emailing, or delivering a notice, a statement message or an amended agreement to any of you at the last address (location or email) on file for any of you, your account, or the service in question. Unless otherwise required by law, we may amend the agreement without prior notice (e.g., by posting the information in our offices, on our website, or otherwise making it available to you). Any changes will take effect immediately, unless stated otherwise in any notice we send you. Your continued use of a service or an account constitutes your acceptance of the change.

We may substitute similar services or discontinue currently offered services for certain accounts by giving you prior notice. We do not have to notify you, however, of any changes that are beneficial to you (e.g., a reduction or waiver of any fees or the addition of services) or if the change is required for security reasons.

## 5. Applicable Law

Except as provided in the Arbitration Agreement section of this agreement, which is governed by the Federal Arbitration Act (“FAA”), 9 U.S.C. §§ 1-9, this agreement is governed by the laws of the United States, where applicable, and to the extent not preempted by federal law, the laws of the state in which the branch where you opened your Banc of California account is located. If your account was opened by mail, initiated by an application taken over the phone, over the Internet or electronically, and Banc of California had a branch in your state of residence at the time your account was opened, this agreement is governed by the laws of your state of residence at the time you opened the account.

If we did not have a branch located in your state of residence when your account was opened, and your account is opened by mail, initiated by an application taken over the phone, over the Internet or electronically, or in person by a Banc of California representative outside of a branch, then you agree that (i) this account is deemed to be opened in the State of California, (ii) all applicable funds are deemed to be deposited into and withdrawn or transferred from the account which is located in California, and (iii) our agreement to open this account, and all decisions we make now and in the future concerning or affecting this account, occur in California. Under these circumstances, this agreement shall be governed by the laws of the State of California (and will continue to be subject to California law even if a Banc of California branch is subsequently opened in your state).

## 6. Arbitration Agreement

- a. Agreement To Arbitrate. Except as set out in Sub-Part B, you and we agree to arbitrate according to the terms below any claim, counter or cross claim, issue, or dispute (“Claims”) between or among you and us arising out of or relating to this Arbitration Agreement, including without limitation: your accounts with us; transactions involving you and us; our products or services; disputes over interest payments; debt collection; advertising or disclosures for any of our products or services; your mental or emotional distress or injury not arising out of bodily injury; the alleged improper use, or failure to protect, non-public information about you; credit reporting about you; communications with you (by cell phone, fax, text or auto-dialer whether live, prerecorded or using an artificial voice); and all Claims relating to the validity, interpretation, scope, applicability, or enforceability of this Arbitration Agreement including Claims of fraud, duress, unconscionability or violation of public policy. All such Claims are expressly delegated to the arbitrator and all such Claims are subject to arbitration regardless of whether the Claims arose before this Arbitration Agreement (or any prior agreement between you and us), during this Arbitration Agreement, or after its termination, regardless of whether the Claim is based in contract, tort, fraud, misrepresentation, or any other statutory or common-law legal theory. For purposes of this Arbitration Agreement, “we,” “our,” and “us” include Banc of California and its employees, officers, directors, parents, agents, controlling persons, subsidiaries, affiliates, predecessors, acquired entities, successors, and assigns.

Notwithstanding the foregoing, where the amount in controversy is less than \$50,000.00, you or we may file a Claim in small claims court or another court of competent jurisdiction after satisfying the Notice of Claim and Good Faith Resolution Procedures set out below, and neither you nor we will demand arbitration of such Claim so long as the dispute is filed and advances only as to individual (i.e., non-class and/or non-representative) relief. If a Claim permitted to proceed in court by this paragraph is filed as a class action or advances into a purported class action either party reserves and does not waive the right to demand arbitration and require the litigation to be stayed for such Claims to be arbitrated on an individual basis. For purposes of this paragraph, the amount in controversy will be determined solely by reference to the monetary demand contained in the notice required to satisfy the Notice of Claim and Good Faith Resolution Procedures. This paragraph does not apply if either your notice or our notice includes a request for injunctive relief. Where injunctive relief is sought the entire Claim shall be determined as set out below.

- b. Claims Not Covered By Arbitration. The following “Excluded Claims” are not covered by or subject to arbitration pursuant to this Arbitration Agreement and shall be decided by a court and not the arbitrator: (1) Claims filed by you or us to enjoin infringement or other misuse of intellectual property rights; (2) a Claim that you or we have failed to satisfy the Notice of Claim and Pre-Arbitration Good Faith Resolution Procedures (Sub-Part C); (3) a request for a public injunctive relief remedy, which shall be determined in court in accordance with Sub-Part H, below; (4) any Claim brought as part of a Mass Arbitration, which shall be determined as set out in Sub-Part I, below; (5) Claims for temporary or provisional remedies to preserve the status quo pending the appointment of an arbitrator; and (6) disputes regarding the characterization of a Claim as excluded or not under this definition of Excluded Claims.
- c. Notice of Claim and Good Faith Resolution Procedures. As part of this Arbitration Agreement, you and we agree to make a good faith effort to resolve any Claim informally prior to initiating a formal arbitration proceeding by filing a demand for arbitration or filing an action in court (if such court action is permitted by Sub-Part A). The party that intends to pursue a Claim must, before filing a demand for arbitration or proceeding in court, send a notice to the other party that describes the Claim. The notice must include the initiating party’s name and contact information (address, telephone number, and email address) and a detailed description of (1) the nature and basis of the Claim and (2) the nature and basis of the relief sought, with a detailed calculation of the amount of any monetary Claim. Your notice shall be sent by mail to Banc of California Legal Department, 3 MacArthur Place, Santa Ana, CA 92707. You must personally sign the notice. Our notice to you shall be sent to the most recent contact information we have on file for you. *If requested by the party that receives the notice, the other party must personally participate in a telephone settlement conference.* If a party is represented by counsel, counsel may also participate to discuss the Claim, *but the discussion must be conducted solely with respect to your individual Claim.* If the Claim

is not resolved within sixty (60) days after receipt of the notice (which period can be extended by agreement of you and us), you or we may commence an arbitration proceeding under the terms set forth below or proceed to court if expressly permitted under Sub-Part A.

Compliance with and completing this informal dispute resolution process *on an individualized basis* is a condition precedent to filing a demand for arbitration or a court case (where permitted). The statute of limitations shall be tolled while the parties engage in this informal dispute resolution process. If the sufficiency of a notice or compliance with this informal dispute resolution process is at issue, that issue must be decided by a court at either party's election; any arbitration proceeding (including any obligations to pay further fees) shall be stayed pending resolution of the issue. A court of competent jurisdiction shall have the authority to enforce this condition precedent to arbitration or litigation (as applicable), which includes the power to enjoin or stay the filing or prosecution of a demand for arbitration or litigation in breach of this Arbitration Agreement.

- d. Procedure For Demanding Arbitration. After completing good faith negotiation in accordance with Sub-Part C, you or we may demand arbitration in accordance with this Arbitration Agreement. You or we may demand arbitration by sending the other party or parties written notice by certified mail return receipt requested of their intent to arbitrate (hereafter "demand") setting forth the subject of the dispute along with the relief requested. The notices should use the contact information set out in Sub-Part C. The demand should also be sent by certified mail return receipt requested to the arbitration administrator in accordance with its rules. The arbitration shall be administered by National Arbitration and Mediation ("NAM"). Subject to the Federal Arbitration Act, 9 U.S.C. § 1 et seq. (the "FAA"), and to the extent consistent with this Arbitration Agreement and applicable substantive law, the arbitrator shall apply the NAM Comprehensive Dispute Resolution Rules and Procedures in effect at the time a demand for arbitration is made. These rules can be found at [www.namadr.com](http://www.namadr.com). If there is any reason that an arbitrator or arbitration administrator cannot be selected under this paragraph, or is no longer available, you and we agree that an arbitration administrator or arbitrator will be selected by agreement of the parties or by a court.
- e. Law Governing Arbitration Agreement. The Arbitration Agreement evidences a transaction in interstate commerce. Accordingly, this Arbitration Agreement is governed by the FAA. The arbitrator will decide the Claim or Claims in accordance with applicable substantive law including federal law. Presumptively, the arbitrator shall apply the Applicable Law provision of your deposit account agreement as the applicable substantive law. However, where choice of applicable substantive law is raised as an issue, the arbitrator shall determine the applicable substantive law.
- f. Jury Waiver and Limitation of Rights. You and we agree that, by agreeing to arbitrate, the parties are each waiving the right to a trial by jury or a trial before a judge in court (except for matters that expressly may be taken to a court pursuant to this Arbitration Agreement). You and we acknowledge that arbitration will limit your and our legal rights, including the right to participate in a class action, the right to a jury trial, the right to conduct full discovery, and the right to appeal in court.
- g. Class, Representative, and Mass Arbitration Waiver. You and we agree that in arbitration each may bring Claims against the other only in an individual capacity, and not as a plaintiff or class member in any purported class, representative, or via a Mass Arbitration filing as defined below. Further, unless mutually agreed to by you and us, the Claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration. The arbitrator shall have no authority to conduct any class action, Mass Arbitration, private attorney general or other representative proceeding.
- h. Public Injunctive Relief Waiver. Neither you nor we will have the right to seek public injunctive relief *in arbitration* as a remedy for any Claim against one another (a "Public Injunctive Relief Request"). Accordingly, the arbitrator may not issue injunctive relief beyond that necessary to remedy your own alleged injury or to prevent future injury to you alone. Under no circumstances may an arbitrator award public injunctive relief. Instead, you and we agree that a request for a Public Injunctive Relief remedy may be litigated in court, but adjudication of that request (and any opposition to it) in court will be stayed until all arbitrable Claims have been resolved in arbitration. For avoidance of doubt, and Sub-Part B notwithstanding, the validity, enforceability, and effect of this Sub-Part H shall be determined exclusively by a court, and not in arbitration.
- i. Mass Arbitration Waiver. As used in this Mass Arbitration Waiver, "Mass Arbitration(s)" means and refers to when (1) 250 or more demands for arbitration asserting the same or similar Claims as asserted by you are (2) made against us and/or sought to be compelled to arbitration against us during any rolling 180-day period, and (3) representation for the claimants (including you) to such demands for arbitration is consistent or coordinated by one or more affiliated, coordinated or associated lawyers or law firms. It is acknowledged, understood and agreed that under this Arbitration Agreement between you and us, there is not and has never been any intent, agreement or expectation of the parties to allow the prosecution of Mass Arbitrations, which are not permitted. In the event that we reasonably believe that there are Mass Arbitrations being asserted, we may give written notice of such to you and the arbitrator (if appointed) in each of the arbitrations at issue and, upon giving such notice, we shall not have any further obligation to arbitrate those arbitrations, or pay arbitration fees, and they shall be automatically stayed, pending a motion by you or us seeking a determination in a court of competent jurisdiction that your Claims are or are not part of a Mass Arbitration. Should a court of competent jurisdiction hold that your case is not part of a Mass Arbitration, then the stay of arbitration shall be lifted and all fees otherwise due shall be payable. In contrast, if a court determines that any arbitration demand made or sought to be compelled by you under this Arbitration Agreement is part of a Mass Arbitration, then we will not be required to arbitrate the Claims, and you will then be free to bring your Claim in a court.

In the event your arbitration demand is alleged by us to be part of a Mass Arbitration that must be pursued in court, we will not assert the statute of limitations or laches or other similar defense to your Claims if (a) a demand for arbitration was timely

made by you with respect to the Claim and (b) you file your complaint asserting that Claim in court within the longer of the following timeframes: (i) the time remaining on the otherwise applicable limitations period, (ii) six months from the date appearing on our notice alleging that your Claim is part of a Mass Arbitration, or (iii) six months from the date that a court finally determines that your claim is part of a Mass Arbitration.

For avoidance of doubt, nothing in this Sub-Part shall preclude NAM from applying its reduced/graduated Schedule of Fees for mass filings as defined under its Mass Filing Schedule of Fees for the first 250 demands for arbitration meeting the definition of a Mass Filing under that Schedule of Fees.

- j. **The Arbitral Award.** The arbitrator is authorized to award remedies that would be available on an individual basis if the action were heard in a court. The arbitrator shall have the power to provide provisional remedies or interim measures to protect the effectiveness of the arbitration proceeding pending entry of the final arbitral award. The arbitrator shall also have the power to issue orders, or partial or preliminary awards (including orders ancillary to the conduct of the arbitration such as enforcement of scheduling and discovery orders and sanctioning non-compliance with his or her orders). The arbitrator may give and take such oaths as required by law, which shall be administered by a person authorized by law to give oaths. Either party may request that the arbitrator issue a reasoned written decision sufficient to comply with applicable law and explain the essential findings and conclusions on which the award is based. Except as provided in Sub-Part K, below, the arbitrator's award shall be final and binding, and you or we may seek to have the award vacated or confirmed and entered as a judgment pursuant to the FAA.
- k. **Appellate Arbitration.** Where an arbitrator issues an award equal to or in excess of \$100,000, grants or denies injunctive relief involving \$100,000 or more, or denies relief altogether with respect to a Claim, either you or we may seek appellate review of the arbitrator's award through appellate arbitration. The procedures for appellate arbitration shall be governed by the NAM Appellate Dispute Resolution and Dispute Procedures. These rules may be found at [www.namadr.com](http://www.namadr.com). An award of the appellate arbitration panel may be confirmed or vacated pursuant to the FAA once that award has obtained finality within the meaning of the NAM appellate rules.
- l. **Arbitration Costs.** For a Claim arising out of or relating to a consumer account (as defined earlier in the Arbitration Agreement), we will pay fees and costs charged to you by the arbitration administrator and/or the arbitrators if, in a writing signed by you, you allege in good faith to be unable to afford these fees. To the extent not prohibited by applicable law, for Claims arising out of or relating to business accounts (as defined earlier in the Arbitration Agreement), you will pay your one-half share of the fees charged by the arbitration administrator and arbitrators, provided, however, you may, in good faith, present facts to us demonstrating that you would be unable to pay (or continue paying) such fees, and we shall consider those facts in good faith. For avoidance of doubt, nothing in this Sub-Part L shall be construed to require a party to pay the other party's attorneys' fees and expenses associated with prosecuting their claims (including expert witness fees) except as attorney fee-shifting is expressly authorized by and awarded in accordance with applicable substantive (i.e., non-arbitration) law.
- m. **Severability.** Notwithstanding any section in this Arbitration Agreement to the contrary, if any provision of this Section, except for the Class Action, Representative Action or Mass Arbitration provisions above, is deemed invalid or unenforceable for any reason, it shall not invalidate the remaining portions of this Sub-Part. However, if any of the Class Action, Representative Action, or Mass Arbitration Waiver provisions is deemed invalid or unenforceable in whole or in part, or if the arbitrator purports to hear a class action or to enter public injunctive relief, then this entire Section shall be deemed invalid and unenforceable, and no arbitral award shall be entered or confirmed.
- n. **Opt Out.** If you do not want this Arbitration Agreement to apply to your Claims, you must send us a signed notice within 30 calendar days after you sign your signature card. You must send the notice in writing to Banc of California Legal Department, 3 MacArthur Place, Santa Ana, CA 92707. You must provide your name, address and the date. You must state in writing that you "opt out" of this Arbitration Agreement. If you do not timely opt out in compliance with the instructions set forth in this Sub-Part, then this Arbitration Agreement will apply to all Claims.

This arbitration provision shall survive the termination of this agreement.

## 7. Attorney-Client Trust Accounts

Attorneys may establish unsegregated client trust accounts, as required by law, for the purpose of receiving and disbursing client funds that are nominal in amount or on deposit for a short time. Interest on these "IOLTA" accounts is paid to the State Bar. If you want to open an IOLTA account, you must clearly state your intention to open a client trust account and provide any additional information or documentation as may be required, including but not limited to, your Attorney or Law Firm state bar number. Otherwise, we may assume that it is not an IOLTA account.

## 8. Authorized Signers

An authorized signer is someone to whom you give all rights you have now or in the future regarding your account, including but not limited to the authority to make withdrawals and deposits, to execute agreements to obtain ancillary services (for example, electronic fund transfer services, wire services, and online banking access), and to otherwise transact on your account, receive account information, and provide instructions to us regarding your account. Any authorized signer may sign checks or withdrawal orders and give us instructions regarding your account, including an instruction to stop payment or to close the account. Although

your Signature Card may indicate that more than one signature is required on checks and for the withdrawal or transfer of funds, that notation is principally for your own purposes. We do not assume a duty to enforce multiple signature requirements. As such, we assume no duty to confirm that two or more (or any combination) authorized signers have approved any transaction. Banc may, at its discretion, enter into a separate written agreement to the contrary. Absent a separate written agreement, we may act upon the instructions of any one authorized signer. Although we may attempt on occasion to enforce the multiple signature requirement reflected in the Signature Card (e.g., by refusing to permit a transaction by less than the stated number of authorized signers), we may cease doing so at any time and without prior notice to you.

Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voicemail or on a telephone answering machine.

If we agree in writing to enforce a multiple signature requirement for check withdrawals, you agree to order checks that bear a legend above the signature lines that two signatures (or more, if applicable) are required.

We may pay any check that bears a signature or endorsement (including a facsimile signature) resembling an authorized signature on file with us. You agree that signatures by your authorized agents (e.g., persons acting under a power of attorney) are valid, even if the principal-agent relationship is not indicated on the check or instruction.

We may honor checks drawn against your account by authorized signers, even if the checks are made payable to them, to cash, or for deposit to their personal accounts. We have no duty to investigate or question withdrawals or the application of funds.

You must notify us if an authorized signer on an account changes, and provide us reasonable time to act upon such request. Until then, we may continue to honor checks, withdrawal orders, and other instructions by any authorized signer.

## 9. Automated Clearing House (“ACH”) Transactions

Banc may, in its discretion, provide you access to an ACH Service that allows you as an Originator to initiate credit and/or debit entries (“Entries”) to or from your account subject to the National Automated Clearing House Association (“Nacha”) rules (“Nacha Rules”), and you hereby authorize Banc as ODFI to originate such Entries on your behalf. You are responsible for all Entries to the fullest extent provided by law, the Nacha Rules, and as set forth in this Deposit Account Agreement and Disclosure. Capitalized terms not defined herein shall have the meanings provided in Nacha Rules. Banc may suspend or terminate the ACH Service for any reason at any time. The ACH Service may be subject to additional terms and conditions set forth in supporting documents provided by Banc.

You agree to transmit Entries to Banc in compliance with the Nacha Rules, the laws of the United States, and any supporting documents provided by Banc. You agree that the ACH Services operate on a good funds model and that you are responsible for ensuring there are sufficient funds available in your account to cover the amount of any Entries requested. Entries may be submitted only for your account. No Entries may be submitted for third parties. Banc may establish limits on use of the ACH Service, including with respect to single, daily, or monthly Entry amounts, in its sole discretion. You agree not to (i) submit individual or total monthly Entries exceeding the limits established by Banc, as may be amended from time to time, or (ii) divide any transaction into more than one Entry to avoid these limitations. If you exceed any such limitations, Banc may exercise any of its rights in this agreement, including, but not limited to, suspending the ACH Service or temporarily holding the funds that exceed the established limitations.

Except as provided below for On-Ups Entries, Banc shall: (i) process Entries received from you that conform with the file specifications in the Nacha Rules, (ii) transmit such Entries as an ODFI to an ACH operator selected by Banc (“ACH Operator”), and (iii) settle such Entries as provided in the Nacha Rules. Banc shall transmit or complete the necessary authorizations for ACH Entries by the deadline of the ACH Operator, provided: (a) such Entries are received by Banc’s cutoff time on a business day, (b) the Effective Entry Date is at least two business days for ACH credit Entries and one business day for ACH debit Entries, after such business day, and (c) the ACH Operator is open for business on such business day. Entries shall be deemed received by Banc when the transmission and compliance with any related Security Procedures is completed. If any of the requirements of this paragraph are not met, Banc may use reasonable efforts to transmit such Entries by the next deadline of the ACH Operator. For an Entry received for credit to an account maintained with Banc (“On-Ups Entry”), Banc shall credit the Receiver’s account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in this section are met. If said requirements are not met, Banc may use reasonable efforts to credit the Receiver’s account in the amount of such Entry no later than the next business day following such Effective Entry Date.

In Banc’s discretion, you may originate “eligible ACH Entries” on a “same-day” basis for settlement on the same day as the Effective Entry Date. Eligible ACH Entries received on a business day by the applicable cutoff hour for same-day Entries will be treated as a “same-day” ACH Entry. For this purpose “eligible ACH Entries” will mean ACH Entries: (i) received on a business day by the cutoff hour for same-day Entries, (ii) subject to Banc’s right to place additional dollar limitations that are less than \$1,000,000 and (iii) that contain an effective Entry date for the same day as receipt or a stale or invalid date. Banc does not represent, warrant, or guarantee that receiving depository financial institutions will post same-day ACH Entries by the deadlines of the ACH Operator. Banc may use same-day processing for any Entry that qualifies as an “eligible” same-day Entry even if you did not intend the Entry to be processed using same-day processing. In such cases, you are responsible for all fees for the same-day processing.

Banc shall notify you in writing or by phone or electronic transmission of the receipt of a returned Entry from the ACH no later than

one business day after the business day of Banc's receipt. Except for an Entry retransmitted by you in accordance with the requirements of this section, Banc shall have no obligation to retransmit a returned Entry to the ACH if Banc complied with the requirements of this section with respect to the original Entry. You are solely responsible for payment of returned Entries. Banc shall notify you of all Notifications of Changes (NOC) received by Banc relating to your Entries no later than two business days after the business day of Banc's receipt. You must make the changes specified in an NOC or corrected NOC: (a) within six business days of receipt or prior to initiating another Entry to the Receiver's account, whichever is later; or (b) as otherwise required in the Nacha Rules if they specify a different time for correction.

You are solely responsible for ensuring the validity, accuracy, and completeness of all information, data, files, and instructions that you provide or transmit to Banc and agree that Banc may rely on the validity, accuracy, and completeness of all such information. If a Receiver is identified by both name and account or identifying number, payment may be made by Banc and any other financial institution based on the number even if the name and 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 number, Banc and other financial institutions may rely on the number even if the name and number are not consistent or identify different parties. You waive any claim of wrongful transmission, dishonor, erroneous payment, erroneous acceptance and wrongful or erroneous return arising from any of the following: (a) incomplete or inaccurate information provided by you to Banc, (b) information given by you to Banc with insufficient time to process, (c) insufficient funds in your account(s), or (d) payment to or from a Receiver different than the Receiver intended to be credited or debited. You acknowledge and agree that credits and debits that are paid or returned are done so automatically and systematically without review or intervention by any Banc employee or agent. You agree that Banc shall have no obligation to review or investigate the contents of any ACH debit presented for payment against your account(s).

You acknowledge that you have no right to cancel or amend an Entry after its receipt by Banc. You may request Banc to initiate a reversal of an Entry only in accordance with Nacha Rules and within five banking days of the Effective Entry Date.

You acknowledge 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. You agree that any payment by Banc to you for any debit Entry, returned credit Entry, or credit Reversal is provisional until Banc has received final settlement for such Entry. Banc may delay availability of provisional funds at its discretion. If final settlement is not received, Banc is entitled to and you agree to pay a refund of the amount credited; and Banc may charge your account for the amount due. Banc may refuse to permit the use of any amount credited for a debit Entry or credit Reversal if it believes that there may not be sufficient funds in your account to cover chargeback or return of such Entry or Reversal.

You agree to comply with the Security Procedures. You agree that the Security Procedures are commercially reasonable and are intended to verify the authenticity of Entries and not to detect errors. You assume full responsibility for the consequences of any unauthorized or erroneous Entry to the extent permitted by applicable law. If you know or suspect that the Security Procedures have been divulged to or accessed by unauthorized persons, you must notify us immediately followed by written confirmation. You agree that we may follow all instructions entered and transactions initiated on your behalf using the Security Procedures until such time as you notify us that the Security Procedures have been stolen, compromised, or otherwise known to persons other than you and any authorized users and we have had a reasonable time to act upon such notice.

For every Entry you initiate, you represent and warrant to Banc that: (i) you obtained all consents and authorizations required under the NACHA Rules and Regulation E (as applicable); (ii) the Receiver has authorized the initiation of such Entry; (iii) you will provide Banc with a copy of such authorization if requested; and (iv) you complied with the requirements of terms and conditions for the ACH Service. You agree to indemnify Banc, its suppliers, licensors, service providers, insurers and vendors, against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements in this section. You agree that Banc may audit your compliance with the terms of this ACH origination agreement and the NACHA Rules. Banc will not be liable for any delays in receipt of funds or errors in Entries caused by your or third parties including, but not limited to, the ACH Operator or the receiving bank. You shall be responsible for any fines, penalties, or assessments imposed by Nacha, an ACH Operator, or any regulatory authority arising from your Entries or noncompliance.

If you have agreed to Banc's ACH Service Description (or successor document), and there is any inconsistency between the ACH Service Description and this section of the Agreement, then the ACH Service Description shall govern.

## 10. Business Account Analysis

The provisions of this "Business Account Analysis" section apply to analyzed accounts, unless otherwise expressly agreed in writing by us.

Our business account analysis service ("Analysis Service") allows you to offset certain account and cash management service charges with an "Earnings Credit" that is based on the balances you maintain with us. If you wish to use Earnings Credits to offset account fees and charges, you will have to maintain sufficient balances on analyzed accounts. Depending on the level of activity or inactivity in the analyzed accounts and the types of services required, your accounts may be removed from the Analysis Service at our discretion.

If Earnings Credit is insufficient to cover analyzed service charges during any period, we may charge the difference to your account.

We also have the right to cease providing you the Analysis Service at any time. If you have several analyzed accounts, you can designate which account should be charged. We may stop calculating Earnings Credit and applying it against service charges for any analyzed account that becomes inactive (i.e., has no deposits or withdrawals for twelve months). Your Relationship Manager can provide you with an estimated balance required to earn sufficient Earnings Credit for type and volume of services you use. The actual balance amount may vary because of changes in the Earnings Credit rate, service charges, the services used, or other aspects of analysis. We do not calculate an Earnings Credit for accounts that are not linked to the Analysis Service; nor do we allow Earnings Credit to offset charges against accounts or services not linked to the Analysis Service. Charges associated with certain third party vendor services may not be eligible for analysis. If you wish to apply your Earnings Credit towards third party vendor services, additional terms and conditions will apply.

We may impose an uncollected funds charge for any overdraft balance and/or float that exceeds the account's ledger balance. The charge will be based on our deficit rate and will be in addition to any overdraft fee that we may impose.

Account analysis charges and the Earnings Credit rate and deficit rates are subject to change from time to time without prior notice. Current rate and service charge information is available from your Relationship Manager. We reserve the right to input changes in our system as of the beginning or end of any statement or analysis cycle. As a result, some changes input at the end of a cycle may relate back to the entire cycle.

If you deposit funds that belong to others ("Beneficial Owner(s)") in an analyzed account, you represent to us that: (a) you are authorized by the Beneficial Owners to benefit from the use of any associated Earnings Credit; (b) your use of the Earnings Credit will not violate any agreement, law or regulation, specifically including any agreement between you and any Beneficial Owner, and (c) that you have disclosed to each Beneficial Owner all material information concerning the Earnings Credit, specifically including your use and benefit of any Earnings Credit. You also agree to indemnify, defend and hold us harmless from and against all claims, actions, proceedings, losses, costs (including attorneys' fees and other charges), liabilities and/or damages that arise from your use of the Analysis Service or the manner in which you compensate or charge Beneficial Owners for your use of the Analysis Service. This provision shall survive the termination of this agreement.

We will not be liable under any circumstances for special, indirect or consequential damages related to our Analysis Service actions or omissions. In no event will our liability exceed the amount of any Earnings Credit which we fail to apply against a service charge. You agree to review account notices and statements immediately upon receipt and to send us a written notice of any problem regarding Earnings Credits within a reasonable time (not to exceed 14 days from the date you receive the first notice or statement reflecting the problem).

If you have a separate written agreement with us with respect to Earnings Credits, the terms of that agreement will control and supersede any conflicting terms in this provision.

## 11. Cash Transactions

We are required by law to report large transactions in cash or coin. You agree to assist us in completing such reports and agree not to structure transactions for the purpose of avoiding such reports.

## 12. Cashier's Checks

You do not automatically have the right to stop payment on cashier's checks you purchase from us. In the event that a cashier's check is lost, stolen or destroyed, please contact us so that we can explain the procedures which must be followed to obtain reimbursement or to have the cashier's check reissued. In general, you will have to complete a Declaration of Lost, Destroyed, or Stolen Cashier's Check form, describing the cashier's check and how it came to be lost, stolen or destroyed. You will have to sign the Declaration of Loss under penalty of perjury. We must then wait 90 days from the date the check was issued before we can pay your claim. If the check is presented for payment during the 90-day waiting period, we may pay the item to a person entitled to enforce the check. If this happens, we will not pay your claim.

## 13. Certificates of Deposit

Certificates of Deposit ("COD") are issued by Banc for a specified period of time. When you open a COD account, we give you a confirmation that shows the amount deposited, date of issue, term, interest rate and annual percentage yield (COD Confirmation). By opening a COD, you have agreed to keep the funds on deposit for the agreed upon stated term. After the account is opened, you may not make deposits into the account until the maturity date, unless stated otherwise. Any withdrawal made during the term of the account may be subject to an early withdrawal penalty. If you have any questions about your account, please contact your Relationship Manager.

- a. Minimum Balance/Term Requirements. A minimum deposit (minimum opening balance) and a minimum 30-day term is required to open a COD. If you currently have a COD with a term of less than 30 days, it will continue to automatically renew for the same term until you close the COD or we determine that it will no longer automatically renew. At that time, you may open a new COD with a minimum 30-day term and minimum opening balance. Unless your account is an Individual Retirement Account ("IRA"), the minimum opening balance is the minimum daily balance required to obtain the annual percentage yield disclosed on your COD Confirmation. The daily balance is the principal balance at the end of the day after all credits and debits have posted to the account.

- b. Balance Computation Method. The daily balance method is used to calculate the interest on the accounts. This method applies a daily periodic rate to the principal in the account each day.
- c. Accrual of Interest. Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (checks).
- d. Compounding and Payment of Interest. Interest is compounded monthly and credited monthly. Interest is considered compounded only when it pays into the same account. Once credited into the same account, interest will be deemed principal. The annual percentage yield assumes the interest will remain on deposit until maturity. Interest is forfeited if account is closed prior to interest crediting. A withdrawal will reduce earnings.
- e. Maturity Conditions. We reserve the right to change the interest rate for automatically renewable accounts at each renewal period. If we elect not to permit the renewal of an automatically renewable time deposit, we will notify you in advance. Unless specifically stated otherwise, any bonus or special promotion we are offering will not apply to automatically renewing CODs.

CODs will be opened with a multiple maturity (automatically renewable) term. At maturity, the account will automatically renew. Each renewal will be for the same term (unless we notify you, in writing, before a maturity date, of a different term for renewal). The account will renew at the applicable interest rate and annual percentage yield in effect at the time of renewal. For accounts with terms of thirty (30) days or longer, you will have seven (7) calendar days after the maturity date to withdraw the funds without penalty. For accounts with terms less than thirty (30) days, there is no grace period following the maturity of the account to withdraw the funds without penalty. If the account has a single maturity date, it will not renew automatically at maturity and the account will not continue to accrue interest. For promotional CODs, the account will renew at a twelve-month term at the applicable interest rate and annual percentage yield in effect at the time of renewal.

- f. Early Withdrawal Penalty. We may impose a penalty if you withdraw some or all or any deposited funds/principal before the maturity date. This could result in a reduction of interest and principal. In certain circumstances, such as the death or judicially-declared incompetence of an account owner, the law permits that we may waive the early withdrawal penalty.

Term	Penalty
7 – 29 Days	Equals the total interest that could have been earned on the amount withdrawn for the established term
30 - 179 Days	30 days of interest on the amount withdrawn
180 – 364 Days	90 days of interest on the amount withdrawn
365 Days – 18 Months	120 Days of interest on the amount withdrawn
24 Months and Greater	180 Days of interest on the amount withdrawn

- g. Retirement Accounts. Banc of California offers Individual Retirement Accounts (IRAs) in 12-Month or 18-Month fixed-rate terms.
- h. Early Withdrawal Penalty – IRA. We may impose a penalty if you withdraw any or all of the deposited funds/principal before the maturity date. This could result in a reduction of interest and principal. Early withdrawal penalty may be waived for certain qualifying distributions after age 59 1/2, at disability or upon the owner’s death.

Term	Penalty
30 - 365 Days	30 days of interest on the amount withdrawn
366 Days – 18 Months	90 days of interest on the amount withdrawn
19 Months and Greater	180 Days of interest on the amount withdrawn

Note: For additional information concerning the fees, rates and benefits associated with this product refer to the accompanying IRA Confirmation, Branch & Community Banking Rate Sheet, EFT Services Agreement, IRA Custodial Booklet, and Schedule of Fees.

## 14. Change of Name, Address or Capacity

You agree to notify us immediately in writing of any change to your name, address, business capacity (e.g., sole proprietor to corporation), or the authorized signers on your account. We are not required to act upon oral instructions that you may give us to make changes to your account, including changes of name, address or capacity or to remove signers or make changes to authorized signers until we are in receipt of updated legal documentation, resolutions, filings and authorizations evidencing such changes, before any change in ownership or authorized signers becomes effective. In the event you advise us of account changes, you authorize us to place your account on controlled status and to return any checks or other items, marked “Refer to Maker”, until such time as we are in receipt of and have approved the updated documentation. We may require a new Signature Card or related addenda reflecting the changes, and may request additional or updated legal documentation, resolutions, and authorizations evidencing such changes, before any change in ownership or authorized signers becomes effective.

If the authorized persons on your account change, we may continue to honor items and instructions given earlier by any previously authorized person until we receive specific notice from you in writing not to do so. (Note: A new or updated Signature Card, by

itself, does not constitute notice to terminate any pre-existing payment or transfer arrangement.) In some instances we may require you to close your account or provide us with stop payment orders in order to prevent transactions from occurring. There may be a delay in implementing a change in the authorized persons on our records, and you agree that we will be given a reasonable opportunity to make the changes necessary.

We have no liability for address or contact information that is changed by you, or someone purporting to be you.

## 15. Check Imaging / Substitute Checks

If we do not return your paid checks to you, images of the checks may be sent or made available with your periodic statement. Your original checks may be destroyed shortly after we process the checks, but we will maintain a record of the checks for a reasonable time period. You can obtain copies of your checks by sending us a written request with the following information: your name, account number, check number, the amount of the check, and (if known) the date the check was paid. There may be a research charge for obtaining copies of certain checks; if applicable, we will charge your account a fee for each copy (including the front and back of the check). If you have access to our online banking system, you may also be able to view copies of your checks there. We will not be responsible for any punitive, indirect, special or consequential damages under any circumstances for our inability to provide copies of checks. Our liability, if any, will not exceed the face amount of the check in question.

You agree not to deposit substitute checks, as described below, or checks bearing a substitute check legal equivalence statement ("This is a legal copy of your check. You can use it the same way you would use the original check.") to your account without our prior written consent. Unless we agree otherwise in writing, our acceptance of such checks shall not obligate us to accept such items at a later time, and we may cease doing so without prior notice. If we approve the deposit of substitute checks, you agree to indemnify, defend and hold us harmless from all losses, costs, claims, actions, proceedings and attorneys' fees that we incur as a result of such checks, including without limitation, any indemnity or warranty claim that is made against us because: (a) the check fails to meet the requirements for legal equivalence; (b) a claimant makes a duplicate payment based on the original check, the substitute check, or a paper or electronic copy of either; or (c) a loss is incurred due to the receipt of the substitute check rather than the original check. Upon our request, you agree to provide us promptly with the original check or a copy that accurately reflects all of the information on the front and back of the original check when it was truncated. Your indemnification obligation under this provision shall survive the termination of this agreement.

We may convert original checks to substitute checks.

The following "SUBSTITUTE CHECKS AND YOUR RIGHTS" notice applies to consumer accounts and supersedes, where inconsistent, other terms in this agreement with respect to substitute checks.

### **SUBSTITUTE CHECKS AND YOUR RIGHTS - IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT:**

- a. What is a Substitute Check? To make check processing faster, federal law permits banks to replace original checks with "substitute checks". These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or electronic debits to your account. However, you have rights under other law with respect to those transactions.

- b. What are my Rights Regarding Substitute Checks? In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

- c. How do I Make a Claim for a Refund? If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at 877-770-BANC (2262).

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and the following information to help us identify the substitute check: the check number, the date of the check, the name of the person to whom you wrote the check, and the exact amount of the check (dollars and cents).

## 16. Check Printing

Check prices vary according to the types of checks you select. You can obtain information on the current price of checks by contacting us. Check charges may vary from time to time without specific notice to you. You are responsible for checking the accuracy of all information shown on your checks and deposit tickets. If you find an error, please notify us immediately. We are not liable for losses resulting from incorrectly printed checks or deposit tickets.

If you arrange for the printing of your own checks, the form, encoding and format of the checks must follow our check specification requirements and be approved by us in advance.

Although we are not obligated to, we may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If you cash or deposit an item or write a check with such a notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you agree to accept responsibility for payment of the item. You agree to indemnify and hold us harmless from any claim or alleged loss of any maker or payee (including attorneys' fees and other charges) involving such notations, whether you are the maker or payee or the funds are otherwise deposited into an account in which you have an interest. We may refuse payment of checks not written in ink or presented in a form other than your usual check form. This provision shall survive the termination of this agreement.

## 17. Checks Sent for Collection

We may refuse to accept a check that you wish to deposit. For example, we normally do not accept checks for deposit that have been previously dishonored, or checks that have certain restrictive endorsements. We may, however, send the check "for collection". This means we do not use normal check clearing procedures. We will send the check via special mailing to the financial institution on which it is drawn. If we receive payment for the check, we will credit your account with the amount received on the date we receive payment. You agree to pay all collection fees (see our Schedule of Fees) including any out-of-pocket expenses such as express mail, telephone or wire charges.

You may ask us to send a check or other item on a collection basis for you to another bank. That bank usually deducts their collection fee from the proceeds of the collection. Some banks, however, require that the collection fee accompany the collection request. If this fee is not included with the collection request, they will return the collection, and take no action. This fee is non-refundable, and you must pay it whether they pay your collection or not.

If the check or other items you want us to send for collection is drawn on a bank that requires its fee in advance, you authorize us to charge your account for the fee. This fee, which we must collect in advance, is not a Banc of California fee and is in addition to our standard collection fee.

When a check you write is sent to us "for collection", we may charge the presenting bank a fee. If we pay the collection, we may pay the presenting bank the amount of the check, less the amount of our fee.

## 18. Claim of Loss; Limitation on Liability; Indemnity

If you assert claim against us, including if you claim a credit or refund because of a forgery, alteration or other unauthorized withdrawal, you agree to cooperate with us in the investigation, including giving us an affidavit on our standard form containing all reasonable information we require concerning your account, the transaction(s), and the circumstances surrounding the loss. You also agree to file a crime report, if we request, and to promptly provide us with a copy of the filed report. You also agree to pursue all rights you may have under any insurance coverage you maintain before making a claim against us and to provide us with all reasonable information about your coverage, including your insurance carrier, policy number, policy limits and applicable deductibles. Our liability is reduced by the amount of all insurance proceeds you receive or are entitled to receive. At our request, you agree to assign to us your rights under your insurance policy. You agree that we have a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that we have no obligation to "provisionally" re-credit your account. Except to the extent limited by applicable law, we are not liable for loss, damage, harm or expense ("Loss") from: (a) any inaccuracy, act or failure to act of any person not within our reasonable control; (b) the failure of other financial institutions to accept or perform in connection with items or other charges; or (c) your negligence or breach of this agreement. Our maximum liability will never exceed the amount of actual damages proven by you. Our liability will be reduced: (a) by the amount of the Loss that is caused by your own negligence or lack of care; (b) to the extent that damages could not have been avoided by our exercise of ordinary care; and (c) by any Loss recovery that you obtain from third parties (apportioned in accordance with this provision). We will not be liable for any loss that is caused in part by your negligence if we acted with ordinary care. Except if specifically imposed by statute that cannot be waived between parties, WE ARE NOT LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR

SPECIAL DAMAGES, such as Loss or damage from subsequent wrongful dishonor from our acts or omissions, even if we are aware of the possibility of the same. Unless otherwise required by applicable law or rule, or as otherwise expressly provided in this Agreement, you agree to be fully responsible for all transactions you have authorized, including but not limited to, transactions that are conducted by you as a result of falling victim to fraud.

If you claim a credit or refund because of an error or unauthorized transaction, you agree to provide us with a declaration containing reasonable information we require regarding your account, the transaction, and the circumstances surrounding the claimed loss. We must receive your declaration within 10 days of our request. Unless otherwise prohibited by law, and if applicable, you also agree to make a report to the police and to provide us with a copy of the report, upon request. We will have a reasonable period of time to investigate the circumstances surrounding any claimed loss. During our investigation, we will have no obligation to provisionally credit your account, unless otherwise required by law (e.g., in connection with certain consumer electronic fund transfer services.)

In addition to any other rights we may have under this agreement or any related agreement, or at law or in equity, and except as expressly limited by applicable law or regulation, you agree that you will indemnify, defend, and hold harmless Banc and our directors, officers, shareholders, employees and agents, from and against any and all 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: (a) the wrongful acts or omissions of you, or any person acting on your behalf (including without limitation your authorized processor, if any), in connection with your use of your accounts or services we offer to you, including, without limitation: (i) the breach by you of any provision, representation or warranty; (ii) the negligence or willful misconduct (whether by act or omission) of you, your customers, your authorized processor (if any) or any third party on behalf of you; (iii) any misuse of the account or services by you, or any third party within the control or acting on behalf of you; or (iv) the failure by you to comply with applicable state and federal laws and regulations applicable to you; (b) any act or omission of ours that is in accordance with this agreement or instructions from you; actions by third parties, such as the introduction of a virus that delays, alters or corrupts the transmission of information to us; or any loss or corruption of data in transit from you (or on your behalf) to us. This provision shall survive the termination of this agreement. You waive all rights of subrogation against us with respect to any insurance policy or bond. Finally, you agree to close the compromised account immediately and reopen a new account provided we also agree to open a new account for you. The terms of this "Claim of Loss" provision shall not apply to the extent prohibited by applicable law.

If you are a consumer and suspect a problem with a substitute check, notify us of your suspicions. For these purposes, the terms "consumer" and "substitute check" are used as defined in Federal Reserve Board Regulation CC. See the "Substitute Checks and Your Rights" disclosure in this agreement for information on rights you may have with respect to substitute checks.

If you are a consumer and suspect a problem with an electronic fund transfer to or from your consumer account, see the separate "Electronic Fund Transfer (EFT) Services Agreement" for information on rights you may have with respect to these transfers.

## 19. Collected Balance; When Interest Begins to Accrue

Banc of California accrues interest pursuant to the Expedited Funds Availability Act, Regulation CC, and applicable California law. Balances are collected and interest begins to accrue on the business day in which Banc receives credit for the deposit of non-cash items, i.e. checks drawn on other financial institutions.

## 20. Compliance

As part of our account opening activities as required pursuant to the USA Patriot Act, and the Bank Secrecy / Anti-Money Laundering Act, Banc is mandatorily required to actively engage in the process of verifying the identity of its customers, learn the kinds of transactions that they will engage in through the use of their accounts, gain a continuing level of knowledge about its customers and the transactions they engage in, and develop a comfort level with the transactions processed via customer accounts. This enhanced due diligence (EDD) and related processes are also required to comply with our customer identification program (CIP). As a customer, you agree not to violate the laws of the United States, including without limitation, the economic sanctions administered by the U.S. Treasury's Office of Foreign Assets Control. You may not use your account or any account-related service to process Internet gambling transactions or conduct any activity that would violate applicable law. If we are uncertain regarding the legality of any transaction, we may refuse the transaction or freeze the amount in question while we investigate the matter. In addition, we reserve the right to block, delay or refuse to process or accept any digital currency or other transaction that we reasonably believe to be in violation of applicable law, or which raises questions or concerns under our anti-money laundering safeguards.

You represent and warrant that you are not, and you agree not to take, any action that would result in your being deemed or treated as a money service business under any applicable state or federal law, except to the extent that you have specifically and in writing previously informed us that you are a money service business. Notwithstanding the foregoing, we reserve the right to refuse to open or to continue to maintain any deposit account.

You agree to indemnify, defend and hold us harmless from every action, proceeding, claim, loss, cost and expense (including attorneys' fees) suffered or incurred by us due to any U.S. or foreign government entity, specifically including any state, county, or local government entities, seizing, freezing or otherwise asserting or causing us to assert control over any account or funds in an account of yours (or ours) when purportedly caused by or arising out of your action or inaction. This will apply whether or not such action is ultimately determined to be authorized under the laws of the U.S., of its territories, or of any foreign jurisdiction. We are

not required to inquire or determine the authority of any action taken by any U.S. or foreign government entity prior to acceding to any legal process initiated by it. This provision shall survive the termination of this agreement.

## 21. Consent for Us to Contact You by Email and Phone, including Cell Phone and Text Messaging

You agree that we or our agents may contact you at any email address or telephone or cell number you provide to us. You authorize us to send emails and text messages and to make prerecorded or autodialed calls to any number(s) you provide. Your service provider may impose a charge to you for those calls/messages. If necessary, you may change or remove any of the email addresses or telephone numbers at any time by contacting us at **877-770-BANC (2262)**.

Your wireless carrier's standard messaging rates apply to SMS correspondence. We do not charge for any content; however, downloadable content may incur additional charges from your wireless carrier. Please contact your wireless carrier for information about your messaging plan. Your carrier may impose message or charge limitations on your account that are outside of our control. All charges are billed by and payable to your wireless carrier. You represent that you are the owner or authorized user of the wireless device you use to receive the service and that you are authorized to approve the applicable charges. We will not be liable for any delays or failures in your receipt of any SMS messages, as delivery is subject to effective transmission from your network operator and processing by your mobile device. SMS message services are provided on an AS IS, AS AVAILABLE basis. You authorize your wireless carrier to use and/or disclose information about your account and your wireless devices, if available, to us and our service providers for the duration of your relationship with us. Data obtained from you in connection with this service may include your name, your mobile phone number, your carrier's name, and the date, time, and content of your messages and other information that you may provide. We may use this information to contact you, to provide the services you request from us, to help prevent fraud, and to otherwise operate, develop, and improve the service. Your wireless carrier and other service providers may also collect data from your SMS usage, and their practices are governed by their own policies. We will only use the information you provide to the service to transmit your text message or as otherwise described in this document. Nonetheless, we reserve the right at all times to disclose any information as necessary to satisfy any law, regulation, or governmental request, to avoid liability, or to protect our rights or property. See our Privacy Policy for how we treat your data. When you complete forms online or otherwise provide us information in connection with the service, you agree to provide accurate, complete, and true information. The service, as well as the content and materials received through the service, are proprietary to us and our licensors and are for your personal, non-commercial use only. You shall not damage, impair, interfere with, or disrupt the service or its functionality.

If you have any questions, call us at **877-770-BANC (2262)**. Reply STOP to our text messages if you wish to discontinue receiving text messages from us.. We do not charge for help or informational messages; however, your normal carrier rates apply.

## 22. Consent for Us to Gather Information

From time to time we may obtain credit information about you from check or credit reporting agencies and/or other means. We may do so at the time you open an account, request a service, at any time while your account is open, or the service is available, or after your account or service is closed, or as otherwise permitted by law. We may also order a credit or background report on you or any other signer on the account. You agree that by requesting to open an account or acquire a service from us, or by becoming an authorized signer on an account with us, we may obtain credit information from a credit-reporting agency. For example, new accounts are subject to verification through ChexSystems (the "Reporting Agency") and may be declined based in whole or in part on information obtained in a report from the Reporting Agency. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at ChexSystems. If we decline to open an account or otherwise provide deposit services, the Reporting Agency will have played no active part in our decision and would be unable to supply specific reasons why we would have denied the account or services. You have a right to a free copy of your report from the Reporting Agency, if you request it no later than 60 days after you receive notice of a declined account or service. In addition, if you find that any information contained in a report received by you is inaccurate or incomplete, you have the right to dispute the matter with the Reporting Agency. The Reporting Agency's full name, address and phone number is as follows:

ChexSystems  
Attn: Consumer Relations  
PO Box 583399  
Minneapolis, MN 55458  
(800) 428-9623

Accounts not maintained in a satisfactory manner at Banc are subject to closure by us and are reported to ChexSystems. You are also hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations or maintain a negative balance in any account upon account closure. We may report information about your account to credit bureaus. Late payments, missed payments, negative balances, or other defaults on your account may be reflected in your credit report. If you believe that we have provided incomplete or inaccurate information about your account to a consumer reporting agency, write to us at Banc of California, Attn: Client Care Center, 3 MacArthur Place, Santa Ana, CA 92707.

**Department of Motor Vehicles Information.** You authorize us to obtain address information from the Department of Motor Vehicles or any other government agency. As such, you waive your rights under California Vehicle Code §1808.21 (or other state equivalent).

## 23. Death or Incompetence

You agree to notify us immediately of the death or court-declared incompetence of any owner, authorized signer or designated beneficiary on your account. We may require additional documentation, including but not limited to a court order, prior to acting on any notice of death or incompetence. Until we receive such notice in writing, and have a reasonable opportunity to act on it, we may continue to honor items drawn on your account by the authorized signer(s). We also may freeze, offset, refuse and/or reverse deposits and transactions (e.g., governmental or retirement benefit payments payable to the deceased) if an owner dies or is adjudicated incompetent.

If we have any question as to the ownership of funds or the amount of funds that belong to any person upon the death of an owner, we may freeze all or part of the account, pending receipt of proof (satisfactory to us) of each person's right to the funds.

## 24. Demand Drafts

If you provide your account number to a third party in order to charge your account by means of one or more demand drafts (i.e., items which do not bear your actual signature, but purport to be drawn with your authorization), you authorize us to pay such drafts, even though they do not contain your signature and may exceed the amounts you authorized to be charged. This provision shall not obligate us to honor demand drafts. We may refuse to honor demand drafts without cause or prior notice, even if we have honored similar items previously. We are not under any obligation to verify whether the name and account number shown on a demand draft are consistent. You may not deposit demand drafts to an account with us without our prior, express written consent.

## 25. Deposits to Accounts; Endorsement Warranties

We may accept deposits to your account from any source and need not question the authority of the person to make the deposit. We also may give cash back to any authorized account signer(s) or agent(s) in connection with items payable to any owner, whether or not the items have been endorsed by the owner. If you make a deposit or payment that is not accompanied by instructions indicating how or where it is to be credited, we may apply it at our discretion to any loan or deposit account you maintain with us. You will be responsible for any loss because of your failure to identify your account properly by name and number on any deposited item. We may accept for deposit to your account all items made payable to or endorsed by you as an individual payee or joint payee, regardless of whether those items bear your endorsement, subject to our verification and final inspection at our discretion. You guarantee to us the payment of all such deposited items. Federal regulations specify that the top 1 1/2 inches on the back of a check (when read vertically from the trailing edge) is designated for your endorsement as payee. You should take care when endorsing a check. If you endorse a check in the area outside of the endorsement area, mark or otherwise obscure the other area, or make an endorsement that is illegible or incomplete, you agree to hold us harmless from any loss, delay, liability, claim, or damage that occurs as a result. All deposits are subject to later verification, adjustment and collection by us. Deposit receipts do not necessarily indicate the correct balance in the account or the amount being deposited. Deposits received at unstaffed facilities will be credited on the business day funds are removed, verified and processed by us. We may delay the verification of large currency and coin deposits until such time as armored transportation to a secure facility is completed, and delay the posting of the deposit to your account until verification and processing is complete. We may pass-through the costs or otherwise charge you a fee for the additional secure logistics that we require.

You represent and warrant that any third party checks you deposit to your account will be endorsed or authorized for deposit by all payees prior to deposit. We may refuse to deposit third party checks or joint payee checks in our discretion. To the extent legally permitted, each co-owner of an account appoints the other co-owner as his or her attorney-in-fact with full power to endorse the name of any co-owner on any item for deposit, or to deposit without endorsement any such item, into the account or cash the item. You agree to indemnify, defend, and hold us harmless from and against any and all losses, damages, claims, costs or expenses (including attorneys' fees and costs) incurred by us in connection with your deposit of a joint payee check or third party check without proper endorsement or authorization, or your failure to endorse an item exactly as it is drawn or for any item that is alleged to have a forged, missing or unauthorized endorsement.

You warrant that all endorsements on items deposited to your account are genuine and further warrant that you are authorized to negotiate and/or deposit any items that contain no endorsements. We may endorse and/or collect items deposited to your account without your endorsement, but may require your personal endorsement prior to accepting an item for deposit. If you deposit an item that bears the endorsements of more than one person or persons who are not known to us, we may refuse the item, require all endorsers to be present, or require that the endorsements be guaranteed by another financial institution acceptable to us before we accept the item. We are not bound by any conditional or restrictive endorsements on a check you cash or deposit, or by any endorsement "without recourse."

If we receive an affidavit stating that one or more endorsements on a check or other item deposited into your account is forged, we may freeze the amount or charge back the amount of the item to your account, without prior notice to you, even if you have already used the funds, pending our investigation of the claim.

We are obligated only to use ordinary care in collecting items on your behalf. We shall not be liable for the negligence of other banks in the collection of checks and other items. If we give provisional credit for an item, we reserve the right to charge back the amount of the item if we do not receive final payment.

We may refuse any deposit (whether in cash or by item or other charge) to an account, limit the amount of any deposit or funds

that may be maintained in an account, or return all or any part of a deposit to you without prior notice, whether the deposit is attempted to be made by you or anyone else on your behalf. We reserve the right to return to you any item or other charge that we receive for deposit to your account, if we decide not to handle that item or other charge.

We are not responsible for transactions initiated by mail until we actually receive them. You should endorse the check being sent through the mail with the words "For Deposit Only" and should include your correct account number underneath to ensure the check is credited to the correct account. You should use the pre-encoded checking deposit slips found behind your checks in your checkbook. If you do not use your deposit slip or provide us with instructions indicating how or where the check should be credited, we may apply it to any account you have with us or we may return the check to you. Following your deposit, examine your statement carefully or call us to ensure that we received the item. Do not send cash through the mail for deposit.

This provision shall survive the termination of this agreement.

## 26. Disputes

If we are presented with any uncertainty or conflicting demands regarding the ownership or control of an account or its funds, or we are unable to determine any person's continuing authority to give instructions, or we are requested by Adult Protective Services or any state or local agency to freeze an account or any funds therein and/or to reject a transaction as a result of or in connection with an investigation of suspected financial abuse of an elder or dependent adult, or we believe a transaction may be fraudulent or may violate any law, or we receive conflicting instructions from you (including any owner, joint account owner, contracting officer and/or other authorized signer on your account), or in the case of a corporate or partnership or association/LLC account, conflicting board resolutions or partnership authorizations or member instructions or similar conflicting demands, or if we are required to do so by any government agency, we may, at our sole discretion: (1) freeze the account, reject a transaction or withhold payment from you or any claimant until we receive written proof (in form and substance satisfactory to us) of each claimant's right and authority over the account and its funds; (2) reverse any debits or credits to the account in dispute, or other accounts with us, to correct what we believe in our sole discretion resulted from action taken to the disadvantage of one account owner, over another; (3) refuse transactions and return checks, marked "Refer to Maker" (or similar language); (4) require the signatures of all authorized signers for the withdrawal of funds, the closing of an account, or any change in the account regardless of the number of authorized signers on the account; (5) close the account and issue a single cashier's check for the available account balance jointly payable to all account owners, and we may mail or deliver that check to any one of the account owners or signatories, or to the address of record; (6) interplead the funds or request instructions from a court of competent jurisdiction at your expense regarding the ownership or control of the account, any funds or a transaction (we will not be liable to you for any costs, claims, damages, or other expenses that result from the payment or non-payment of items or other request for payment of the deposited funds and will charge the account for our costs and expenses (including attorneys' fees and costs) in commencing an action in interpleader or may seek recovery of such costs and expenses from the funds deposited in the interpleader action); (7) continue to honor checks and other instructions given to us by the individuals who appear as authorized signers according to our records; and/or (8) take any other action we believe to be reasonable under the circumstances. You agree to assume all liability for, and you agree to indemnify, defend, and hold us harmless from and against any and all losses, damages, claims, costs or expenses (including attorneys' fees and costs) incurred by us as a result of any dispute that arises under this section. In addition to the foregoing rights, you authorize us in our sole discretion to elect to close your accounts pursuant to this agreement. The existence of the rights set forth above shall not impose an obligation on us to assert such rights or to deny a transaction and you agree to hold us harmless from any and all actions undertaken by us in connection with the foregoing. In no event will we be liable for any action, inaction, delay or refusal to follow instructions that occurs as a result of a dispute or uncertainty over the ownership or control of your account or in connection with assisting proper authorities with an investigation of suspected financial abuse of an elder or dependent adult. This provision shall survive the termination of this agreement.

## 27. Dormant Accounts / Safe Deposit Boxes / Escheatment

For purposes of this agreement, an account will be considered dormant if it has had no customer-initiated activity, including but not limited to, a deposit, withdrawal, transaction, online banking login, or other communication from you about the account for twenty-four (24) consecutive months. We may or may not send you a notice when your account becomes dormant or inactive (i.e., no customer-initiated activity for twelve (12) consecutive months), unless notice is required by law.

For security reasons, we may refuse a withdrawal or transfer from accounts or access to safe deposit boxes we internally classify as dormant if we cannot reach you in a timely fashion to confirm the transaction's authorization or authorized access. Service charges for dormant accounts are the same as service charges for active accounts. Charges are not reimbursed for dormant accounts that are later reclassified as "active".

We may be required to turn over dormant account funds and/or property in your safe deposit box to the state of California and/or the state of your residence (known as "escheating") if you fail to do one of the following within the time period specified by applicable state law: (1) make a deposit to or a withdrawal from the account; (2) correspond electronically or in writing with us about the account or the safe deposit box; or (3) otherwise indicate an interest in the account or access the safe deposit box, as evidenced by a memorandum or other record on file with us. If an account or other property is inactive for more than three years (or other escheat period as required by unclaimed property/escheatment law as may apply to the account or property), we may comply with what we in good faith believe to be any legal requirement to turn the balance over to the state of California or to another jurisdiction.

To the extent required by law, we will send a notice to your last known address before we turn your account or other property over to the state. If your mail has been returned to us as undeliverable, we may not send you any notice. If you discover that an account of yours has been escheated to the state, you must seek to claim your funds by submitting proof of ownership directly to the State Controller's office in Sacramento or to such other comparable authority as may be responsible for escheated funds.

If your account has a zero or negative balance, we reserve the right to close it. Any accounts linked as overdraft protection will be de-linked as part of the closure process. You will be responsible for any negative balance owed, even after account closure.

## 28. Electronic Checks

An Electronically Created Check, or ECC, is a Check that is created by you using third party software, such as a mobile device application (referred to herein as "ECC Service"), and then transmitted electronically by you to the payee. The payee will then, under your purported authority, print the Electronically Created Check into paper form for the purpose of depositing the Electronically Created Check at the payee's financial institution or otherwise negotiating the Electronically Created Check. An Electronically Created Check must contain your account number and may contain your electronic signature or your printed or typewritten name, with or without a notation that you authorized the check, or the statement 'no signature required' or words to that effect.

You agree not to use an ECC Service to send Electronically Created Checks to payees or any other third parties. If, however, you use an ECC Service to electronically send Electronically Created Checks to payees and authorize them to print and negotiate an Electronically Created Check drawn against your account, we may charge your account and pay any items, including Electronically Created Checks negotiated by the person to whom you delivered the Electronically Created Check. Once you have used an ECC Service to send an Electronically Created Check to a payee, you agree that we may pay any future purported Electronically Created Check even though the check was not created and sent by you through use of an ECC Service or otherwise not authorized by you.

You further authorize us to honor an Electronically Created Check previously created and sent by you to your payees even though that same Electronically Created Check may have already been presented and paid by us thereby resulting in multiple payments by you to that same payee or a third party.

This does not, however, obligate us to honor Electronically Created Checks or similar items or entries. We may refuse to honor Electronically Created Checks or similar items or entries without cause or prior notice, whether or not we have honored or dishonored similar items or entries previously.

You agree that we are under no obligation to verify whether the name and account number shown on the Electronically Created Checks are consistent. If any information on an Electronically Created Check is incomplete, inaccurate, or in error, you agree that we may, at our sole discretion, either pay the Electronically Created Check and charge your account for the item as drawn or refuse to honor the Electronically Created Check and, without prior notice to you, return the item unpaid. You further agree to indemnify and hold us harmless for losses (including attorneys' fees and costs) resulting from our honoring or dishonoring any such debit. This provision shall survive the termination of this agreement.

## 29. Facsimile Signatures

We may refuse to accept, or may pay, items bearing facsimile signatures. You agree to assume full responsibility for any and all payments made by us in reliance upon signatures that resemble the actual or facsimile signature(s) that any of you provide to us in connection with your accounts or services. You agree to indemnify, defend and hold us harmless from any and all actions, claims, losses, damages, liabilities and expenses (including attorneys' fees and costs) arising directly or indirectly from the misuse or the unlawful or unauthorized use or copying of facsimile signatures (whether affixed manually, by stamp, mechanically, electronically or otherwise). This provision shall survive the termination of this agreement.

## 30. Fax Instructions / Voicemail / Email

We may, but are not required to, act upon instructions received by fax transmission, voicemail or email. We may not review your message until the business day after its receipt. As such, it may not be appropriate to use these methods of communication if you need to reach us with time-sensitive information.

## 31. Federal Deposit Insurance

Your deposit-related accounts with us are insured to the regulatory limits by the Federal Deposit Insurance Corporation (FDIC). You are responsible for monitoring the total amount of deposits that you have with us in order to determine the extent of FDIC deposit insurance coverage available to you. For further information regarding insurance of accounts, you may write to the FDIC at 550 17th Street, N.W., Washington, D.C. 20429, telephone the FDIC's toll-free consumer hotline at (877) 275-3342 or visit its website at [www.fdic.gov](http://www.fdic.gov). Certain services and products offered by us may not be subject to FDIC protection; refer to applicable service descriptions for relevant limitations, exceptions, and exclusions.

## 32. Fees

Our Schedule of Fees describes the most frequently encountered fees associated with our accounts and services. We may change non-account fees at any time without notice, unless notice is required by law. Some services are negotiated separately and may be subject to other written agreements with us. Information on fees for services not covered by the Schedule of Fees is available

upon request. Banc does not represent that its fees disclosed are the lowest fees obtainable for the desired services, or lower than fees for the same or similar services obtained elsewhere. You may receive the same or similar services elsewhere for lower or no fees.

If an average balance is required to avoid a fee, the average balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. Certain fees may change without specific notice to you.

Account owners must promptly pay the fees and charges associated with their accounts and services, and are jointly and severally liable for such fees. We may deduct account fees automatically from your accounts.

### 33. Fictitious Business Name Accounts

If any name set forth in your Signature Card is fictitious, you represent that you have the right to use that name and have fulfilled all legal requirements for using and/or doing business under that name. We reserve the right to ask for documentation that such legal requirements have been fulfilled.

### 34. Force Majeure

We shall not be liable for any loss, expense, failure to perform, or delay caused by failure of communication systems, accidents, strikes, fire, flood, war, riot, pandemic, civil strife, terrorist attack, earthquake, power outage, funds transfer system or government rules, acts of third parties, or any cause that is beyond our reasonable control. We will not be liable or responsible for the acts or omissions of any other financial institution or any third party or for any inaccuracy or omission in a notice or communication received by us from you, your agents, your authorized signers, other financial institutions, or any other third party. In addition, we shall be excused from failing to transmit, or delaying the transmission of, any transaction, if such transmittal would result in our having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in our otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority. We shall not be liable for any failure to perform any of our obligations under this agreement if such performance would result in us being in breach of any law, regulation, requirement or provision of any government, government agency, banking or taxation authority in accordance with which we are required to act, as shall be determined in our sole discretion.

### 35. Foreign Currency Transactions

We may refuse to accept checks for deposit, or may send them for collection, if they are drawn on a non-U.S. bank or payable in a foreign currency. If we accept a foreign check, you assume all the risk of loss associated with currency value fluctuations and late returns. We may use our current buying or selling rates, as applicable, when processing foreign currency items (including incoming and outgoing foreign wire transactions) and may recover from your account any loss incurred in connection with our processing of such items.

### 36. Full Satisfaction Checks

Any payments made in full satisfaction of any dispute you have about amounts you owe Banc under this or any other agreement must be mailed or delivered to your branch of account with a description (on a separate page) of the dispute, the loan or deposit account number in question, and a statement that the payment is being tendered in settlement of the dispute. Any communications regarding the disputed payment that are sent elsewhere or to someone else will be of no legal effect. We will disregard any notations such as "payment in full" or similar language, and may cash the check or draft without agreeing to settle for the face amount of the instrument. We will only be bound to settle for the face amount of the instrument if we have expressly agreed to do so, in writing.

### 37. Funds Availability Policy

Our general policy (subject to the limitations described herein) is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the effective date of the transaction. Once they are available, you can withdraw the funds in cash and we will use such funds to pay checks that you have written.

To determine the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit in person before the close of business Monday through Friday (note: some locations close earlier – contact branch for details), or before 4:00 p.m. local time at a Banc of California automated teller machine (ATM) on a business day that we are open, we will consider that day to be the day of your deposit. If you make a deposit using our night depository service before 3:00 p.m. local time we will consider that day to be the day of your deposit. However, if you make a deposit after these times or on a day we are not open, we will consider your deposit made on the next business day we are open. Our name is on all the ATMs that we own or operate.

- a. Longer Delays May Apply. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$275 of your deposits, however, will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to a Banc employee, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit or the first day following the day the facts became known to Banc. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid
- You deposit checks totaling more than \$6,725 on any one day
- You redeposit a check that has been previously returned unpaid
- You have overdrawn your account repeatedly in the last six months
- There is an emergency, such as failure of telecommunications or computer equipment

We will notify you if we delay your ability to withdraw funds for any of these reasons and we will tell you when the funds will be available. Funds will generally be available no later than the seventh business day after the day of your deposit.

- b. Holds on Other Funds. If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.
- c. Special Rules for New Accounts. If you are a new customer, the following special rules will apply to deposits made during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the effective date of the transaction. Funds from deposits of cash, wire transfers, and the first \$6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if payable to you and deposited in person. The excess of these items over \$6,725 will be available no later than the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$6,725 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available no later than the ninth business day after the day of your deposit.

### 38. How We Process and Pay Checks

We may process checks and other items written against your account by any method we consider reasonable (see also "Order of Payments" below). In most instances we process checks mechanically, relying upon magnetic ink character recognition (MICR) devices to provide legibility and correct placement of the figures printed at the bottom of your checks so they can be "read" and posted correctly. This means that a Banc employee may not physically examine each of your checks to determine if they are properly signed, drawn, endorsed or dated. You agree that we may rely upon MICR, or other electronic or automated means, to pay your checks and you acknowledge that payment by this method is in accordance with reasonable banking standards and is not negligent. We do not fail to exercise ordinary care by posting or paying items without sight examination of the items. Banc's own policies and procedures are used solely for our internal reasons and do not establish a higher standard of care for Banc other than that which is provided by law or regulation. You understand that the method by which checks are paid makes it beyond the control of Banc to guarantee that checks are paid in accordance with your special restrictions or requirements relating to authorized signatures that may be noted on the Signature Card. You represent that such restrictions are for the sole benefit of you and are intended only as an internal company policy and control. You further stipulate that, as an issuer of checks, the control, monitoring and enforcement of internal signature authority is your sole responsibility. You, therefore, agree to hold harmless and indemnify Banc from any and all liability (including attorneys' fees and costs) for the payment of items that fail to comply with any multiple or tiered signature requirements, as reflected on the Signature Card. This provision shall survive the termination of this agreement.

### 39. Interest on Deposited Funds

Interest rates paid on our accounts are determined by our management, based on market conditions and other business factors. Except for certificates of deposit (which earn the same interest rate through maturity), the interest rate and Annual Percentage Yield (APY) on deposits can change as often as daily, at our discretion, without prior notice to you. On tiered-rate accounts, we apply the interest rate for the balance tier of your end-of-day balance against the entire balance of your account. Different rates may apply to different tiers. For current rates, please call or visit one of our branches.

- a. Interest Calculations. Interest is calculated on an actual/365 day basis, except for certain public fund accounts where interest is calculated on an actual/360 day basis. Interest begins to accrue no later than the business day we receive credit for the deposit of non-cash items (for example, checks). For deposits of cash or checks drawn on us, interest shall begin accruing on the date of such deposit. We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

The disclosed APY is based on the actual number of days in the term of the account using a fixed balance for the entire term. For accounts without a stated maturity date (such as a typical savings or transaction account), the calculation shall be based on an assumed term of 365 days.

- b. Compounding of Interest. Interest will compound monthly, if credited to the account.
- c. Payment of Interest. Interest is credited monthly. Accrued interest may be lost on some accounts if all funds in the account

are withdrawn prior to the end of the statement period or the regular interest payment date.

#### 40. Joint Accounts

If your account is a joint account, any one of the account owners may, without notice to the other account owners, enter separate service agreements that bind all account owners, initiate withdrawals or close the account, add authorized signers to the account, write items against the account or place stop payment orders (whether or not drawn by the requesting account owner). Each joint account owner authorizes the other account owner(s) to endorse items in that person's name and to cash the items or deposit them into the joint account, with or without an endorsement. Each joint account owner is jointly and severally liable to us for any and all overdrafts to the account (or for overdrafts to other accounts owned by a joint owner), and/or other fees, charges or losses relating to the account. We may use the funds in your deposit accounts to pay the debts of any account owner (see the Right of Setoff/Security Interest section).

#### 41. Large Cash Deposits

We may require you to send deposits containing large amounts of cash to our central vault for processing via armored transport. The cost of delivering the cash may be paid directly by you or charged against monthly analysis earnings.

#### 42. Large Cash Withdrawals

In order to accommodate your cash needs, you may be required to provide 72-hour advance notice of any anticipated large cash withdrawal to your branch of account. If advance notice is not provided by you, your request may not be fulfilled. At our discretion, we may limit the amount of any large cash withdrawal from your account at any time. We may also require that you receive the cash to be withdrawn: (i) at a time convenient for us; (ii) at a location designated by us; or (iii) by armored transport acceptable to us, all such accommodations will be at your sole risk and expense. You will be solely responsible for the security of the cash withdrawn once delivered into your possession. Banc reserves the right to impose additional requirements, including but not limited to notifying local law enforcement in order to protect the safety of Banc's other patrons, its employees and premises. We reserve the right to provide you with a cashier's check for the amount requested, in lieu of permitting the cash withdrawal.

#### 43. Legal Process

You agree that we may comply with any legal process, including, without limitation, any writ of attachment, execution, garnishment, search warrant, tax levy, restraining order, subpoena, warrant or other legal process of which we have actual notice and which we reasonably and in good faith believe to be valid. We reserve the right to honor legal process issued in any state wherein we have registered to do business or in which we maintain a place of business, and may respond to additional jurisdictions in our sole discretion on a case-by-case basis. Unless prohibited by law, we may notify you of such legal process by telephone, electronically, or in writing. We may charge you a fee for handling such legal process as indicated in our Schedule of Fees.

You authorize us to deduct this fee from any of your accounts without prior notice to you. You agree that we have and shall be entitled to enforce any right of setoff and security interest against your account to reimburse us for fees and expenses, including attorneys' fees, court costs and expenses, we incur in connection with any legal process referred to herein.

We have a legal process cutoff time. If we receive legal process against your account before our cutoff time for legal process which requires us to attach, garnish or turn over your funds, and you do not have enough funds in the account to cover the legal process, we may return items presented against your account the previous business day and apply the funds to satisfy the conditions of the legal process.

You agree to indemnify, defend and hold us harmless from all actions, claims, liabilities, losses, costs, attorneys' fees, and damages associated with our compliance with any legal process that we believe to be valid. You agree that we shall not be liable to you for any actions that we take or do not take in connection with any such legal process. You also agree that, unless otherwise required by applicable law, we shall not have any duty to apply or file any claim of exemption on your behalf in connection with any such legal process. Accounts opened with trust or fiduciary designations may be subject to levies and other legal process against your accounts unless our records clearly reflect the existence of an express written trust, IOLTA or other attorney trust account designation, or we are served with a court order prohibiting or enjoining such levy or legal process.

You agree that we may honor legal process that is delivered to us by any method including, without limitation, personally, by mail, by overnight courier, by email, or by facsimile transmission at any of our offices (including locations other than where the funds, records or property sought is held), even if the law specifies the method of service or delivery, or if the legal process is served in or issued out of another state other than California.

If required to remove funds from your account, depending on the type of order, we may either immediately deliver the funds or property or hold them for a legally required or permissible period. We do not pay interest on funds that are held due to the legal process. Any legal process requiring us to attach, garnish or turn over your funds shall be subject to our right of setoff and security interest in your account. We are not liable to you for not paying items because we have withdrawn funds from your account or in any way restricted your access to funds because of a legal process or our setoff.

This provision shall survive the termination of this agreement.

(Continued on the following page)

#### 44. Limitation on Time to Sue

Unless another time is provided in another provision of this agreement, or required by applicable law, an action or proceeding by you to enforce an obligation, duty or right arising under this agreement or by law with respect to your account or any account service must be commenced within one year after the cause of action occurs.

#### 45. Lost Items

We act only as a collection agent for you when we receive a check for deposit or when we cash a check for you. You assume all risk of loss of an item in transit. If that check or other item is lost, stolen or destroyed in the process of collection, we may reverse the credit for any deposit or charge your account for such check or item.

#### 46. Monitoring, Recording and Retaining

We may monitor and record communications between you and us without notice, unless notice is required by law. You agree that we may produce the telephonic or electronic recordings or computer records as evidence in any proceedings brought in connection with your relationship with us, and you hereby acknowledge the validity, admissibility, and enforceability of such telephonic or electronic recordings.

#### 47. Other Agreements

You may elect to enter into other agreements applicable to services which we or third parties offer not specifically described in this agreement and disclosure. Such other agreements and disclosures, by their terms, may supplement or supersede the terms of this agreement and disclosure, in whole or in part, to the extent that they are inconsistent. For instance, if you are a business customer, an account analysis agreement, wire transfer or night depository agreement may supplement or supersede the terms of this agreement. If you are a consumer, your accounts may also be governed by one or more separate service agreements and disclosures.

#### 48. Overdrafts

An overdraft occurs when the available balance in your account is insufficient to pay a transaction, but we pay the transaction anyway. We strongly recommend that you not overdraw your account, as overdrafts can result in fees for which you will be responsible. You will also be responsible for bringing your account current. Our standard overdraft services do not ensure that your overdrafts will be covered. There are ways to avoid overdrafts, including prudent account management.

Your account will not be charged an overdraft fee if your account is overdrawn by less than the de minimis amount as described in the applicable Schedule of Fees. Further, see the applicable Schedule of Fees for the maximum number of overdraft charges that we impose per account per day, whether the overdraft transaction is paid or returned.

Your consumer account will not be charged the following fees: Returned Item Fee – NSF Transactions, Chargeback Item/Redeposit Item.

An overdraft can happen, which may trigger an overdraft fee (see the Schedule of Fees (“Overdraft Fee – Items Paid,” “Returned Item Fee – NSF Transactions”), for example:

- If you write a check without enough money in your checking account to pay the check, and we pay the item;
- If an electronic transaction, such as an ACH, clears against your account without enough money in your account to cover the transaction;
- If you make a withdrawal from your account that exceeds your available balance;
- If you use your Banc of California debit card for payment without enough money in your checking account to cover the amount authorized or the amount paid to the merchant. If we pay the transaction, your account will not be charged an overdraft fee for a nonrecurring debit card or ATM transactions;
- If you make a deposit, withdraw money based on the credit received from that deposit, and then have that deposit reversed because the deposited item is later returned to us unpaid;
- If you withdraw money from your account and do not have enough money left to pay any related charges posted to the account; or
- When at the moment you authorize certain transactions, your account has a positive balance; however, by the time the transaction is settled, your account has a negative balance. These transactions can occur, for example, when an ATM transaction or an everyday debit card transaction is approved, and other subsequent transactions reduce the balance in your account before your ATM transaction or everyday debit card transaction is posted to your account (i.e., a force pay transaction). Your account will not be charged an overdraft fee for any force pay transactions.

You do not have the right to withdraw funds that exceed the available balance on your account. When a transaction overdraws your account, we can either pay or return it. You cannot choose which transactions we pay or return.

If we get a batch, or multiple batches, of transactions in a day (for example, checks, ATM purchase transactions, and debit card purchase transactions typically come in batches), and if one, some or all of them would overdraw your account if paid, we will post transactions in accordance with the “Order of Payments” section within this agreement.

We may charge a fee if your account is overdrawn and your covering deposit is deemed received the next business day (e.g.,

deposits received after our processing cutoff hour). See the Schedule of Fees (“Overdraft Fee – Items Paid”, “Returned Item Fee – NSF Transactions”). We also may impose a fee for deposited items that are returned. See the Schedule of Fees (“Chargeback Item/Redeposit Item”). When an overdraft fee is imposed, it operates to reduce the available balance in your account.

- a. **Current Balance.** The current balance (also known as the ledger balance) is the amount of funds in your account as of the last processing date. Not all transactions are reflected in the current balance, and part of the balance may not be available for withdrawal or authorizing transactions (see Available Balance section below).
- b. **Available Balance.** The available balance in your account is the amount of funds available for withdrawal and authorizing transactions. Your available balance will be less than the current (ledger) balance when there are pending transactions. Some examples of pending transactions are:
- Funds on hold in accordance with our funds availability policy;
  - Point of Sale (debit card) transactions – This includes merchant authorizations that have not been settled by the merchant (see the section titled Electronic Presentment/Posting);
  - Our receipt of legal process related to funds in your account;
  - Funds frozen for another reason, such as funds pledged as collateral for a loan or commitment you have made;
  - Funds related to our receipt of a notice that a transaction will be presented or returned.

The Available Balance does not reflect every transaction you have previously authorized. Some examples of transactions that may not be reflected in your Available Balance are:

- Outstanding checks and authorized automatic withdrawals (such as recurring debit card transactions, transfers, and ACH transactions that we have not received for payment or processing);
  - The final amount of a debit card purchase. For example, we may authorize a purchase amount from a restaurant or a gas station, but the authorized amount may be different from the final charge;
  - Scheduled bill payments that have not yet been processed;
  - Debit card transactions that have been previously authorized but not sent to us for payment from your account where we have released the transaction authorization hold and the transaction is sent for payment from your account at a later date.
- c. **Your Responsibility to Repay Overdrafts.** If we permit an overdraft or otherwise allow your account balance to drop below zero, you agree to pay the amount of the overdraft promptly, without notice or demand from us. You agree that we may use subsequent deposits and other credits to your accounts, including without limitation, deposits of government, welfare, retirement and Social Security benefits, to cover any overdraft existing in your account, to the fullest extent permitted by law. (See the section titled “Right of Setoff / Security Interest” below.)

Each account owner is jointly and severally responsible for paying any overdrafts created by any authorized signer(s) or party to the account, whether or not the owner participates in the transaction or benefits from its proceeds.

- d. **Discretionary Overdraft Service.** We automatically enroll your eligible demand deposit accounts in the Discretionary Overdraft Service, our standard overdraft program. This is an automated discretionary overdraft service where we may authorize and pay transactions that exceed your available balance in your eligible deposit accounts. We also offer alternatives that may be less expensive for you (see the section titled “How to Avoid Overdraft Fees,” below). Our Discretionary Overdraft Service is not available if you have an overdraft line of credit with us.

Our Discretionary Overdraft Service is not a line of credit. We have the discretion to pay overdrafts within or beyond the overdraft limit, but payment by us is a discretionary courtesy and not a right of the client or an obligation of the Bank. We are not obligated to pay any transaction presented for payment if your account does not have a sufficient available balance. Your overdraft limit is established based on numerous variables and behaviors. Your limit may change as often as each day and may be suspended or reduced to zero when you no longer sustain the eligibility criteria. Balances at ATMs or other points of inquiry will not include the Discretionary Overdraft Service limit; however, transactions may be paid in excess of the balances indicated, creating an overdraft. We discourage the practice of overdrawing accounts.

- e. When you are enrolled in the Discretionary Overdraft Service:
- Your overdraft limit is determined daily by our automated overdraft solution and may change as often as daily, without prior notice to you.
  - A per transaction overdraft fee will be charged, whether the overdraft transaction is paid or returned. See the Schedule of Fees (“Overdraft Fee – Items Paid,” “Returned Item Fee – NSF Transactions”).
  - Your debit card transactions are not included in the Discretionary Overdraft Service. If funds are not available at the time the transaction is authorized, the transaction will decline. We do not charge for declined transactions.
- f. **What Happens if You Are Not Enrolled in the Discretionary Overdraft Service?** If you opt-out of the Discretionary Overdraft Service or you do not have an eligible account and you do not have Overdraft Protection (see “How to Avoid Overdraft Fees,” below), we will generally return or decline transactions that would overdraw your account rather than pay these transactions. In general:

- Your account will be charged a Returned Item Fee – NSF Transactions for each ACH or check transaction that is returned for insufficient funds rather than paid, up to our maximum number of overdraft fees, see the applicable Schedule of Fees. See the Schedule of Fees (“Returned Item Fee – NSF Transactions”). Consumer accounts are not charged a fee for transactions that are returned when there are insufficient funds to pay such transactions. In addition, some merchants may also assess a returned check fee.
  - Subject to our policy on Force Pay Transactions (see below), your everyday debit card transactions and/or ATM transactions will be declined. We do not charge a fee for declining your debit card or ATM transactions.
  - Force Pay Transactions: There may be instances where we will pay a transaction even if you do not have sufficient funds in your account to cover the transaction and you are not enrolled in the Discretionary Overdraft Service. These transactions can occur, for example, when a debit card transaction is approved, and other subsequent transactions reduce the balance in your account before your debit card transaction is posted to your account. Under these circumstances, we will still pay the transaction and your account will not be charged an overdraft fee.
- g. How to Avoid Overdraft Fees. The best way to avoid incurring overdraft fees is to not overdraw your account. If, however, your account is overdrawn, the following options may better serve your needs, and could save you money:
- Sign Up For Overdraft Protection: If you have multiple deposit accounts at Banc of California, you can link these accounts so that if one account is overdrawn, and you have available funds in another eligible account, the funds will be automatically transferred to cover the overdraft. Our Discretionary Overdraft Service will only be used if Overdraft Protection has been exhausted.
  - Account Balancing: Balance or reconcile your accounts periodically. If you need help learning to balance or reconcile your Banc of California accounts, please reach out to our staff members. Just visit your local branch – we are happy to help.
  - Apply For An Overdraft Line of Credit: You may apply for our business or consumer overdraft line of credit. With an overdraft line of credit, our Discretionary Overdraft Service is not available. If we approve your request for an overdraft line of credit, your rights and obligations shall be governed by the loan documents executed between you and us with regards to this product. If you are interested in applying for an overdraft line of credit, contact your Relationship Manager or visit a branch.

To opt-out of our Discretionary Overdraft Service, or for more information on any of the options described above, please call us at 877-770-BANC (2262).

## 49. Order of Payments

Our order of payments is the order in which we apply deposits and withdrawals to your account. The order in which we pay your checks and/or any other transactions is important if there is not enough money in your account to pay all of the transactions presented on one day. Generally, we post transactions presented on a single banking day in the following order:

- a. Credits/deposits we receive before the daily cutoff time;
- b. Your outgoing wires;
- c. Your real time payments;
- d. Debit card transactions (everyday (point-of-sale (POS)) transactions and recurring transactions);
- e. ATM withdrawals;
- f. Bank processed corrections to your account (for example, deposit corrections, deposit returned items);
- g. Electronic debits through our online banking, mobile banking, automated banking service, and transfers made at an automated teller machine (ATM);
- h. Cash paid items (over-the-counter withdrawals made at a Banc of California branch);
- i. Automated Clearing House (ACH) transactions, including electronic bill payment;
- j. Checks deposited to another Banc of California account will be posted in check number order, starting with the lowest number. Checks with no serial number will post before your other checks, starting with the lowest amount;
- k. Your Banc of California loan payments;
- l. Checks presented to Banc of California will be posted in check number order, starting with the lowest number;
- m. Fees;
- n. Automated transfers (overdraft protection, zero balance sweeps); and
- o. Interest

Unless stated otherwise, we pay your transactions starting with the lowest amount.

We reserve the right to decide the order of the transactions we will pay and which transactions will be returned. We may change the categories, the transactions within a category, the order among categories, and the posting orders within a category at any time without notice to you. Our posting order may not be the same as the order in which you conducted a transaction and could result in overdraft fees, if you do not have available funds at the time the transaction is paid.

We receive credits, debits and holds throughout the day. Regardless of when during the day we receive transactions for your account, we treat them as if we received all transactions at the same time at the end of the business day. During the day, we may show some transactions as processing. For example, you may see some transactions as processing in online banking. Please

note that transactions shown as processing have not been posted yet. The posting order for these transactions is determined at the end of the day, with the other transactions we receive for that day.

You should note that often we do not receive debits on the same day that you conduct them. For instance, when you use your debit card to pay for a purchase at a merchant and sign for the transaction, we usually receive an authorization request from the merchant the same day, but we might not receive the final debit card transaction for payment and posting until several days later. Credits and debits to your account may appear in a different order than the order in which you conduct them or we receive them on your statement.

## 50. Ownership of Account and Beneficiary Designation

These rules apply to the following types of accounts depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. As used in this agreement “party” means a person who, by the terms of the account, has a present right, subject to request, to payment from a multiple-party account other than as an agent.

- a. Individual Account. This is an account in the name of one person.
- b. Joint Account. This account is owned by the named parties. Upon the death of any of them, ownership passes to the survivor(s) unless there is clear and convincing evidence of a different intent on the signature card.
- c. Tenancy in Common Account. This account is owned by the named parties as tenants in common. Upon the death of any party, the ownership interest of that party passes to the named pay-on-death payee(s) of that party or, if none, to the estate of that party.
- d. Community Property Account. This account is the community property of the named parties who are a married couple. The ownership during lifetime and after death of a spouse is determined by the law applicable to community property generally and may be affected by a will and is subject to our right to setoff and security interest in the account.
- e. Totten Trust and Payable on Death Accounts. If two or more of you create this account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die; and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating this account type reserves the right to: (1) change beneficiaries; (2) change account types; and/or (3) withdraw all or part of the account funds at any time.
- f. Individual Retirement Account (IRA). This is a personal savings plan in which the participant directs all transactions within the Retirement Plan. This account may be opened by individuals meeting applicable IRS requirements whether or not they are covered by a retirement plan. Banc of California is the Custodian of the Retirement Plan. Transactions are governed by Section 408 of the Internal Revenue Code.
- g. Sole Proprietorship Account. This is a business account opened by the owner of a business which is not a corporation, association, limited liability company or partnership. The owner or his/her designated agents may make withdrawals.
- h. Corporate, Partnership, Limited Liability or Other Statutory Business Entity Account. These business accounts are established pursuant to statutory organizational requirements.
- i. Unincorporated Association Account. This is an account opened in the name of an association.
- j. CUTMA Account. Under the Uniform Transfers to Minors Act (UTMA), the funds in the account are owned by the child who has unconditional use of the account when he or she reaches the age of majority. Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the custodian (or successor custodian) are for the child's benefit.
- k. Fiduciary Account. Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

## 51. Pledges

Each owner of your account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective.

## 52. Postdated Checks

Unless you provide your branch of account with a written postdated check notice that describes a postdated check with reasonable certainty, we may pay or return the check at our discretion. Your notice must include the exact amount (dollars and cents), account number, check number, date of check and the name of payee. If you provide us with a postdated check notice in a time and in a

manner which affords us a reasonable opportunity to act on it, we will not pay the item and may return it (marked "payment stopped", "postdated" or otherwise) if it is presented to us prior to the date indicated in the order. After six months, a notice is no longer effective and must be renewed. We may impose a fee for each notice. If we re-credit your account after paying a postdated check over a valid and timely postdated check notice, you agree to transfer to us all of your related rights against the payee or other holder of the check, and to assist us in legal action taken against that person.

### 53. Power of Attorney

You may wish to appoint an agent to conduct transactions on your behalf. This may be done by allowing your agent to sign in that capacity on a separate form, such as a power of attorney form. Unless prohibited by law, we may reasonably refuse to honor a power of attorney or agency that you grant to others for any reason. We may require you or your agent to present the original form. In some cases, we may require that the agent confirm in an affidavit that the powers have not been revoked or terminated. We may continue to rely on the instructions and actions of your agent until we receive written notice in accordance with applicable law and this agreement that the agent's authority has been terminated, and we have had time to act upon it. You must tell us of any changes involving the power of attorney. We will not be liable to you or anyone else if we, in good faith and without actual knowledge that the power of attorney is deficient or has terminated for any reason, act on the instructions of your attorney-in fact.

You shall be bound by and shall be solely responsible for the actions of your agent, even if the agent relationship is not indicated on the check, withdrawal order or other instruction. You agree not to hold us responsible for any loss or damage you incur as a result of us following or refusing to follow the instructions given to us by your agent.

Any personal account owner, or owners if a joint account, may provide us with a power-of-attorney and Banc is authorized to and may rely on such power of attorney. If one joint account owner seeks to add an agent to a joint account, and the other joint account owner(s) do not consent, we reserve the right to immediately close the account. You should notify us in advance if you plan to create a power of attorney involving your account. Upon request, we may provide you with a power-of-attorney form for that purpose. We generally will accept a Uniform Statutory Form Power of Attorney that complies with the laws of the state where you reside.

We may act on the instructions of an attorney-in-fact whether or not the attorney-in-fact relationship is noted in the instruction (e.g., on any check signed by the attorney-in-fact). You are responsible to notify Banc when the appointment has been revoked. Any notice of revocation shall not be effective until such time as Banc is in actual receipt of the notice and has had a reasonable opportunity to act on it. We assume no duty to monitor the actions of your attorney-in-fact to ensure that they act for your benefit.

### 54. Processing Cutoff Hour

A number of our services are subject to processing cutoff hours. Communications received after the cutoff hour or on a non-business day may, in our discretion, be deemed received as of the next business day. Alternatively, some services may require you to resubmit a communication when it is received after the cutoff hour or on a non-business day.

### 55. Reclamations

Electronic payments made by the federal government to Social Security and Railroad Retirement recipients are subject to reclamation after the death of the recipient. We reserve the right to charge the account to which the electronic payments were made for the full amount of the reclamation. Further, we reserve the right to hold any joint account holder or authorized signer on the account to which the electronic payments were made responsible to reimburse us for the amount of the reclamation if the funds are no longer available in the account.

### 56. Returned Items / Transactions

If we are notified that an item you cashed or deposited is being returned unpaid, we may attempt to re-clear the item, place a hold on the funds in question (see "Funds Availability Policy" section) or charge your account for the amount (and any interest earned on it), whether or not the return is proper or timely. This also applies to checks drawn on us which are not paid for any reason, and to checks that are returned to us in accordance with any law, regulation or rule (including a clearinghouse rule). If we present an item again for payment, after it has been returned or dishonored, we may do so without telling you that the item was returned unpaid or that we are presenting it again. We may assess a fee for each returned item and notify you of the return orally, electronically, or in writing.

If we receive an affidavit or a declaration under penalty of perjury stating that an endorsement on an item deposited to your account is forged (or that the item is counterfeit or contains an alteration), we may charge the item back against your account or place a hold on the funds pending an investigation, without prior notice to you. We have no obligation to investigate the accuracy of such affidavit or similar document.

Any credit we give you with respect to an automated clearing house entry is provisional until we receive final settlement for the entry. If we do not receive final settlement, you understand and agree that we may charge your account for the amount, and that the party making payment to you (i.e., the originator of the transfer) shall not be deemed to have paid you the amount of the transfer.

### 57. Right of Setoff / Security Interest

You grant us a security interest in your account for amounts owing to us by any owner. This provision does not apply to accounts

which are subject to a court order, deposit account control agreement approved and signed by Banc, IRA or tax-qualified retirement accounts, consumer credit card obligations, or real estate-secured loans.

Subject to applicable law, we may use the funds in all of your accounts to pay any due and payable debt(s) and obligation(s) that you owe us which are not paid when due. This is referred to as a “setoff.” Generally, you agree that all sums in deposit accounts will be subject to our right of setoff for liabilities owed to us by any one or more of: the account owners, including any other person who is a joint account owner; or any partnership of which you are a general partner; or any limited liability company where you are the sole member; or any sole proprietorship or corporation you own; or any account established under the same social security number(s) or employer identification number(s); or any other person or entity with whom you are a co-obligor, or have agreed to act as surety or guarantor, or for whose debts you are liable or may be contingently liable; or otherwise as permitted by law. You authorize us to use account funds to pay your debts and obligations to us even if the setoff results in an early withdrawal penalty or the dishonor of items. If we exercise our right of setoff, our duty to pay any items presented for payment on your account during the business day preceding the day on which the setoff occurs may be terminated, and you agree that we may return those items unpaid. If we do return items for business accounts, we may also charge you a fee for each returned item. See the Schedule of Fees. You acknowledge and agree that our rights of setoff could bring your account into an overdraft status. See the section titled “Overdrafts” for further information. If the debt arises from a note, “any due and payable debt” includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balances for which we properly accelerated the due date under the note. We will not be liable for the dishonor of any item or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment. This provision shall survive the termination of this agreement.

## 58. Safeguarding Blank Checks and Account Information

You agree to safeguard your blank checks, statements, other account documents and information and take reasonable steps to prevent their theft and unauthorized use. You agree to accept responsibility for any failure to safeguard your blank checks. We may require you to accept a new account number if one or more of your checks are lost or stolen. Remember that your checks provide access to your account. Destroy checks that you are not going to use. Even blank checks have information on them that can be used to obtain funds from your account. Please keep your check supply in a safe place and let us know immediately if any check is lost or stolen. We may not be liable to you if you negligently fail to protect your checks and as a result funds are paid from your account improperly. If you become aware that any of your account documentation, including checks and statements, have been lost or stolen, you must immediately notify us. If you fail to do any of these things, we may not be responsible for any losses that result.

## 59. Severability

Except as provided in the Arbitration Agreement section of this Agreement, which contains its own severability clause, if any provision of these terms shall be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from these terms and shall not affect the validity and enforceability of any remaining provisions.

## 60. Stale-Dated Checks

You agree that we may pay or reject a check which is presented to us for payment more than six months after its date (a “stale-dated” check), even if the presentation occurs after the expiration of a stop payment order. We normally do not examine the date on checks presented for payment. You agree that we are not required to identify stale-dated checks or to seek your permission to pay them.

## 61. Statements, Notices and Checks

We strongly encourage account holders to take advantage of the e-banking solutions offered by Banc. Account holders who enroll in e-banking solutions have the advantage of accessing real-time banking information and can receive account alerts and information without having to wait until periodic statements are made available. Account holders also have the ability of accessing account information online, anytime, anywhere. With certain exceptions, we will provide account holders with periodic statements listing their account transactions. If we provide you with a statement or notice, electronically or otherwise, you agree to promptly examine your statements and canceled checks as soon as you receive them to determine if any errors or problems exist. Except as otherwise provided by law, herein or in other applicable agreements, you agree to notify us immediately of any error, discrepancy, or unauthorized transaction you discover on any statement, notice, or check, no later than 30 days from when the statement was mailed or made available to you (this includes: missing deposits, payments of interest; unauthorized electronic transfers; missing, stolen, or unauthorized checks or other withdrawal orders; checks or other withdrawal orders bearing an unauthorized signature, endorsement or alteration; illegible images; encoding errors made by you or us; and counterfeit checks). If you fail to do so, you may become responsible for the losses resulting from such failure. This 30-day limitation is without regard to whether we did or did not use ordinary care and does not otherwise restrict any right we have under law or other agreements with you.

You further agree that if you fail to notify us within 30 days of making the statement available to you, then you are precluded from asserting against us the error, problem, unauthorized transaction or forged, altered, or unauthorized item and any subsequent forged, altered or unauthorized item from the same wrongdoer.

If you are a business, you agree not to entrust the writing of checks and the reconciliation and review of your account statements and notices to the same person without frequent monitoring. We may deny a claim for monetary loss due to forged, altered or unauthorized checks if you fail to follow these procedures. If this is a business account, you agree that you will have at least two people review your statements, notices, and returned checks, or in the alternative, the person who reviews these will be someone who does not have authority to transact business on the account.

Statements and notices may be mailed or made available to you electronically at the statement, email or mailing address shown for you in our records, or at our website. Statements and notices sent or made available to any of you are deemed to be received by all of you. At our discretion, we may destroy mail that is returned to us or determined to be undeliverable.

We will charge you a Mailed Statement fee if you receive a printed paper statement. See the Schedule of Fees (“Mailed Statement Fee”).

You must mail or deliver all notices to us in writing at the branch(es) where you maintain your account(s) or at such other address(es) as we designate (e.g., in connection with cash management services). Notices sent elsewhere may be delayed or may not reach the correct office.

You assume full responsibility for statements, notices, vouchers, checks, items, and other documents, which are lost, destroyed, or stolen while in the mail, or in transit to or from you or a third party. You agree to promptly return any checks or other items to us that do not belong to you. Notify us promptly if you do not receive your statement by the date you normally would expect to receive it.

**YOU MUST NOTIFY US PROMPTLY IF YOU DO NOT RECEIVE YOUR STATEMENT WITHIN FIVE (5) DAYS OF THE END OF YOUR ACCOUNT CYCLE.**

The terms of this “Statements, Notices and Checks” provision shall not apply to the extent prohibited by applicable law.

**If you are a consumer and suspect a problem with a substitute check, notify us of your suspicions. For these purposes, the terms “consumer” and “substitute check” are used as defined in Federal Reserve Board Regulation CC. See the “Substitute Checks and Your Rights” disclosure in this agreement for information on rights you may have with respect to substitute checks.**

**If you are a consumer and suspect a problem with an electronic fund transfer to or from your consumer account, see the separate “Electronic Fund Transfer (EFT) Services Agreement” for information on rights you may have with respect to these transfers.**

## 62. Stop Payment Orders

We may accept a request for a stop payment on any check from any authorized signer or from any other individual who has apparent authority to act on your behalf. A stop payment request may be given by mail, telephone, online banking or in person at any of our offices.

We must have the following information before we can stop payment on a check: your account number, the check number and the exact amount (dollars and cents) of the check. We may also request the name of the payee and the date of the check. Verbal Stop Payment Orders are valid for 14 days and may not be enforced after the 14-day period unless you sign a written Stop Payment Order within 14 days of your verbal request. Written Stop Payment Orders are valid for six months.

In order to stop payment, you must tell us the exact amount of the payment and the name of the person to whom the payment is to be made. Complete accuracy is essential because all stop payment orders are processed by computer. If you do not or cannot give us the exact information we require, we will still attempt to stop payment on the check, but we cannot be responsible or liable to you for failing to do so.

We must receive your stop payment request in sufficient time before your check is paid to act on the request. If you do not give us sufficient time, your request will not be effective.

We may mail you a confirmation of your stop payment request. Examine the confirmation notice carefully and notify us immediately if it contains any errors. The expiration of a written stop payment is six months from the date placed. Your confirmation notice will show the exact date your stop payment will expire. You are responsible for renewing a stop payment request if you so desire. We may charge you a fee for each Stop Payment Order or Stop Payment Order renewal you place (see Schedule of Fees).

You should be aware that anyone holding your check, including Banc of California, may be entitled to enforce payment against you despite the stop payment request. You also agree to indemnify, defend and hold us harmless from all costs (including attorneys’ fees and costs), actions, damages, claims and demands related to or arising from our action in stopping payment on your check. If we pay your check over a valid stop payment request, we will only be responsible for the amount of loss you prove has occurred, up to the face amount of the item plus the amount of interest that would have accrued on the face amount of the item, if applicable, if you establish that you have suffered a loss because we paid the item. We are entitled to a reasonable period of time to research the circumstances concerning any such check before crediting your account, and until such research is complete, we have no obligation to “provisionally” credit your account. In no event is Banc accountable for special or consequential damages or for attorneys’ fees you may incur. You agree to assign to us all rights against the payee and/or any other holder of your check. You

also agree to cooperate with us in any legal actions that we may take against such persons. This provision shall survive the termination of this agreement.

**If you are a consumer and wish to place a stop payment on an electronic fund transfer to or from your consumer account, see the separate “Electronic Fund Transfer (EFT) Services Agreement” for information on rights you may have with respect to these transfers.**

### 63. Termination / Closing or Restricting Your Account

We may, at any time, with or without cause, and in our sole discretion, close, freeze, suspend, or restrict your account or any service we are providing to you. We may deliver the balance after an account is closed by any means chosen by us, including mailing a check for the balance to your last address as shown on our records. We may provide you with notice before or after taking this action, unless prior notice is required by law. This agreement shall terminate automatically as to any account upon the closing of such account. The termination of this agreement will not affect the rights or obligations of the parties that arise prior to termination (for example, the indemnification requirements). Certain provisions of this agreement shall survive termination of the agreement.

Except to the extent otherwise agreed with us, you may close your account at any time upon notice to us unless your account has a scheduled maturity date. You will remain liable for the payment of accrued fees on the account, any negative balance(s), for checks in the process of collection, as well as any other obligations relating to actions or inaction prior to account closure. If you close an account, it may be subject to accrued or prorated fees or charges or, if applicable, early withdrawal penalties. You agree to reimburse us immediately upon request for any overdrafts that arise after an account is closed, whether closed by you or by us. An Early Account Closure fee will apply if your account is closed within 90 days of account opening (see our Schedule of Fees).

We may dishonor any check, withdrawal order, item or transaction presented for payment after an account is closed by you or by us. At our option, we may honor checks, withdrawal orders, items or transactions after an account is closed if the transaction was part of an electronic fund transfer system or if you failed to place a stop payment order for any outstanding checks or other items. You shall remain responsible and liable for such checks, items and transactions.

We may honor any account owner’s or authorized signer’s request to close an account or stop a transaction. At our discretion, we may require the signatures of all account owners and/or authorized signers before permitting the withdrawal of funds or the closing of an account. We may return checks or other items, marked “Refer to Maker” in the event there is a dispute over the ownership or control of an account.

If an interest-bearing account is closed for any reason, accrued interest will not be paid for the last interest period.

### 64. Third-Party Account Aggregators

Some deposit account customers may elect to use or are using the services of third parties to access information on their Banc deposit accounts and to conduct transactions through such third parties. These companies, often referred to as “account aggregators,” are not affiliated with Banc. This section of the agreement concerns your use of third parties or account aggregators, collectively “third-party account aggregators,” and your liability in connection with any and all activities and transactions conducted with these third-party account aggregators. We do not recommend the use of third-party account aggregators. If you choose to use the services of a third-party account aggregator, you assume all risks inherent in disclosing your account information, including user names, passwords or personal identification numbers (PINs) to the third party. Banc has no responsibility for any use or misuse of your account data by any third party to whom you have provided your account information, user names, passwords, or PINs. This means, among other things, that you are liable for all transactions conducted by the third-party account aggregator on your behalf and for the accuracy of information provided to you by any such third-party account aggregator. Banc cannot guarantee the ability of the third-party account aggregator to perform banking transactions of any type on your behalf, including, but not limited to, verification of credits and debits, transfers of funds, and bill payments. If you experience any problems with a third-party account aggregator to whom you provide your account information, you will have to resolve the problem directly with that third party. Banc cannot accept responsibility for any losses, damages, or fees assessed by another company or institution caused by the involvement of a third-party account aggregator, nor shall Banc accept any losses or damages resulting from actions of the third-party account aggregator, including but not limited to security breaches or other improper disclosure of your account information. Notwithstanding the foregoing and irrespective of our ability or inability to block access, you agree to indemnify and hold Banc harmless against any losses or expenses (including attorneys’ fees and costs relating thereto) which you or we may incur as a result of your use of a third-party account aggregator, including but not limited to any claims brought by or in any way arising in connection with a third-party account aggregator you have retained in connection with any of your accounts. Your indemnification obligation under this provision shall survive the termination of this agreement.

### 65. Transaction Limitations

We may refuse to accept a deposit or an addition to an account, limit its size, or return all or part of it to you. We reserve the right to limit the amount of funds that may be maintained in an account.

We may refuse or limit telephone and mail withdrawals, at our discretion. Additional transaction limitations on your particular account may apply. Refer to the Account Disclosure, applicable service descriptions, or other additional documents or agreements we give you pertaining to your account, as applicable, for further details.

## 66. Transfers and Assignments

Unless otherwise agreed by us in writing, all accounts are non-transferable and non-negotiable. You may not grant, transfer or assign any of your rights to an account without our prior written consent. We are not required to accept or recognize an attempted assignment of your account or any interest in it, including a notice of security interest. We reserve the right, subject to applicable regulatory approval, to transfer, assign or sell all of our rights, benefits, or obligations in and to the accounts covered hereunder to another financial institution, servicer, or related entity; and these terms shall continue to be in force and effect for the benefit of the successors and assigns of Banc of California, subject to applicable notice and amendments.

## 67. Trust and Other Fiduciary Accounts

Legal title to the trust or other fiduciary account is owned by the signing party(ies) as trustee, custodian, guardian, executor, administrator, conservator, or other fiduciary (collectively, "Fiduciaries") for the named beneficiary(ies) under a separate trust agreement, employee benefit plan, court order or other fiduciary arrangement. The Fiduciaries certify that they are authorized to manage funds in this account and agree to indemnify, defend and hold Banc harmless (in their individual capacity and jointly and severally) from and against any and all claims, damages, liability, or exposure, including reasonable attorneys' fees, that Banc may suffer or incur arising out of any action or claim by any beneficiary, account owner or other Fiduciary with respect to the authority, action or inaction taken by the Fiduciaries in handling or dealing with the account. Banc will not be responsible for monitoring a trustee or other Fiduciary's management of the account. Banc will not be obligated to monitor items deposited to, or drawn against, accounts held by a trustee or other Fiduciary to determine whether a trustee or Fiduciary is acting consistently with or in breach of any Fiduciary duty. If you open an estate account, trust account, guardianship or conservatorship account, or other similar type of account, and/or if there is a change on such an account, such as a successor trustee is appointed, we reserve the right to require any documents we reasonably request to satisfy us that you are authorized to open and use the account, including withdrawing the funds. We do not have to permit any withdrawal from the account until we receive all requested documents. We have no fiduciary duties to you as the trustee, executor, guardian or conservator, or to the beneficial owners of the account. Whether we treat a trust or fiduciary account as a consumer account depends on the nature and use of the account. This provision shall survive the termination of this agreement.

## 68. Unlawful Internet Gambling

The Unlawful Internet Gambling Enforcement Act (UIGEA) became effective June 1, 2010. This act "prohibits any person engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in unlawful Internet Gambling".

By continuing to use your account, you certify and agree that you will not use your Banc of California account or any account-related service to process internet gambling transactions or conduct any activity in violation of applicable laws. Further, you agree that if we are uncertain about the legality of any transaction, including but not limited to deposited items, wires, online banking and/or ACH (automatic clearing house), we may refuse or freeze the transaction until our investigation is complete. If you are engaged in any Internet Gambling transactions, legal or illegal, please contact your Relationship Manager to discuss how the UIGEA will affect your account activity.

## 69. Venue

You agree that any Excluded Claim (as defined in the Arbitration Agreement Section of this agreement), small claims court action, or other Claim (as defined in the Arbitration Section of this agreement) that may proceed in court consistent with the Arbitration Agreement section of this agreement shall be filed only in the appropriate state or federal courts in the state whose laws govern your agreement. If Banc of California did not operate a branch in your home state at the time you opened your account, then venue for any Claims that may be heard in court consistent with the Arbitration Agreement section of this agreement shall be in the federal or state courts of Orange County, California. You and we consent to the jurisdiction of those courts and waive any objections as to personal jurisdiction or as to the laying of venue in such courts due to inconvenient forum or any other basis or any right to seek to transfer or change venue of any such action to another court.

## 70. Waivers

We may delay enforcing our rights under this agreement without losing them. Any waiver by us shall not be deemed a waiver of other rights or of the same right at another time. You waive diligence, demand, presentment, protest and notice of every kind, except as otherwise set forth in this agreement.

## 71. Wires and Other Fund Transfers

- a. Payment Orders. The following provisions apply to payment orders governed by Division 11 of the California Commercial Code (e.g., wire transfers, transfers, and ACH transactions involving business accounts, and consumer transfers sent to a recipient in the U.S.). They do not apply to the transactions described in the separate "Electronic Fund Transfer (EFT) Services Agreement" or to payments by check, draft or similar instrument. If you have a separate agreement with us with respect to payment orders, the terms of that agreement will supersede any conflicting terms in this agreement.
- b. Rules of Funds Transfer Systems. Funds transfers to your account or funded from your account or otherwise funded by you may involve one or more funds transfer systems, including without limitation, Fedwire or Clearing House Interbank Payments

System (CHIPS). Accordingly, notwithstanding any choice of law that may be provided elsewhere in this agreement, such fund transfers will be governed by the rules of any funds transfer system through which the transfers are made, as amended from time to time, including, without limitation Fedwire, the National Automated Clearing House Association, any regional association (each an ACH), and CHIPS. Funds transfers through Fedwire will be governed by, and subject to, Regulation J, Subpart B, and Uniform Commercial Code Article 4A incorporated by reference thereunder. Funds transfers through CHIPS are governed by, and subject to, CHIPS Rules and Administrative Procedures and by the laws of the State of California, including Article 4A of the California Uniform Commercial Code, regardless of whether the payment message is part of a funds transfer that is a "Remittance Transfer" governed by section 919 of the Electronic Fund Transfer Act (EFTA), 15 U.S.C. section 1693o-1, except that in the case of an inconsistency between California law and EFTA, EFTA shall govern to the extent it applies to the transaction.

- c. Processing Orders. At our discretion, we may process your payment order to transfer funds to another account with us or to an account maintained with another financial institution. We reserve the right to reject any payment order without cause or prior notice, and may notify you of the rejection orally, electronically or in writing. You agree not to violate the laws of the United States or any other laws, including without limitation, the economic sanctions administered by the U.S. Treasury's Office of Foreign Assets Control. Outgoing and incoming wires involving transactions or business opportunities facilitated by the mail, the telephone or the internet, which involve illegal gambling, the opportunity to purchase or participate in a lottery, the purchase or sale of medical marijuana (regardless of whether deemed legal by the State of California or any other state or local government) or the clearing of checks payable to or intended for payment to third parties for a profit are strictly prohibited.
- d. Cutoff Hour. Our processing hours for payment orders vary based on location, transaction type and other factors. Information about our processing hours is available upon request. We may process any payment order we receive after our processing cutoff hour on our next funds transfer business day.
- e. Payment Order Accuracy. You must accurately describe the beneficiary of your payment order and the beneficiary's financial institution. If you describe any beneficiary or institution inconsistently by name and account number, we and other institutions may process the order solely on the basis of the account or identifying number, even if the order identifies a person or entity different from the named beneficiary or institution. We may also process incoming fund transfers based on the account or identifying number, even if the number is inconsistent with the name reflected in the payment order. If you give us a payment order that is erroneous in any way, you agree to pay the amount of the order whether or not the error could have been detected by any security procedure we employ.
- f. Cancellation/Amendment of Payment Orders. You do not have a right to cancel or amend any payment order after we receive it. Although we may attempt to act on any amendment or cancellation request you make (e.g., if it is received in a time and manner which permits us to do so), we assume no responsibility for failing or refusing to do so, or for the timing of our actions, even if we could have affected the change or cancellation. You agree to indemnify, defend and hold us harmless from any loss, damage, claim, action, and liability that results, and any charges and costs we incur, in connection with any request by you to amend or cancel a payment order. This provision shall survive the termination of this agreement.
- g. Foreign Transfers. (Applicable to business purpose transactions only.) Foreign transfers may be subject to delays, charges imposed by other financial institutions, and changes in foreign currency exchange rates. If you direct a payment order to a foreign country, we may execute the order in the currency of the country of the payee's bank at either our buying rate of exchange for U.S. dollar transfer or the exchange rate of the payee bank. If for any reason the payment order is returned to us, you agree to accept the refund in U.S. dollars in the amount of the foreign money credit, based on the current buying rate on the day of the refund, less any charges and expenses incurred by us. Unless you advise us otherwise, we may charge your account to pay for fees imposed by intermediary banks or instruct such banks to obtain payment of their charges for services and expenses by deducting the amount from your order.
- h. Unauthorized Payment Orders. We may process any payment order we believe is transmitted or authorized by you if we act in compliance with a security procedure (herein, "security procedure(s)") agreed upon by you and us. Such payment orders will be deemed effective as if made by you, and you will be obligated to pay us in the amount of such orders, even though they are not transmitted or authorized by you. Unless we agree on another security procedure, you agree that we may, in our discretion, confirm the authenticity and content of payment orders (among other ways) by placing a call to any person identified in our system for your account (though we are not required to do so). If we cannot reach you, or if the payment order is not confirmed or approved in the manner we require, we may refuse to execute the payment order. If we take any action not provided in the security procedures in connection with any payment order, such additional action shall not be deemed to become a mandatory part of the continuing security procedures. You understand and agree that we will use the security procedures to verify the authenticity of payment orders and that the security procedures are not designed to, and are not used for, the purpose of detecting errors in transmission or content of payment orders, including discrepancies between account names and numbers. Before sending a payment order request to us, you agree to review the security procedures and determine whether they will provide a commercially reasonable method for verifying whether a payment order is yours. As part of the review, you will consider the size, type, and frequency of payment orders you normally make or anticipate making, along with such other factors as you may deem relevant or appropriate. If the size, type or frequency of payment orders made

by you change such that the security procedures in use by you no longer provide a commercially reasonable method of providing security against unauthorized payment orders, you agree to immediately notify us. If we act on a payment order in compliance with the security procedures, then you will be obligated on the payment order, and it will be treated as your payment order, whether or not authorized by you. Regardless of whether or not we complied with the security procedures, any payment order received by us will be treated as yours and will bind you if the payment order is delivered to us directly or indirectly by any authorized representative. You will also be responsible for the payment order if you would otherwise be legally bound by the payment order, regardless of whether the payment order was erroneous in any respect or that any loss would have been prevented if we had complied with the security procedures.

- i. **Notice of Errors.** You agree to review all statements and notices promptly to confirm the accuracy and authorization of each payment order. You will notify us immediately if there is any discrepancy between your payment order and any confirmation or statement of account, or if you discover any other problem with respect to a transfer. You must send a written notice to us of the discrepancy or other problem, including a statement of the relevant facts, within a reasonable time (not to exceed 14 days from the date you first discover the problem or receive a statement or notice reflecting the problem, whichever occurs first).
- j. **Limitation of Liability.** Our liability for any act or failure to act shall not exceed any direct resulting loss, if any, which you incur and payment of interest. Unless otherwise required by law, we will not be liable for any consequential, punitive, indirect or special damage that you incur in connection with payment orders, even if we are aware of the possibility for such damages.
- k. **Provisional Credit.** Credit given by us to you with respect to a payment order is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your account in connection with the payment order, and the party (the originator of the entry) making payment to you will not be deemed to have paid you the amount of the payment order.
- l. **Notice of Incoming Transfer.** We are not required to give you a separate notice of our receipt of an incoming payment order. If we accept payment order credits to your account, you will receive notice of the credit on your next regular periodic statement. Although we may send notice of incoming payment orders (e.g., a wire), we assume no obligation to do so. Transfers to your account will be reflected on your regular periodic statement. You also can contact your office of account during normal business hours, or utilize our telephone or online banking services 24 hours a day, to determine if a transfer has been credited to your account.

## 72. Withdrawals

We may refuse to pay any check that bears a signature that (in our opinion) does not satisfactorily compare with the specimen signature on file with us. All checks written on your account must be drawn in U.S. Dollars. If your checks are presented for payment or acceptance on a weekend, a holiday, or after our processing cutoff hour, we may treat them as if we had received them on the next business day.

- a. **Presentment Notice.** We may accept for payment the transmission of an image of an item or information describing an item rather than delivery of the item itself.
- b. **Limitations.** We may refuse or limit withdrawals from any office that is not your branch of account. We may (but are not obligated to) require suitable identification and/or presentation of a passbook, receipt or certificate for any withdrawal or account closure. We may impose a charge on non-customers who cash a check at one of our offices. We also may require non-customers to present suitable identification, including a fingerprint, in connection with any transaction.
- c. **Advance Notice.** As required by federal law, we reserve the right to require 7 calendar days advance written notice of an intended transfer or withdrawal of funds from any savings account, NOW account or Money Market Deposit Account.
- d. **Electronic Presentment/Posting.** We may charge your account on the day that a check or other transaction is presented (or returned) to us directly or electronically for payment. We may charge your account or place a hold on funds at an earlier time if we receive notice that a check or other item deposited to your account is being returned, or if we receive notice that your check or electronic payment (e.g., at a point-of-sale) is being processed for collection. Refer to the "Funds Availability Policy" section above for further details. Please note: Some merchants may obtain authorizations in advance for point-of-sale transactions in an amount greater than the final transaction amount. You agree that we may place a hold on sufficient funds to cover the amount of the authorized transaction, pending its final settlement through the system, even if that amount exceeds the actual amount of the transaction. This could affect the balance available to cover other transactions.

## 73. Withholding of Income Tax

Unless you are exempt, we are required to withhold a portion of your interest income and certain other payments (this is referred to as backup withholding) if:

- a. You fail to supply us, under penalties of perjury, with your correct taxpayer identification number (TIN);
- b. You fail to provide us with the required certified information;
- c. The IRS instructs us to withhold; or
- d. The IRS notifies you that you are subject to backup withholding.

We may report interest and other payments to you to the Internal Revenue Service (IRS), along with your TIN.

To avoid possible erroneous backup withholding, an exempt payee should furnish its TIN and indicate on the Signature Card that it is exempt.

A non-resident alien or foreign entity not subject to information reporting must certify its exempt status by completing an appropriate IRS certification form (e.g., W-8 BEN). Non-resident aliens may be required to certify their exempt status every three years (or earlier upon request) to avoid backup withholding.

You may be subject to civil and criminal penalties if you fail to provide us with a correct TIN or falsify information with respect to withholding. For additional information on interest reporting and withholding, contact your tax advisor or the IRS.

#### 74. Questions or Comments

If you have any questions or need additional information, please contact one of our Relationship Managers or In-Branch Bankers.

Note: The fees, rates, and benefits described in this agreement, the Schedule of Fees, the Account Disclosure, as applicable, were current as of the date of publication, but are subject to change. You can obtain current information by calling your local branch.

Thank you for choosing Banc of California. Member FDIC.

**TOGETHER WE WIN®**  
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