



**BUSINESS BANKING
MASTER AGREEMENT
EFFECTIVE JUNE 10, 2019**

Farmers & Merchants Bank

TABLE OF CONTENTS

GENERAL TERMS & CONDITIONS	4
1. SERVICE SELECTIONS	4
2. ELIGIBLE ACCOUNTS	6
3. LOGIN SECURITY CODE CREDENTIALS.....	6
4. SECURITY PROCEDURES AND COMMUNICATIONS.....	7
5. CONTACT IN EVENT OF LOST OR STOLEN SECURITY CODE(S)	9
6. COMPUTER EQUIPMENT AND SOFTWARE TO ACCESS THE SERVICES.....	9
7. USER CONDUCT AND REPRESENTATIONS	10
8. INTELLECTUAL PROPERTY	11
9. COMPLIANCE WITH LAWS AND RULES	11
10. CUTOFF TIMES	12
11. SERVICE LIMITATIONS, ACCESS RESTRICTION WAIVER.....	12
12. REFUSAL TO PROCESS OR DELAY IN PROCESSING	12
13. IDEA SUBMISSION.....	13
14. SUFFICIENT FUNDS	13
15. SERVICE FEES AND CHARGES	13
16. FINES OR PENALTIES	14
17. NOTICES.....	14
18. EMAIL	14
19. CONTENT	15
20. INDEMNIFICATION OBLIGATION.....	16
21. CUMULATIVE REMEDIES	16
22. FORCE MAJEURE	16
23. RECONCILIATION	17
24. PROVISIONAL CREDIT	17
25. ARBITRATION	17
26. PRIVACY AND CONFIDENTIALITY	19
27. CREDIT CRITERIA, FINANCIAL INFORMATION, OWNERSHIP CHANGE NOTICE	19
28. SHADOW ACCESS	20
29. SECURITY INTEREST; HELD FUNDS	20
30. RESERVE ACCOUNT	20
31. TERMINATION; SUSPENSION; DELAY.....	21
32. YOUR RECORDS; NOT BACKUP SERVICE	21
33. SERVICES NOT SUBSTITUTE FOR LEGAL, TAX, OR FINANCIAL ADVICE OR PLANNING	21
34. SUCCESSORS AND ASSIGNS	22

35. UPLOADED CONTENT, LINKED SITES AND ADVERTISEMENTS	22
36. THIRD PARTIES, THIRD-PARTY CONTENT AND THIRD-PARTY AGREEMENTS	22
37. WAIVER	23
38. ELECTRONIC SIGNATURES, CONTRACTS AND RECORDS	23
39. LINKING ACCOUNTS	24
40. AMENDING/CANCELING A TRANSACTION.....	24
41. DATA SECURITY IN TRANSITION AND STORAGE	24
42. DISCLAIMER OF WARRANTY.....	25
43. AUDIT AND INSPECTION	25
44. LIMITATION ON LIABILITY	25
45. HEADINGS	26
46. INSURANCE	27
47. SEVERABILITY	27
48. CHOICE OF LAW	27
49. FINAL AGREEMENT; AMENDMENTS.....	27
50. BASIC ONLINE BANKING	27
51. ONLINE BANKING WITH CASH MANAGER.....	34
52. MOBILE BANKING	34
53. MULTIPLE ACCESS	39
54. ONLINE WIRE TRANSFER.....	43
55. ACH ORIGINATION.....	44
56. REMOTE DEPOSIT CAPTURE	47
57. POSITIVE PAY	57
58. ONLINE TAX PAYMENT.....	59
59. BUSINESS VISA® CREDIT CARD	60
60. ELECTRONIC LOCKBOX.....	71
61. MEDICAL ELECTRONIC LOCKBOX.....	77
62. MERCHANT PROCESSING	78
63. SMART SAFE SERVICE	78

GENERAL TERMS AND CONDITIONS

This Business Banking Master Agreement ("Agreement") includes description of certain banking services provided by Farmers & Merchants Bank of Long Beach ("Bank"). The words "we", "us", "our", "Bank" and similar terms are used to refer to Farmers & Merchants Bank of Long Beach. The words "you", "your" and similar terms are used to refer to the person entering this Agreement and to each person who is an owner of or has an interest in an Account together with the owner's authorized representatives. The services are more specifically described in the following, as updated from time to time: (i) this Agreement, including any schedules, and exhibits to the same (collectively, "Service Descriptions"); and (ii) user guides, user manuals, enrollment forms, applications, set-up forms and other user materials, including online terms and information (collectively, "Supporting Documents"). This Agreement establishes the rules that cover your electronic access to your accounts at the Bank through the Bank's Online system. This Agreement will be effective as of the first day the Bank makes any of the Services accessible to you. Unless otherwise stated, any reference to this Agreement may include applicable Service Descriptions and Supporting Documents. By using the Online system, you accept all the terms and conditions of this Agreement. Please read it carefully. This Agreement is in addition to other agreements between Farmers & Merchants Bank of Long Beach and you, including (as applicable) your checking, savings and other deposit account agreements, as may be modified from time to time. If there is a conflict between the terms and conditions of this Agreement and those contained in the other agreements between you and the Bank, this Agreement will control. Unless otherwise provided, to the extent any provision of this Agreement conflicts with a Service Description, the provision of the Service Description will control.

This Agreement supersedes any prior agreement(s) between you and the Bank with respect to the subject matter hereof. Except otherwise expressly provided herein, in the event of any conflict between this Agreement and any other document or oral statement, including, without limitation, any deposit agreement between you and the Bank, the terms of this Agreement shall govern.

You agree not to resell or offer the Services to another, or to process any transactions for others using the Services. If you are a natural person, you certify that you are at least eighteen (18) years or older. You authorize the Bank to obtain information about you from others (including credit reporting agencies) as part of the Bank's review of your enrollment application and from time to time thereafter. You agree to provide the Bank with information as the Bank requests from time to time. All references to time of day in this Agreement shall refer to Pacific Standard Time ("PST").

1. SERVICE SELECTIONS

By executing the Business Application and Acceptance form, and using the respective Services below, you agree to be bound by this Agreement, together with each applicable Service Description, including any Supporting Documents, corresponding exhibits, schedules, enrollments, or attachments to the same, which apply to the Services designated by you, and your use of any Service. Each Service you commence using after receipt of this Agreement, confirms your agreement to be bound by the Agreement together with each Service Description and the Supporting Documents relating to each Service. Each Service Description that corresponds to each selected Service forms a part of the Agreement.

Definitions:

- *"Account"* means any deposit account you maintain with us and can include all accounts and products you use with us. Your *"Account"* refers to the account(s) you have designated as the account accessible to the Services.
- *"Administrator"* is a person who is able to provide Security Codes to, and establish access and use authority and/or limitations for, Authorized Users.
- *"Authorized representative"* is a person with authority of any kind with respect to an Account.

- The “*Available balance*”, “*Available funds*” and similar words mean the balance in your Account as determined under our funds availability policy.
- “*Business*” is anyone other than a consumer who owns an Account with respect to which a Service is requested. A business includes a sole proprietor, corporation, partnership, limited liability company, unincorporated association or any person not a consumer.
- “*Business day*” means Monday through Friday. Federal holidays are not included.
- “*Communication(s)*” means instructions and actions from you (or attributable to you under this Agreement or otherwise) received by us through the Services.
- “*Commercial account*” shall mean an account that is not established primarily for personal, family or household purposes, or is otherwise not a “consumer account” under the Electronic Fund Transfer Act (“EFTA”).
- “*Consumer account*” shall mean an account that is established primarily for personal, family or household purposes, and is subject to the EFTA as a “consumer account.”
- “*Payment order*” is a payment order as defined under Section 11103(a)(1), as amended or revised, of the California Commercial Code, and includes a Communication received by us instructing us to pay, or to cause another bank to pay, a fixed or determinable amount of money to you, to a third party or to any other beneficiary.
- “*Security Codes*” are the credentials (such as codes and passwords) that are associated with you and used by us to verify the authenticity of Communications from you. Security Codes are used to access Accounts and to use the Services. The Security Codes include any supplemental or alternative method used to verify the authenticity of Communications that may be offered or presented to you by us from time to time.
- “*Service(s)*” and “*Online Banking*” are the online banking interface and the banking services described in this Agreement.
- “*Authorized User*” is a person other than the Administrator who uses Security Codes to access a Service. The Administrator (and not Farmers & Merchants Bank of Long Beach) controls the designation of Authorized Users and the access or other limitations (if any) placed on an Authorized User’s use of the Services.
- “*Supporting Documents*” refers to supporting materials made available by us and includes any schedules, and exhibits, user guides, user manuals, set-up or enrollment forms and other user materials, including online terms and information.
- The word “*includes*” means including but not limited to the examples given.
- The word “*may*”, when used in reference to us, means at our option and sole discretion. Action (or inaction) that we “*may*” take is authorized by you and allowed to us, but is not required. You agree that we will not be liable for any action taken or any failure to act when action or inaction is at our discretion.
- “*Other Agreements*” means our Deposit Agreement and any other agreement applicable to a deposit account or Service entered into by and between the Bank and the Account Holder, as amended from time to time.

- “Online system” means the Online system offered by the Bank to the Account Holders, as described in this Agreement.

2. ELIGIBLE ACCOUNTS

To use certain Online system, you must have at least one account at the Bank, access to Internet service and an email address. When you enroll in the Online system, the Accounts on which you are either the primary account holder or an authorized signer on the Account will be accessible using the Service; however, the Bank is not obligated to establish access to any or all of your Accounts, and not all Services may be available with all accounts. Some Services may not be available without special application to and approval by the Bank, or may be limited to specific types of accounts.

If you wish to add a new account to, or remove an existing account from, Service access, you must call us locally at (562) 344-2370 or, if you are outside California, at (866) 437-0011. However, we are not obligated to establish access to any or all of your Accounts, and not all Services may be available with all Accounts. Some Services may not be available without special application to and approval by us, or may be limited to specific types of accounts.

Eligible accounts may include the following types: checking, money market, savings, certificate of deposit, loan and credit card. In some cases, the Bank may allow loans and lines of credit to be linked; in which case, you agree that the relevant loan agreement, note or other document is modified to the extent necessary to allow the transfers or other Services that may be utilized. The Bank may also allow certificates of deposit to be linked, but no online transactional activity is allowed. No online transactional activity is allowed on certificates of deposit, which are view only. Accessibility to Accounts may vary based on the Service(s) you use.

You agree to review the configuration of your Account(s) at commencement of the Services, and periodically thereafter, and, for commercial accounts (as applicable), to restrict Authorized User access to Accounts and to specific Services on these Accounts in accordance with your risk assessment.

3. LOGIN SECURITY CODE CREDENTIALS

During your enrollment for the Services, you are required to select or will be assigned certain numbers, codes, marks, signs, public keys or other means of authenticating your identity and electronic communications in your name. These may include a customer number, logon name and password. These credentials, with the other components of your Security Codes, will give access to your Accounts through the Service. As a component of your Security Codes, our Online system utilizes multifactor authentication, which is login security that combines two authentication factors: Something you know (your password); and something you have (your computer/device).

In some cases, we also use out-of-band authentication (“OOBA”). OOBA requires the use of a one-time Secure Access Code (“SAC”), when prompted. For example, each time you log on from a computer or device that is not recognized by us, we will prompt OOBA.

You agree to change all passwords with sufficient frequency to protect confidentiality, and in any event no less frequently than every ninety (90) days. You agree not to disclose your Security Codes to anyone and to take other reasonable precautions to ensure the safety; security and integrity of transactions conducted with your computer or mobile device (for example, do not write them down). NOTE: Some browser software may store usernames and security codes to facilitate the future use of a website. For security reasons, you agree to disable this feature in your browser. Check your browser’s “Help” screen for more information on this feature. For security reasons, we may disable your Security Codes, for example, if they are entered incorrectly several times. Passwords should not be easy to guess: for example, your children’s or pet’s names, birth dates, addresses or other easily recognized identification related to you. It is also recommended that you do not have your browser automatically remember your password. We may offer to you or require you to use additional authentication tools or

methods from time to time. If you choose not to implement supplemental authentication tools, your access to some or all Services may be limited.

Some users may want to log in from multiple computers. If this is the case, a very quick self-registration process will help the Bank to recognize your additional computers during future logins. This registration process occurs the first time you log in with the additional computer. After three unsuccessful attempts to use your Security Codes, we may revoke your access to the Services. To reestablish your access to the Services, you agree to contact us locally at (562) 344-2370 or, if you are outside California, at (866) 437-0011.

4. SECURITY PROCEDURES AND COMMUNICATIONS

Application of the procedures and Security Codes to authenticate a Communication will be collectively referred to as the "Security Procedures" in this Agreement. If the Bank takes any action that is not provided in the Security Procedures in connection with any Communication, such additional action should not be deemed to become a mandatory part of the continuing Security Procedures. You understand and agree that the Bank will use the Security Procedures to verify the authenticity of Communications and that the Security Procedures are not designed to, and are not used for the purpose of, detecting errors in transmission or content of Communications, including discrepancies between account names and numbers.

Before using a Service and before sending a Communication to the Bank, you will review the Security Procedures and determine whether the Security Procedures will provide a commercially reasonable method for verifying whether a Communication is that of yours. As part of the review, you will consider the size, type and frequency of Communications you normally make or anticipate making, along with such other factors as you may deem relevant or appropriate.

- *Commercially Reasonable Procedures.* If the size, type or frequency of Communications made by you changes such that the Security Procedures in use by you no longer provide a commercially reasonable method of providing security against unauthorized Communications, you shall immediately notify the Bank.
- *You Are Responsible for Verified Communications, Even If Unauthorized.* If the Bank acts on a Communication in compliance with the Security Procedures, then you will be obligated on the Communication, and it will be treated as your Communication, whether or not authorized by you.
- *You Are Responsible for Communications Actually Authorized.* Regardless of whether or not the Bank complied with the Security Procedures, any Communication received by the Bank will be treated as your Communication and will be binding by you if the Communication is delivered to the Bank directly or indirectly by any "Authorized Representative", or if you would otherwise be legally bound by the Communication, regardless of whether the Communication was erroneous in any respect or whether any loss would have been prevented if the Bank had complied with the Security Procedures.

You will use and safeguard the Services, Security Codes, Security Procedures, Supporting Documents and the software (if applicable) in accordance with this Agreement. In connection with such safeguarding obligations, you will implement and maintain physical, technical and administrative controls and procedures sufficient to prevent impermissible or unauthorized access to or use of any Service, Supporting Document, Security Codes or Security Procedures. Without limiting the foregoing and to the extent any of the Services utilize an electronic interface, you agree to use and maintain at all times up-to-date anti-malware and anti-virus software and properly configured firewalls and otherwise to use commercial "best practices" to prevent your computers or other electronic interfaces from being compromised, including by malware, virus, Trojan horse or other malware. You expressly acknowledge that any wireless access to the Services initiated by you may not be secure and, in such cases,

you assume the risk associated with unauthorized access to the Services and any information contained therein resulting from such wireless connectivity.

You agree to notify the Bank immediately if you know or suspect that a Security Code or other information pertaining to the Security Procedures is stolen, compromised or misused. You acknowledge that the Bank's ability to reverse fraudulent electronic transfers is extremely limited, and in many cases impossible. You acknowledge that the Bank is not an insurer of you and your company against losses associated with unauthorized activity associated with the Services and that you have an independent responsibility to ensure the integrity and security of your systems and to determine whether you should obtain appropriate insurance coverage to protect against unrecoverable losses.

You assume all risks associated with disclosure of any part of the Security Procedures, including a Security Device, to your employees. You agree to limit disclosures of Security Codes to those employees or agents it will authorize to access the Services on your behalf, or who have a specific need to know. You agree to follow all requirements and guidance that may be outlined in the Service Descriptions or Supporting Documents provided or made available to you, including password change policies and practices. Without limiting the foregoing, you further agree to require authorized persons to create new passwords at reasonably frequent periods, based on your assessment of the security requirements appropriate for the Services utilized by you. You agree to promptly change Security Codes and level of authority, as applicable, in the event of any change in personnel or when reasonably prudent to do so.

If applicable, you may be required to select in Supporting Documents, or otherwise, a means of communicating with the Bank in connection with a particular Service (each, a "Communication Link"). Multiple Communication Links may be selected for certain Services, as more specifically described in the Service Description and/or Supporting Documents. Information and instructions may be sent and received by you through those Communication Links.

The Bank may act on a Communication by reference to the account number only, even if the name on the account is also provided and even if the account number does not actually correspond to the name. If an intermediary bank or a beneficiary's bank is identified on a Communication by both name and identifying number, the Bank and other financial institutions may rely on the number even if the name and the number are not consistent or identify different parties.

The Bank is not obligated to act on a Communication that is not transmitted in accordance with the Security Procedures. The Bank may act on an incomplete Communication at the Bank's sole discretion, including if in the Bank's reasonable opinion that it contains sufficient information. The Bank has no duty to discover, and shall not be liable for, errors or omissions made by you or the duplication of any Communication by you.

The Bank may delay or refuse to execute any Communication or process any requested Service. The Bank may do so for any reason or for no reason. The Bank may provide notice to you of such delay or refusal, but is not obligated to do so. The Bank may delay or refuse processing of a Communication, for example, if: (i) processing would or may exceed the available funds in your affected Account; (ii) the Communication is not authenticated to the Bank's satisfaction or the Bank believes the Communication may not have been authorized by you; (iii) the Communication contains incorrect, inconsistent, ambiguous or missing information; (iv) processing would or may involve funds that are subject to lien, security interest, claim, hold, dispute or legal process prohibiting withdrawal; (v) processing would or may cause a violation of any laws or rules applicable to you or to the Bank; (vi) for any reason determined by the Bank at the Bank's sole discretion; or (vii) for any other reason under this Agreement.

In addition, the Bank shall be excused from failing to transmit or delay a transmittal of a transaction or Communication if such transmittal would result in the Bank's having exceeded any limitation upon the Bank's intra-day net funds position established pursuant to present or future Federal Reserve Board ("FRB") guidelines or in the Bank's reasonable judgment otherwise violating any provision of any present or future risk

control program of the FRB or any rule or regulation of any other U.S. governmental regulatory authority. You agree that the Bank will have no liability to you or to any other person for any loss, damage or other harm caused by or arising out of any such delay or refusal. If you inform the Bank that you wish to recall, cancel or amend a Communication after it has been received by the Bank, the Bank may, but will not be required to, use the Bank's reasonable efforts to assist you to do so; however, the Bank shall not be liable for any loss, cost or expense suffered by you if the Bank does not, or is unable to, amend, cancel or recall a Communication. You hereby agree to indemnify the Bank against any loss, liability, and claim or expenses (including legal fees) it may incur in connection with assisting you to recall, cancel or amend a Communication, and you agree to reimburse the Bank immediately for any monies paid by the Bank associated with such losses, liability, claims or expenses incurred by the Bank.

You assume the sole responsibility for providing the Bank with accurate Communications in the form and format that the Bank requires. The Bank is not responsible for confirming Communications or for failing to detect and reject duplicate Communications. If you provide the Bank with a Communication that is incorrect in any way, you agree that the Bank may charge your Accounts for any transactions related to the Communication whether or not the error could have been detected by the Bank. The Bank is not obligated to detect errors in your transfer or payment instructions or other Communications.

The Bank's internal compliance, fraud control and other Bank procedures are for the benefit of the Bank and create no duty to you. The Bank has no duty or obligation under this Agreement to inform you if the Bank is suspicious of activity, including possible breach of security by your authorized representative(s) or use of Security Codes.

5. CONTACT IN EVENT OF LOST OR STOLEN SECURITY CODE(S)

If you believe any part of your Security Code, including your password, has been lost or stolen, contact the Bank immediately at (562) 344-2370 or, if you are outside of California, at (866) 437-0011 or by fax at (562) 344-2357, or write to the Bank at:

Farmers & Merchants Bank Online Banking Services
P. O. Box 2400
Seal Beach, CA 90740

6. COMPUTER EQUIPMENT AND SOFTWARE TO ACCESS THE SERVICES

The Service Description and/or Supporting Documents for each Service shall describe the various means by which you may communicate with the Bank in connection with such Service. Those means may include, without limitation, the use of computer software ("software") licensed or sublicensed by the Bank to you ("license") or the use of an Internet connection. To the extent any of the Services involve the Bank having granted software license usage rights, such grant shall be a non-exclusive, non-transferable right to access and use the Service in connection with your own business operations in accordance with the Supporting Documents.

You are responsible for providing and maintaining any equipment that is necessary for the Services, such as telephones, terminals, modems and computers. You agree to use equipment that is compatible with our programs, systems and equipment, which we may change from time to time. We assume no responsibility for the defects or incompatibility of any computers or software that you use in connection with the Services, even if we have previously approved their use. You agree to notify us promptly if any software or equipment we provide to you becomes defective. Our sole responsibility (if any) in such instances will be to repair or replace the defective software or equipment. For security purposes, you agree to keep your browser and operating system up to date. You agree to install and maintain appropriate firewall and anti-virus software on any equipment you use to access the Service, to protect your data when connected to the Internet. Except to the extent limited by applicable law, you assume sole responsibility for any and all loss, damage or injury arising with respect to any failure of your equipment, software not provided by us, the disruptions or unavailability

of connectivity, or viruses, spyware, malware or worms affecting your equipment or software.

To use the Services, you must have sufficiently powerful computer hardware and appropriate software. Some Services may require you to download software from our website; in some cases, we may place software on your computer as part of our security and/or verification tools. You agree to maintain the confidentiality of the Security Codes at all times and not to provide access to them to anyone whom you do not authorize to access your Accounts through the Services.

Encryption of data transmissions does not guarantee privacy. Data transferred via the Services is encrypted in an effort to provide transmission security. Notwithstanding our efforts to ensure that the Services are secure, you acknowledge that the Internet is inherently insecure and that all data transfers (including transfer requests and electronic mail) occur openly on the Internet. This means that the data transfers potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing the Services will not be monitored or read by others. You expressly acknowledge that any wireless access to the Services initiated by you may not be secure and, in such cases, you assume the risk associated with unauthorized access to the Service and any information contained therein resulting from such wireless connectivity. For commercial accounts (as applicable), you agree to implement and maintain administrative, technical and physical safeguards to protect against unauthorized access to or use of any account information that you may access or store on your computer or other data storage systems.

7. USER CONDUCT AND REPRESENTATIONS

You agree not to use the Services or the content or information in any way that would: (i) infringe any copyright, patent, trademark, trade secret or other proprietary rights or rights of publicity or privacy; (ii) be fraudulent, including use of the Service to impersonate another person or entity; (iii) violate any law, statute, ordinance or regulation (including those governing export control, consumer protection, unfair competition, anti-discrimination, false advertising or illegal Internet gambling); (iv) be false, misleading or inaccurate; (v) create liability for the Bank or the Bank's affiliates or service providers, or cause the Bank to lose (in whole or in part) the services of any of the Bank's service providers; (vi) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (vii) potentially be perceived as illegal, offensive or objectionable; (viii) interfere with or disrupt computer networks connected to the Service; or (ix) use the Service in such a manner as to gain unauthorized entry or access to the computer systems of others. Without limiting the generality of the foregoing, you agree not to: (a) make the Service available, or allow use of the Service, in a computer bureau service business, or on a timesharing basis; or (b) otherwise disclose or allow use of the Service by or for the benefit of any third party.

You represent and warrant to the Bank that (i) it is duly organized and validly existing, and is in good standing in every jurisdiction where required; (ii) your execution, delivery and performance of this Agreement and the transactions contemplated herein have been duly authorized by all necessary action and (iii) do not violate any provision of any applicable law, rule or regulation (including any licensing requirement(s) or of your charter or bylaws or other governing documents, as applicable); or result in the breach of, constitute a default under, or require any consent under any agreement or instrument to which you are a party or by which you are bound.

This Agreement is a legal, valid and binding obligation; you are not, and agree not to take any action that would result in you 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 the Bank that you are a money service business; unless otherwise agreed to in writing by the Bank, the accounts established by you with the Bank and the Services you establish or use in connection with the accounts will only be used for business purposes and not for personal, family or household purposes; and you agree that it shall be deemed to make and renew each representation and warranty made in this section on and as of each day on which it uses the Services. You will inform the Bank in writing immediately upon your becoming

aware of facts or circumstances that cause (or with the passage of time would result in) any representation or warranty given by you to cease to be true and correct. You will provide such information or documentation as the Bank may request from time to time to demonstrate compliance by you with your representations and warranties, or other obligations of you under this Agreement.

8. INTELLECTUAL PROPERTY

You acknowledge and agree that the software and content used by us in the operation of our website and provision of the Services, and the copyright patent, trademark, trade secret and all other rights in and to the technology, software, content, designs, graphics, and trademarks included by us on our website and as part of the Services and our name and product names and the website's URL (collectively, the "Intellectual Property"), are owned by us and our licensors. As such, you will not gain any ownership or other right, title or interest in or to such Intellectual Property by reason of this Agreement or otherwise.

You may not distribute, use, reproduce, duplicate, copy, publish, sell or otherwise transfer: (i) any portion or element of the Services or the Intellectual Property; (ii) use of our website, Services or Intellectual Property; or (iii) access to our website Services or Intellectual Property. Further, you may not (a) create derivative works of any portion or element of our website, Services or Intellectual Property; (b) reverse engineer, modify, decompile or disassemble any of the Intellectual Property; (c) deactivate or disable any password protection or other protection, security or reliability technology we incorporate in our website or the Services; (d) modify or erase any copyright or trademark notice we place at our website; (e) engage in the practice known as "screen-scraping" or otherwise attempt to, or actually, obtain copies of content provided at the site or a list of our content or site users, or use computer programs (sometimes known as "scrapers," "spiders," "robots" or "bots") to systematically access and download data; (f) access the Services by any means other than via our website; (g) frame our website or any Intellectual Property; or (h) use any circumvention tools, meta tags or any other "hidden text" utilizing our name, trademark, URL, product name or Intellectual Property. You agree to comply with the terms of any license agreement we make available to you with any software.

9. COMPLIANCE WITH LAWS AND RULES

You agree to comply with all state and federal laws, rules and regulations applicable to you and to your use of the Services (the "Laws"), including the operating rules of all systems used to provide Services to you (the "Rules"), and to provide evidence reasonably satisfactory to us of the same if requested by us. You agree not to use the Services for any illegal purpose, including illegal Internet gambling. Without limitation, you agree and acknowledge that the Services may not be used by you in violation of the laws of the United States, including sanction laws administered by the Office of Foreign Assets Control. You acknowledge and agree that the software you use to access Services may be subject to restrictions and controls imposed by the Export Administration Act and the Export Administration Regulations. You agree and certify that neither the software nor any direct product thereof is being or will be used by you for any purpose prohibited by these Acts.

Additionally, each Account and the Services will be subject to and governed by the following:

- The terms or instructions appearing on a screen when using a Service;
- The terms of our Deposit Agreement with you, and our rules, procedures and policies;
- Applicable provisions of the rules of the National Automated Clearing House Association ("NACHA") for bill payments facilitated through the Automated Clearing House ("ACH") network;
- Applicable state and federal laws, rules and regulations; and

- The rules of other funds transfer systems when used in connection with a Service.

Nothing in this Agreement relieves you of any obligation you may have under the Laws or the Rules, and this Agreement is deemed modified to the extent necessary to allow or require you to comply with the same. You will implement and maintain procedures, including retention of legal or compliance services, to ensure that you are able to comply with all current and future Laws and Rules, including any changes to them. We are not obligated to provide information, updates or notice of or regarding the Laws or the Rules, even if we are aware of the same and of the potential for material impact on you and your use of the Services, and your indemnification and other obligations to us are not relieved or reduced by our not providing the same to you. If we do provide information, updates or notices of or regarding the Laws or the Rules to you, we are not responsible for the accuracy of the same and may discontinue doing so at any time.

10. CUTOFF TIMES

A number of the Bank's Services are subject to processing cutoff times. The cutoff times applicable to each Service are reflected in the specific service section or in the Supporting Documents. Communications received after the cutoff time or on a non-business day may be deemed received as of the next business day at Bank's discretion. Alternatively, some Services may require you to resubmit a Communication when it is received after the cutoff time or on a non-business day.

11. SERVICE LIMITATIONS, ACCESS RESTRICTION WAIVER

You acknowledge that the Services may be subject to system and other limitations, including Bank-imposed limitations. You agree not to exceed or otherwise violate any Service limitations, including dollar, frequency, activity or other limits. The Bank may cause a Service to be temporarily unavailable to you, either with or without prior notice, for site maintenance, security or other reasons, and you acknowledge that factors beyond the Bank's reasonable control, such as telecommunications failure or equipment failure, may also cause the Service to be unavailable to you. In such event, you must make alternative arrangements for scheduled and other anticipated transactions and you will be responsible for maintaining procedures and facilities to enable you to do so if any of the Services are unavailable to you. Upon notice from the Bank of a failure of any software, hardware or other equipment necessary for the Bank to perform in accordance with a Service Description, you will as soon as reasonably possible deliver to the Bank all data in your possession or under your control, which the Bank reasonably requests in order for the Bank to continue to provide the Service.

Your Accounts may be subject to access restrictions when you conduct transactions in person or when you are using systems other than with a Service. If access restrictions exist, they do not apply to your use of the Services. We may limit or deny Services to you if there are access restrictions. Conversely, we may process your transactions based on Communications without regard to or any need to comply with access restrictions otherwise applicable to your Accounts.

12. REFUSAL TO PROCESS OR DELAY IN PROCESSING

We may delay or refuse to process any requested Service, including payment orders or other money transactions, or any other Communication from you. We may do so for any reason or for no reason. We may provide notice to you, but are not obligated to do so. We may delay or refuse processing, for example, if: (i) processing would or may exceed the available funds in your affected Account; (ii) the Communication is not authenticated to our satisfaction or we believe it may not have been authorized by you; (iii) the Communication contains incorrect, inconsistent, ambiguous or missing information; (iv) processing would or may involve funds that are subject to lien, security interest, claim, hold, dispute or legal process prohibiting withdrawal; (v) processing would or may cause a violation of any Laws or Rules applicable to you or to us; or (vi) for any other reason under this Agreement. You agree that we will have no liability to you or to any

other person for any loss, damage or other harm caused by or arising out of any such delay or refusal.

13. IDEA SUBMISSION

If you submit any materials or other information to any public areas of our website (such as bulletin boards, guest books, forums, wish lists and chat rooms), you hereby grant us a non-exclusive, worldwide, royalty-free, fully paid-up, perpetual, sub-licensable, assignable, transferable, irrevocable license under copyright and patent, with the unrestricted right to use, reproduce, distribute, transmit, create derivative works of, publicly display and publicly perform any such materials and other information (including, without limitation, ideas contained therein for new or improved products and services) by all means and in any media now known or hereafter developed or commercialized. In addition, you represent and warrant to us that you have the right to grant to us the foregoing license.

14. SUFFICIENT FUNDS

You must have sufficient available funds in your Account to cover the amount of any transaction that would be charged to your Account. Subject to limitations set out in this Agreement, you can request payments up to the amount of available funds or available credit in your Account (if any). We may hold (or "freeze") funds at any time after you have initiated a Service for any reason, including as a means of reducing risks that there will be insufficient funds for completing the Service. If we do hold funds for any reason, we may treat the held funds as not available for other purposes, and reject other transactions (for example, checks or other transfer instructions). Nothing in this Agreement, or any course of dealing between us, shall be construed as our commitment or obligation to lend you money.

15. SERVICE FEES AND CHARGES

You agree to pay the Bank the fees prescribed in the Bank's current Schedule of Fees for each of the Services, a copy of which is available upon request (each a "Schedule of Fees"), as well as all amounts otherwise due under this Agreement. The Schedule of Fees is also available at www.fmb.com/fees.

Unless other arrangements are made for payment of such fees and other amounts due, you agree that the Bank may without prior notice or demand automatically debit any Account maintained by you with the Bank in the amount of such fees and other amounts due. The Bank does not in any way extend credit to you under this Agreement. The Bank may amend the Service pricing from time to time. Fees are subject to change without prior notice. Special or additional Services performed at your request will be subject to additional terms and fees. If Accounts are analyzed, you may be able to use available earnings credit to offset certain charges related to the Services.

If analyzed accounts contain funds belonging to third parties, you represent that use of any related earnings credit is not limited by law, regulation or agreement with such third parties. In addition to the fees and other amounts due for the Services, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services, this Agreement and any software or equipment made available to you (excluding any income tax payable by the Bank). You are also responsible for the costs of any communication lines and any data processing charges payable to third parties. If you are required by the laws of any relevant jurisdiction to make any deduction or withholding from any fees, interest or other amounts, on Account of tax or other charges, you shall withhold the same and pay it to the relevant authority, and shall pay the Bank such additional amount as may be necessary to ensure the Bank receives an amount equal to the amount it would have received had no such deduction been made.

16. FINES OR PENALTIES

You will reimburse the Bank for any fines or penalties (and any associated costs, including reasonable attorneys' fees and costs) imposed on or assessed against the Bank by any Federal Reserve Bank, any network operator, any state or federal regulatory agency or other U.S. or foreign governmental body, or any clearinghouse or other third party having oversight or rulemaking authority over transactions facilitated using the Services, when the fine, penalty or other expense is caused by or related to your data or use of the Services. Such amounts shall be immediately due and payable by you. Your obligation to pay the Bank remains immediately due and payable whether or not the fine or penalty was imposed or assessed in accordance with any requirements of the Rules or Laws or any laws applicable to any party other than the Bank and notwithstanding the Bank or you may have a claim against another for breach of the same.

17. NOTICES

Except as otherwise provided in this Agreement, all notices and other Communications by you to the Bank shall be in writing and addressed to:

Farmers & Merchants Bank of Long Beach
302 Pine Ave.
Long Beach, CA 90802
Or at such other address as the Bank may specify in writing.

Notices and Communications to you may be mailed or sent to you electronically at the statement, email or mailing address shown for you in the Bank's records.

Any Notice or Communications sent by the Bank to you, whether electronic or written, will be deemed given and effective when sent or otherwise made available to you, or as otherwise stated in the Notice or Communication. You further acknowledge and agree that certain Notices and Communications may be provided to you by telephone, facsimile or electronic transmission at the telephone number, facsimile number or other location or number as shown in the Bank's records. You agree to promptly notify the Bank (in a format acceptable to the Bank) whenever your email address, physical address, mobile phone number or other contact information changes.

Any notice, instruction, Communication or other Communication sent by you to the Bank will be effective when the Bank has actually received and has had a reasonable time to act on the notice, instruction, Communication or other Communication. Notwithstanding anything to the contrary herein, the Bank may rely on all notices, instructions, Communications and other Communications sent to the Bank via facsimile or electronic transmission as though they are originals. Without limiting the foregoing, the Bank is entitled to rely on any notice, instruction, Communication or other Communication believed by the Bank in good faith to be genuine or to have been signed or authorized by an authorized representative of you. You agree to access the Services from time to time, in no event less than monthly, to access notices, communications and information made available by the Bank.

18. EMAIL

While access to us through the secure email function of the Services is "online," messages sent to us through email are not reviewed by our personnel immediately after they are sent. If immediate attention is required, you must contact us by telephone or in person.

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

Email or messages sent by us to you will be deemed received by you when sent by us to you at your email address as shown on our records. You agree to notify us (using the Service or otherwise in a format that is acceptable to us) whenever your email address

Farmers & Merchants Bank

changes. You agree that information or messages made available to you via the Services will be deemed received by you when first posted on our website or made available to you. If you fail to update or change an incorrect email address or other contact information, you understand and agree that any email shall nevertheless be deemed to have been provided to you if the email was sent to the email or other contact address we have on file for you.

If you have questions on how to use the Online system and answers to those questions cannot be obtained through the Online Help, you may send your questions to the Bank using the Message Center in the Online system. Messages using this feature are sent securely. To use this feature, you must be logged in to the Online system. If you have questions about your Account or you believe someone else has access to your login ID and/or password or other means of access to your Account, or you have questions about your Account or about transfers or payments to and from your Account, you can speak with an Internet Support Specialist by calling the Bank during the hours of 8:00 AM to 5:00 PM (PST) Monday through Thursday, 8:00 AM to 6:00 PM (PST) Fridays and 9:00 AM to 12:00 PM (PST) Saturdays, except for federal holidays. You cannot use email to initiate transactions on your Account(s).

For banking transactions, please use the appropriate functions within the Online system. The Bank may act upon your email messages, if the Bank received them in a manner and in a time that provides the Bank a reasonable opportunity to act. Nevertheless, unless otherwise provided herein, email messages will not serve as a substitute for any requirement imposed on you to provide the Bank with "written" notice. Email or messages sent by the Bank to you will be deemed received by you when sent by the Bank to you at your email address as shown on the Bank's records. You agree to notify the Bank (using the Service or in a format that is otherwise acceptable to the Bank) whenever your email address changes.

19. CONTENT

The Bank reserves the right, but shall have no obligation, to reject, move or delete content that the Bank, in the Bank's sole discretion, believes violates this Agreement, or contains content, including malware or viruses, that may interfere with the operation of the Bank's website or other systems. The Bank shall have the right, but not the obligation, to disclose content to any third party if required or permitted by law or if the Bank believes reasonably necessary, including to: (i) comply with legal processes; (ii) enforce this Agreement; (iii) respond to claims that any content violates rights of third parties; or (iv) protect the Bank's rights, property or personal safety, or those of third parties.

The Services may allow you to access content originally provided or operated by third parties acting on your behalf (collectively referred to as "third-party content," unless otherwise provided herein). Unless the Bank tells you otherwise in writing, the Bank does not operate or monitor any such content including any of the information, products or services provided or operated by third parties. You acknowledge and agree that: (i) You access and rely on such third-party content at your own risk; (ii) the Bank makes no endorsement of, and assumes no responsibility for, third-party content uploaded or inputted to the Services by third parties; (iii) although the Bank may have a contractual or other relationship with the providers of third-party content, the Bank will not be responsible for the content, accuracy, integrity, availability, timeliness or operation of their website or the data they make available. You agree to hold the Bank harmless in connection with all of the foregoing.

Without limiting the foregoing, the Bank assumes no responsibility for determining the accuracy, reliability, timeliness, ownership, legality, appropriateness or completeness of any third-party content that you or others upload to the Services or otherwise provide to the Bank, nor for any mistakes, defamation, slander, libel, omissions, falsehoods, obscenity, pornography or profanity associated with the same. The Bank will not have a duty to interpret or evaluate any third-party content transmitted to the Bank or through the Bank's website or the Services, except to the limited extent, if any, set forth in this Agreement. The Bank will not be required (by means of any security procedure or otherwise) to detect errors or illegality in the transmission or content of any third-party

content the Bank receives from you or third parties. The Bank will not have a duty to notify you about any inaccuracy, unreliability, ownership, incompleteness or other problem that may be associated with third-party content, even if the Bank has reason to know of its existence.

20. INDEMNIFICATION OBLIGATION

You agree to indemnify and hold us, our affiliates, licensors, processors, third-party contractors and vendors, and their respective directors, officers, shareholders, employees and agents, harmless from and against any and all claims, loss or damage of any nature whatsoever (including attorneys' fees and court costs) arising directly or indirectly out of: (i) your wrongful acts or omissions, or those of any person acting on your behalf in connection with your use of the Services, including, without limitation (i) the breach by you of any provision, representation or warranty of this Agreement, (ii) the negligence or misconduct (whether by act or omission) of you or your customers or any third party on your behalf, (iii) any misuse of the Services by you, or any third party within the control, or on behalf, of you, (iv) your failure to comply with applicable state and federal laws and regulations, or (v) any fine, penalty or sanction imposed on us by any clearinghouse, or any governmental entity, arising out of or connected with the Services; (a) any act or omission of ours that is in accordance with this Agreement or instructions from you; (b) actions by third parties, such as the introduction of malware or a virus, that delay, alter or corrupt the transmission of an image or communication to us; (c) any loss or corruption of data in transit from you to us; (d) any claim by any third party claiming that such third party incurred loss due to the Service; or (e) any claims, loss or damage resulting from your breach of, or failure to perform in accordance with, the terms of this Agreement. This indemnity will survive the termination of this Agreement. You agree that you will not assert any claims against us based on theories of negligence, gross negligence, strict liability, misrepresentation or fraud based on or relating to any Communication Link, software or your possession or use thereof or any technical computer service including software installation or de-installation performed by us.

21. CUMULATIVE REMEDIES

The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, ordinance or otherwise.

22. FORCE MAJEURE

Notwithstanding any other provisions of this Agreement, the Bank shall not have any responsibility or liability for any failure, error, malfunction or any delay in carrying out any of the Bank's obligations under this Agreement if such failure, error, malfunction or delay results from events due to any cause beyond the Bank's reasonable control, including, without limitation, unavailability of any communications system, sabotage, fire, flood, explosion, acts of God, civil commotion, strikes, stoppages of labor or industrial action of any kind, riots, insurrection, war or acts of government, power or equipment failure (including that of any common carrier, transmission line or software), emergency conditions, adverse weather conditions or any other factor, medium, instrumentality, condition or cause not in the Bank's control. The Bank 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 the Bank from you, another financial institution or any other third party. In addition, the Bank shall be excused from failing to transmit, or delaying the transmission of, any transaction, if such transmittal would result in the Bank's having exceeded any limitation upon the Bank's intra-day net funds position established pursuant to present or future FRB guidelines or in the Bank's otherwise violating any provision of any present or future risk control program of the FRB or any rule or regulation of any other U.S.

governmental regulatory authority. The Bank shall not be liable for any failure to perform any of the Bank's obligations under this Agreement if such performance would result in it being in breach of any law, regulation, requirement or provision of any government, government agency, banking or taxation authority in accordance with which the Bank is required to act, as shall be determined at the Bank's sole discretion.

23. RECONCILIATION

You will inspect all information made available by the Bank in connection with the Services. You agree to promptly, by telephone and in writing, notify the Bank of any errors in such information or any discrepancies between your records and the information, statements or confirmations of transactions made available by the Bank. To the extent not expressly prohibited by applicable law, if you fail to promptly notify the Bank of any such error or discrepancy, in any case no more than 10 days from the date on which such information is made available to you, then you agree that the Bank will not be liable for any losses resulting from your failure to give such notice or any resulting loss of interest relating to any transactions. Without limiting the foregoing: (i) if you fail to notify the Bank of any such error or discrepancy within one year of the date on which such information is made available to you, then you shall be precluded from asserting such error or discrepancy against the Bank; and (ii) the Bank reserves the right to, in the Bank's sole discretion, adjust transaction records for good cause after the expiration of said one-year period.

24. PROVISIONAL CREDIT

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 when the Bank gives you credit for an incoming payment order, including returned credited transactions or credit reversals, it is provisional until the Bank receives final settlement for the payment order. The Bank may delay availability of provisional funds at the Bank's discretion. If the Bank does not receive final settlement, you must return the funds previously credited to your Account, and the person who sent the payment order will not be treated as having paid you. The Bank may refuse to permit the use of any amount credited for an incoming payment order, including a debit entry or credit reversal, if the Bank believes, in the Bank's sole discretion, that there may not be sufficient funds in your Account to cover chargeback or return of such transaction.

25. ARBITRATION

This provision contains the terms of how a dispute between you and the Bank will be resolved. Please read it carefully.

Any dispute involving a claim for \$5,000.00 or more in damages between you and the Bank will be resolved through binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association (AAA) or its successor.

Arbitration is a means of having an independent third party resolve a dispute without using the court system. With arbitration, there is no right to

appeal the decision of the arbitrator as there normally is in the court system.

BY THIS AGREEMENT, YOU UNDERSTAND THAT EACH OF US IS WAIVING THE RIGHT TO A JURY TRIAL OR A TRIAL BEFORE A JUDGE IN A PUBLIC COURT.

Judgment upon the award of the arbitrator may be entered in any court having jurisdiction. California law, except as it pertains to the statutes of limitations and appeals, is applicable to the arbitration proceeding, including, without limitation, the rules of evidence.

The dispute shall be resolved by a single arbitrator who is a member of the State Bar of California or a retired judge of the Superior Court of the State of California, with expertise in the substantive laws applicable to the subject of the dispute. To the extent there is any variance between the Commercial Arbitration Rules of the American Arbitration Association and this Agreement, this Agreement shall control.

Nothing in this provision limits the right of the Bank to exercise self-help remedies, foreclose against collateral and obtain provisional remedies. The arbitrator shall also determine all issues relating to applicability, interpretation and enforceability of this paragraph.

An arbitration proceeding brought by you against the Bank must be brought within one (1) year after the cause of action occurred irrespective of any other statute of limitation set forth in California law.

The arbitrator may not award punitive damages against any party. Each party shall bear its own attorney's fees, cost and expert witness fees in

connection with the arbitration. The arbitrator's fees shall be divided equally between the parties to the arbitration subject to reallocation by the arbitrator.

26. PRIVACY AND CONFIDENTIALITY

Unless otherwise provided in the Service Descriptions, all Supporting Documents and software provided pursuant to this Agreement constitute the Bank's, the Bank's contractors or vendors, or the Bank's agent's confidential information ("Confidential Information"). The Bank, the Bank's contractors or vendors, or the Bank's agent (as applicable) will remain the sole owner of all such Confidential Information, and you will not acquire any interest in or rights to the Confidential Information as a result of your use of any Service except as expressly set forth in the Service Description. You will maintain the confidentiality of the Confidential Information, and will not permit your employees or agents to disclose copy, transfer, and sublicense or otherwise make any of it available to any person or entity, other than your employees who have a need to use the Confidential Information in connection with the applicable Service.

All information gathered from you in connection with using the Service will be governed by the provisions of our consumer privacy policy (applicable to consumer accounts only), as well as our online privacy policy, which you agree to review by accessing it on our homepage.

In addition, we will disclose information to third parties about your Account or the transfers you make:

- Where it is necessary for completing transfers;
- In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders; or
- If you give us your written permission.

27. CREDIT CRITERIA, FINANCIAL INFORMATION, OWNERSHIP CHANGE NOTICE

We may act on requests for information, or requests to facilitate any Service requested on or associated with an Account, from any Account owner (including joint owners) or their authorized representatives. You agree not to resell or offer a Service to another, or to process any transactions for others using a Service

You expressly agree that you are not, and you agree to take no 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.

We may, from time to time, request information from you in order to evaluate a continuation of the Services to be provided by the Bank hereunder and/or adjustment of any limits set by this Agreement. We may, in our sole discretion, and you hereby authorize us to, perform credit reviews of you in accordance with our credit criteria. You shall, upon our request, provide us with any credit-related information and assistance that we may require performing any such review. You agree to provide us with financial statements or other information regarding your financial condition upon our request.

Without limiting the foregoing, if you are a commercial account holder you agree to provide us with at least thirty (30) days' advance written notice of: (i) any material (20% or greater) change in your ownership; (ii) any material change in type, scope or nature of your business; and (iii) any anticipated material (20% or greater) increase in the

amount or volume of your use of the Services to facilitate transfers to third parties over the preceding calendar quarter.

28. SHADOW ACCESS

We may, in our sole discretion, make available to you the ability to grant our employees and our service providers with real-time access to your sessions in connection with the Service ("Shadow Access"). You acknowledge and agree that any Shadow Access by our employees or our service providers will only be activated upon your authorization, which may be provided by you or on your behalf by any one of the authorized users on your Account. Once Shadow Access is granted, it will be limited to the session then open by you or your authorized user, at the time of the authorization. Each new session opened will require a new authorization for Shadow Access. You acknowledge that the purpose of Shadow Access is to assist you when troubleshooting system questions presented by you to us or our service provider as it relates to the Service. You expressly agree that you will maintain a physical presence at the computer terminal to which Shadow Access is granted, for the complete duration of the session. If you fail to maintain an authorized presence during the complete duration of the session, you assume all risk associated with unauthorized access to your information and the Services.

In addition to the protections otherwise available to us under this Agreement, you agree to indemnify and hold us, our affiliates, licensors, processors, third-party contractors and vendors, and their respective directors, officers, shareholders, employees and agents, harmless from and against any and all claims, loss or damage of any nature whatsoever (including attorneys' fees and court costs) arising directly or indirectly out of the Shadow Access.

29. SECURITY INTEREST; HELD FUNDS

In addition to any other rights, we may have under this Agreement and otherwise with regard to the Accounts of yours, we may hold and use funds in any Account following termination of this Agreement. Without limitation, you recognize that under the Uniform Commercial Code, Regulation CC, the Electronic Check Clearing House Organization ("ECCCHO") Rules (as applicable) and the rules of any image exchange network, our representations and warranties with regard to Image Exchange Items and Substitute Checks may expose us to claims for several years following processing of the Image Exchange Item or Substitute Check.

You grant us a security interest in your Accounts to secure the repayment of any obligation that you incur under this Agreement. The security interest provided under this Agreement is in addition to any other security interest we may have in your Accounts or other assets. This security interest will survive termination of this Agreement.

30. RESERVE ACCOUNT

You agree that you will, if requested by us at any time, establish one or more reserve accounts to be maintained with us in type (including time deposits) and amount satisfactory to us, to serve as collateral for and to secure your obligations to us under this Agreement. We may restrict or prohibit your access to any reserve account(s) and the funds on deposit in them, and we may hold such accounts following termination of this Agreement for a period of time sufficient to protect us against loss. We may increase or decrease the required reserve account amount from time to time, upon notice to you, and you agree to provide immediately available funds to cover a reserve amount we request. In addition, we may transfer funds from another account of yours, or use funds payable to you or owed by us to you under this Agreement or due to a Service, and credit such funds to a reserve account if a deficiency exists between the available funds in your reserve account(s) and the amounts we specify as the required reserve amount.

31. TERMINATION; SUSPENSION; DELAY

You may terminate some or all of the Services under this Agreement upon thirty (30) days' prior written notice to the Bank; and the Bank may terminate, suspend or restrict some or all of your access to the Services under this Agreement, at any time immediately.

Any termination will not affect any obligations arising prior to termination. Upon termination, the Bank may terminate your access to the Services, and you will terminate your access to and use of the Services, except to the extent necessary to process transactions that were in process prior to the termination date. Within thirty (30) days after termination of this Agreement, you will, at your expense, promptly uninstall and remove all software provided for the Services from your computers and return to the Bank any software, hardware and equipment provided by the Bank for the Services, including the Supporting Documents, procedures, documentation and any materials relating to the Services in your possession or under your control; destroy all copies of the Supporting Documents and materials relating to the Supporting Documents that cannot be returned; and upon request from the Bank certify in writing to the Bank that all such copies have been returned or destroyed. You will be responsible and liable to the Bank for the replacement cost of all lost, stolen or damaged equipment that was provided by the Bank to you in connection with the Services. Upon termination of this Agreement, all Services and any licenses shall automatically terminate. Except to the extent restricted by law, we reserve the right to terminate or to discontinue support of any Service, or delay or refuse processing any transaction, without notice. Without limiting the foregoing, if you do not use this Service for any six-month period, we reserve the right to discontinue your Services without notice to you. To the extent permitted by law, you give us the right to setoff any of your money or property that may be in our possession against any amount owed to us under this Agreement. This right of setoff does not extend to any Keogh, IRA account or similar tax-deferred deposit. Termination of this Agreement will not affect any rights we may have, or any obligations you may have, as to any transaction or Services caused or attempted by you before termination.

32. YOUR RECORDS; NOT BACKUP SERVICE

This Agreement and the Services are not intended to relieve you of any obligation imposed by law or contract regarding the maintenance of records or from employing adequate audit, accounting and review practices as are customarily followed by similar businesses. The Services do not include, and the Bank does not act as, a backup, data recovery or disaster contingency service. You acknowledge that it is your sole responsibility to make and retain backups of all your data, including before any transmission or upload to the Services. Except as otherwise stated in this Agreement, you agree to retain and provide to the Bank, upon request, all information necessary to remake or reconstruct any deposit, file, entry, transmission, transaction request or order until at least three years following receipt by the Bank of the deposit, file, entry, transmission, transaction request or other order affecting an account.

33. SERVICES NOT SUBSTITUTE FOR LEGAL, TAX, OR FINANCIAL ADVICE OR PLANNING

You acknowledge that the Services, Farmers & Merchants Bank of Long Beach, its employees and service providers are not intended to provide legal, tax or financial advice or planning. The Services are merely a tool for use to assist your independent decision-making and have not been designed in contemplation of your specific needs or risk tolerances. Prior to making any financial decisions, communicating or taking any action with respect to information made available using the Services, you represent that you will have obtained appropriate and independent legal and tax advice regarding the same, as you deem appropriate.

34. SUCCESSORS AND ASSIGNS

This Agreement is binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. However, in all cases the applicability of this Agreement to any of your successors and assigns must be approved in advance by writing to us. We may assign the rights and delegate the duties under this Agreement to a company affiliated with us or to any other party. You may not assign your rights or obligations under this Agreement, and any effort by you to do so is unenforceable at our election or without the Bank's prior written consent.

35. UPLOADED CONTENT, LINKED SITES AND ADVERTISEMENTS

From our website or using the Services, you may be able to access uploaded content provided or operated by third parties. Unless we tell you otherwise in writing, we do not operate or control any such content or any of the information, products or services on such linked websites. You acknowledge and agree that: (i) you access such content and linked sites at your own risk; (ii) we make no representation or warranty, and assume no responsibility for, content on our website and any linked site or the actions or omissions of its/their owners, operators or providers; (iii) we make no endorsement of, and assume no responsibility for, content uploaded to our website or goods or services offered on or advertising on or by any other website; (iv) by using other websites and services, you may be exposed to content that is offensive, indecent or objectionable; and (v) although we may have a contractual or other relationship with the operators of a linked website or the providers of content, we will not be responsible for the content, accuracy, integrity, availability, timeliness or operation of their website or content. You agree to hold us harmless in connection with all of the foregoing.

We reserve the right, but shall have no obligation, to reject, move or delete content that we, in our sole discretion, believe violates this Agreement, or contains content, including viruses, that may interfere with the operation of our website. We may, but have no obligation to, monitor, and/or retain copies indefinitely of, uploaded content, message boards, chat rooms or other forums or review content, or messages posted at such locations, to confirm their compliance with these guidelines. We shall have the right, but not the obligation, to disclose content to any third party if required by law or if we believe reasonably necessary to: (i) comply with legal process; (ii) enforce this Agreement; (iii) respond to claims that any content violates rights of third parties; or (iv) protect our rights, property or personal safety, or those of third parties.

36. THIRD PARTIES, THIRD-PARTY CONTENT AND THIRD-PARTY AGREEMENTS

Third-Party Content. We may receive process and make available to you content that we receive from you and others. In this regard, we are merely a passive conduit for such content, although we reserve the right to block or remove any content that we believe violates this Agreement. We assume no responsibility for determining the accuracy, reliability, timeliness, ownership, legality, appropriateness or completeness of any information that you or others provide to us, nor for any mistakes, defamation, slander, libel, omissions, falsehoods, obscenity, pornography or profanity on such sites. We will not have a duty to interpret or evaluate any content transmitted to us or through our website or Services, except to the limited extent, if any, set forth in this Agreement. We will not be required (by means of any security procedure or otherwise) to detect errors or illegality in the transmission or content of any content we receive from you or third parties. We will not have a duty to notify you about any inaccuracy, unreliability, ownership, incompleteness or other problem that may be associated with third-party content on our website, even if we have reason to know of its existence. Use of any content you obtain from our website is at your own risk.

Our Use of Third Parties. You acknowledge and agree that we may arrange to provide software, if required, and/or may arrange for the Services covered by this Agreement to be performed or provided by third parties, including our affiliates. You further agree that any such party is a third-party beneficiary of this Agreement and as such is entitled to rely on, and avail itself of, the provisions of this Agreement as if it were us, including, without limitation, the limitations on liability and the indemnities described in this

Agreement. Our ability to provide certain Services may be dependent upon our ability to obtain or provide access to third-party networks. In the event any third-party network is unavailable or we determine, in our sole discretion, that we cannot continue providing any third-party network access, we may discontinue the related Service or may provide the Service through an alternate third-party network. In such situations, we will have no liability for the unavailability or delay of access.

Your Use of Third Parties. Notwithstanding the limitations described above pertaining to third parties, if you authorize a third party to access the Services on your behalf, you will be solely responsible and liable for all actions and inactions of said third party. You expressly assume the risks associated with providing Service access rights to your agents or third-party vendors, including the risk of unauthorized or erroneous transactions. We will not be responsible, nor have any liability whatsoever, for any services you receive from your agents or third-party vendors. We reserve the right to require you to agree to additional terms and conditions as a condition precedent to your use of any agent or third party vendor in connection with your access to the Services.

Your Use on Behalf of a Third Party. You will not use the Services or any Accounts to process transactions for third parties or any other person unless we provide advance written approval, which may require you to enter into additional terms and conditions. If any such approval is given, except as may otherwise be specified in writing by us in such approval, you represent and warrant that: (i) you are duly authorized by each third party to act on that party's behalf for all purposes necessary under this Agreement, and the third party is bound by and responsible for all acts or omissions taken by you; (ii) you have obtained from the third party agreement to terms and conditions substantially similar to those contained in this Agreement; (iii) the security interest given in Accounts is legal, valid and binding on the third party (to the extent of any property rights the third party may have in the Accounts or funds in them); (iv) the third party will cooperate with us in all ways reasonably requested by us, including the execution and delivery of such contracts and agreements between us and the third party as we may reasonably request; and (v) you and the third party are in compliance with all applicable Laws and Rules as it may apply to your processing for the third party. You will from time to time provide us evidence reasonably satisfactory to us of the accuracy of each of the foregoing if requested by us.

Nothing in this Agreement creates a joint venture, partnership, principal agent or mutual agency relationship between the parties. No party has any right or power under this Agreement to create any obligation, expressed or implied, on behalf of the other party.

37. WAIVER

No party's failure or delay in exercising any right or remedy under this Agreement will operate as a waiver of such right or remedy, and no single or partial exercise of any right or remedy under this Agreement will preclude any additional or further exercise of such right or remedy or the exercise of any other right. No waiver by either party of any breach of this Agreement will operate as a waiver of any prior, current or subsequent breach. No waiver will be effective unless made in writing.

38. ELECTRONIC SIGNATURES, CONTRACTS AND RECORDS

When any Service generates items or transactions to be charged to your Account, you agree that we may charge the affected Account without requiring your signature on an item and without prior notice to you. Any transactions or Communications resulting from your instructions that 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. All records maintained by us of transactions under your credentials shall be deemed to have been "signed" and to constitute an "original" when printed from records established and maintained by us or our authorized agent in the normal course of business.

You agree that we may contract and communicate electronically with you, including execution and retention of contracts, documents and certifications, electronically. You agree not to contest the authorization for, or validity or enforceability of, our 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. Records, contracts and electronically "signed" documents, 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. Upon our request, you agree to manually sign or place your signature on any paper original of any record, contract or "signed" document that we provide to you containing your purported signature.

39. LINKING ACCOUNTS

We reserve the right to limit which Accounts may be "linked" under the Services. Any signer on any linked Account, acting alone, is authorized by you to access and use Services for any other linked Account, whether or not that person would be authorized to transact on the other linked Account in the absence of this Agreement.

As to commercial accounts (as applicable), you represent and warrant that you have authorization from account owner to engage in each Service used by you affecting an Account that is linked. You make this representation and warranty at the time the Accounts are linked and each time you use a Service to access or transact on an Account. These representations and warranties are in addition to any others contained in this Agreement or in any supplemental agreements that may be required by us.

40. AMENDING/CANCELING A TRANSACTION

Except to the extent this Agreement provides otherwise, you do not have the right to amend or cancel a payment or transfer instruction once we have received it. If we attempt to reverse a transaction at your request, we assume no liability for any interest or losses that result. If we attempt to effect a change or cancellation, you agree to indemnify, defend, hold harmless and reimburse us for all expenses, losses, claims, actions, proceedings and damages we incur in effecting or attempting to effect any such change or cancellation. You assume sole responsibility for providing notice to the receiver/beneficiary that a reversal is being transmitted, as applicable, and the reason for the reversal no later than the settlement date of the reversing entry.

41. DATA SECURITY IN TRANSITION AND STORAGE

You expressly acknowledge that any wireless access to your Accounts may not be secure and, as such, you assume the risk associated with unauthorized access to mobile banking and any information contained therein resulting from such wireless connectivity. You assume all risk that any information you download or otherwise store on your wireless access device may be accessed by unauthorized third parties. Without limiting the foregoing, you acknowledge that your wireless access device may become subject to unauthorized tracking, "hacking" or other manipulation by spyware, viruses or other malicious code ("malware"). We are not responsible for advising you of the existence or potential effect of any malware. Your use of your hardware and software is at your own risk.

We are not responsible for the security and confidentiality of information when you: (i) use wireless connections to download your Account information, in which case you acknowledge such connection may permit other persons to access the information being downloaded; or (ii) allow other persons access to your wireless access device. You agree that any account information that you download is done at your own risk, and you are solely responsible for any damage that might occur to the electronic device to which you download any information, or any loss or corruption of data that might occur as a result of the downloading or its storage on an electronic device.

42. DISCLAIMER OF WARRANTY

YOU ACKNOWLEDGE THAT THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE ARE NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM YOUR USE OF THE SERVICES. WE MAKE NO, AND EXPRESSLY DISCLAIM ALL, WARRANTIES (EXPRESS OR IMPLIED) REGARDING YOUR USE OF THE SERVICES AND THE EQUIPMENT, INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, WE DISCLAIM ANY WARRANTIES REGARDING ANY SOFTWARE, ANY COMMUNICATION LINK, AND THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICES AND THE EQUIPMENT, INCLUDING ANY WARRANTY THAT THE SERVICES AND THE EQUIPMENT WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. YOU ACKNOWLEDGE THAT THERE ARE CERTAIN SECURITY, TRANSMISSION-ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING THE SERVICES AND ASSUME ALL RISKS RELATING TO THE FOREGOING.

43. AUDIT AND INSPECTION

We reserve the right, with prior notice to you, to enter upon your premises from time to time during regular business hours to verify that your operations and procedures are in compliance with the terms of this Agreement.

In connection with any such audit, you agree to furnish us with any documentation or information as is reasonably necessary to establish your compliance with the terms of this Agreement. If it is determined by us that additional procedures or controls need to be implemented by you, you agree to implement such procedures or controls within a reasonable period of time to be agreed upon by the parties.

In connection with our entry on your premises for the purpose of conducting an on-site audit or inspection, or in connection with providing support to you, we shall not be liable or responsible to you or any third party for any loss, bodily harm, property damage, claims of the introduction of a virus or other malicious code into your system, including any that allegedly delay, alter or corrupt your data, whether related to the transmission of check images or other data or whether caused by the equipment, software, Internet service providers, Internet browsers or other parties providing communication services to or from us to you.

44. LIMITATION ON LIABILITY

Except to the extent otherwise restricted by applicable law, we are only responsible for performing Services as expressly stated in this Agreement, and will only be liable for material losses incurred by you to the extent such losses directly result from our gross negligence or intentional misconduct. In no event shall the Bank be liable for: (i) the acts or omissions of a contractor, vendor, processor, third-party servicer or vendor used by you or the Bank, or any loss, cost, damage or expense incurred by any person or entity in connection therewith; (ii) your negligence or breach of any agreement with the Bank; (iii) any loss, cost, expense or damage to you in connection with any Communication Link, software or any technical computer service, including software installation or de-installation performed by the Bank or you or any third party designated by the Bank or you, or your or the Bank's use thereof; (iv) any ambiguity, inaccuracy or omission in any instruction or information provided to the Bank; (v) the application of any government or funds-transfer system rule, guideline, policy or regulation; (vi) the lack of available funds in your Account to complete a transaction; (vii) the Bank's inability to confirm to the Bank's satisfaction the authority of any person to act on your behalf; (viii) your failure to follow any applicable software manufacturer's recommendations or the Bank's Service instructions; or (ix) any Internet sites related to the Services or maintained or operated by the Bank or the use thereof or the inability to use such sites by any party, or in connection with any failure of performance, error, omission, interruption, defect, delaying in operation or transmission, computer malware, virus or system failure, even if the Bank, or representatives thereof, is advised of the possibility of such damages,

losses or expenses. There may be other exceptions to the Bank's liability, as stated in your Account agreement or other service agreements with the Bank. Without limiting the foregoing, the Bank will not be responsible for determining the compatibility of any installed software with other system components or for any failure of any technical servicing or software installation to provide access to the particular Service, which the technical servicing or software installation was intended to make available.

WITHOUT LIMITING THE FOREGOING, IN NO EVENT WILL WE OR ANY OF OUR OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, LICENSORS OR THIRD-PARTY SERVICE PROVIDERS BE LIABLE FOR ANY CONSEQUENTIAL (INCLUDING, WITHOUT LIMITATION, LOSS OF DATA, FILES, PROFIT OR GOODWILL OR THE COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICE), INDIRECT, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, WHETHER IN ACTION UNDER CONTRACT, NEGLIGENCE OR ANY OTHER THEORY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, ANY SERVICES, OR THE INABILITY TO USE THE SERVICES, IRRESPECTIVE OF WHETHER WE HAVE OR HAVE NOT BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

EXCEPT TO THE EXTENT RESTRICTED BY APPLICABLE LAW, THE MAXIMUM AGGREGATE LIABILITY OF US FOR ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE FORM OR CAUSE OF ACTION, SHALL BE THE LESSER OF THE FEES PAID DURING THE SIX MONTHS PRECEDING THE DATE OF THE ALLEGED ACTIVITY GIVING RISE TO THE CLAIM; OR THE SUM OF \$50,000.00.

Subject to the foregoing limitations, the Bank's liability for loss of interest, if any, resulting from the Bank's error or delay shall be calculated by using a rate equal to the average Federal Funds rate at the Federal Reserve Bank of New York for the period involved. At the Bank's option, payment of such interest resulting from or arising out of any claim of any person that the Bank is responsible for any of your or any third party's acts or omissions may be made by crediting any of your Accounts.

You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with the Services. You acknowledge that Service fees have been established in contemplation of: (i) these limitations on our liability; (ii) your agreement to review statements, confirmations and notices promptly and to notify us in a timely manner of any discrepancies or problems; and (iii) your agreement to assist us in any loss recovery effort.

In addition to our right to reject transactions as provided elsewhere in this Agreement and our other agreements with you, we will not be obligated to honor, in whole or in part, any transaction or instruction or Communication that:

- Is not in accordance with any term or condition applicable to the relevant Service or Account;
- We have reason to believe may not be authorized by you or any third person whose authorization we believe is necessary or involves funds subject to hold, dispute, restriction or legal process we believe prevents their withdrawal, transfer or availability;
- Would result in us exceeding any limitation of our net funds position established pursuant to present or future Federal Reserve guidelines;
- Would violate any applicable law, rule or regulation, or any guidance or directive of any federal or state regulatory authority;
- Is not in accordance with any other requirement of our applicable policies, procedures or practices; or
- We have reasonable cause not to honor for our or your protection.

45. HEADINGS

Headings are for reference only and are not part of this Agreement.

46. INSURANCE

If requested by the Bank, you agree to obtain and maintain comprehensive general liability, fidelity and error and omission insurance coverage, or such other coverage as directed by the Bank, in an amount reasonably satisfactory to the Bank, to cover (at a minimum) losses due to action or inaction by you, your employees and agents, or any person given access to the Services by you (including unauthorized access by the same), and to name the Bank as an additional insured on such policy. You will provide evidence reasonably satisfactory to the Bank of the existence of such insurance promptly upon request by the Bank.

47. SEVERABILITY

Wherever possible, each provision of this Agreement shall be interpreted in a manner that makes the provision effective and valid under applicable law. If applicable law prohibits or invalidates any part or provision of this Agreement, that particular part or provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

48. CHOICE OF LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the state of California, except where preempted by federal law.

49. FINAL AGREEMENT; AMENDMENTS

This Agreement constitutes the final and complete agreement between the Bank and you with respect to the Services, and supersedes all other oral or written agreements, understandings and representations pertaining to the subject matter hereto. The Bank may amend, add, delete or change the terms of this Agreement, including the terms of any Service Description, and the applicable fees.

The Bank may make such amendments, additions, changes or deletions at any time and at the Bank's sole discretion. If the Bank deems it reasonably practicable to do so and if the change adversely affects your usage of the Service, the Bank may notify you of the change in advance. Otherwise, the Bank will notify you of the change as soon as reasonably practicable after it is implemented and such notice may be given electronically. Your continued use of the Services will evidence your consent to any amendments, including additions, changes or deletions.

SPECIFIC BUSINESS BANKING TERMS & CONDITIONS

50. BASIC ONLINE BANKING

The Basic Online Banking is an Internet-based service that enables you to access your Accounts and to facilitate certain electronic services online. Subject to the Bank's prior approval and system limitations, your Basic Online Banking Service may include the following:

- View balances and account history on your linked Accounts;
- Enroll in electronic statements or notices;
- Transfer funds between eligible linked Accounts, including on-us loan payment transfers but excluding certificates of deposit transfers;
- Request stop payments on checks;
- Order checks;

- Change of address or personal information;
- Initiate bill payments (“Bill Payment Service”); and
- Enroll in electronic bill presentment.

Administrator and Authorized User(s)

If prompted by the Basic Online Banking Service, you will appoint an individual to act as an Administrator with the authority to determine who will be authorized to use the Basic Online Banking Services on your behalf. The Administrator will be able to designate additional Authorized Users and remove existing Authorized Users. The Administrator will also determine what Basic Online Banking Services will be available to particular Authorized Users, when to change passwords and any limitations on the use of the Services by individual Authorized Users. You agree that passwords will be changed with sufficient frequency to protect confidentiality, and in any event no less frequently than every one hundred and eighty (180) days.

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

Account Information Services

The Services include the ability to obtain Account information, subject to system limitations. Balances and transaction information reflected in the Service may not reflect all transactions against an Account on the day the transaction occurs. Some transactions may not be reflected by the system until the following business day. Services performed during nightly processing may not succeed when applied to your actual balance at the end of the nightly processing. Posted transactions may be reversed due to insufficient funds, stop payment orders, legal process or other reasons. Certain balances may not be subject to immediate withdrawal, may include deposits still subject to verification or other items in the process of being posted to the Account, and may not include outstanding checks, debits or credits. You understand and agree that Account information may not reflect transfers made by multiple users from the same Account if different login credentials are used for the same Account. You agree to communicate to other persons with authorized access to your Accounts concerning any transfers from your Accounts, in order to avoid overdrafts. We assume no responsibility for any loss arising from incomplete information or for any temporary interruption in your access to online information. If you are unable to access the Services for any reason, you may contact us directly.

Electronic Statements and Notices

Electronic statements offer you a convenient way to view, save and print your periodic statements and notices. If you elect to receive electronic statements and notices, we may discontinue sending paper statements or notices, and make periodic statements and notices available to you in electronic form only. This includes ongoing disclosures currently provided on the back of your paper statement, notices posted as messages on the face of the statement, and all notices or other communications that accompany mailed statements. You agree to review your electronic statements and notices in a timely manner, just as you would paper statements or notices, and to promptly notify us of any errors, unauthorized activity or other problems, as provided in our agreement with you. You will be deemed to receive electronic statements when they are made available to you. Any time periods within which you must notify us of any problems or errors reflected on your statement(s) will begin on the date we make the electronic

statement available to you, regardless of when it is actually viewed by you. We reserve the right to determine from time to time, which Accounts are eligible for electronic statements. A valid email address is required, if you fail to maintain a valid email address with us, you acknowledge and agree that any electronic statement shall nevertheless be deemed to have been provided to you if emailed to the email address we have on file for you. We reserve the right, in our sole discretion, to discontinue providing statements in electronic form. If you receive images of checks or receive canceled checks with your paper statements, you understand that paper copies of these items will not be available once you elect to receive electronic statements. Electronic images of these items will be available for a limited time, subject to system limitations, through the system. You agree to periodically log on and check on the delivery of new statements. If you cannot access, print or view your electronic statements, you must immediately contact us locally at (562) 344-2370 or, if you are outside of California, at (866) 437-0011, to make alternate arrangements.

Book Transfers

You may only transfer funds within the United States. You must not use the Service to transfer funds to or from an account that you do not own. Transactions posted to your Account as of a certain business day may not be reflected in account balances reported by the Service until the following business day. Information on transfers to or from your accounts with us will be reflected on your periodic statements, will be available to you online and can be obtained by calling us locally at (562) 344-2370 or, if you are outside California, at (866) 437-0011. We do not provide any other notice of the receipt, transmittal or debiting of funds transfers.

Scheduling Funds Transfers. You may instruct us to initiate single or recurring funds transfers on any business day (the "Transfer Process Date"). If the Transfer Process Date for an automatic transfer falls on a weekend or holiday, the transfer may be sent the following business day. To initiate a transfer, you must specify the Account to be debited, the Account to be credited, the transfer amount and the Transfer Process Date.

Erroneous Transfer Instructions. You assume sole responsibility for accurately describing transfer amounts, dates, accounts, financial institutions and addresses. We are not responsible for confirming such information, or for identifying or refusing to process duplicate transfer instructions. If you give us a transfer instruction that is incorrect in any way, you agree that we may charge your Account for the transfer whether or not the error could have been detected by us. We are not obligated to detect or correct errors in your transfer instructions.

Rejecting Transfer Instructions. We may reject transfer instructions with or without cause or prior notice. We may reject a transfer instruction, for example, if you do not have sufficient available funds to cover the transfer or the transfer instruction is unclear, ambiguous or incomplete. If we reject a transfer, you may need to reenter the information if you wish to make the transfer later.

Changing or Canceling Transfer Instructions. For same-day transfers between your eligible Accounts with us ("Book Transfer(s)") requests, once submitted, cannot be canceled. For future dated Book Transfers, the transfers can be canceled through Online banking anytime up to the same day of the scheduled transfer date.

Bill Payment Service

The Online Bill Pay service allows you to schedule payments through Online Banking. The Bank does not provide the service directly, but has entered into an agreement with CheckFree Services Corporation, a bill pay provider, to offer the bill pay services directly to you. Subject to any regulatory or Bank-imposed limitations on usage, you can arrange for the payment of your current, future and recurring bills from any checking account. There is no limit to the number of payments that may be authorized, and you may pay any merchant or individual approved by the bill pay provider. While payments are initiated by you electronically, they are ultimately paid via Automated Clearing House ("ACH") network or by a paper check. Payments delivered over an ACH network are governed by the rules and performance standards of that network.

Definitions. For the purposes of the Bill Payment Service, the words shall have the meanings provided here:

- *“Billing Account”* is the checking account from which all Service fees will be automatically debited.
- *“Due Date”* is the date reflected on your Payee statement for which the payment is due; it is not the late date or grace period.
- *“Payee”* is the person or entity to which you wish a Bill Payment to be directed or is the person or entity from which you receive electronic bills, as the case may be.
- *“Payment Account”* is the checking account from which Bill Payments will be debited.
- *“Payment Instruction”* is the information provided by you to the Service for a Bill Payment to be made to the Payee (such as, but not limited to, Payee name, Payee account number and Payment Date). *“Processing Date”* is the day your Payment Instruction will be processed by the Bank, unless the Processing Date falls on a non-business day, in which case it may be considered to be the previous business day.
- *“Payment”* is a payment that has been scheduled through the Bill Payment Service but has not begun processing.
- *“Scheduled Payment”* is a payment that you have scheduled through the Bill Payment Service.

Payment Scheduling. When scheduling payments, you should select a Processing Date that is sufficiently in advance of your Due Date, not taking into consideration any available grace period. Some payments may take up to seven (7) business days to be received and processed by the Payee.

Cutoff Time. Bill Payment instructions received by us after 12:00 PM (PST) or on a day that is not a business day of ours (or of any bill payment vendor or intermediary that we may use) may be treated by us as received on the next business day.

Overnight Delivery Draft. The Service allows expedited payments using an overnight delivery service. There is an additional fee for this Service (please see the Bank’s current Schedule of Fees for additional information).

Available Funds. For Bill Payments, you will need to have sufficient available funds in your designated Payment Account to cover the amount of the Bill Payment. You can initiate Bill Payments up to the available funds in your Payment Account, and any linked credit or other overdraft facility (as applicable). If you exceed these limits, then we may prevent (or reverse) Bill Payments, even if the result is to reduce your transactions to a level below the amounts needed to pay your bills.

Payment Delivery. Due to circumstances beyond the Bank’s control, particularly delays in handling and posting payments by slow-responding Payees or financial institutions, some transactions may take several days to be credited by your Payee.

Payment Remittance. Each time you want to initiate a Bill Payment, the Payee must be on your authorized list of Payees. The Bank is not responsible if a Bill Payment is not made to a Payee because you provided the Bank with incomplete, incorrect or outdated information regarding the Payee or the Bank attempted to make a payment to a Payee you entered that is not on your authorized list of Payees. In addition, the Bank reserves the right to refuse to approve a Payee for your authorized list of Payees and to otherwise prohibit payment to a Payee via the Bill Payment Service.

By providing the Service with names and account information of Payees to whom you wish to direct payments, you authorize the Service to follow the Payment Instructions that are received through the payment system. In order to process payments more

efficiently and effectively, the Service may edit or alter payment data or data formats in accordance with Payee directives.

When the Service receives a Payment Instruction, you authorize the Service to debit your Payment Account and remit funds on your behalf, as provided in this Service Description. You also authorize the Service to credit your Payment Account for payments returned to the Service by the United States Postal Service or Payee, or payments remitted to you on behalf of another authorized user of the Service.

Payment Methods. The Service reserves the right to select the method in which to remit funds on your behalf to your Payee. These payment methods may include an electronic payment or electronic to physical check payment. If a payment is made using an electronic to check payment, then funds remitted to the Payee may not be deducted from your Payment Account until the check is presented to the Bank for payment.

Payment Cancellation Requests. You may cancel or edit any Scheduled Payment (including recurring payments) without charge by following the directions within the application, prior to 12:00 PM (PST) of the Processing Date. If your payment was made using a check, a stop payment request must be submitted and we must have a reasonable opportunity to respond to your stop payment request before the check has been paid against your Account. See below regarding "Stop Payment Requests" details.

Stop Payment Requests. The Service's ability to process a stop payment request will depend on the payment method. The Service may also not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you desire to stop any payment that has already been processed, you must contact Customer Service. Although the Service will make every effort to accommodate your request, the Service will have no liability for failing to do so. The Service may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable Schedule of Fees.

Prohibited and Exception Payments. Payments to Payees outside of the United States or its territories are prohibited through the Service.

Exception Payment. Tax payments and court-ordered payments may be scheduled through the Service as exception payments; however, such payments are discouraged and must be scheduled at your own risk. In no event shall the Service be liable for any claims or damages resulting from your scheduling of these types of payments. The Service has no obligation to research or resolve any claim resulting from an exception payment. All research and resolution for any misapplied, misposted or misdirected payments will be the sole responsibility of you and not of the Service.

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

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

Activation – Upon activation of the electronic bill feature, the Service may notify the Payee of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Payee to Payee and may take up to sixty (60) days, depending on the billing cycle of each Payee.

Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Payee. While your electronic bill feature is being activated, it is your responsibility to keep your Accounts current. Each electronic Payee reserves the right to accept or deny your request to receive electronic bills.

Authorization to obtain bill data – Your activation of the electronic bill feature for a Payee shall be deemed by the Bank to be your authorization for the Bank to obtain bill data from the Payee on your behalf. For some Payees, you will be asked to provide the Bank with your username and password for that Payee. By providing the Bank with such information, you authorize the Bank to use the information to obtain your bill data.

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

Cancellation of electronic bill notification – The electronic Payee reserves the right to cancel the presentation of electronic bills at any time. You may cancel electronic bill presentation at any time. The timeframe for cancellation of your electronic bill presentation may vary from Payee to Payee. It may take up to sixty (60) days, depending on the billing cycle of each Payee. The Service will notify your electronic Payee(s) as to the change in status of your Account and it is your sole responsibility to arrange for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

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

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

Payee Limitation – The Service reserves the right to refuse to pay any Payee to whom you may direct a payment. The Service will notify you promptly if it decides to refuse to pay a Payee designated by you. This notification is not required if you attempt to make a prohibited payment or an exception payment under this Agreement. This Agreement does not alter your liability or obligations that currently exist between you and your Payees.

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

Information Authorization – Through your enrollment in the Service, you agree that the Bank reserves the right to request a review of your credit rating at the Bank's own expense through an authorized bureau. In addition, you agree that the Service reserves the right to obtain financial information regarding your Account from a Payee or your financial institution (for example, to resolve payment-posting problems or for verification).

ACH Entries. Electronic payments that are made through ACH are subject to the NACHA rules, and you agree to be bound by the Operating Rules of the ACH, including the rule making payment to the Payee provisional until receipt by the Payee's bank of final settlement of the credit transaction. If final settlement is not received, you will not be deemed to have paid the Payee the amount of the electronic bill payment. Furthermore, you agree that any payment by the Bank to you for any returned credit entry or credit reversal is provisional until receipt by the Bank of final settlement for such entry. If final settlement is not received, the Bank is entitled to a refund from you of the amount credited, and the Bank may charge your Account for the amount credited. The Bank may refuse to permit the use of any amount credited for a credit reversal if the Bank believes that there may not be sufficient funds in your Account to cover charge-back or return of such reversal.

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

Stop Payment Service for Checks

You may request a stop payment on a check issued on your Account(s) by completing the form presented as part of the check stop payment Service and submitting all the required information to us ("Check Stop Payment"). All Check Stop Payment requests and renewals and revocations of stop orders will be subject to our current policy on stop payment requests. For significant or material items, contact us by coming to one of our branches or by telephone in addition to using the Services for Check Stop Payment. You are responsible for reviewing all information available to you to determine whether the check has already been paid, including your Account statements. Information available online may not include sufficient current and historical information to verify whether the check has been paid. Your receipt of a Check Stop Payment confirmation via the Service, or acceptance of your request via the Service, does not conclusively represent whether or not the check has already been paid. We may accept a Check Stop Payment request from you with respect to a check that has already been paid, and we will have no obligation to determine or notify you that such check was previously paid. In any event, we must receive your Check Stop Payment request sufficiently in advance to provide us with a reasonable opportunity to process your request in sufficient time prior to presentment of the check. There will be a fee assessed for each Check Stop Payment request whether or not we receive the request in time to place the Check Stop Payment. Refer to Bank's Services and Fees Schedule: <https://www.fmb.com/fees>.

You must give us timely, complete and accurate information as prompted by the Service, including the check date, payee, EXACT amount of the check, reason for the stop payment and the check number. If any information is incomplete or inaccurate, we will not be responsible for failing to stop payment on the check.

You may use the Check Stop Payment Service to stop payment on checks that you have written against your Accounts. If you wish to cancel or amend any other Service transaction, you should use the process applicable to that Service, and you will be subject to any limitations or inability to stop applicable to that Service.

You may not use the Check Stop Payment Service to stop payment on any ACH/EFT transaction, point-of-sale ACH/EFT transfer, cashier's check, certified check or other official institution check you have purchased from us or any check that we have guaranteed. You understand that your Check Stop Payment request is conditional and will not be effective if we have not had a reasonable opportunity to respond to your request, or that stopping payment may subject us to risk of loss or damages under any law or regulation (including clearinghouse or other processor rules).

A Check Stop Payment request against a check is effective only against the check that is described in the Check Stop Payment request form, and does not cancel or revoke any authorization for future or recurring ACH/EFT transfers by you or by the same biller or originator. A Check Stop Payment request is effective for six (6) months only and will expire automatically, at which time you are responsible for any renewal desired by you for another six (6) month term.

You assign to us your rights against the payee or any other holder of any check on which you have requested a Check Stop Payment, and you agree to cooperate with us in any legal action we may take against such persons. You should be aware that a holder of a check may be entitled to enforce payment against you notwithstanding an online stop payment order. Your obligations under this subsection will survive termination of this Agreement.

51. ONLINE BANKING WITH CASH MANAGER

In addition to services available through Basic Online Banking, the following are available to Cash Manager Clients:

- Multiple login IDs
- Account reconciliation
- Management of multiple business accounts based on ownership
- ACH Origination
- Ability to manage employee access levels
- Origination of electronic funds transfers
- Initiation of domestic wire transfers (a separate Wire Transfer Agreement is required)
- Payment of bills using electronic payment services via ACH processing (a separate Electronic Payment Services Agreement is required)
- Payment of federal and state taxes

52. MOBILE BANKING

The mobile banking enables you to access your Basic Online Banking; in addition, you will be able to do the following:

- Scan and submit eligible items for deposit to linked checking, savings or money market accounts;
- Locate Farmers & Merchants Bank of Long Beach branches and ATMs;
- Set up automated notifications ("Alerts");
- Set up wire and ACH transaction approval controls (available to commercial account holders enrolled in online wire transfer and ACH origination); and
- Change your password.

Basic Online Banking Services (including mobile banking Services) may be added to or removed by the Bank from time to time. The Bank may allow loans and lines of credit to be linked; in which case, you agree that the relevant loan agreement, note or other document is modified to the extent necessary to allow the transfers or other Services that may be utilized. The Bank may process transactions from loan accounts without regard to access limitations in any loan documentation or agreements. Some Basic

Online Banking Services may not be available without special application to and approval by the Bank, may be limited to specific types of accounts, and may require you to agree to additional terms and conditions.

Some Services may not be accessible while using your wireless access device. Some mobile banking Services may not be available without special application to and approval by us, may be limited to specific types of accounts, and may require you to agree to additional terms and conditions, which may be presented online at the time the feature is activated.

Access and Use. To utilize mobile banking, you must download the F&M Bank mobile application. Once you have downloaded the mobile application for mobile banking, designated Accounts linked to your Security Codes will be accessible through your wireless access device. Additionally, to access and utilize mobile banking, you will need a compatible wireless access device. Your wireless access device must be Internet enabled and connected to the Internet through your mobile communications service provider. In order to properly use mobile banking, you should review and follow the instructions provided in our Online system. You agree to accept responsibility for learning how to use mobile banking in accordance with the online and mobile application instructions and agree that you will contact us directly if you have any problems with mobile banking. You also accept responsibility for making sure that you, and anyone acting on your behalf, know how to properly use the wireless access device. If you obtain a different wireless access device, you will be required to download and install software to that different wireless Access Device, under the same terms set forth in this Agreement, as amended. You agree to delete all such software from your wireless access device promptly if the licenses or this Agreement terminates for any reason. We reserve the right to change, add to or terminate services with our third-party software providers, to substitute different software providers, and to enter into or arrange for the provision of mobile banking by other licensors and third parties.

You agree to exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by us or otherwise required for use of mobile banking and shall further prevent the use of mobile banking by unauthorized persons. You assume full responsibility for the consequences of any missing or unauthorized use of or access to mobile banking or disclosure of any confidential information or instructions by you, or anyone acting on your behalf.

Hardware and Software. You are responsible for obtaining and maintaining the compatible wireless access device required for mobile banking. To the extent we, in our sole discretion, provide any hardware in conjunction with mobile banking, the hardware will at all times remain the sole property of the Bank. Upon termination of mobile banking, you must promptly return any hardware that we provided to you.

To the extent mobile banking involves our having granted you software license usage rights, such grant shall be a personal, non-exclusive, non-transferable right to access and use mobile banking in connection with your use in accordance with this Agreement. mobile banking does not involve the sale of software. Nothing in this Agreement will entitle you to receive technical support, telephone assistance regarding the software or updates to software. Upon termination, you agree to immediately destroy all copies of any software that had been downloaded to your wireless access device or otherwise in your possession and control as part of your access and use of mobile banking. You acknowledge that your license to use any software that may be required for mobile banking is directly from the software provider, pursuant to the license agreement that appears when any such software is electronically accessed by you or otherwise provided to you. By enrolling in portions of mobile banking relating to those software systems and programs, and by downloading and installing mobile banking software, you will be evidencing your acceptance of the terms and conditions of those licenses. We may also condition your use of mobile banking upon you affirming such licenses by the use of "I Accept" or similar dialogue box acknowledgements, or by other affirmative or use-based acknowledgement and agreement systems.

Mobile Deposit. The Mobile Deposit feature enables you to use a software application together with your wireless access device to create electronic images of the front and

back of certain Original Checks (defined below) and transmit those images and other information, including, without limitation, information captured from the magnetic ink character recognition ("MICR") line, to us for review and processing in accordance with this Agreement.

Definitions. In addition to the terms otherwise defined in this Agreement, the following terms will have the meaning provided in this "Mobile Deposit" section:

- *"Check"* means an Original Check, as defined in Regulation CC.
- *"Endpoint"* means any Federal Reserve Bank, financial institution, local clearinghouse, courier, or other entity or location for the delivery of cash letters or other presentment of Imaged Items or Substitute Checks (defined below).
- *"Imaged Item"* means the digitized image of a Check that is created by you and transmitted to the Bank using the Mobile Deposit Service.
- *"Image Exchange Item"* means a digitized image of an Item (defined below) cleared and settled directly with a Payor Financial Institution (defined below) without conversion to a Substitute Check.
- *"Item"* means a Check that is payable on demand, drawn on or payable through or at an office of a United States Financial Institution (defined below) and payable or endorsed to you, and includes Original Checks, Substitute Checks and Image Exchange Items. Such term does not include Non-cash Items (defined below) or Items payable in a medium other than United States money.
- *"Mobile Deposit Services"* means the Mobile Deposit Services described in this Agreement, to be provided by the Bank to you to enable the processing of Items digitally as Image Exchange Items through image exchange networks or through creation of Substitute Checks and presentment to established Endpoints, including collectively the procedures, protocols and software used by the Bank and its licensors and contractors in connection with the electronic processing of Items.
- *"Non-cash Item"* means an Item that would otherwise be an Item, except that: (i) a passbook, certificate or other document is attached; (ii) it is accompanied by special instructions, such as a request for special advice of payment or dishonor; (iii) it consists of more than a single thickness of paper, except an Item that qualifies for handling by automated check processing equipment; or (iv) it has not been preprinted or post-encoded in magnetic ink with the routing number of the Payor Financial Institution.
- *"Non-qualifying Item"* means Non-cash Items, Items payable in a medium other than United States money, currency, warrants, Items payable to third parties, Items payable to joint payees (unless payable to the payees alternatively and deposited into an account in the name of all payees), drafts or remotely created checks as defined by the UCC and Regulation CC, respectively, Items that are stale dated by six (6) months or more or postdated, savings bonds, Items payable to "cash," Substitute Checks, non-negotiable Items, Items that have been returned unpaid for any reason and any Item that exceeds your transaction limitations as established by us from time to time.
- *"Original"* with respect to a Check means the first paper Item issued with respect to a particular payment transaction.
- *"Payor Financial Institution"* means the United States Financial Institution ordered in an Item to make payment to the payee(s) named on the Item.
- *"Regulation CC"* means 12 C.F.R. Part 229, as it may be amended from time to time.

- *“Substitute Check”* means a paper reproduction of an Item that satisfies the requirements and definition of “substitute check” set forth in Regulation CC.
- *“UCC”* means the Uniform Commercial Code as enacted and amended in California.
- *“United States Financial Institution”* means: (i) any person, located in the United States, engaged in the business of banking; (ii) a Federal Reserve Bank; (iii) a Federal Home Loan Bank; and (iv) to the extent it acts as a payor, the U.S. Treasury, the U.S. Postal Service, or a state or local government.

Your Responsibilities. In connection with the Mobile Deposit Services, you agree to comply with the following:

- Each processed Imaged Item must be transmitted in compliance with the terms and conditions of this Agreement;
- The Imaged Item is a digitized image of the front and back of the Original Check and accurately represents all of the information on the front and back of the Original Check as of the time you converted the Original Check to an Imaged Item;
- The Imaged Item contains all endorsements applied by parties that previously handled the Original Check in any form for forward collection or return;
- There will be no duplicate presentment of a Check in any form, including as a digitized image, as a paper negotiable instrument or otherwise and you will be liable for and otherwise assume responsibility for any such duplicate presentment of any Check. You agree to indemnify and defend us against any and all claims, causes of action or demands arising out of or directly or indirectly related to the duplicate presentment of any Check. Except as otherwise specifically disclosed in writing to us, you are not now engaged, and will not during the term of this Agreement engage, in any business that would result in you being or becoming a “money service business” as defined in the Federal Bank Secrecy Act and its implementing regulations;
- You will not engage in any activity directly or indirectly related to the use of the Mobile Deposit Service that is illegal or fraudulent;
- You will only submit Checks for processing to us that meet the definition of “Item” as provided in this Agreement and will ensure that the Items scanned meet the standards for image quality established by the American National Standards Institute (“ANSI”) required by Regulation CC, or other standards established or required by us or applicable law, as amended from time to time. You will not process any Non-qualifying Items. Our processing of any Non-qualifying Items shall not constitute a waiver by us or obligate us to process such Non-qualifying Items in the future. You agree that we may discontinue processing of Non-qualifying Items at any time, without cause or prior notice;
- You will not attempt to scan and transmit to us any third-party checks, or any Item that is drawn on a deposit account of yours with us or any other financial institution, or a deposit account of any business entity of which you are a principal, officer or authorized signer;
- You will not attempt to scan and transmit to us any previously truncated and reconverted Substitute Check. Any previously truncated and reconverted Substitute Check must be physically deposited with us. Notwithstanding the foregoing, we may redeposit any returned Substitute Check or Image Exchange Item consistent with the terms of the Deposit Agreement;
- You will: (i) ensure that, prior to scanning, Items are restrictively endorsed “FOR MOBILE DEPOSIT ONLY AT FARMERS & MERCHANTS BANK”; (ii)

handle, process, maintain and destroy Original Checks as set forth in this Agreement and in the supporting documentation; and (iii) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of an item, or otherwise is charged for an Item more than once in any form (no second presentment);

- You will balance the dollar amount of each deposit to the sum of Checks prior to transmitting to us;
- You will: (i) maintain a daily control record of all Checks, including transaction counts and dollar amounts; and (ii) balance transactions transmitted from the previous day and immediately notify us of any error or discrepancy discovered;
- You shall be responsible for verifying our receipt of your transmission(s) by verifying that deposits have been posted to the appropriate Accounts, in addition to cooperating with us in any investigation and resolving any unsuccessful or lost transmissions;
- You shall be responsible for installing and implementing any changes and upgrades to the Mobile Deposit Service as required by us within five (5) days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of the Mobile Deposit Services. You will ensure that your wireless access device is clean and operating properly, and inspect and verify the quality of images and ensure that the digitized images of Items are legible for all posting and clearing purposes;
- If not directed otherwise by us, you will store Original Checks in a safe and secure environment for fourteen (14) days after such Items have been digitized and processed. You shall take appropriate security measures to ensure that: (i) only authorized personnel shall have access to Original Checks; (ii) the information contained on such Original Checks or on any corresponding Imaged Items is not disclosed to third parties; (iii) such Checks will not be duplicated or scanned more than one time; and (iv) such Checks will not be redeposited or renegotiated in any form. You will promptly (but in any event within five (5) business days) provide any retained Original Check (or, if the Original Check is no longer in existence, a sufficient copy of the front and back of the Original Check) to us as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Item or as we otherwise deem necessary. You will use a commercially reasonable method that is consistent with any requirements of Regulation CC and the Bank to securely and permanently destroy Original Checks after your retention period has expired;
- You understand and agree that an Item that is not paid by a Payor Financial Institution, or is otherwise returned for any reason, will at our discretion be: (i) re-presented to the Payor Financial Institution; or (ii) returned to you and your Account will be charged for the amount of the Item plus any associated fees as disclosed in our applicable Schedule of Fees, which may be changed from time to time at our discretion. You agree that Items may be returned as Image Exchange Items, rather than Substitute Checks. Our right to charge your Account will apply without regard to whether the Item is returned to us in a timely manner or whether there is any other claim or defense that the Item has been improperly returned to us; and
- You agree to make all encoding, transfer, presentment and other warranties made under applicable law, including, without limitation, those under the UCC, Regulation CC and the rules of any image exchange network.

Processing. For all Imaged Items processed pursuant to this Agreement, either: (i) digitized images will be converted to Substitute Checks and presented for payment to

established Endpoints; or (ii) Image Exchange Items will be presented for payment through image exchange networks. We may determine the manner of processing at our sole discretion. Your Account will be provisionally credited upon our acceptance of Imaged Items for deposit.

We will process any returned Items in accordance with applicable law and the Deposit Agreement. Availability of credit from Items processed under this Agreement will be subject to our then-current availability schedule, which may be amended by us from time to time. We may at our sole option, with or without cause, at any time and from time to time, refuse to process any Imaged Items. We may, from time to time, establish and amend exposure limitations and assign them to you.

Notwithstanding any provisional credit that may be applied to an Account in connection with your transmitted Imaged Items, Imaged Items processed for deposit through the Mobile Deposit Service will be deemed to have been received by us for deposit at the time the Imaged Items are actually received and accepted at the location where we or our designated agent posts the credit to the Account. A deposit of Imaged Items will be deemed to have been received and accepted by us for deposit when all of the following have occurred: (i) we have preliminarily verified that the image quality of the Imaged Item is acceptable to us at our discretion, all Item information is complete and the deposit totals are balanced to the Item information provided for the deposit; and (ii) we have successfully performed all further validation routines with respect to the deposit. Notwithstanding the foregoing, Imaged Items received by us for deposit may be rejected by us in our sole discretion.

You agree to view the images of each scanned Item that is sent to us. If Item information received by us is not complete or cannot be processed by us for any reason, we may reject the Imaged Item, notwithstanding any transmission confirmation, and charge the amount back against any provisional credit to your Account. You will be responsible for verifying our receipt of your transmissions by verifying that deposits have been posted to your Account.

If an Imaged Item is not accepted for deposit, you may then submit the Original Check to us for processing or contact the maker to reissue the Check. If you submit the Original Check for processing, we reserve the right to refuse to process the Check for deposit and presentment to the Payor Financial Institution and may instead require you to have the maker reissue the Check.

53. MULTIPLE ACCESS

Multiple Access refers to linking Accounts without identical owners, within the Online Banking System ("Multiple Access"). Accounts without identical ownership that are linked in the Online system are subject to this Agreement, including these Multiple Access terms. Each account owner ("Account Holder") requests us to allow all other Account Holders to access their Accounts using the Online system. Additional Account Holders may be added by notifying the Bank and providing the Bank with any information or approval it will require. To the extent these Multiple Access terms conflict with other terms in this Agreement, these Multiple Access terms will control. Accounts are linked subject to our prior approval and ongoing discretion to delink at any time and without notice.

Notice to Account Holders of Consumer Accounts: Refer to F&M Deposit Account Terms & Conditions for consumer protection disclosures applicable to electronic transfer to or from Consumer Accounts.

Definitions. As used in these Multiple Access terms, and in addition to other defined terms, the terms below will have the following meanings:

- "*Accounts*" means the deposit accounts identified by you on a Bank provided form where each Account Holder affirmatively agrees to the Multiple Access as to the respective Accounts. Additional Accounts may be added by notifying the Bank and providing the Bank with any information or approval it will require.

- “Adverse Event” means:
 - i. If any Account is subject to levy, attachment or other legal process;
 - ii. If any Account Holder is the subject of voluntary or involuntary bankruptcy proceedings, or any other action for relief of creditors generally;
 - iii. If any Account Holder disputes the authenticity of any Communication, or the authority of the Bank to act or not to act, or the legitimacy of any action taken by the Bank, in connection with any Service performed in response to any Communication received by the Bank;
 - iv. Any non-Account Holder asserts an interest in an Account, whether or not the interest is later held to be valid; or
 - v. Any other action or inaction deemed by the Bank to present risk to the Bank.
- “Authorized MA User” means any of the following, any of whom may act independent of each other: (i) The Account Holder; (ii) An Account Holder’s employees, officers, designees, agents, Administrators, Authorized Users or other persons authorized by the Account Holder to use the Online system or Services. Any person who has been given authorization by an Account Holder or by another Authorized User (even if in breach of obligations of confidentiality) to use the Online system or Services. Except to the extent expressly prohibited by law or regulation, authorization to use the Online system or Services is deemed to have been given and is hereby confirmed to have been given by the Account Holder to any person: (a) to whom the Account Holder provides actual authority (for example, by appointment as agent or by resolution of the Account Holder’s board of directors or governing body); (b) who has apparent authority to act on behalf of the Account Holder; or (c) who receives Security Codes or any other security procedures from the Account Holder or any other person previously given access to the security procedures by the Account Holder. The authorization of an Authorized MA User continues until the Account Holder notifies the Bank and expressly withdraws authorization for that person to use the security procedures and the Bank has had a sufficient time to act on such information.
- “Customer Information File Number” (“CIF”) means a unique identification number assigned to each Account Holder.

Services. Each Account Holder acknowledges and agrees that all of the Services available pursuant to this Agreement with the Bank will be subject to access by all Authorized MA Users. Accordingly, the Services will be applied or made available to each Account Holder and to all Accounts of each Account Holder on an individual and on a multiparty basis. We may, but are not required to, impose limitations on Account Holders that differ from one Account Holder to the next Account Holder. At the Bank’s option, an Account Holder’s access to or use of the Accounts of another Account Holder may be subjected by the Bank to the restrictions applicable to the Account Holder in whose name the Account is held, or to those applicable to the Account Holder seeking access or to such other restrictions as the Bank may impose.

Use of Services. We will provide access, at the express request of each Account Holder, between unlike accounts that may or may not be related by common ownership or common signers. Each Account Holder understands that the Security Codes allow active account transaction functionality (i.e., payments, transfers, etc.) between the Accounts and to third parties.

Authorization. Each Account Holder authorizes us to allow each other Account Holder and its Authorized MA Users access to the Account Holder’s Accounts via the Online system with full authority given to conduct transactions. This may include Services that are made available to other Account Holders but that are not made available by us

directly to the Account Holder whose Accounts are affected. This includes authority granted under this Agreement or under any applicable other agreement. Without limiting the foregoing, each Account Holder authorizes us to debit or credit its Accounts and otherwise to act in accordance with Communications received from any other Account Holder or Authorized MA User.

Communication with the Bank. Each Account Holder agrees that we are entitled to act upon any instruction or other Communication received by us through the Online system from any Authorized MA User, and may treat that Communication received through the Online system as valid to the same extent and to the same effect as if it had been received through the Online system from one of the Account Holders whose Account will be debited or otherwise is affected. To this end, each Account Holder appoints every other Account Holder and Authorized MA User as its agent and attorney in fact for the purpose of making payment orders and providing Communications to us, and agrees to be bound by any payment order or Communication issued through the Online system by any other Account Holder or Authorized MA User.

A Communication received by us through the Online system will be deemed to be a valid and authorized Communication of the Account Holder named in the Communication for purposes of any Service requested in the Communication. We are not required to verify the authenticity of any Communication other than through the security procedures set forth in this Agreement. Except to the extent expressly prohibited by law or regulation, a Communication received by us via the Online system in the name of the Account Holder will be deemed an authorized Communication, binding on the Account Holder named in the Communication, if the Communication is sent by:

- Any Authorized MA User, regardless of whether such individuals are reflected as authorized signers for the Account;
- Any officer of the Account Holder;
- Any other employee, designee or other person who has been authorized by the Account Holder to use the Online system under the terms of this Agreement or of any other agreement, or who is otherwise authorized to bind the Account Holder;
- Any other person, whether or not such person was authorized to act on behalf of the Account Holder, if the Communication is in the name of the Account Holder and if the Bank verifies the authenticity of the Communication using the security procedures described in this Agreement; or
- Any person with actual or implied authority to represent or bind the Account Holder, whether by agreement with us or otherwise, to the fullest extent allowed by law (including the law of agency or otherwise).

Without limiting the foregoing, and except to the extent expressly prohibited by law or regulation, each Account Holder will be bound by any Communication received by us through the Online system if: (i) the instruction or other Communication is in its own name (or in the name of any other Account Holder) and The payment order or other Communication was actually authorized by the Account Holder; or (ii) We verify the authenticity of the payment order or other Communication using the commercially reasonable security procedures set forth in this Agreement, whether or not the payment order or other Communication was actually authorized by the Account Holder or by any other Authorized MA User.

Signature Restrictions. Each Account Holder understands that Services may be used to cause transfers of funds (debits and credits) from and to its Accounts without regard to any withdrawal or signature restrictions otherwise applicable to the affected Account. For example, if withdrawals, checks or other access to an Account is subject to dollar limits or multiple signature requirements, these limitations are not applicable to transactions conducted using the Services. This applies to deposit accounts if access to these or other types of accounts are made available using the Online system.

Limitation on Services. Each Account Holder agrees that we may impose restrictions on any Services, with or without cause, at any time and either with notice or without notice to any Account Holder (including those affected by the restriction). Without limiting the foregoing, if an Adverse Event occurs, then we may (but are not obligated to) take any one or more of the following actions in connection with one or more (including possibly all) Accounts:

- Terminate or close Accounts;
- Restrict or terminate Services in connection with Accounts;
- Delay availability of funds on deposit in any one (and up to all) Account(s);
- Freeze funds in any one (and up to all) Account(s) and hold them pending instructions acceptable to us;
- Interplead funds in Accounts with any court, whether or not the court later determines that interpleader is or is not an authorized action by us; or
- Take any other action to protect us against cost, harm, inconvenience, litigation or otherwise as we see fit at our sole discretion.

Account Holder Acknowledgements. Each Account Holder acknowledges and agrees that:

- We did not, at any time, solicit the Account Holders for activation of this multiparty access service;
- We are providing the multiparty access service as an accommodation to the Account Holders and at the express request of the Account Holders;
- We will not control any transactions conducted by any of the MA Authorized Users on any of the Accounts and that the MA Authorized Users may access information and funds in any of the linked Accounts, such access may increase the risk of unauthorized activity, improper comingling and misapplication of funds;
- The Multiple Access Feature will allow each MA Authorized Users to utilize a single set of Security Codes to access all linked Accounts using the Service, which may result in significant diminution in the protection offered by the Security Codes.
- The Account Holder and not the Bank is responsible for reviewing and understanding any negative impact on the Account Holder that may arise due to the Account Holder's use or allowance of these multiparty access services (for example, loss of any insurance coverage, increased possibility of liability for obligations or actions of other Account Holders in insolvency or otherwise, and increased losses due to unauthorized transactions);
- The Account Holder should consult with their legal counsel and accountant prior to signing up for the multiparty access service; and
- The Account Holder accepts all risks associated with the use of the multiparty access services by itself and by the other Account Holders.

Account Holder Representations and Warranties. The Account Holder individually represents and warrants the following:

- Each Communication is authorized, valid and binding on the Account Holder when named in the Communication, as provided to us in compliance with all terms and conditions of this Agreement;
- Any transaction conducted by the Account Holder will not be in violation of any state or federal law (including California Corporations Code Section 2253,

which prohibits making any dividend or distribution of assets except in the cases and in the manner allowed by law, either with the design of defrauding creditors or shareholders or of giving a false appearance to the value of the stock and thereby defrauding subscribers or purchasers); and

- All corporate or other business formalities (as applicable) have been and will be followed with respect to each transfer of funds, including proper authorization of all requests and transfers and record-keeping requirements with respect to them.

Indemnification. Except to the extent expressly prohibited by law or regulation, each Account Holder shall jointly and severally defend, indemnify and hold harmless the Bank and its officers, directors, agents and employees from and against any and all actions, costs, claims, losses, damages or expenses, including attorneys' fees and expenses, resulting from or arising out of any losses due to action or inaction by any Account Holder in the use of the Online system, the Services, or by the Bank in the performance of its obligations under this Agreement. The obligations of the Account Holders under this section are in addition to those provided elsewhere in this Agreement, and are not a limitation on any other obligation of an Account Holder to the Bank (whether under this Agreement, any applicable other agreement, at law or in equity).

54. ONLINE WIRE TRANSFER

Online Wire Transfer. You may submit wire transfer requests ("Requests") to the Bank in accordance with the terms and conditions of this Online Wire Transfer Service. A Request includes a "payment order," as defined in Division 11 of the California Commercial Code. You are responsible for all Requests to the fullest extent provided by law and as set forth in this Service Description. The Bank may choose the funds transfer mechanism (for example, Fedwire, correspondent bank transfer, internal transfer) to be used when acting upon your Request. Defined terms in this Service Description shall have the meaning provided in this Agreement, unless otherwise defined in this Service Description.

Transmission; Related Service Descriptions for Funds Transfers. All Requests must be provided to the Bank, and may be required to be in a format prescribed by the Bank, presented using the Bank's Basic Online Banking Services. All Requests must also be consistent with the separate Basic Online Banking Service Description.

Account Designation. You authorize the Bank to debit your designated Account, or any other Account maintained by you at the Bank, for any fees or other amounts due to the Bank in connection with the Services.

Accuracy. You assume the sole responsibility for providing the Bank with accurate transaction information in the form and format that the Bank requires. The Bank is not responsible for confirming such information, or for failing to detect and reject duplicate Requests. If you provide the Bank with a Request that is incorrect in any way, you agree that the Bank may charge your Accounts for the transaction whether or not the error could have been detected by the Bank. The Bank is not obligated to detect errors in your transfer or payment instructions.

Communications; Security Procedures. For the purpose of this Service, Communications shall have the meaning provided in this Agreement and shall include Requests to the Bank in connection with the Wire Transfer Service. For the purpose of this Service, Security Procedures shall have the meaning provided in this Agreement and shall include but not be limited to any Security Procedures used to access Accounts and to use the Wire Transfer Services. The Bank may offer to you or require you to use additional authentication tools or methods from time to time (for example, challenge questions and phrases for employees). If you choose not to implement supplemental authentication tools, your access to some or all Wire Transfer Services may be limited.

Wire Transfer Limitations. All transfers to and from an Account will be subject to the terms and conditions applicable to the Account as set forth in the deposit agreement governing the Account, including transfer limitations. For example, federal regulations

limit certain types of transactions/transfers from a money market or savings account. If you exceed these limits, the Bank may impose a fee, close or convert your Account, limit your use of the Wire Transfer Services, or any combination of the foregoing. In addition, there may be other transfer limits addressed in the Supporting Documents.

Inconsistencies. If a beneficiary of a Request is identified by both name and account number, payment may be made by the Bank and by any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a payment order by both name and identifying number, the Bank and other financial institutions may rely on the number even if the name and the account number are not consistent or identify different parties.

Subject Rules and Regulations. You acknowledge that any Request executed by the Bank will be subject to rules and regulations applicable to payment orders, including record keeping and information transmittal requirement under the federal Bank Secrecy Act and its implementing regulations. You acknowledge and agree that the Bank may capture and transmit information regarding a Request (for example, beneficiary's name, address other beneficiary identifies and beneficiary's account number) as part of the processing of a payment order. You agree to assist the Bank in connection with any requirements imposed on the Bank for fulfilling the Bank's obligations in this regard.

55. ACH ORIGINATION

You agree to initiate credit and/or debit Entries by means of the Automated Clearing House ("ACH") Network pursuant to the terms of this Service Description and the rules of the National Automated Clearing House Association ("NACHA") and the local Automated Clearing House Association (the "Rules"), and that the Bank is willing to act as an Originating Depository Financial Institution ("ODFI") with respect to such Entries. Accordingly, you may submit ACH Entries to the Bank in accordance with the terms and conditions of this Service Description. You are responsible for all Entries to the fullest extent provided by law and as set forth in this Service Description. Defined terms in this Service Description shall have the meaning provided in this Agreement and as defined in the Rules, unless otherwise defined in this Service Description. The term "Entry" or "Entries" shall have the meaning provided in the Rules and shall mean the data received from you hereunder from which the Bank prepares Entries.

Related Service for ACH Entries. Entries submitted by you using the Bank's Basic Online Banking Services must be consistent with the separate Basic Online Banking Service Description. Additional terms and conditions may apply to the ACH Service to the extent you transmit Entries outside the Bank's Basic Online Banking Services. You may not submit Entries outside the Bank's Basic Online Banking Services without the Bank's prior written consent.

The Rules. A copy of the Corporate Edition of the Rules can be purchased from NACHA at www.NACHA.org. You agree to obtain a copy, to understand and be familiar with the Rules, and to be responsible for keeping up to date with changes in the Rules. You agree that information or advice received by you from the Bank as to the Rules or the operation of the Rules is not legal advice and is not a substitute for your obligation independently to understand and comply with the Rules.

Processing Entries. You shall transmit Entries to the Bank to the location(s) and in compliance with the formatting and other requirements set forth in the Rules and the Supporting Documents. The ACH Service will start on a date agreeable to you and to the Bank after all setup requirements have been completed.

You will not submit individual or total monthly Entries in excess of the maximum limits established by the Bank and reflected in the Supporting Documents, as amended from time to time. The parameters and variations of the limits shall be set at the Bank's discretion, including limits based on dollar amounts and/or Standard Entry Class Code types. You will not divide a transaction into more than one Entry in order to avoid these limitations. The Bank may adjust these limitations from time to time, at the Bank's discretion. The Bank processing of Entries in an amount greater than the established

limit(s) shall not be deemed a waiver of this provision. The Bank may cease processing Entries in a greater amount at any time without prior notice.

You may not originate Entries using Standard Entry Class Codes other than CCD, CTX or PPD without prior notice to and written approval by the Bank. The Bank may require you to submit an application in a form and content acceptable to the Bank, and execute supplemental schedules, agreements and other documents as the Bank may require, as a condition precedent to your use of other Standard Entry Class Codes. By way of example, the foregoing restrictions and requirements may apply to your use of ARC, RCK, BOC, POP, WEB, IAT or TEL Standard Entry Class Codes, or if you are engaging in cross-border (International) transactions. The Bank may block unapproved use of a Standard Entry Class Code or an unapproved cross-border transaction.

Except as provided below for On-Ups Entries, the Bank shall: (i) process Entries received from you to conform with the file specifications set forth in the Rules; (ii) transmit such Entries as an ODFI to an ACH Operator selected by the Bank at the Bank's sole discretion ("ACH Operator"); and (iii) settle for such Entries as provided in the Rules. The Bank shall transmit or complete the necessary authorizations for ACH Entries by the deadline of the ACH Operator, provided: (a) such Entries are received by the Bank's related cutoff time on a business day, (b) **the Effective Entry Date is one (1) to two (2) business days after such business day**, unless you are set up with same-day ACH origination, and (c) the ACH Operator is open for business on such business day. Entries shall be deemed received by the Bank when the transmission and compliance with any related Security Procedures are completed. If any of the requirements of this paragraph are not met, the Bank may use reasonable efforts to transmit such Entries to the ACH by the next deadline of the ACH Operator, which is a business day, and a day on which the ACH Operator is open for business.

Same-Day Credit Entries. Subject to the Bank's approval, the ACH Service permits you to elect to have your ACH credit or debit Entries originated 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 time for same-day Entries will be treated as a "same-day" ACH Entry. For this purpose, "eligible ACH Entries" will mean ACH Entries that: (i) are received on a business day by the cutoff hour for same-day Entries; (ii) are less than \$25,000 (effective March 20, 2020, \$100,000 or less); and (iii) contain an Effective Entry Date for the same day as receipt, or a stale or invalid date. You agree that when determining whether an ACH Entry qualifies as an eligible ACH Entry for same-day processing purposes, the Bank is not required to consider any other information provided in the Entry or file or any other Communication from you to the Bank, and the Bank may process any eligible ACH Entry utilizing same-day processing. While you may request that the Bank cancel or delay processing an eligible ACH Entry on a same-day basis, the Bank may, in the Bank's sole discretion, comply with such a request but is not obligated to do so. The Bank does not represent, warrant or otherwise guarantee that receiving depository financial institutions will post same-day ACH Entries by applicable deadlines. The Bank may utilize 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 still responsible for all fees associated with same-day processing.

On-Ups Entries. In the case of an Entry received for credit to an Account maintained with the Bank (an "On-Ups Entry"), the Bank 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 Service Description are met. If said requirements are not met, the Bank may use reasonable efforts to credit the Receiver's account in the amount for such Entry no later than the next business day following such Effective Entry Date.

Notice of Returned Entries. The Bank shall notify you by phone or electronic transmission, including email of the receipt, of a returned Entry from the ACH **no later than one (1) business day after the business day of receipt**. Except for an Entry retransmitted by you in accordance with the requirements of this Service Description, the Bank shall have no obligation to retransmit a returned Entry to the ACH if the Bank complied with the terms of this Service Description with respect to the original Entry.

Pre-notifications. If you choose to originate non-dollar pre-notification Entries to verify the accuracy of routing and account numbers, you agree not to initiate live dollar Entries until at least three (3) business days following the Settlement Date of the pre-notification Entry. Pre-notifications must be provided to the Bank in the format provided in the Rules. If you receive notice that a pre-notification has been rejected or returned, you will research the problem and make any necessary corrections before transmitting another Entry.

Notifications of Change. The Bank shall notify you of all Notifications of Change (NOC) received by the Bank relating to Entries transmitted by you, **no later than two (2) business days** after the business day of receipt. Notice by the Bank, in the Bank's discretion, may include notice by email to you. You must make the changes specified in an NOC or corrected NOC: (i) within six business days of receipt or prior to initiating another Entry to the Receiver's account, whichever is later; or (ii) as otherwise required in the Rules, if the Rules specify a different time for correction.

Prefunding Payment. The Bank may designate you as "ACH Prefunding," and the Bank may change your designation to or from ACH Prefunding at any time, with or without cause and at the Bank's sole discretion. The Bank will inform you of your designation as ACH Prefunding, and of any change in the designation. You will pay the Bank, in immediately available funds, an amount equal to the sum of all credit Entries or debit Reversals related to Entry data delivered to the Bank at such time as the Bank may, from time to time, designate no later than the date of transmittal of the related Entry data to the Bank, or at such other time as the Bank may have established for you.

Inconsistencies. If a Receiver of an Entry is identified by both name and account number, payment may be made by the Bank and by any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a payment order by both name and account number, the Bank and other financial institutions may rely on the account number even if the name and the account number are not consistent or identify different parties.

Your Representations and Warranties. In addition to the representations and warranties provided by you under this Agreement with respect to each and every Entry initiated by you, you represent and warrant to the Bank and agree that you shall obtain all consents and authorizations required under the Rules, and in compliance with Regulation E (as applicable), and shall retain such consents and authorizations for two years after they expire and other documents related to Entries for a period of six years. Without limiting the foregoing, each person as the Receiver of an Entry received by the Bank from you have authorized the initiation of such Entry, and the crediting or debiting of your Account in the amount and on the Effective Entry Date shown on such Entry. You will provide the Bank with a copy of such authorization within five business days whenever requested to do so. Such authorization is operative at the time of transmittal or crediting/debiting by the Bank as provided herein. Entries transmitted to the Bank by you are limited to those types of credit or debit Entries set forth in this Service Description.

If the amount of a debit Entry to a Receiver's account varies in amount from the previous debit Entry relating to the same authorization or preauthorized amount, you will, at least ten (10) days before the Effective Entry Date of such debit Entry, send the Receiver written notice of the amount of such debit Entry and its Effective Entry Date, unless the Receiver has previously been notified of the Receiver's right to receive such notice and the Receiver has elected to receive such notice only when the debit Entry does not fall within a specified range of amounts or varies from the most recent debit Entry by an agreed amount.

If any change is made by you in the scheduled Effective Entry Date of one or more debit Entries, you will, at least seven days before the Effective Entry Date of the first such debit Entry to be affected by such change, send the Receiver a written notice of the new Effective Entry Date(s) of such Entry or Entries; you shall be bound by and comply with the Rules as in effect from time to time, including, without limitation, the treatment of a payment of an Entry by the Receiving Depository Financial Institution ("RDFI") to the Receiver as provisional until receipt by the RDFI of final settlement for such Entry.

You will not use the ACH Service to collect: (i) payments for goods or services sold by third parties; (ii) payments relating to adult entertainment, gambling services or child pornography; (iii) obligations owing to third parties; or (iv) obligations related to cash advances by you.

You hereby make the same representations and warranties to the Bank with respect to Entries sent by the Bank to an ACH Operator upon your authorization as the Bank is deemed to make under the Rules, and the Bank shall have no responsibility with respect to matters so represented and warranted by you; and except as previously disclosed in writing by you to the Bank: (i) you are not a "money-services business" (as defined at 31 CFR 103.11(uu) or successor regulation) and are not subject to any state license requirements applicable to a money-services business, banks, broker-dealers or other financial institutions; and (ii) no Entry data is submitted by you on behalf of, or as agent, service bureau or processor for another. By way of example, you will not submit debit Entries that result from a sale of goods or services by a third party to the Receiver.

You agree to indemnify the Bank against any loss, liability or expense (including attorney's fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.

Retention. You agree to retain and make readily available to the Bank, upon request, all information necessary to remake any files of Entries for ten (10) business days following the Settlement Date.

Audit. In addition to the audit commitments provided under this Agreement, if transactions you conducted involve some use of the Internet, then you agree to conduct an internal security audit at least annually to ensure that the financial information obtained from Receivers is protected by security practices and procedures ("security audit") that include, at a minimum, adequate levels of: (i) physical security to protect against theft, tampering or damage; (ii) personnel and access controls to protect against unauthorized access and use; (iii) network security to ensure secure capture, storage and distribution of financial information; and (iv) any other items identified in the Operating Guidelines of the Rules. Upon the Bank's request, you agree to have an external security audit conducted within sixty (60) days of the request. The external security audit will include the same items described in this paragraph for an internal security audit. You agree to provide the Bank with a copy of each internal and external audit report, as applicable, in a format acceptable to the Bank, within thirty (30) days of the completion of the audit.

Without limiting the foregoing, you specifically agree to establish data security policies, procedures and systems as required by the Rules. This requires you to:

- Protect the confidentiality and integrity of Protected Information;
- Protect against anticipated threats or hazards to the security or integrity of Protected Information until its destruction; and
- Protect against unauthorized use of Protected Information that could result in substantial harm to a natural person.

Such policies, procedures, and systems must include controls that comply with applicable regulatory guidance on access to all systems used by you to initiate process and store Entries. NACHA defines Protected Information as the nonpublic personal information, including financial information, of a natural person used to create or contained within an Entry and any related Addenda record.

56. REMOTE DEPOSIT CAPTURE

The Remote Deposit Capture ("RDC") allows you to transmit paper checks converted to Imaged Items to the Bank for processing and deposit into the designated Account you maintain at the Bank. The Bank reserves the right, with prior written notice to you, to

place, from time to time, limits on your right to use the Remote Deposit Capture Services.

The Bank will provide you the Remote Deposit Capture Services described in this Service Description to enable you to transmit Imaged Items to the Bank or the Bank's designated processor to be cleared as Substitute Checks or Image Exchange Items. To the extent you access the Remote Deposit Capture using the Bank's online services; your use of the RDC must also be facilitated pursuant to the separate Basic Online Banking Service.

Access. The RDC enables you to use an approved software application, together with a compatible wireless access device or other compatible scanning hardware maintained by you, to create electronic images of the front and back of Original Checks and transmit those images and other information, including, without limitation, information captured from the magnetic ink character recognition ("MICR") line, to the Bank for review and processing in accordance with this Service Description.

You agree to exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by the Bank or otherwise required for use of the RDC and shall further prevent the use of the same by unauthorized persons. You assume full responsibility for the consequences of any missing or unauthorized use of or access to the RDC or disclosure of any confidential information or instructions by you, or anyone acting on your behalf.

Wireless Access. Your access to the Remote Deposit Capture via your wireless access device ("Wireless RDC") is subject to the Bank's prior and ongoing approval. The Bank may deny your access to all or any part of the Remote Deposit Capture Service, at the Bank's sole discretion, including wireless access. To access and utilize Wireless RDC you will need a compatible wireless access device that is connected to the Internet through your mobile communications service provider. If you obtain a different wireless access device, you will be required to download and install software, to that different wireless access device, under the same terms set forth in this Service Description, as amended. You agree to delete all such software from your wireless access device promptly if the licenses or this Service Description terminates for any reason. The availability, timeliness and proper functioning of Wireless RDC depend on many factors, including your wireless access device location; wireless network availability and signal strength; and the proper functioning and configuration of hardware, software and your wireless access device. Neither the Bank nor any of the Bank's service providers warrant that Wireless RDC will operate without interruption, and neither the Bank nor the Bank's service providers shall be liable for any loss or damage caused by any unavailability of Wireless RDC, including service interruptions, delays or loss of personalized settings. Neither the Bank nor any of the Bank's service providers assume responsibility for the operation, security, functionality or availability of any wireless access device or mobile network that you utilize to access the RDC. You agree that, when you use Wireless RDC, you remain subject to the terms and conditions of your existing agreements with any unaffiliated service providers, including your mobile service provider. You understand that those agreements may be provided for fees, limitations and restrictions that might impact your use of Wireless RDC (such as data usage or text messaging charges imposed on you by your mobile service provider), and you agree to be solely responsible for all such fees, limitations and restrictions. You also agree that only your mobile service provider is responsible for its products and services. Accordingly, you agree to resolve any problems pertaining to your wireless access device or mobile services with your provider directly.

Security of Data in Transition and Storage. You expressly acknowledge that any wireless access to your Accounts may not be secure and, as such, you assume the risk associated with unauthorized access to the RDC and any information contained therein resulting from such wireless connectivity. You assume all risk that any information you download or otherwise store on your wireless access device may be accessed by unauthorized third parties. Without limiting the foregoing, you acknowledge that your wireless access device may become subject to unauthorized tracking, "hacking" or other manipulation by spyware, viruses or other malicious code ("malware"). The Bank is not responsible for advising you of the existence or potential effect of any malware. Your use of your hardware and software is at your own risk.

The Bank is not responsible for the security and confidentiality of information when you: (i) use wireless connections to download your Account information, in which case you acknowledge such connection may permit other persons to access the information being downloaded; or (ii) allow other persons access to your wireless access device. You agree that any account information that you download is done at your own risk, and you are solely responsible for any damage that might occur to the electronic device to which you download any information, or any loss or corruption of data that might occur as a result of the downloading or its storage on an electronic device.

YOU AGREE TO TERMINATE THE REMOTE DEPOSIT CAPTURE SERVICE OR DISABLE YOUR REGISTERED WIRELESS ACCESS DEVICE FROM THE REMOTE DEPOSIT CAPTURE SERVICE IMMEDIATELY IN THE EVENT YOUR REGISTERED DEVICE BECOMES LOST, STOLEN OR IS NO LONGER IN USE BY YOU.

Primary Account Designation. You may use the RDC to facilitate a deposit to any deposit account you have with the Bank (other than those with deposit restrictions, such as certificates of deposit). The Account to which you designate a deposit shall be referred to as the "RDC Account" for the purpose of this Service Description and the deposit transaction. You authorize the Bank to debit the RDC Account (or any other account maintained by you at the Bank) for any fees or other amounts due the Bank in connection with the Remote Deposit Capture Services. If the RDC Account is closed for any reason, your Remote Deposit Capture Services will be stopped along with any unprocessed Remote Deposit Capture Services transfers. To reinstate your Remote Deposit Capture Services, you must designate a new RDC Account.

Your Rights. Subject to the terms of this Service Description, the Bank hereby grants you a non-exclusive, non-transferable right to access and use the Remote Deposit Capture Service in connection with your own business operations in accordance with the Supporting Documents.

Definitions. Unless otherwise defined below or in this Service Description, terms in this Service Description shall have the meaning provided in this Agreement. For the purpose of this Service Description, the following words shall have the meanings provided here:

- "*Communications*" shall have the meaning provided in this Agreement and shall include Communications to the Bank in connection with the Remote Deposit Capture Service, including transmission of output files from you to the Bank
- "*Security Procedures*" and "*Security Codes*" shall have the meaning provided in this Agreement and shall include but not be limited to any Security Procedures and Security Codes used to access the RDC Account and to use the Remote Deposit Capture Service.
- "Check" means an Original Check, as defined in Regulation CC.
- "*Endpoint*" means any Federal Reserve Bank, financial institution, local clearinghouse, courier, or other entity or location for the delivery of cash letters or other presentment of Electronic Items or Substitute Checks.
- "*Image Exchange Item*" means a digitized image of an Item cleared and settled directly with a Paying Bank without conversion to a Substitute Check.
- "*Imaged Item*" means the digitized image of a Check that is created by you and transmitted to the Bank using the Remote Deposit Capture Service.
- "*Item*" means a Check that is payable on demand, drawn on or payable through or at an office of a United States Financial Institution and payable or endorsed to you, and includes Original Checks, Substitute Checks and Image Exchange Items.
- "*Non-cash Item*" means an Item that would otherwise be an Item, except that: (i) a passbook, certificate or other document is attached; (ii) it is accompanied by special instructions, such as a request for special advice of payment or

dishonor; (iii) it consists of more than a single thickness of paper, except an Item that qualifies for handling by automated check processing equipment; or (iv) it has not been preprinted or post-encoded in magnetic ink with the routing number of the Paying Bank.

- *“Non-qualifying Item”* means Non-cash Items, Items payable in a medium other than United States money, currency, warrants, Items payable to third parties, Items payable to joint payees (unless payable to the payees alternatively and deposited into an account in the name of all payees), demand drafts or remotely created checks as defined by the UCC and Regulation CC, respectively, Items that are stale dated by six months or more or postdated, savings bonds, Items payable to “cash,” Substitute Checks, non-negotiable Items, Items that have been returned unpaid for any reason, and any Item that exceeds your transaction limitations as established by the Bank from time to time.
- *“Original”* with respect to a Check means the first paper Item issued with respect to a particular payment transaction.
- *“Paying Bank”* means the United States Financial Institution ordered in an Item to make payment to the payee(s) named on the Item.
- *“Remote Deposit Capture Services”* means the services described in this Service Description, to be provided by the Bank to you to enable the processing of Items digitally as Image Exchange Items through image exchange networks or through creation of Substitute Checks and presentment to established Endpoints, including, collectively, the procedures, protocols, and software used by the Bank and its licensors and contractors in connection with the electronic processing of Items.
- *“Software”* means any software that may be offered or required by the Bank for use in receiving, validating and packaging images and data from a bulk file to be forwarded to the Bank for additional processing.
- *“Substitute Check”* means a paper reproduction of an Item that satisfies the requirements and definition of “substitute check” set forth in Regulation CC.
- *“UCC”* means the Uniform Commercial Code as enacted and amended in the state whose law governs interpretation of this Service Description.
- *“United States Financial Institution”* means: (i) any person, located in the United States, engaged in the business of banking; (ii) a Federal Reserve Bank; (iii) a Federal Home Loan Bank; and (iv) to the extent it acts as a payor, the U.S. Treasury, the U.S. Postal Service, or a state or local government.

Your Responsibilities. In connection with the Remote Deposit Capture Services, you shall comply with the following:

- You will create images of Checks at your location by use of scanning hardware and software, if any, approved or provided by the Bank (as applicable). You will enter all amounts and any other required information correctly and as provided in the Supporting Documents.
- You will transmit the electronic images of Checks to the Bank, or the Bank’s authorized processor, over the Internet through a secure web-based interface.
- Your RDC Account will be provisionally credited upon the Bank’s acceptance of the Imaged Items for deposit, which are received by the Bank from you through the Remote Deposit Capture Service.
- You will maintain the RDC Account for you to receive credit and provide other specific information required by the Bank related to the Remote Deposit

Capture Service. As set forth in this Service Description, all deposits received by the Bank are accepted subject to the Bank's verification and final inspection and may be rejected by the Bank at the Bank's sole discretion. All deposits are subject to the terms of the deposit account agreement governing your Accounts.

- You will maintain the RDC Account at the Bank for the receipt of deposits of Items.
- You will only submit Checks for processing to the Bank that meet the definition of "Item" as provided in this Service Description and will ensure that the Items scanned meet the standards for image quality established by the American National Standard Institute ("ANSI") required by Regulation CC, or other standards established or required by the Bank or applicable law, as amended from time to time. You will not process any Non-qualifying Items. The Bank's processing of any Non-qualifying Items shall not constitute a waiver by the Bank or obligate it to process such Non-qualifying Items in the future. The Bank may discontinue processing of Non-qualifying Items at any time, without cause or prior notice.
- Unless prior approval by the Bank in writing, you will not attempt to scan and transmit to the Bank any Item that is drawn on your deposit account at the Bank or any other financial institution, or a deposit account of any business entity of which you are a principal, officer or authorized signer. You will only use the Remote Deposit Capture Service for your own purposes and in accordance with this Service Description.
- You will not attempt to scan and transmit to the Bank any previously truncated and reconverted Substitute Check. Any previously truncated and reconverted Substitute Check must be physically deposited with the Bank. Notwithstanding the foregoing, the Bank may redeposit any returned Substitute Check or Image Exchange Item consistent with the terms of the deposit account agreement governing your Accounts.
- You will: (i) ensure that, prior to scanning, Items are restrictively endorsed "FOR REMOTE DEPOSIT ONLY AT FARMERS & MERCHANTS BANK"; (ii) handle, process, maintain and destroy Original Checks as set forth in this Service Description and in the Supporting Documents; and (iii) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Item more than once in any form.
- Except to the extent otherwise expressly agreed by the Bank, you will provide, at your own expense, a broadband Internet connection, such as via a digital subscriber line ("DSL") or other connectivity having equivalent or greater bandwidth, and all other computer hardware and software, including a compatible web browser, and other equipment and supplies required to use the Remote Deposit Capture Service, all of which must satisfy any minimum requirements set forth in the Supporting Documents or as otherwise may be acceptable to the Bank. Except to the extent otherwise provided in this Service Description or the Supporting Documents, you will provide, or obtain from another party selected by you at your expense, support and maintenance of such Internet connection and all other computer hardware, software and equipment required to use the Remote Deposit Capture Service, including, without limitation, troubleshooting Internet connectivity issues with your Internet service provider ("ISP").
- You will balance the dollar amount of each deposit to the sum of Checks prior to transmitting to the Bank.

- You will: (i) maintain a daily control record of all Checks, including transaction counts and dollar amounts; and (ii) balance transactions transmitted from the previous business day and immediately notify the Bank of any error or discrepancy discovered.
- Unless the Bank specifically agrees otherwise in writing, you will not use the Service to deposit any Check or Checks that exceed the transaction limits established by the Bank from time to time. The Bank may communicate the transaction limits, including changes to the same, by written or electronic notice to you.
- You will be responsible for verifying the Bank's receipt of your transmission(s) by verifying that deposits have been posted to the RDC Account, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Bank.
- You will maintain fully qualified, properly trained and experienced administrative staff and employees sufficient to perform your obligations under this Service Description.
- You shall exercise due care in preserving the confidentiality of any user identification, password, test key, or other code or authentication method provided by the Bank or otherwise required for use of the Remote Deposit Capture Service and shall further prevent the use of the same by unauthorized persons. You assume full responsibility for the consequences of any missing or unauthorized use of or access to the Remote Deposit Capture Service or disclosure of any confidential information or instructions by you, your employees and agents (as applicable).
- You agree to comply with all existing and future operating procedures used by the Bank for processing of RDC transactions. You further agree to comply with and be bound by all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars and pronouncements, affecting checks and drafts, including all rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, National Check Exchange ("NCE"), Small Value Payment Customer ("SVPCO"), Viewpointe, Endpoint Exchange, Electronic Check Clearing Houses Organization ("ECCHO"), and any other clearinghouse or other organization in which the Bank is a member or to which rules the Bank has agreed to be bound. These procedures, rules and regulations are incorporated herein by reference.

RDC Procedures. The Bank will provide you with operating procedures that the Bank require you to use in connection with the Remote Deposit Capture Service ("RDC Procedures"). You agree to comply with the RDC Procedures, maintain the most current version and agree to take reasonable steps to safeguard the information. You will complete the customer assessment that will certify that you are in compliance with the RDC Procedures on an annual basis. The RDC Procedures may be amended from time to time by the Bank and will be made available to you. It will be your responsibility to train all users to any changes in the Services.

Equipment. You are responsible for obtaining and maintaining the compatible and Bank-approved scanner equipment to facilitate the Remote Deposit Capture Service. You agree to use only scanner equipment and software that meet the Bank's service specifications, and shall not use any scanner equipment purchased or provided by a third party without the Bank's prior written consent. "Scanner equipment" will mean any compatible and Bank-approved hardware, including a wireless access device. You will ensure that the equipment is clean and operating properly, and will inspect and verify the quality of images and ensure that the digitized images of Original Checks are legible for all posting and clearing purposes. You will be solely responsible for verifying the compatibility of any equipment used with the Remote Deposit Capture Service.

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

The Bank assumes no liability for any computer virus or related problems arising in connection with your use of equipment, including Bank-Provided Equipment, and you shall indemnify, defend and hold harmless the Bank for any losses, damages, costs and expenses resulting directly from any computer virus or related problems the Bank may suffer or incur from any computer virus or related problem caused by you.

Software. At any time during the term of this Service Description, the Bank may require, in the Bank's sole discretion, the use of software in connection with the Remote Deposit Capture Services. The Bank may require you to upgrade the software, which you agree to do within thirty (30) days of notice, or sooner if directed by the Bank. You will implement and use the software, as set forth in the Supporting Documents and any applicable materials relating to the Supporting Documents, to transmit output files to the Bank.

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

You acknowledge that: (i) license to any software that may be required for the Remote Deposit Capture Service is directly from the software provider, pursuant to the license agreement that appears when any such software is electronically accessed by you or otherwise provided to you; (ii) the Bank may, but is not obligated to, provide certain "first level" support to you with respect to the software, but that the Bank will have no responsibility for maintenance, support, infringement protection, or otherwise to you with respect to the software.

You will look strictly to the software provider, or its successors, with respect to any issues concerning the software that cannot be satisfactorily resolved with the Bank's assistance.

You will use the software solely for transmitting output files to the Bank consistent with this Service Description and not for communications with any other party. You will not allow access to the software or the use of the Remote Deposit Capture Service by any person other than you, and will only process Items arising from a transaction or obligation between you and your direct payor. Without limiting the foregoing, you agree to implement and maintain separation of duties and dual control procedures at your location(s) to ensure compliance with the limitation on access commitments provided under this Service Description.

You acknowledge and agree that the software and content used by the Bank in the operation of the Bank's website and provision of the Remote Deposit Capture Service, and the copyright patent, trademark, trade secret and all other rights in and to the

technology, software, content, designs, graphics and trademarks included by the Bank on the Bank's website and as part of the Remote Deposit Capture Service and the Bank's name and product names and the website's URL (collectively, the "Intellectual Property"), are owned by the Bank and the Bank's licensors. As such, you will not gain any ownership or other right, title or interest in or to such Intellectual Property by reason of this Service Description or otherwise. You may not use, reproduce, duplicate, copy or distribute the content found at the Bank's website or provided by the Remote Deposit Capture Service.

You may not distribute, reuse, reproduce, duplicate, copy, publish, sell or otherwise transfer: (i) any portion or element of the Remote Deposit Capture Service or the Intellectual Property; or (ii) access to the Bank's Remote Deposit Capture Service or Intellectual Property. Further, you may not (a) create derivative works of any portion or element of the Remote Deposit Capture Service or Intellectual Property; (b) reverse-engineer, modify, decompile or disassemble any of the Intellectual Property; (c) deactivate or disable any password protection or other protection, security or reliability technology the Bank incorporates in the Remote Deposit Capture Service; (d) modify or erase any copyright or trademark notice the Bank places in connection with the Remote Deposit Capture Service; (e) engage in the practice known as "screen-scraping" or otherwise attempt to, or actually, obtain copies of content provided through the Remote Deposit Capture Service (sometimes known as "scrapers," "spiders," "robots" or "bots") to systematically access and download data; (f) access the Remote Deposit Capture Service by any means other than via your wireless access device; (g) frame any content provided through the Remote Deposit Capture Service or any Intellectual Property; or (h) use any circumvention tools, meta tags or any other "hidden text" utilizing the Bank's name, trademark, URL, product name or other Intellectual Property. You agree to comply with the terms of any license agreement made available to you through the Remote Deposit Capture Service.

You will promptly return all copies of the software and Supporting Documents, including materials related to the Supporting Documents, to the Bank upon termination of the Service Description.

To ensure your retention obligations under this Service Description, you agree to implement and maintain business continuity procedures, including those needed to ensure proper backup of data and periodic testing of the same.

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

Retention and Destruction of Original Checks. You will retain each Original Check in accordance with the Supporting Documents. If not directed otherwise by the Bank, you will store Original Checks in a safe and secure environment for forty five (45) days after such Item has been digitized and processed. You shall take appropriate security measures to ensure that: (i) only authorized personnel shall have access to Original Checks; and (ii) the information contained on such Original Checks or on any corresponding Imaged Items are not disclosed to third parties. You will promptly (but in any event within five (5) business days) provide any retained Original Check (or, if the Original Check is no longer in existence, a sufficient copy of the front and back of the Original Check, with the copy indicating that it is a copy on its face) to the Bank as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Item or as the Bank otherwise deems necessary. If you fail to produce the Original Check upon the Bank's request, you agree that the Bank may deduct the amount of the Original Check from any of your Accounts. You will use a commercially reasonable method, which is consistent with any requirements of Regulation CC and approved by the Bank to securely and permanently destroy Original Checks after your retention period has expired. You agree to mark Original Checks "VOID" just before destroying as provided in this section.

Processing Times. Notwithstanding any provisional credit that may be applied to the RDC Account in connection with your transmitted Imaged Items, Imaged Items processed for deposit through the Remote Deposit Capture Service will be deemed to

have been received by the Bank for deposit at the time the Imaged Items are actually received and accepted at the location where the Bank or its designated agent posts the credit to the RDC Account. A deposit of Imaged Items will be deemed to have been received and accepted by the Bank for deposit when all of the following have occurred: (i) the Bank has preliminarily verified that the image quality of the Imaged Items is acceptable to the Bank in the Bank's discretion, all Item information is complete and the deposit totals are balanced to the Item information provided for the deposit; and (ii) the Bank has successfully performed all further validation routines with respect to the deposit. Notwithstanding the foregoing, Imaged Items received by the Bank for deposit may be rejected by the Bank at the Bank's sole discretion.

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

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

It is your responsibility to understand and build into your transmission schedules the appropriate deadlines necessary to meet the availability schedules of the Bank as set forth in this Agreement or as otherwise established by the Bank. You are further responsible for understanding and building into your transmission schedule the changes in transmission windows required by time changes associated with Daylight Savings Time.

Returned Items. You understand and agree that an Item that is not paid by a Paying Bank, or is otherwise returned for any reason, will at the Bank's discretion be: (i) re-presented to the Paying Bank; or (ii) returned to you and your RDC Account charged for the amount of the Item plus any associated fees as disclosed in the Bank's applicable Schedule of Fees, which may be changed from time to time at the Bank's discretion. You agree that Items may be returned as Image Exchange Items rather than Substitute Checks. The Bank's right to charge your RDC Account will apply without regard to whether the Item is returned to the Bank in a timely manner or whether there is any other claim or defense that the Item has been improperly returned to the Bank.

Bank Rights and Responsibilities. For all Imaged Items processed by you pursuant to this Service Description, either: (i) digitized images will be converted to Substitute Checks and presented for payment to established Endpoints; or (ii) Image Exchange Items will be presented for payment through image exchange networks.

The Bank may, at the Bank's sole discretion, determine the manner of processing. All such processing and presentment shall be done in accordance with timeframes and deadlines set forth in the Supporting Documents and as otherwise established by the Bank from time to time.

Unless otherwise agreed by you and the Bank, the Bank will process any returned Items in accordance with applicable law and this Agreement.

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

The Bank may, at the Bank's sole option, with or without cause, at any time and from time to time, refuse to process any Imaged Items. The Bank may, from time to time, establish transaction limitations and assign them to you.

In addition to any other rights, we may have under this Agreement and otherwise with regard to the Accounts of yours, we may hold and use funds in any Account following termination of this Agreement. Without limitation, you recognize that under the Uniform Commercial Code, Regulation CC, the Electronic Check Clearing House Organization ("ECCHO") Rules (as applicable) and the rules of any image exchange network, our representations and warranties with regard to Image Exchange Items and Substitute Checks may expose us to claims for several years following processing of the Image Exchange Item or Substitute Check.

Your Representations and Warranties. You make the following representations and warranties with respect to each Item, including Non-qualifying Items, processed by you pursuant to this Service Description:

- The Imaged Item is a digitized image of the front and back of the Original Check and accurately represents all of the information on the front and back of the Original Check as of the time you converted the Original Check to an Imaged Item;
- The Imaged Item contains all endorsements applied by parties that previously handled the Original Check in any form for forward collection or return;
- Except as otherwise specifically disclosed in writing to the Bank, you are not now engaged, and will not during the term of this Service Description engage, in any business that would result in you being or becoming a "money service business" as defined in the Federal Bank Secrecy Act and its implementing regulations;
- All encoding, transfer, presentment and other warranties made under applicable law, including, without limitation, those under the UCC, Regulation CC. and the rules of any image exchange network.

There will be no duplicate presentment of a Check in any form, including as a digitized image, as a paper negotiable instrument or otherwise, and you will be liable for and otherwise assume responsibility for any such duplicate presentment of any Check. You agree to indemnify and defend the Bank against any and all claims, causes of action or demands arising out of or directly or indirectly related to the duplicate presentment of any Check; and you will not engage in any activity directly or indirectly related to the use of the Remote Deposit Capture Service that is illegal or fraudulent.

Indemnification. In addition to any indemnification obligations you have under this Agreement, and except to the extent expressly prohibited by applicable law, you agree that you will indemnify and hold us harmless against any and all third-party suits, proceedings, claims, demands, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses that result from or arise out of: (i) any fine, penalty or sanction imposed on us by any clearinghouse, or any governmental entity, arising out of or connected with any Imaged Item processed by us for you or at your instruction; (ii) actions by third parties, such as the introduction of a virus that delays, alters or corrupts the transmission of an Imaged Item to us; (iii) any loss or corruption of data in transit from you to us; (iv) any claim by a third party resulting from our breach of warranty regarding the paid status or image quality of a check you have presented through the Service; or (v) any claim by any recipient of a Substitute Check corresponding to a Check processed by you under this Agreement, that such recipient incurred loss due to the receipt of the Substitute Check instead of the Original Check.

Bank's Liability. In addition to any limitations in this Agreement, the Bank will not be liable to you for: (i) any refusal of a Paying Bank to pay an Image Exchange Item or Substitute Check for any reason (other than the gross negligence or willful misconduct of the Bank), including, without limitation, that the Original Check, Image Exchange Item or Substitute Check was allegedly unauthorized, was a counterfeit, had been altered or had a forged signature; or (ii) the Bank acting as a "reconverting bank" under the Check 21 Act through the creation of Substitute Checks or purported substitute checks using an electronic image or an illegible electronic image or an Image Exchange Item.

57. POSITIVE PAY

The Positive Pay provides certain account services through an automated matching system. Your lists of checks or ACH entries recently issued will be compared against the amount and check number of the checks and all information on the rules you created for an ACH entry that actually clear against the specified Account(s) activated for the Positive Pay Service and listed in the supporting documentation. You agree that the Bank will only be obligated to match the check number and dollar amount from the Check Issue File (defined below) and that the Bank may, at the Bank's sole discretion, but is not obligated to, match additional data provided in the Check Issue File ("Additional Data"), including payee name. Regardless of whether the Bank decides to match against Additional Data, and notwithstanding the fact that Additional Data may be included in the Check Issue File, you further agree that the Bank will not be liable to you and you agree to hold the Bank harmless from loss or liability resulting from the Bank's action or inaction with respect to Additional Data. The Bank's determination to match Additional Data in any case will not obligate the Bank to continue to do so in other instances. Notwithstanding the foregoing, the Bank and you may agree to the Bank's review of Additional Data, subject to additional terms, fees and conditions.

Your use of each of the Positive Pay Services must be facilitated through the Bank's Basic Online Banking Service, and your use of the Services will be subject to the separate Basic Online Banking Service Description.

Unless the parties agree to other default provisions, the Bank shall default to a "return" decision for any Exception Item for which you have not submitted a decision on the same business day by the deadline specified in the Supporting Documentation.

Definitions:

- *"Customer Information File Number" ("CIF")* means a unique identification number assigned to each Primary or Related Entity.
- *"Authorized Accounts"* means the deposit accounts to which the CIF identified in the Business Application form is related as the Primary Account Holder. Additional Authorized Accounts may be added by notifying the Bank and providing the Bank with any information or approval it will require.
- *"Primary or Related Entity"* means each Account Holder identified as an Account Holder on the Business Application form. Additional Account Holders may be added by notifying the Bank and providing the Bank with any information or approval it will require. The Account Holder does not mean authorized signers on the Account signature card that are non-owners of the Authorized Accounts.
- *"Check Information"* means information identifying an issued check.
- *"Issued Check File"* means a list of all issued checks uploaded by you to the Bank's Online system (the "System").
- *"Single Entry Input"* means a single Item entry by you through the System to the Bank.
- *"Exception Item"* means a Presented Item (Check or ACH transaction) that does not match the Issued Check File, Single Entry Input or the Payment Rules provided to the Bank.
- *"Presented Item"* means a check drawn on the Authorized Account or an ACH transaction presented to the Bank for payment.
- *"Payment Rules"* means conditions for paying or blocking ACH transactions, such as originating company, Standard Entry Class Code, transaction type and maximum dollar amount you enter into the System.

Type of Positive Pay Services.

- *Traditional Positive Pay:* With the Traditional Positive Pay Services, on each business day, you will provide the Bank with a file or manual entry detailing all checks you have issued. Using this information, on each business day we will provide you with a list of Exception Items.
- *Payee Positive Pay:* In addition to the issued item, information provided by you for the Traditional Positive Pay Service, you will provide us with the payee name for each item issued. Using this information, on each business day we will make reasonable efforts to report to you any payee names that do not match the Issued Check File and Single Entry Input. You acknowledge that the Bank will not be able to validate payee information for electronically converted items presented to the Bank for payment.
- *ACH Positive Pay:* ACH Positive Pay allows you to create Payment Rules, which will determine whether an ACH transaction will be paid or blocked. If a transaction matches the Payment Rules, it will be processed. Blocked transactions will be presented to you as an Exception Item.

Issued Check File, Single Entry Input and Payment Rules. An Issued Check File or Single Entry Input for each Authorized Account must be submitted to the Bank before 5:00 PM (PST) each business day you issue checks. Any Issued Check File(s), Single Entry Input or Payment Rules uploaded after 5:00 PM (PST) may not be included with the Bank's end-of-day processing and will be processed the next business day.

Payment of Presented Items and Reporting of Exception Items. The Bank will compare each Presented Item against each Issued Check File, Single Entry Input or Payment Rules received by the Bank. Each business day, the Bank will:

- Pay and charge to the Authorized Account each Presented Item that is matched in the Issued Check File, Single Entry Input or Payment Rules if there are sufficient funds in the Authorized Account for payment.
- Provide you with notification of all Exception Items presented for payment that do not match the Check Information or Payment Rules provided by you. The Bank will communicate all Exception Items within the System each business day by 6:00 AM (PST).

Pay Request/Return Request. You will review the list of all Exception Items and use the System to communicate your request to pay or return the Item by 2:00 PM (PST) of the business day on which the notification of Exception Checks was presented to you.

Default. If you do not assign an Exception Item as a pay or return request within the System before 2:00 PM (PST) on the business day of presentment of the Presented Items, and you have not previously established a "pay all" or "return all" default, we will return all Exception Items. To establish a default you must provide us instructions in the manner we require and give us a reasonable opportunity to act on your request. If the default is "pay all," we will pay items subject to the availability of funds on deposit. We may overdraw your Account, in our sole discretion.

Not Covered. This Service does not cover an Item the Bank has already cashed, negotiated or paid, or which the Bank is already committed to honor or pay under applicable laws, regulations or rules governing such items. In addition, you understand that the Service may not identify altered, counterfeit or duplicate checks or checks with forged or unauthorized signatures. As such, you agree to review promptly all statements, returned checks, reports, and other check and transaction information we make available to you.

Accuracy of Information. You assume full responsibility for the completeness and accuracy of all information furnished to us. You understand that it is important that the information be exact; i.e., the correct amount in dollars and cents. We assume no responsibility for detecting or correcting ambiguous, incomplete, untimely or inaccurate information provided by you. Our willingness to process nonconforming information

will not be considered a waiver of any requirement of this Agreement, and we may discontinue processing nonconforming information without prior notice.

Notices and Communications. You agree that this Agreement and any notice or other communication by the Bank or you in connection with this Agreement may be sent electronically. The Bank will communicate with you at the email address shown for you in the Bank's records. You are responsible for providing accurate email addresses for communication. Any email Communication sent by the Bank to your designated email address for such Communications shall be deemed received when sent by the Bank. You agree to provide the Bank with your current email address and provide advance notice of any change in your mail or email address. You agree to notify us immediately if you discover; (i) any error or discrepancy between your records and the information the Bank provides to you about your Authorized Accounts or transactions; (ii) unauthorized transactions involving your Account; or (iii) a breach in the confidentiality of the password or Security Codes.

Damaged Checks. Any Presented Item that is damaged, lost or destroyed ("Damaged Checks") so as to be rejected by automated processing systems during processing will not be covered by this Agreement. You and the Bank will cooperate in the payment decision regarding processed Damaged Checks. You agree that the Bank has discretion regarding returning a Damaged Check to the presenting bank or otherwise to any depository financial institution. This means that the Bank is not obligated to (but may) return a Damaged Check, unless expressly instructed otherwise by you. You further agree the Bank's decision to return a Damaged Check does not obligate the Bank to return future Damaged Checks. If the Bank returns a Damaged Check, it may return the Damaged Check by any means reasonable, including by use of notice in lieu of return or by return of copies of the Damaged Check. The Bank will use its best efforts to notify you of a Damaged Check.

Rightful Payment and Dishonor. If the Bank dishonors a Presented Item that is identified as an Exception Item, provided the Bank has not received a pay or return request from you as provided in this Agreement, the dishonor shall be rightful, and you waive any right you may have to assert that the dishonor was wrongful under California Commercial Code Section 4-402. If the Bank honors a Presented Item that is listed on an Issued Check File, Single Entry Input or Payment Rules, or honors a pay or return request in response to an Exception Item, such honor shall be rightful, and you waive any right you may have to assert that the Presented Item was not properly payable under California Commercial Code Section 4-401. You agree that the Bank exercises ordinary care whenever it rightfully pays or returns a Presented Item consistent with the provisions of this Agreement.

58. ONLINE TAX PAYMENT

The Online Tax Payment allows you to originate federal and state tax payments using the Service. To facilitate the Online Tax Payment Service, you must first register with the tax authorities and appoint the Bank to act as your agent for making tax payments and deposits on your behalf. These payments are processed as ACH Credit transactions and will be subject to the terms and conditions applicable to our ACH Service. Upon the Bank's request, you agree to execute such additional enrollment forms and authorizations as the Bank may request. You authorize the Bank to release account and tax payment information to any taxing authority in performing the Online Tax Payment Service and to confirm payments.

YOU MUST BE PRE-ENROLLED WITH THE FEDERAL AND/OR STATE TAXING AUTHORITIES PRIOR TO USING THE ONLINE TAX PAYMENT SERVICE. You warrant that you are enrolled in the Electronic Federal Tax Payment System ("EFTPS") and have selected the ACH Credit option. You warrant that all special requirements of the EFTPS system have been met. You also warrant that you have completed appropriate enrollment requirements with each state taxing authority, as applicable.

You are solely responsible for determining the amount of any taxes due and transmitting the correct payment information in accordance with the Service requirements. You must furnish the Bank with complete and accurate tax payment information. The Bank is not

responsible for: (i) determining the correctness of any tax computation or payment; (ii) questioning the timing or amount of the payment; (iii) determining or questioning the correctness of any report or information submitted by you (even if it appears incorrect on its face); or (iv) any penalty that may be imposed if you instruct the Bank to make a payment after the Bank's cutoff time or the date the tax payment is due.

The Bank will notify you orally, electronically or in writing if the Bank is unable to process any payment in the manner attempted by the Online Tax Payment Service, and will do so no later than the business day following the payment date. If you fail to maintain sufficient collected and available funds in your Account, the Bank may refuse to perform the tax payment. If any payment is rejected, it will be your responsibility to resubmit the payment instruction. If you do not have sufficient or available funds, you may be charged an insufficient funds fee and any other fees or charges applicable to the transaction.

When the Bank receives your payment instruction to make a tax payment, the Bank will charge your Account for the payment(s). The funds may be held by the Bank as a non-interest-bearing deposit liability to you, but will not be held in trust. Until the Bank makes your tax payment(s), your funds will be subject to offset for legal process, or any debts owed to the Bank.

You assume the risk of any failure to submit payment instructions to the Bank in a timely and correct manner. Payments should be submitted at least two (2) business days prior to the due date. Any interruption of the Online Tax Payment Service, regardless of the reason, will not relieve you of your obligation to make a tax payment or report. You are ultimately responsible for promptly making any required tax payment or report. You are responsible for promptly making required tax payments by another means in the event there is an interruption in the Online Tax Payment Service. You agree to be bound by the Rules, as amended from time to time, and all laws and regulations of the United States.

You acknowledge that the Bank's employees are not authorized or permitted to give tax advice to you. You agree not to seek or place any reliance upon tax advice from the Bank or the Bank's employees. If the Online Tax Payment Service is not used for a period of ninety (90) days, the Online Tax Payment Service may be removed or disabled. To cancel an Online Tax Payment Service Communication and the payment instruction that you have scheduled, you must cancel online prior to the cutoff time on the processing date. Payments cannot be canceled after this time. The Bank may seek to assist you in attempting to cancel or amend any payment but is not obligated to do so at Bank's discretion. If the Bank does, you will indemnify the Bank in accordance with the Service Description for any losses the Bank may suffer in connection with the Bank's efforts.

59. BUSINESS VISA® CREDIT CARD

This Agreement and the documents listed immediately below (collectively, "Cardholder Documents") govern the possession and use of a Business Visa® Credit Card ("Card") issued by the Bank:

- The card carrier or mailer ("Card Carrier") we send with the Card;
- The application or solicitation ("Card Application") signed or otherwise submitted to request the Card Account; and
- When applicable, the Commercial Credit Card Continuing Guaranty, which must be signed separately.

The Cardholder Documents are all hereby expressly incorporated into this Agreement and are collectively referred to as the "Business Visa® Credit Card Agreement." The Business Visa® Credit Card Agreement also includes any changes we may make to the Business Visa® Credit Card Agreement from time to time. To the extent that any provision of this Service Description is inconsistent with another Cardholder Document, this Service Description shall govern. The account that underlies the Card(s) is referred to as the "Card Account." Any reference to the Card includes virtual and physical cards

and the Card Account number that can be used to access the Card Account. A PIN number without more is not a Card.

Definitions. Unless otherwise defined in this Service Description, terms in the Business Visa® Credit Card Agreement shall have the meaning provided in this Agreement.

For the purposes of this Service Description, “you” and “your” refer to: (i) you; (ii) any individual on the Card Application who agrees to be liable with you; and (iii) sole proprietors of yours. “Authorized User” means any other person to whom we have issued a Card at your request. “Cardholder” means you and any Authorized User.

- “*Bank Affiliate*” means a person or organization officially attached to or owned by the Bank.
- “*Billing Cycle*” means the time interval between the dates of your regular billing Statements. Your first Billing Cycle may be less than one month. All Credit terms, including Minimum Interest Charges, will apply in each Billing Cycle including the first Billing Cycle.
- “*Credit*” means any credit extension you or any Cardholder receives by use of a Card or otherwise under this Business Visa® Credit Card Agreement.
- “*Daily Periodic Rate*” means the rate we use to calculate the Interest Charge as described in this Business Visa® Credit Card Agreement. The Daily Periodic Rate is equal to the applicable APR divided by 365 (or 366 in a leap year).
- “*Guarantor*” means any person who has guaranteed payment of any obligations under this Business Visa® Credit Card Agreement or the Card Account.
- “*Interest Charge*” means the cost of your Credit on the Card Account as a dollar amount that we derive by applying your Daily Periodic Rate to the Average Daily Balance. Your Statement may use both terms.
- “*New Balance*” means the entire balance of purchases, cash advances, balance transfers and any Promotional Balances outstanding on your Card Account on the closing date of the Billing Cycle, plus all accrued Interest Charges and other fees, charges, payments, credits and adjustments as of such date.
- “*Outstanding Balance*” means the outstanding balance of purchases, cash advances, interest (if applicable), fees and other charges associated with the Card Account.
- “*Payment Due Date*” means the date by which we must receive your payment in order for it to be on time. Your Payment Due Date will be stated on your Statement.
- “*Statement*” means the statement we send you at the end of each Billing Cycle. The Statement will tell you the total balance that you owe us at the end of the Billing Cycle. It will also tell you the Minimum Payment Due that you must pay us by the Payment Due Date.

These terms will have the same meanings when used in your Statements.

Agreement General Terms and Conditions. For the purposes of the Business Visa® Credit Card Agreement, the General Terms and Conditions of this Agreement shall be expressly incorporated except as to any extent: (i) they materially differ with the provisions of this Service Description, in which case this Service Description shall apply; or (ii) expressly specified and/or modified in this Service Description.

Contact Information; Change of Name or Address. For purposes of this Business Visa® Credit Card Agreement, you agree that you may be contacted at the address, phone or email address shown on the Card Application or that you designate for the receipt of Statements following the procedures we establish. You agree to notify us promptly if

you change your organizational name, tax identification number, mailing address, primary contact phone number or email address. You agree to notify us promptly if a Cardholder changes their name, mailing address, email address, social security number, or primary phone number. Until we are notified, we will continue to send Statements and other notices to the last address shown on our records, and they will be deemed effectively delivered for all purposes. If your mailing address appears to no longer be valid (e.g., mail is returned undelivered), we may, but are not obligated to, suspend mailing your Statements, notices, and other communications until a valid address is received from you.

Acceptance of Terms. The Business Visa® Credit Card Agreement becomes effective on the earlier of: (i) fifteen (15) days after the Bank sends the Card; or (ii) the first use of the Card or Card Account. In addition, any use of the Card constitutes acceptance of the terms of this Business Visa® Credit Card Agreement. If you or an Authorized User do not wish to be bound by this Business Visa® Credit Card Agreement, you or they must not use (or authorize anyone else to use) the Card or Card Account and must cancel the Card Account and return all Cards to us within fifteen (15) days after receiving the Card.

Company's Representations, Warranties and Covenants. Effective upon the opening of the Card Account, and continuing until termination of this Business Visa® Credit Card Agreement and satisfaction of all your obligations hereunder, whichever occurs last, and in addition to any other covenants or representations and warranties provided under this Agreement, you further covenant, represent and warrant to the Bank as follows:

- *Authority of Representative Signing Cardholder Documents:* That the authorized officers/signors of the company signing any Cardholder Document for or on behalf of you are duly authorized to do so;
- *Accurate Information:* All information that you have provided and will provide at any time in the future is and will be accurate in all material respects, and your Chief Financial Officer or Operating Officer (or other person with equivalent knowledge and responsibility, regardless of that person's title) will certify the accuracy of such information on request; and
- *Further Assistance:* At the Bank's request, you shall deliver, in a format acceptable to the Bank, any legal documents, financial statements or information. You shall also promptly notify the Bank of any significant change in your business or other development (for example, an Internal Revenue Service investigation) that has or may have a material adverse effect on your business, even if you believe the matter to be baseless.

Cards.

- *Signature Panel.* The back of the Card contains a signature panel, which must be signed by the Cardholder before it may be used.
- *Card Is the Bank's Property.* The Card is the property of the Bank and must be returned to the Bank if the Bank so requests. In addition, the Bank can, at any time and without cause and without notice, revoke the right to use the Card. If a merchant or a financial institution asks for the surrender of the Card, it must be surrendered immediately.
- *Expiration.* The Card and Card Account will not be valid after the expiration date printed on the Card or associated with the Card, and it must not be used after that date.
- *Renewal and Replacement Cards.* The Bank may, at its option, issue renewal or replacement Cards, without an additional request from you, until the Bank revokes the right to use the Card or until the Card Account is closed.

Available Transactions.

Subject to the terms of this Business Visa® Credit Card Agreement, you may access credit in the form of Purchases and Cash Advances, by using the Cards, as follows:

Farmers & Merchants Bank

- *Purchases:* To purchase, rent or lease goods or services from a merchant that honors Visa cards by presenting the Card or the Card number to the merchant, or if requested, by providing the proper identifying information and signing or otherwise authenticating the appropriate drafts. Transactions involving the acquisition of items that can be immediately converted to cash (for example, wire transfers, money orders or foreign currency) will be treated as Cash Advances instead of Purchases;
- *Cash Advances:* At your request and upon approval from the Bank, and subject to the corresponding Cash and Credit Limits (as defined below), Cardholders may obtain Credit in the form of a cash loan from the Card Account (“Cash Advance”) in amounts up to 50% of your Credit Limit. This can be done: (i) in person at the Bank or any participating financial institution; or (ii) at any ATM in the Bank’s ATM network or any of the other participating ATM networks (the names of which are shown on the back of the Card). Daily Cash Advances may not exceed the lesser of the local ATM limit, if any, the withdrawal and dollar limits we establish from time to time, or the Cash Limit. We reserve the right to limit Cash Advance access in our sole discretion. We may terminate or block the ability to obtain Cash Advances at ATMs if we believe that there is unusual activity on the Card Account or you are in default under this Business Visa® Credit Card Agreement. In addition to any Cash Advance transaction fees we may assess, you may be subject to additional fees or surcharges for ATM Cash Advance transactions imposed by ATM service providers. Use of your Card to withdraw cash from ATMs located outside of the United States creates a Cash Advance from, and charge to, your Card Account even if you select withdrawal from checking or savings account or any other type of account; and
- *Ready Cash Deposit (Overdraft Protection Advances):* If your Card Account has been linked to a designated business checking account using procedures we established, the Card Account may be used as a form of overdraft protection whereby overdrawing your checking account triggers an advance of funds from the Card Account. Overdraft Protection Advances are treated as Cash Advances. Your Card Account must have sufficient available funds to make a Ready Cash Deposit. The amount we transfer will be in \$50 increments sufficient to cover the amount overdrawn. If the unused credit available is less than \$50, a transfer will not be made. You may terminate the Ready Cash Deposit service at any time by writing to us at the address on your monthly Statement. We may cancel or suspend the Ready Cash Deposit service at any time for any reason without prior notice except as required by applicable law. If we cancel or suspend the Ready Cash Deposit service, we will not be liable for any consequences that occur as a result.

Some of these services may not be available at all ATMs, terminals or merchant locations. The Bank is not responsible for the refusal of any merchant to accept or honor a Card. Failure of a Cardholder to sign a draft does not relieve you of liability for the transaction.

Restricted Transactions. In addition to any restrictions set forth in this Agreement, and without limiting the foregoing, your Card Account may not be used for the following purposes:

- Manufactured spending;
- Marijuana plants or products of any type;
- To make payments to this Card Account or any other loan payments to us or our affiliates; or
- Unless permitted by applicable Visa rules or applicable law, no Card may be distributed, transferred, or in any way provided to residents of India. Nothing in this Agreement, however, shall be construed as a restriction on the issuance,

distribution, transfer, or use of the Card based on any person's national origin or any other prohibited basis; or

- We may block or delay the processing of any such transactions or any transactions we reasonably believe to be in violation of this Agreement, this Service or applicable law, or that raise questions or concerns under our anti-money-laundering safeguards or those of Visa or any payment processor. Notwithstanding the foregoing, you will remain fully obligated to pay any indebtedness incurred in contravention of the foregoing limitations.

We have no responsibility to make sure you only use your Card Account for lawful purposes, and you will remain responsible to pay for any transactions, whether legal or not. We will not be liable if you engage in an illegal transaction. You agree to repay us for all costs related to uses not allowed under this Business Visa® Credit Card Agreement.

We are not responsible:

- If a merchant or financial institution does not honor any Card; or
- For any problem you have with any goods or services purchased with the Card, except to the extent required by applicable law.

Depending on circumstances, we may:

- Decline a transaction if there is not enough available Credit and for any other reason; and
- Require your specific authorization before allowing a transaction.

A merchant may check your ID. We are not liable if:

- A merchant refuses your Card; and/or
- We do not complete your transaction for any reason.

Although there may be Credit available on the Card Account, we may be unable to authorize a particular transaction because of operational difficulties or mistakes. We reserve the right to limit the dollar amount or number of transactions we will authorize per day, or both. From time to time, the number or dollar amount of allowable authorizations per day may vary. Neither we nor our agents will be responsible if authorization for a particular transaction is not given. If any Cardholder exceeds the applicable Credit Limit or Cash Limit, or if the Card Account is past due, authorization for transactions on the entire Card Account may be declined.

Credit and Cash Limits. The Bank will assign to each Cardholder a Cardholder's Credit Limit. The Card Account Credit Limit will be the aggregate amount of all of the Cardholders' Credit Limits. Cash Limits, the maximum amount of credit that can be accessed via Cash Advance, are a percentage of Cardholder Credit Limits. All Credit and Cash Limits are together called "Limits." Subject to our right to change Limits at any time, the Credit Limit will appear on the monthly Statement. The Card or Card Account shall not be used in any way that would cause a Cardholder's Outstanding Balance to exceed (or remain in excess of) that Cardholder's Credit Limit, or Cash Limit, as applicable, or that would cause the Credit Limit to be exceeded. The named business Account Holder may request a change in a Cardholder's Credit Limit by writing to the address shown on the monthly Statement, submitting a request to their Branch, or sending a written request directly to the Bankcard Department.

When we first send your Card, we will tell you:

- The total Credit Limit on your Card Account; and
- The portion of this limit you can use for Cash Advances.

We may change the Limits from time to time. Whenever this occurs, we will notify you, usually after the fact:

Farmers & Merchants Bank

- On your billing Statement; or
- By sending a notice.

You agree to:

- Keep your Card Account balance (which includes interest charges, fees and other charges) within your Credit Limit; and
- Immediately pay any over-limit amount that might occur.

Your available Credit may not reflect your payments for up to ten (10) calendar days. If a transaction exceeds your available Credit, we may decline it. Notwithstanding the Limits, you are liable for all transactions made on the Card Account by any Cardholder, even if they exceed the Limits. If we allow a transaction to post that exceeds the Credit Limit, it does not mean the Credit Limit has been waived or increased.

Cross-border Transactions. There is a Foreign Transaction Fee for each transaction made in a country other than the United States, regardless of currency type (including online Purchases from non-U.S. based merchants). Such transaction will be applied in U.S. dollars and will post to your Card Account as a fee. Refer to the Bank's Business Visa® Credit Card Agreement Disclosure that you received along with your Credit Card.

Non-U.S.-dollar Transactions. If you make a transaction in a currency other than U.S. dollars, the transaction will be converted by Visa into a U.S. dollar amount in accordance with Visa's operating regulations or conversion procedures in effect at the time the transaction is processed. Under current procedures, the foreign currency conversion rate is either a wholesale market rate or a government-mandated rate applicable to the date the transaction is processed by Visa. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction's posting date or the posting date.

Authorization for Recurring Transactions. If you authorize any merchant to bill charges on a recurring basis to your Card Account, we may, from time to time, provide the merchant with information about your:

- Card Account number;
- Card Account status; and
- Card Account expiration date.

You must notify the merchant when and if you no longer want to allow them to charge your Card Account. If you default on your Card Account or if we change your Card Account or Card number for any reason:

- We may refuse or suspend future recurring charges; and
- You must set up the recurring charges again and/or make other payment arrangements with the merchant.

Periodic Statements. We will send Statements for each Billing Cycle in which the Card Account has a debit or credit balance or transaction activity. The Statement will show the total amount owed on each Authorized User's Card as of the end of the Billing Cycle, including any interest charges, fees, and the Minimum Payment Due Date. All Card Accounts will receive monthly Statements.

Promise to Pay. You promise to pay us, in lawful money of the United States of America (U.S. dollars), all Purchases, Cash Advances, fees, charges, interest, and all other debts, obligations and liabilities of every kind and description, arising out of the use of the Card or Card Account, plus any collection costs, including court costs and reasonable attorneys' fees. You agree and acknowledge that individual Cardholders have no obligation to make payment for charges incurred on a Card and that the sole responsibility for the charges lies with you. For sole proprietors approved for joint Credit, each of you is jointly and severally liable for payment of the Card Account. For individuals who have agreed to be jointly and severally liable with you, both of you are

jointly and severally liable for payment of the Card Account. In addition, you consent and agree to the terms of this Business Visa® Credit Card Agreement, and to the terms contained on the Cards, any sales drafts, credit adjustment memos or Cash Advance drafts signed or authorized by or given to any Cardholder. Where there is a conflict, the provisions of this Business Visa® Credit Card Agreement govern your obligations, notwithstanding any additional or different terms contained in any other documents evidencing a transaction.

Payment Due. Each Billing Cycle, you agree to pay at least the Minimum Payment Due of \$20.00 or 2% of the outstanding balance of the Card Account, whichever is greater, plus any amount over your Credit Limit, the sum of all past due amounts, and any resulting interest and fees, if applicable. If the New Balance is less than \$20, the Minimum Payment Due is the New Balance. You may pay your total outstanding balance at any time. If you pay more than the Minimum Payment Due during any particular Billing Cycle, a Minimum Payment Due will still be due in subsequent Billing Cycles, unless we notify you otherwise. Your Minimum Payment Due will be set forth in your monthly Statement and must be received by us by its Payment Due Date, also indicated on your monthly Statement. We round the Minimum Payment Due to the higher dollar.

Making only the Minimum Payment Due will lengthen the repayment period and increase the amount of interest paid over time.

When and How to Pay. Payments must be:

- Made in U.S. dollars;
- Paid from a U.S. bank or other United States Financial Institution; and
- Sent in a form that is acceptable to us.

Acceptable forms of payment include:

- A check or money order;
- Online payment;
- Payment by phone; or
- An electronic funds transfer.

Do not mail cash payment.

By sending us a check for payment on your Card Account, you authorize us either to:

- Use information from your check to initiate an electronic funds transfer from your payment account according to the terms of the check; or
- Process the transaction as a check.

When we use your check to make an electronic funds transfer:

- Funds may be withdrawn from your payment account the same day we receive your payment; and
- You will not receive your check back from your bank.

When you use our optional payment by phone service, you agree that:

- We may make an electronic funds transfer from the bank account you choose; or
- We may process the payment the same way we would process a check.

You must authorize the amount and timing of each payment and it is your responsibility to retain records of such authorizations. If you have a returned payment:

- The amount you paid will be added back to your Card Account balance; and

- Interest may be restored back to the payment date at the then applicable annual percentage rate ("APR") for that transaction.

When Your Payment Will Be Credited to Your Account. Please include the payment coupon from the bottom of the Statement with your check. Payments received at the address printed on your monthly Statement prior to 12:00 PM (PST) on any business day will be credited to your Account as of the date received. Payments received at other locations, such as branches, will be credited to your Account promptly but may be delayed up to five (5) days after receipt. If a payment is made at any location other than the address on the Statement or a branch, we may delay crediting that payment.

Special Conditions. If you write any special conditions on your payment, such as "paid in full," "without recourse," or similar language, we may accept a payment marked with such conditions without agreeing to those conditions, and will not lose any of our rights under this Business Visa® Credit Card Agreement. All written Communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to the Bank at P.O. Box 2087, Seal Beach, CA 90740.

How We Apply Payments. Payments will be applied first to late charges, then to interest charges due and any other charges that might apply, then to the remaining principal (first to Cash Advances and second to purchases).

Annual Percentage Rate. We will use one or more annual percentage rates ("APR") to determine interest owed. Your Card Carrier with disclosure document will show the APRs that apply to the Card Account at the time of account opening. All rates applicable to the Card Account are fixed. However, as a result of the occurrence of any default on your Card Account, we may increase the APR under this Business Visa® Credit Card Agreement, but will not exceed the maximum rate permitted by law. We will apply each APR to the applicable balance for each type of transaction (Purchases and Cash Advances).

Interest is assessed on a daily basis. The Average Daily Balance is multiplied by the daily periodic rate. The daily periodic rate is determined by taking the APR and dividing by 365 (or 366 in a leap year).

How Daily Balance Is Determined. To determine the Average Daily Balance of Purchases, we take the beginning balance of purchases on your Account each day during the billing cycle, add any new purchases and any other charges (including late charges) and subtract any payments, other credits and unpaid finance charges posted that day. This gives us the Daily Balance of Purchases for a day. We then add up the Daily Balance of Purchases for each day in the billing cycle (credit balances are excluded) and divide by the total number of days in the billing cycle. This gives us the Average Daily Balance of Purchases.

To determine the Average Daily Balance of Cash Advances, we take the beginning balance of Cash Advances on your Account each day, add any new Cash Advances as of the transaction date of the particular Cash Advance (or, at our discretion, the posting date of the Cash Advance to your Account) and any Ready Cash Deposit advances posted that day and subtract any payments, other credits and unpaid finance charges posted that day. This gives us the Daily Balance for Cash Advances for a day. We then add up the Daily Balance of Cash Advances for each day in the billing cycle (credit balances are excluded) and divide by the total number of days in the billing cycle. This gives us the Average Daily Balances of Cash Advances.

Grace Period. Your Card Account has a Grace Period on Purchases. Finance charges are imposed on purchases only if you do not pay in full the New Balance for purchases shown on your monthly Statement within twenty five (25) days of the end of the billing cycle. Finance charges will be assessed and will accrue on any cash advance, including Ready Cash Deposits, from the date that such Cash Advance transaction is posted to your Account until paid in full.

Fees. Fees are disclosed at the time of request. We also may charge the following fees. If a fee applies to the Card Account, we will disclose the amount of the fee at the time the Cardholder requests the service.

- *Card Rush Delivery Fee:* We may charge a fee if you request “expedited delivery” of a Card that requires an outside delivery service provider. We may also charge a fee if you request to personally obtain an “emergency Card” at our Bankcard Center that requires special card production. This fee is charged to your Card Account as a purchase item.
- *Statement Copy Fee:* If you request additional copies of Statements, drafts and receipts, we charge a fee per item requested. This fee is charged to your Card Account as a purchase item.
- *Statement Research Fee:* If you request our help researching Statements, we charge a fee for each hour of our research time. This fee is charged to your Card Account as a purchase item.
- *Card Replacement After Second Occurrence Fee:* If you request a replacement card more than two (2) times in any previous twelve (12) month period, this fee is charged to your Card Account as a purchase item.

Card Activation. When Cardholders receive a new or a replacement Card, they should follow the activation instructions accompanying it. Cardholders have the option of choosing their own PIN. Once a Card has been activated, it may be used. Cardholders should not write their PIN on their Card or otherwise share or disclose their PIN with any person.

Visa Account Updater Service. If you give your Card number to a merchant with authorization to bill it for recurring or future payments, and your Card number or expiration date changes, you should notify the merchant with your new Card information. We subscribe to the Visa Card Account Updater Service (“VAU Service”) and we provide updated Card information to the VAU Service. If your merchant participates in the VAU Service, that merchant may receive the updated Card information. If your Card is closed for any reason your Card information will not be provided to the VAU Service. Because not all merchants subscribe to the VAU service, it is ultimately your responsibility to notify each merchant of your new Card information to ensure the service from the merchant and your payments continue uninterrupted.

Virtual Wallets (Also Known as Digital Wallets and Electronic Wallets). A “wallet” refers to an electronic device that allows an individual to make electronic payment transactions. This can include purchasing items with a computer or using a mobile phone to purchase something at a physical or online store. You may register your Card with compatible programs that allow Card transactions through a “Virtual Wallet” by following the instructions of the Virtual Wallet provider. Once registered, the Virtual Wallet allows you to store virtual representations of credit and debit cards on your supported mobile device or computer to make payments at select merchants utilizing the merchant’s terminal, in-app or other digital commerce payments. The Virtual Wallet may not be accepted at all the places or merchants where your Card is otherwise accepted.

We do not charge you any additional fees for adding your Card to a Virtual Wallet or using a Virtual Wallet to pay for a transaction using your Card. Third parties such as wireless companies or data service providers may charge you fees for enrolling in and using a Virtual Wallet, and you are responsible for any such wireless carrier data or usage fees incurred.

You are responsible for keeping your Virtual Wallet login and credentials private and secure. After enrolling in a Virtual Wallet service, you should secure your mobile device with the same care you would your Card, cash, checks and other PINs and passwords in

order to avoid unauthorized use of your Card Account(s). If you share your credentials with any other person, they may be able to use your mobile device or computer and get access to your personal and payment information available through the Virtual Wallet service. You should call us and your Virtual Wallet provider immediately if you believe your mobile device or credentials have been lost, stolen or compromised in any way or an unauthorized person has used or may use your credentials without your authorization.

We are not the provider of the Virtual Wallet and we are not responsible for providing the Virtual Wallet service to you. Use of a Virtual Wallet involves the electronic transmission of personal information through third-party connections. Because we do not operate or control these connections, we cannot guarantee the privacy or security of these data transmissions. You should consider whether there is risk of loss or other problems that may result from wireless transmission or loss of the mobile device. Check with the Virtual Wallet provider and your wireless carrier for information about their privacy and security practices.

We have no responsibility or liability for any loss, damage, function, malfunction, delay, or other problem or claim directly or indirectly associated with the Virtual Wallet, including the security, accuracy, legality, appropriateness, content, what information is collected or accessed, performance or non-performance of the Virtual Wallet, nor the actions of the Virtual Wallet provider or any other third party regarding any agreement you enter into with the Virtual Wallet provider or associated third-party relationships that may impact your use of the Virtual Wallet. It is your responsibility to read and understand the terms and conditions of the Virtual Wallet before enrolling in, creating, activating or using your Card in a Virtual Wallet.

User's Liability. Notwithstanding any other provision, any person who uses a Card, whether authorized or not, is liable to pay for that use, even if you are not liable. Nevertheless, Visa Zero Liability rule apply where applicable,

Closing the Account. You may close the Card Account at any time by notifying the Bank in writing at the address on the front of your monthly Statement. We can suspend or close any Card or your Card Account at any time, for any reason. We will not tell you first unless applicable law requires us to do so. One of the reasons may be your Default under this Business Visa® Credit Card Agreement. We also may close your Card Account if there is a material change in your depository relationship with us. You agree to notify us immediately of any cancellation of an Authorized User's charging privileges. When the Card Account is closed (whether by you or by the Bank), the right to use the Card and to make charges to the Card Account will be automatically revoked. All Cards must be surrendered to us, cut in half, with your Card Account closure notice. However, you remain responsible to pay the amounts you owe us according to the terms of this Business Visa® Credit Card Agreement.

Default. Subject to any applicable law, upon the occurrence of any one or more of the following events (each a "Default"), the full outstanding balance of the Card Account shall, at our option, become immediately due and payable, and we may close the Card Account if:

- We do not receive at least the Minimum Payment Due as required under this Business Visa® Credit Card Agreement on or before the Payment Due Date;
- Any of your representations and warranties prove to be false or incorrect in any material respect when made or at any time during the term of this Business Visa® Credit Card Agreement;
- You fail to observe any other covenant or duty contained in this Business Visa® Credit Card Agreement;
- You suspend the normal operation of your business;

- A Cardholder or Authorized User exceeds or tries to exceed the applicable Credit Limit or Cash Limit without our permission;
- A payment you make is rejected or cannot be processed, even if it is processed later;
- We reasonably believe that you or any Guarantor's ability to pay us is materially impaired;
- You or any Guarantor provides or has provided any information to us that is false in any material respect;
- You become insolvent or generally unable to pay your debts, or you take any action or permit any event to occur that materially impairs your ability to pay when due; you become subject to bankruptcy or insolvency proceedings; or an attachment or garnishment proceeding is instituted against you or your property;
- You default under any other obligations that you owe to the Bank or its affiliates;
- You or any Guarantor dies, ceases to exist, is legally declared incompetent or incapacitated, changes residency to another state or is subject to a material change in the majority ownership or control;
- The occurrence of a default under any agreement securing the obligations hereunder, including any personal guaranty; or
- The termination or revocation of any personal guaranty.

Subject to applicable law, you agree to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim you bring or incident to any action or proceeding involving you brought pursuant to the United States Bankruptcy Code).

Lost or Stolen Card. You agree to notify us immediately if a Card is lost or stolen, or your Card Account is used without your permission. The fastest way to notify us is by calling us at (800) 556-5678. The phone number is also listed on your billing statement and on the back of your Card. You can notify us at P.O. Box 2087, Seal Beach, CA 90740.

Financial and Other Information. You agree to promptly provide us, from time to time upon request, with current information regarding you and your financial affairs. You authorize us to receive, from time to time, information from others concerning you and your Credit Card Accounts and to answer questions from others regarding our Credit experience with you.

Billing Disputes. Except with respect to claims of Unauthorized Use of a card, any disputes regarding any use of or transaction on the Card are subject to the General Terms and Conditions of this Agreement.

Liability for Unauthorized Use. If you notice the loss or theft of any Card or a possible "unauthorized use" (as defined below) of any Card, you must call us immediately at (800) 556-5678 or write to us at P. O. Box 2087, Seal Beach, CA 90740. You will not be liable for any unauthorized use after you notify us. However, you may be liable for unauthorized use that occurs before you notify us. "Unauthorized Use" means the use of a credit card by a person other than a Cardholder, who does not have actual, implied or apparent authority for such use, and from which you or the Cardholder received no benefit.

As permitted by law, if ten (10) or more Cards are outstanding on your Card Account, you are liable for all charges on the Cards, including any charges that result from Unauthorized Use. In contrast, at any time that nine or fewer Cards are outstanding on your Card Account, your liability due to Unauthorized Use of any one Card will not exceed \$50. Your liability for Unauthorized Use may be further limited by applicable Visa rules.

Disclosure of Information. You acknowledge and consent to the release of personal data about Cardholders by the Bank to Visa U.S.A., its Members, or their respective contractors for providing emergency cash and emergency card replacement services.

Zero Liability Card Protection Policy. The following limitations may be applicable to your Card Account, except as otherwise provided by law.

If the Visa Zero Liability Card Protection Policy applies, upon notification from you of unauthorized transactions, we will limit your liability for those transactions to zero and will provide you with provisional credit for those transactions within five (5) business days of receipt of notification. We may withhold provisional credit, to the extent allowed under law, if we determine that the circumstances or Card Account history warrant the delay.

The Visa Zero Liability Card Protection only applies to transactions processed through a Visa network. Visa is a registered trademark of Visa U.S.A., Inc.

To notify us of lost or stolen cards or of unauthorized transactions, call or write to us at the telephone number or address set forth in the Liability for Unauthorized Use paragraph above. This will help prevent unauthorized access to your Card Account and minimize any inconvenience. We may require you to provide a written statement regarding an unauthorized Visa credit card transaction in order for the Zero Liability Card Protection described above to be applied.

60. ELECTRONIC LOCKBOX

Electronic Lockbox. You shall direct your customers to mail their payments in the form of checks or other payment instruments (the "Checks") to you to the United States Post Office address identified in the Supporting Documents, or otherwise identified in writing by the Bank to you. The Bank (including the Bank's processors) will have unrestricted and exclusive access to the mail directed to the Lockbox. You authorize the Bank to endorse Checks received at the Lockbox, and to deposit them into your Account designated in the Supporting Documents ("Lockbox Account").

You acknowledge that this Service Description covers the Lockbox Service to be provided by the Bank and, except as specifically provided in this Service Description, does not cover the handling of the Lockbox Account or the processing of Checks drawn on the Lockbox Account. As a result, your Lockbox Account will be subject to, and the Bank's operation of the Lockbox Account will be in accordance with, the terms and provisions of the Bank's deposit account agreement governing the Lockbox Account, a copy of which you acknowledge having received.

Commencement of Lockbox Service. The Lockbox Service covered by this Service Description will start on the date separately agreed to by the Bank and you, if all of the following events have occurred prior to such date:

- The Bank has established a Lockbox with the number and at the address specified by the Bank to you;
- You maintain one or more accounts in good standing with the Bank;
- You have designated to the Bank in writing the names of Acceptable Payees. "Acceptable Payee" means your name and any other payee name provided to the Bank by you as an acceptable payee for Checks to be processed under the Lockbox;

- You have completed all Supporting Documents applicable to the Lockbox Service and such other information and documents in a time and manner as the Bank requests to enable the Bank to commence and operate the Lockbox for you and to enable the Bank to comply with the Bank's other obligations under this Service Description;
- The Bank has completed all steps necessary to enable its Processor (as applicable) to service the Lockbox pursuant to this Service Description.

Unacceptable Checks. The Bank will not process Checks in the following categories using Lockbox Service:

- Checks on which the name or designation of the payee is not the same or as specified as an Acceptable Payee.
- Checks that do not bear a drawer's signature and are otherwise not a traveler's check, money order or other universal item that includes the drawers. In any event, the Bank will not review checks for drawer's signature(s), and therefore all such checks will be processed, unless otherwise unprocessable pursuant to this Electronic Lockbox (eLockbox) Service Description, and you agree to indemnify, defend and hold harmless the Bank, the drawee bank and any intervening collecting bank against any claim resulting from the Bank's having processed the check.
- Checks with alterations.

Notwithstanding the foregoing, the Bank will only use reasonable efforts to identify Checks as Unacceptable Checks and prevent deposits. As a result, the Bank will have no liability whatsoever, despite anything to the contrary in the Service Description, for deposit of Unacceptable Checks unless the deposit results directly from the willful misconduct of the Bank's officers or employees. You agree to indemnify, defend and hold harmless the Bank, the drawee bank (which may include the Bank) and any intervening collecting bank against any claim resulting from the Bank's having processed an Unacceptable Check.

Processable Checks. Certain Checks as listed below maybe acceptable in the Lockbox check process:

- Checks missing a date deposited in the Lockbox will be processed and considered by the Bank as of the date the check is collected from the Lockbox, unless they also fall into the categories of Unacceptable Checks, in which case they may not be processed.
- Checks will be processed regardless of their date, including checks that are postdated or stale-dated checks after the date they are collected from the Lockbox.
- Checks with a discrepancy in amount will be processed into the Lockbox Service designated account in any manner deemed appropriate by the Bank or the Bank's Processor, which may include depositing the check in the amount that corresponds to the written amount (rather than the numerical amount or the amount identified in the Remittance Materials (defined below). The Bank reserves the right to forward the Checks as unprocessed checks that the Bank or the Bank's processor are unable to determine the amount of the check.

The Bank will disregard restrictive notations, such as "Paid in Full," and such checks will be processed as if the restrictive notations did not appear. The Bank will have no liability

whatsoever, despite anything to the contrary in this Agreement, for the Bank's failure to comply with such restrictive notations.

Without limiting the foregoing, you expressly acknowledge that the Lockbox Service is for Check processing only; your payor may not send cash (currency and/or coin), credit transaction authorizations, or automated clearinghouse authorizations to the Lockbox except with the Bank's specific and prior written approval. Absent an express agreement with the Bank providing otherwise, you agree to instruct your customers and other obligors not to send cash, credit transaction authorizations or automated clearinghouse authorizations to the Lockbox. If cash is sent to the Lockbox with any Remittance Materials, the cash will be removed from the envelope containing the Remittance Materials and a credit advice for the cash will be placed in such envelope.

If the Bank receives any mail containing your Lockbox number at the Bank's operations locations (instead of the Lockbox), the Bank may, in the Bank's sole discretion, handle the mail as if it had been received at the Lockbox.

The Bank may treat as an Acceptable Payee any variation of any Acceptable Payee's name that the Bank deems to be reasonable. If any payee on the list of Acceptable Payees delivered to the Bank pursuant to the Supporting Documents is a legal entity other than you, you represent and warrant to the Bank and Processor(s) that you have the proper authorization from such payee: (i) to have such Check endorsed for deposit, and deposited, into the Lockbox Account; and (ii) for the Bank and any processor(s) to perform the Lockbox Service under this Service Description for such Acceptable Payee. You agree to indemnify the Bank and Processor(s), along with their officers, employees, agents, representatives and Processors (individually and collectively, the "Indemnified Parties") against, and hold the Indemnified Parties harmless from, any losses, liabilities, damages, claims, demands, obligations, actions, suits, judgments, penalties, costs or expenses, including attorneys' fees, suffered or incurred by any of the Indemnified Parties as a result of, or in connection with, the Bank's or any Processor(s) failure to have such authorization. The indemnification set forth in this section shall be in addition to, and not in lieu of, indemnification and other rights of the Bank under this Agreement.

Returned Checks. If any of the Checks (or image of the same) are returned unpaid for any reason, the Bank may charge any one of your Accounts for the returned Checks plus applicable handling fees, without regard to whether the institution on which the Checks were drawn processed a timely return before the midnight deadline. If any of the Checks are returned due to the endorsement being missing, the Bank may, but will not be obligated to supply an endorsement (utilizing the Bank's endorsement stamp) and the Checks may be re-presented to the depository bank.

Collections. Unless otherwise agreed, while you receive Lockbox Services, all funds held in the Lockbox Account shall be deemed to be your funds for all purposes, including adjustment, attachment, set-off, security interests, execution, garnishment and other forms of legal process. The crediting and collection of Checks will be handled under the same agreement as applied to other commercial deposits.

Processor(s). You authorize the Bank to use Processors (which, for purposes of the Lockbox Services may include other banks, financial institutions and third parties, and their subcontractors) to provide any one or more of the Lockbox Services to you. You authorize the Bank to act (such as opening accounts and providing instructions) as your agent and on your behalf with Processors as necessary or appropriate to do so. Wherever under this Service Description you authorize the Bank to take action or inaction, such authorization shall also serve as authorization for a Processor to take such action or inaction. At the Bank's option, the Bank may use a commingled account at a Processor and process as agent for you and for others through the commingled account, or the Bank may establish a separate account for you at a Processor and process as your agent through the separate account. The Bank's responsibility for Processors and liability for action or inaction by a Processor is limited as set forth in this Agreement.

If the Bank uses a correspondent financial institution to process payments, deposits to a Lockbox Account: (i) may be delayed by one banking day; (ii) may be affected by local bank holidays; and (iii) the availability may depend on the availability of the

correspondent institution and any required third-party service provider or funds transfer system.

Card Transactions. You agree that the Lockbox may not be used to process card payments, unless the Bank has expressly agreed to such processing and you have agreed to the Bank's separate merchant card processing terms and conditions. If the Bank and you agree to the processing of card transactions through the Lockbox, you will ensure that all card transactions/payments are legible and contain: (i) the merchant's name and account number; (ii) the information embossed on the card presented by the Cardholder; (iii) the date of the transaction; (iv) the description of the goods or services; (v) the transaction authorization number; (vi) the total sale amount; and (vii) the Cardholder signature. Any card transactions/payments missing the required information may be returned to you.

Your Responsibilities. Your responsibilities under this Service Description include each of the following:

- You agree to encode remittance documents to meet the Bank or Processors' requirements if you require electronic data capture of information on remittance documents;
- You agree to duly complete the Supporting Documents and all special instructions, and provide the same to the Bank before start of the Lockbox Services.
- You will notify the Bank in writing of any modification, addition or deletion to the list of Acceptable Payees for the Checks being received in the Lockbox. The Bank will not be obligated to implement any changes until the Bank has actually received the change and had a reasonable opportunity to act upon the change. Such time to act may be a minimum of thirty (30) days from the Bank's receipt of notice of such changes. All changes are subject to the Bank's rights to reject any addition, deletion or modification to the list of Acceptable Payees.

Foreign Checks. You agree that checks drawn on a foreign bank or in a currency other than United States dollars may be processed by the Bank or Processor through collection systems and at exchange rates chosen by the Bank or Processor, and the Bank may impose fees and charges for the service. You acknowledge that the currency conversion and collection process may take a long time depending on the foreign bank and adjustment for returned foreign items or otherwise may result in different currency exchange rate, and you could lose or gain due to the changes in the exchange rates.

Remittance Materials. Papers accompanying each remittance, including copies of additional correspondence, together with all unprocessed or rejected items (collectively, "Remittance Materials") will be available for viewing to you through the eLockbox portal. If cash is sent to the Lockbox with any Remittance Materials, the cash will be removed from the envelope containing the Remittance Materials and a credit advice for the cash will be placed in such envelope with the remainder of the envelope's contents. Except as otherwise specifically provided in this Agreement, the Bank will not reconcile the checks, cash or other items in the envelopes to invoices, to Remittance Materials, or to any other documents or papers in the envelopes or elsewhere in the lockbox.

Lockbox Authorization. You agree and authorize the Bank to endorse checks received at the Lockbox and process the deposit to the designated account. The Bank will credit the account with funds no later than the second business day following the day the checks were accessed and processed, subject to the Bank's funds availability policy. If any checks or images of the checks processed are returned unpaid for any reason, the Bank may charge any one of the designated accounts for the returned checks plus applicable handling fees, without regard to whether the institution on which the checks were drawn processed a timely return before the midnight deadline. If the check is returned unpaid due to insufficient funds or uncollected funds, the Bank may either redeposit the check or return the check to you. If any of the checks are returned due to the endorsement being missing, the Bank may, but will not be obligated to, supply an endorsement and

the checks will be re-presented to the depository bank. You agree and authorize the Bank to create ledger suspense entries, deposit corrections or other such entries to balance transactions as may be necessary for the efficient processing of the checks. You acknowledge that if the Bank uses a correspondent financial institution to process payments, checks deposited to an account through Lockbox Services: (i) may be delayed by one additional banking day; (ii) may be affected by local bank holidays; and (iii) the availability may depend on the availability of the correspondent institution and any required third-party service provider or funds transfer system.

Protected Health Information. Except with prior notice to and written approval by the Bank, you shall ensure that protected health information is not provided to the Bank and that the provision of Lockbox Services does not result in the Bank being deemed a "business associate" or otherwise subject to the Health Insurance Portability and Accountability Act ("HIPAA"), or otherwise under medical privacy and securities laws, rules or regulations. You shall provide to the Bank such assistance as the Bank may request should the Bank's provision of the Lockbox Service subject the Bank to any compliance obligations under HIPAA or otherwise under medical privacy and security laws, rules or regulations.

Limitation on Liability for Lockbox Service. The Bank's duties and responsibilities shall be limited to those set forth in this Agreement. In no event shall the Bank be liable for: (i) any punitive, indirect, consequential, or special damages or lost profits, even if the Bank has been advised of the possibility of such damages; (ii) the acts or omissions of a contractor, vendor, processor, third-party servicer or vendor used by you or the Bank or any loss, cost, damage or expense incurred by any person or entity in connection therewith; (iii) your negligence or breach of any agreement with the Bank; (iv) any loss, cost, expense or damage to you in connection with any Communication link, software or any technical computer service, or your use or the Bank's use thereof; (v) any ambiguity, inaccuracy or omission in any instruction or information provided to the Bank; or (vi) the application of any government rule, guideline, policy or regulation. There may be other exceptions to the Bank's liability, as stated in your Account agreement or other service agreements with the Bank.

The Bank's liability and your remedy for actual costs and losses resulting from the Bank's gross negligence or willful misconduct, whether the claim is in contract or tort, will not exceed the lesser of: (i) six times the average monthly charge for the Lockbox Services in question, for the three months immediately preceding the cost or loss; or (ii) \$25,000. Any claim, action or proceeding by you to enforce the terms of this Agreement or to recover for any Service-related loss must commence within one year from the date of that the event. You agree to cooperate with the Bank in any loss recovery efforts the Bank undertakes to reduce any loss or liability that arises in connection with the Lockbox Services. You acknowledge that Service fees have been established in contemplation of (i) these limitations on the Bank's liability; (ii) your agreement to review statements, confirmations and notices promptly and to notify the Bank immediately of any discrepancies or problem, and (iii) your agreement to assist the Bank in any loss recovery effort.

eLockbox Access Requirements. To use the eLockbox system, you must have at least one Lockbox at the Bank, access to Internet service and an email address. The minimum system requirements must be met in order to display images and data correctly, as follows:

- Screen resolution of 1024 x 768 or higher
- At minimum, Internet Explorer 7, Firefox 3.6, Opera 10 or Safari 3
- 128-bit encryption capable browser
- Microsoft Silverlight plugin for images (if not installed, a link is provided at the login page and search area)

- Adobe Acrobat Reader 8.0 or higher

The eLockbox system can be used to access only the Lockbox account(s) that you have designated for access on the Lockbox Service. You can add or delete any of your Accounts from the eLockbox system by contacting the Bank. You will be required to designate at least one initial Administrator at enrollment, who then controls the Lockbox Service and access on behalf of you. The Bank will not control or oversee the Administrator or any activity or function of an Administrator or users. You agree to all action taken by any user and by any person given access to one or more Lockbox Services by an Administrator, and all such persons are your agent for purposes of use of the eLockbox Service.

eLockbox Service Details. You can use the eLockbox system to check the amount of your Lockbox deposits, view check images, create related downloads and create related reports; information is available at the time the deposit is completed. For an addition fee 835/837 filings can be provided, subject to you entering a separate addendum as required by the Bank. Original copies are stored for 90 days on site and destroyed thereafter. Images are available for viewing online for up to seven (7) years from the point of enrollment in the eLockbox system.

eLockbox Limits. You understand and agree that the Bank will establish eLockbox limits, which the Bank may amend at its discretion, and assign them to you based on volume, transaction history and an internal credit review.

eLockbox Reports. The online information available in reports reflects the type of Lockbox option you choose at time of enrollment. The options are as follows:

- Extract – An OCR scan line will be printed on the payment coupons so that the information of your choice can be extracted into a report and/or uploaded to your accounting system. Coupon specifications will be provided at enrollment;
- Image only – Ability to view images online; no reports available;
- Amount due and amount paid extract – The amount due and amount received will be extracted into a report and /or uploaded to your accounting software;
- Custom – A standard coupon with information you require will be extracted into a report and/or uploaded to your accounting software;
- Invoice – The invoice number, amount paid, payee name and check number will be extracted into a report and/or uploaded to your accounting software.

Email for eLockbox System. If you have questions about how to use the eLockbox system, you may send questions to the Bank via email at Lockboxservices@fmb.com. This email is not secure and should not be used. If you have questions about your Account or you believe someone else has access for login ID and/or password or other means of access to your Account. If you have questions about Lockbox transactions and need to contact the Bank immediately, you can speak with a Lockbox Specialist by calling (562) 344-2362 during customer service hours.

Termination of eLockbox Services. Within thirty (30) days after termination of the eLockbox Service, you will, at your expense, promptly uninstall and remove all software provided for the eLockbox system from your computers and return to the Bank any software, hardware and equipment provided by the Bank for the Lockbox Service, including the supporting documents, procedures, documentation and any materials relating to the Lockbox Services in your possession or under your control, destroy all copies of the supporting documents and materials that cannot be returned and upon request from the Bank certify in writing to the Bank that all copies have been returned or destroyed. You will be responsible and liable to the Bank for the replacement cost of all lost, stolen or damaged equipment that was provided by the Bank to you in connection with the eLockbox Service. Upon termination of this Agreement, all eLockbox Services and any software licenses shall automatically terminate.

Termination. The Bank may terminate, suspend or restrict some or all of your access to the Lockbox Services, with or without cause, at any time immediately upon notice to

you. You have the right to terminate the Lockbox Service, with or without cause, upon sixty (60) days written notice provided to the Bank. Should you terminate this Service Description without prior notice, you will owe the Bank two (2) times the minimum monthly fees as reflected in the Bank's then-current Lockbox schedule. Upon termination of the Lockbox Service the Bank will dispose of the mail addressed to the Lockbox according to written instructions provided by you for a period of three (3) months after the termination date, unless arranged otherwise between you and the Bank. Lockbox Service fees with respect to such disposition will be based on the Bank's estimate and prepaid directly to the Bank at the time of such termination by a check made payable to the Bank.

61. MEDICAL ELECTRONIC LOCKBOX

Access Requirements. To use the Electronic Lockbox via the Med eSolutions system, you must have at least one Lockbox at the Bank, access to Internet service and an email address. You must also have agreed to the terms of the Electronic Lockbox (eLockbox) Service Description. The minimum system requirements are as follows:

- Intel Pentium III or higher
- Microsoft Operating System XP or higher
- 256 MB RAM or higher memory
- Display at 1024 X 768 or higher, 256 colors, small fonts
- Microsoft Internet Explorer 6.0 or later
- Adobe Acrobat Reader 7.0
- High-speed Internet connectivity

The Med eSolutions system can be used to access only the Lockbox account(s), you have designated for access on the Lockbox Agreement. You can add or delete any of your Accounts from the Med eSolutions system by contacting the Bank. You will be required to designate at least one initial Administrator at enrollment, who then controls the Lockbox Service and access on behalf of you. The Bank will not control or oversee the Administrator or any activity or function of an Administrator or users. You agree to all action taken by any user and by any person given access to one or more Lockbox Services by an Administrator, and all such persons are your agent for purposes of use of the Med eSolutions Service.

Med eSolutions Services. Subject to the Bank's approval and eligibility requirements, the Med eSolutions system provides services such as the following:

- Explanation of Benefit (EOB) Processing – Transforms paper EOBs into a digital 835 file
- Electronic Remittance Advice (ERA) Processing – Processes ERAs and delivers auto posting 835 file
- Paper2ERA Fast Forward Process – Converts payers who submit paper EOBs into electronic format
- Online Payment Portal – Allows your clients to pay online and integrates their payments directly into the Med eSolutions system

- Transaction Auto Posting – Insurance and patient payments can be uploaded into multiple billing systems
- 837 Claim Presentment – Presents all insurance claims to payers via Med eSolutions
- Trending Denial Tool – Looks for specific procedure codes that are denied to address long-term trends

All processed items original copies are stored for ninety (90) days on site and destroyed thereafter. Images are available for viewing online for up to seven (7) years from the point of enrollment in Med eSolutions Services.

62. MERCHANT PROCESSING

Merchant Processing is subject to the terms and conditions of a separate Merchant Processing Agreement.

63. SMART SAFE SERVICE

Smart Safe Service is subject to the terms and conditions of a separate Smart Safe Agreement

HOW TO CONTACT US

Questions: 1-866-437-0011 Monday through
Friday
7am – 9pm

Saturday
8am – 9pm

Sunday
8am – 8pm

(All times listed in PT)

Automated Telephone Banking: 1-855-416-5747

If you believe your debit or credit card has been lost or stolen: 1-800-556-5678

Website: www.FMB.com

Member
FDIC



