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# Treasury Management Disclosure & Agreement

This Agreement sets forth the terms of the treasury management services (“Service”, or “Services”) offered by Cathay Bank (“our”, “us, or “we”). By applying for or enrolling in any Service, you agree to be bound by this Treasury Management Disclosure & Agreement (“Agreement”). Your use of any Service will be additional evidence of your agreement to its terms. We will let you know when the Services you request become available. If you request additional Services in the future, they will be governed by this Agreement, unless we advise you otherwise.

## Getting Established

### 1. Equipment and Software

You are responsible for obtaining 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.

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, NEITHER WE NOR OUR SUPPLIERS OR VENDORS MAKE ANY WARRANTY, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR OF MERCHANTABILITY, WITH RESPECT TO THE SERVICES OR ANY COMPUTER PROGRAMS, EQUIPMENT OR SOFTWARE (COLLECTIVELY “EQUIPMENT”) MADE AVAILABLE TO YOU BY US. You agree to notify us promptly if any Equipment we provide to you becomes defective. Our sole responsibility (if any) in such instances will be to replace or repair the defective Equipment. We do not warrant that the Equipment provided to you will be error free or that the Services will be uninterrupted.

You agree to comply with the terms of any software license provided to you in connection with the Services. You may not transfer, distribute, copy, reverse compile, modify or alter such software. Unless otherwise agreed by us in writing, the Equipment, Service guides, security procedures, and systems provided to you in connection with a Service represent our proprietary property and must be returned to us upon request. We and/or our suppliers retain all rights, title, and interest in and to the intellectual property rights associated with the Services and the Equipment. Your license to use Equipment will end with the termination of this Agreement or upon our earlier notice to you. You may only use the Equipment in connection with your use of the Services. You may not use or move the Equipment outside the United States without our written consent.

### 2. Your Administrator

You may appoint an individual (an “Administrator”) for certain Services with the authority to determine who will be authorized to use the Services on your behalf. Your Administrator can establish separate Passwords for you and each user, as well as limits on each user’s authority to access information and conduct transactions. You assume sole responsibility for the actions of your Administrator, the authority he or she gives others to act on your behalf, and the actions of the persons designated by the Administrator to use the Services.

You or your Administrator will need to designate which accounts will be utilized for Service payments and transfers. If your Administrator designates an account that requires more than one signature for the withdrawal or transfer of funds, you agree that we may act upon any Service instruction that is accompanied by the Password designated by you or your Administrator for that account and the Service in question. Note: This may mean that we will act upon the instruction of only ONE person (e.g., to wire funds), even though

the signature card for the account in question requires two or more signatures on checks. As long as an instruction is accompanied by the designated Password, the transaction will be deemed authorized by you.

### 3. Accounts

You will need to designate certain accounts for specific purposes in connection with some of the Services. If more than one party joins in one or more Services, the contractual obligations shall be the independent obligations of each party, the obligations hereunder being joint and several. Each of you agrees that there is no expectation of privacy between the entities that have joined in the Services. Each of you represents and warrants to us that any and all transfers and commingling of funds required or permitted by any Services, and all other aspects of the performance hereof by the parties, have been duly authorized by law and by all necessary parties, including, without limitation, the account holder of each account and that each of you have obtained and shall maintain in your regular business records, and make available to us upon demand, adequate documentary evidence of such authorization from the account holder of each account.

### 4. Security Procedure and User Guides

We may provide you with one or more numbers, passwords and/or other means of identification and authentication (each, a “Password”) to access our Services. We also may provide you with operating procedures, online user guides, guidelines, recommendations, and risks (collectively, “User Guides”) in connection with certain Services. You agree to: (a) comply with the User Guides that we provide to you; (b) take reasonable steps to safeguard the confidentiality and security of the Password, the User Guides, and any other proprietary property or information we provide to you in connection with the Services; (c) limit access to your Password to persons who have a need to know such information; (d) closely and regularly monitor the activities of employees who access the Services; (e) notify us immediately if you have any reason to believe the security or confidentiality required by this provision has been or may be breached; and (f) immediately change your Password if you know or suspect that the confidentiality of the Password has been compromised in any way. Additionally, for ACH and wire transfer requests initiated through the Service, you will be assigned a security Token or utilize an out of band authentication code (collectively, the “Security Information”). You and we shall each use our best efforts to prevent the disclosure of the Security Information applicable to ACH and Wire Transfer Requests.

**Verification Procedure.** We will process a request from Client or its Authorized Representative(s) only when it has complied with our security procedures and the verification process. For any Services with a security token or an out of band authentication code as part of the security procedure, we may conclusively presume that any wire request submitted with such security token or out of band authentication code is an Authorized Representative, and we shall regard their instructions as being authorized by Client. Client agrees to supply us, upon request, any information we may reasonably request, including, but not limited to, further evidence of authority to consummate such Services or perform other acts under the terms of this Agreement. Client acknowledges that we have no obligation to make repeated attempts to call an Authorized Representative for callback verification. Bank will reject any Service request, including any wire transfer request, that cannot be verified as provided herein.

**Adequacy of Security and Verification Procedures.** YOU AGREE THAT OUR SECURITY AND VERIFICATION PROCEDURES THAT ARE SET FORTH IN THIS AGREEMENT ARE COMMERCIALY REASONABLE IN LIGHT OF THE SIZE, TYPE, AND FREQUENCY OF THE TRANSFER OR PAYMENT REQUESTS (“ORDER”) THAT YOU NORMALLY ISSUE. YOU FURTHER AGREE THAT AN ORDER SENT USING OUR SECURITY PROCEDURES VIA OUR FUNDS TRANSFER SERVICE (“FUNDS TRANSFER SERVICE”) OR OUR FILE UPLOAD SERVICE OR ANY OTHER SERVICE THAT WE OFFER SHALL BE DEEMED TO BE AN ORDER SENT BY YOU AND SHALL BIND YOU, SUBJECT TO THE APPLICABLE TERMS OF THIS AGREEMENT.

Each time you submit an Order using the Funds Transfer Service or transmit a file containing an Order or other communications using the File Upload Service (a “File”), you reaffirm your agreement that our

security and verification procedures are commercially reasonable based on the normal size, type, and frequency of your transactions. You agree to be bound by any transfer, instruction, or Order we receive through the Services, even if it is not authorized by you, if it includes your Password or is otherwise processed by us in accordance with our security procedures. Some of our Services allow you or your Administrator to set transaction limitations and establish internal controls. Your failure to set such limitations and implement such controls increases your exposure to, and responsibility for, unauthorized transactions. We strongly recommend that you impose a dual control environment in connection with the transmission and confirmation of an Order. If you elect not to do so, you agree to be subject to a higher standard of care with respect to your accounts, transactions and statements.

Our security and verification procedures are not designed for the detection of errors (e.g., duplicate payments or communications, or other errors in your Order, including in a File). We will not be obligated to detect errors by you or others, even if we take certain actions from time to time to do so. You also agree that you shall be solely responsible for the discovery and identification of any error and to advise us of such error as prescribed herein.

You agree to change any temporary Password we give you promptly after you are given access to the Services for the first time and whenever anyone who has had access to any Password is no longer employed or authorized by you to use the Services. You also agree to change the Passwords you assign to your employees on a regular basis, but no less frequently than every ninety (90) days. We may require you to change your Password at any time.

As an alternative to verifying transactions by means of a Password, we may elect to verify the authenticity or content of any Order or instruction by placing a call to any authorized signer on your account or any other person designated by you for that purpose. We may deny access to the Services without prior notice if we are unable to confirm to our satisfaction any person's authority to access the Services or if we believe such action is necessary for security reasons.

We may restrict or discontinue your ability to submit an Order using the Funds Transfer Service or upload Files using the File Upload Service at any time without prior notice to you if necessary to maintain our security or the security of the Services we offer. You agree that any action that we take beyond the security procedures we offer in an attempt to detect or prevent an unauthorized use of the Services we offer, or an error in the transmission or content of an Order or a File, shall not be deemed to be a part of the security procedures we offer regardless of how often we take such action.

**Possible Delays as a result of the Security and Verification Procedures.** Our security and verification procedures may occasionally delay transaction processing, settlement, and/or funds availability. From time to time, we may review your creditworthiness and may also ask you for information regarding the nature and purposes of a transaction, as well as your relationship with other parties to the transaction. You agree to provide us with that information and to hold us harmless from any loss you may sustain by reason of any such delay.

## **Our Services**

We may offer the following Services to you separately or as part of a suite of our Business Online Banking Services.

### **5. Business Online Banking (Account Information Service)**

You can use our Business Online Banking Service to obtain balance and other account information. Since certain information and transactions are not processed by us until after the close of our Business Day, some transactions may not be reflected in the system until the next banking day. Posted items may be reversed due to insufficient funds, stop payment orders, legal process, and other reasons. Certain balances also may not be subject to immediate withdrawal. We assume no responsibility for any loss arising from incomplete

information or for any temporary interruption in our information Service. If you are unable to access our system for any reason, you can contact your branch or call us at [1-800-922-8429](tel:1-800-922-8429).

## 6. Payment Manager (Business Bill Pay Service)

You can enroll online in our business bill pay service which we call Payment Manager. You can use Payment Manager to schedule payments to be made to third parties. If you have enrolled in Payment Manager, please refer to the TERMS AND CONDITIONS OF PAYMENT MANAGER section at the end of this document.

## 7. Small Business Payments through the Zelle® Network (Zelle® Service for Small Business)

You can enroll in the Zelle® Network to enable a convenient way to transfer money between you and others for business purposes who are enrolled directly with the Zelle® Network or enrolled with another financial institution that partners with the Zelle® Network using aliases, such as email addresses or mobile phone numbers (the “Zelle® Service for Small Business”). We will refer to financial institutions that have partnered with the Zelle® Network as “Network Banks.” If you have enrolled in the Zelle® Service for Small Business, please refer to the ZELLE® SERVICE FOR SMALL BUSINESS addendum to the Treasury Management Disclosure & Agreement.

## 8. Cash Vault Service

If you are approved for this Service, we will make arrangements with a third party to accept coins and currency from you for deposit to your account with us. Please see our separate addendum for the terms of this Service.

## 9. Funds Transfer Service

We offer the Funds Transfer Service, which allows you to make payments to others and to transfer funds between accounts through the Automated Clearing House (“ACH”), by wire, or by internal transfer.

**Your Order(s).** When you transmit an Order, you authorize us to charge the designated account for the amount indicated. In order to comply with National Automated Clearing House Association (“NACHA”) guidelines, you must submit ACH consumer credit Orders to us at least two (2) Business Days before the payment date and all other ACH Orders one (1) Business Day prior to the payment date; unless you’ve been approved for Same Day ACH services, (refer to the Same Day ACH section below) You agree to only transmit Standard Entry Class (“SEC”) codes approved by us. The Bank makes available only those SEC codes selected by you and listed as available in Section F of the Treasury Management Service Request and Agreement attached hereto, as may be amended by us from time to time. You agree not to submit ACH Orders for accounts receivable, represented check, international, back-office conversion, telephone-initiated, Internet-initiated, or point-of-purchase entries without our prior written consent.

Your Order(s) must comply with the form, format and other requirements set forth in your User Guide, the Rules (if applicable), and any security procedures that we establish for the Funds Transfer Service. We are not responsible for detecting or rejecting duplicate Orders. If you give us an Order that is incorrect in any way, you agree that we may charge your account for the payment whether or not the error could have been detected by us.

**Accuracy of Information.** Each Order you submit must accurately describe all parties to the transaction, including the sender, transaction beneficiaries, intermediary financial institutions, and the beneficiary’s financial institution. You must review all sender information that we prepopulate into the Order to ensure accuracy. If the prepopulated sender information in the Order does not accurately describe the sender, you must correct the sender information to accurately describe the sender. If the prepopulated sender information in the Order accurately describes the sender, you must not change the sender information.

If you describe any beneficiary or institution inconsistently by name and number, we and other institutions may process the Order solely on the basis of the number, even if the number identifies a person or entity different from the named beneficiary or institution.

You will not allow others to initiate an Order on your behalf without our prior written consent. You will be solely responsible for the acts and omissions of such agents. You agree to indemnify, defend, and hold us harmless from any actions, claims, proceedings, damages, losses and costs which you or we incur as a result of the actions or omissions of your Third Party.

We shall under no circumstances be obligated to review information you or your agent submit to us in or with an Order for accuracy. We hereby disclaim all responsibility for any loss, delay, cost or liability to the extent that it arises, directly or indirectly, in whole or in part, from the information that you or your agent submit to us in or with an Order, regardless of whether such information is accurate.

**Available Funds.** We may refuse an Order if there are not sufficient collected and available funds in your account on the date and at the time we initiate the transaction or on the payment date. We may require that your ACH credit transactions be prefunded at least two (2) Business Days prior to the settlement date. We may place a hold on funds pending our processing of your Order including as may be permitted under the Rules or as provided under applicable law. Nothing in this Agreement, or any course of dealing between us, shall be construed as our commitment or obligation to lend money to you. Be advised that the use of uncollected funds may result in additional fees, (refer to the fee schedule for your account and/or Treasury Management Schedule of Fees).

**ACH Transaction Rules.** You agree to read, understand, and comply with the operating rules (the “Rules”) of NACHA when you conduct transactions through ACH, when you initially enroll in the service and review annually thereafter. You can obtain a copy of the Rules at [www.nacha.org](http://www.nacha.org) or by telephoning NACHA directly at 1-800-487-9180.

**ACH Prenotification Entries.** You must submit ACH prenotification entries if required by us or the Rules. If a prenotification entry is rejected for any reason, you may not initiate a corresponding entry until the cause for the rejection has been corrected and another prenotification has been submitted and accepted. You may initiate entries to a receiver’s account no sooner than six (6) banking days following the settlement date of your prenotification entry.

**Same-Day ACH.** Our Funds Transfer Services provides the option, in accordance with the Rules, to send same-day ACH transactions to accounts at RDFIs (as defined below). To enable same-day ACH transactions, you must check the Same Day option on the ACH Guidelines, Procedures, Recommendations and Disclosures Form populated from within the Treasury Management Product & Service Enrollment Form, as may be amended by us from time to time. Same Day Entries are subject to limits and requirements set forth by the Rules, including value limits, as amended from time to time, or as otherwise imposed by us. Same-day ACH transactions must meet our same-day cutoff time of 11:00 a.m. PST to be processed same-day. Same-day entry fees may apply, as set out in the applicable fee schedule. The service is only available to business clients with Business Analyzed Checking Account Product Types.

**Fines and Penalties.** You agree to reimburse us promptly if NACHA or any other clearing house or funds-transfer system imposes a fine or penalty on us for transactions we submit on your behalf that are deemed unauthorized or returned for other reasons.

**Notice to Originator.** Note that credit entries may be transmitted through ACH. Your rights and obligations as an Originator with respect to credit transfers are governed by and construed in accordance with the laws of the State of California.

**Wire Transfers.** You agree to read, understand, and comply with the Online Wire Guidelines, Procedures, Recommendations and Disclosures contained within the Treasury Management Disclosure & Agreement. Online Wire transfer Order requests received from you or your agent prior to the bank’s cut off time

of 1:30 p.m. PST, for Order requests in US Dollars with a Domestic or International destination, will be transmitted to the wire room for screening & verification. This process may result in a requirement for secondary verification. If secondary verification is required, additional information will be required from you or your agent, in order to proceed with your Order. If the additional information required is not received in a reasonable time, prior to the bank's hard cut off time of 2:00 p.m. PST, or it is deemed, at the sole determination of the bank to not meet the requirements to transmit the funds, the Order will be cancelled and a new Order will need to be submitted. The bank assumes no responsibilities for verifying or validating the information that you or your agent transmit via your payment Order. You are aware that the information contained within a transmission of an Order (i.e. the bank routing/ ABA number, the beneficiary's name, the beneficiary's account number, etc.) is your sole responsibility to validate, and understand that transmission of incorrect information may result in a financial loss to you. You agree to implement reasonable internal security procedures in connection with the Online Wire Transfer Service. We strongly recommend that you impose a dual control environment in connection with the transmission of Check Issue Reports and decision instructions. If you elect not to do so, you agree to be subject to a higher standard of care with respect to your accounts.

**Foreign Transfers.** If your Order involves a foreign transfer, we may execute the Order in the currency of the country of the payee's financial institution at either our buying rate of exchange for U.S. dollar transfers or the exchange rate of the payee institution. If the transfer is returned for any reason, you agree to accept the refund in U.S. dollars in the amount of the foreign money credit, based on the current buying rate on the day of the refund, less any charges and expenses incurred by us. Foreign transfers may be subject to delays, changes in foreign currency exchange rates, and charges imposed by other financial institutions. A portion of those charges may be shared with us.

**Authorization and Record Retention.** You may initiate ACH debit and a drawdown wire Order only with the prior written authorization of the owners of the accounts affected by such an Order. You agree to maintain a copy of each authorization for a period of two years following its termination, and to provide us with a copy upon request. You will not submit an ACH debit Order to collect funds for checks or other paper items which have been dishonored and returned for any reason, even if such represented check Order(s) are permitted under the Rules.

**Internal Transfers.** Transfers between your deposit accounts with us are subject to the terms of your account agreement. Although you may instruct our online system to make transfers between your accounts at any time on any day, transfers occurring after our Service cutoff hour or on non-banking days may not be posted until the next banking day.

**Transaction Limits and Safeguards.** You agree not to exceed the transaction limits we establish from time to time for your account or any Service. You agree that you will not allow anyone to initiate an Order without proper supervision and adequate safeguards, and that you will regularly audit the actions of your Administrator and authorized representatives.

**Cancellation and Amendment of Orders.** You may not cancel or amend an Order after we receive it. If we attempt to reverse an Order at your request, we assume no liability for any interest or losses that result if the reversal is not affected or affected timely. 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 affect any reversal. You are solely responsible for providing notice to receivers that a reversal is being transmitted and the reason for the reversal no later than the settlement date of the reversing entry.

**Refusal of Orders.** Subject to the Rules and applicable law, we may refuse any Order with or without cause or prior notice. For example, we may refuse an Order if there are not sufficient collected and available funds in your account on the date and at the time we initiate the transaction or on the settlement date. We may notify you of such refusal electronically, in writing, by telephone, or otherwise no later than two (2) Business Days after the date the Order was to be affected. We are not required to pay you interest, or reimburse you for any fee or other expense that you may incur on a rejected Order

for the period from refusal of the Order to your receipt of the notice of refusal. We may initiate a return on any entry on any Order as may be permitted under the Rules or provided under applicable law.

**Notice of Returned Orders.** We may notify you electronically, in writing, by telephone, or otherwise regarding any Order that is rejected or returned for any reason. With respect to any Order that is rejected or returned, we will not be obligated to credit your account with any interest or reimburse you for any fee or other expense you may incur. We may attempt to remake the Order if the return is due to our error and we have sufficient data to remake the Order.

**Notices and Statements.** Information on transfers to or from your accounts will be reflected on your periodic statements and may be available to you on-line. We are not required to provide you with any other notice of the receipt, transmittal or debiting of an Order.

**Provisional Credit.** Credit for an ACH transfer is provisional until the receiving financial depository institution (“RDFI”) obtains final settlement through a Federal Reserve Bank or otherwise has received payment as provided for in Section 4A-403(a) of Article 4A of the Uniform Commercial Code as adopted by the State of California. If final settlement doesn’t occur, the RDFI is entitled to a refund from the receiver (for the amount of the credit to the receiver’s account), and the originator will not be considered to have paid the amount of the credit entry to the receiver.

## 10. Courier Services

If arrangements are made to transfer cash, checks, and other documents (“Items”) between you and us by means of a messenger, courier, or armored carrier (collectively, “Courier”), you agree that: (a) the Courier will be deemed your agent, not an agent of the Bank, when accepting and transporting shipments; (b) you will comply with the Service procedures that we or the Courier provide to you and will use only shipment bags that are approved by us for the Service; (c) you are responsible for making a record of all Items (including copies of checks) that you send to us to ensure that they can be collected or reissued in the event a shipment is lost, stolen or destroyed; (d) you assume all risk of loss of, or damage to, Items while they are in transit to or from your location; (e) Items will not be considered received by us until we provide a receipt for them at our office (or at such other location as we designate); (f) you will not use the Service to send us coin, currency or negotiable securities; and (g) Items will be deemed to be delivered to you at the time we give them to the Courier for delivery to you. There may be occasions when the Courier is late (e.g., due to traffic conditions) or abandons a pick-up for security reasons (e.g., if suspicious-looking individuals are loitering at a location). You agree to develop alternate safekeeping procedures for shipments in such circumstances. Our acceptance of a shipment shall not be deemed a confirmation of the shipment’s contents. All shipments are subject to later verification by us. We do not insure shipments while in transit.

## 11. Loan Actions & Loan Transmit

Clients with certain line-of-credit loans with us, for example, Smart Capital and Commercial Line loans may apply to enroll in this service which allows borrowers to access loan information and perform certain loan transactions. Once approved, you may view available credit, outstanding loan balances and loan statements. Borrowers in good standing may also schedule loan payments from their accounts with us and make loan advances to their accounts with us in accordance with their loan agreement.

## 12. Lockbox Service

With this Service, we will process payments to you that are received through a designated post office box. The service is only available to business clients with Business Analyzed Checking Account product types. Please see our separate addendum for the terms of this Service.



### **13. Remote Deposit Capture.**

You can use the Service to scan images of checks and other items on equipment provided by us and then transmit those images and other data to us electronically for deposit to your account. The checks will then either be processed electronically or converted to substitute checks based on the information you provide. The feature may require a separate application. Please see our separate addendum for the terms of this Service.

### **14. Account Reconciliation Service**

The Account Reconciliation Service helps you to simplify your bookkeeping procedures and can help you to increase audit control over your checking account. If you provide us with check issue information in accordance with our guidelines prior to our Service cutoff hour, we will reconcile that information with the checks paid against your account and make the information available to you at our website.

### **15. Early Check Reporting Service**

Early Check Reporting Service provide you with the ability to review presenting information about checks that will be drawn on your designated business deposit account(s) each business day (“presentments”), via memo posting on such account(s) (the “Service”). Please see our separate addendums and agreements for the terms of these Services.

### **16. Check Positive Pay Service**

Our Check Positive Pay Service is intended to assist in minimizing losses to you from fraudulent checks. Your use of the Check Positive Pay Service does not reduce your obligations to monitor and report unauthorized or missing signatures and endorsements, or alterations on checks drawn on your account. If you provide us with a list, including in a File, of the serial numbers and the amounts (exact dollars and cents) of the checks that you have issued or intend to issue, in each case, by 5:00 a.m. PST of the Business Day on which you would like coverage under our Check Positive Pay Service to begin, we will, beginning at 12:00 p.m. PST that day, compare the list with the information encoded on items presented to us for payment against your designated account. If we receive such list after 5:00 a.m. PST or on a non-Business Day, the list may not be used to match against incoming checks until 12:00 p.m. PST on the following Business Day. If the information on a check matches the information on the list, we will treat the matching items as validly issued and properly payable, and will process such items for payment. If the information does not match, we will provide you with a report of the non-matching items and certain other exception items. We will provide you with information of such non-matching or other exception items by means of the Work Positive Pay Items list each day we receive in clearing checks.

The Default for the Bank’s Check Positive Pay Service enrollment is RETURN. We will not pay such non-matching and certain other exception items as contained in our report, and you must then advise us if you want us to pay the items listed in the report. If you do not follow the bank’s recommendation to Default Return and elect to enroll in the “Default Pay” option for the Check Positive Pay Service then, unless you notify us through the Check Positive Pay Service by 12:00 p.m. PST the same Business Day we notify you not to pay such non-matching or other exception items listed in our report, we will consider them to be validly issued and properly payable, and will pay the items. We may refuse to pay any item if there are insufficient collected and available funds in your account to cover the item.

**Check Payee Positive Pay.** If you enroll in Check Payee Positive Pay Service you also may provide us with a list, including in a File, of payee names for the checks that you issue, and we will compare each check presented to us against the list of payee names that you provide us. You must provide us with the list of payee names by 5:00 a.m. PST of the Business Day on which you would like coverage under our Check Payee Positive Pay Service to begin. If the payee name on a check drawn on your designated account and presented to us does not match a payee name on the list of payee names you provide to

us, within the matching thresholds that we set at our sole discretion, such item will be an exception item subject to the “Default Pay” or “Default Return” option, depending on your enrollment, and the procedures set out in the preceding paragraph.

**Checks Covered by the Check Positive Pay Service.** The Check Positive Pay Service applies to checks that are presented for payment through normal interbank clearings and posted to your account each night. The Check Positive Pay Service is not designed to compare your list of issued checks against items that are not processed on an automated basis (e.g., damaged checks or checks presented for payment at a teller window, at an ATM or by mail). Although we may occasionally attempt to compare your list with such items, we will not be liable for our failure or refusal to do so.

We assume no duty to identify and/or return duplicate checks, checks with duplicate serial numbers, mis-encoded items, or checks lacking an encoded serial number. The Check Positive Pay Service does not apply to items that have been finally paid before the effective date of any listing.

**Reliance on MICR Encoding.** We will not be obligated to verify signatures on any checks that match the information you provide or that you fail to reject. You understand and agree that we may compare your information on approved checks with information that is encoded on the items presented to us for payment. We will not be required to physically examine matching checks to confirm that they are properly signed, completed and encoded. You agree that we may rely on the process described above and that it will be deemed an acceptable standard of care for the Check Positive Pay Service and your account. You understand that the Check Positive Pay Service may not identify counterfeit or duplicate checks. As such, you agree to review promptly all statements, returned checks, reports and other check and transaction information that we make available to you.

**Issue Information and Timing.** You agree to provide check information and instructions to us in the manner, form and format that we specify for the Check Positive Pay Service. You assume full responsibility for the completeness and accuracy of all information furnished to us. 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.

**Suspect and Exception Item Reporting.** Upon request, we can provide you with a daily report, detailing suspect and exception items, and enabling you to review and return items on a check-by-check basis. We make no representation or warranty regarding the effectiveness of this report, and make the report available only as an accommodation to you. You agree to indemnify, defend and hold us harmless from every loss, liability and claim arising from information provided on, or excluded from, this report by us. You understand that the fee for the Check Positive Pay Service has been established in contemplation of this limitation on our liability.

**Stale-Dated and Postdated Checks.** We may pay stale-dated and postdated checks unless you place a stop payment or postdated check order on such items, remove them from your list of checks approved for payment, or fail to notify us through the Check Positive Pay Service not to pay the items.

**Security.** You agree to implement reasonable internal security procedures in connection with the Check Positive Pay Service. We strongly recommend that you impose a dual control environment in connection with the transmission of Check Issue Reports and decision instructions. If you elect not to do so, you agree to be subject to a higher standard of care with respect to your accounts, transactions and statements. You remain responsible at all times for ensuring the security of your check stock, and the Check Positive Pay Service will not be used to compare the stock of checks against the stock of any checks previously verified to have been written by you.

**Liability.** If we pay items in accordance with this Agreement, you release us from any claim that the items were not properly payable. If we dishonor items in accordance with this Agreement, you release us from any claim that the items were properly payable and any claim for wrongful dishonor. You agree

to be bound by any instructions to pay or return items, whether or not authorized by you or your agent(s), that are issued in your name and accepted by us in accordance with this Agreement. We will not be responsible for determining or reporting to you whether there is an unauthorized signature or alteration of any item whose processing is covered by the Check Positive Pay Service.

## 17. ACH Positive Pay Service

The ACH Positive Pay Service allows you to review certain ACH debit entries (“ACH Exception”) prior to posting to your designated account and make decisions on whether to pay the ACH Exceptions or return the ACH Exceptions. An ACH Exception is an ACH debit entry that is blocked because it does not match the criteria in an ACH payment rule defined by you (“ACH Payment Rule”). Your use of the ACH Positive Pay Service does not reduce your obligations to monitor and report unauthorized activity on your account.

**ACH Payment Rules.** ACH Payment Rules are conditions that determine whether ACH debit entries are paid or are blocked. Using ACH Payment Rules, you may set a maximum amount for an ACH debit entry, specify one or more standard entry class code(s), or specify one or more originator(s). If an ACH debit entry conforms to an ACH Payment Rule, the item will be paid as normal. If an ACH debit entry does not conform to an ACH Payment Rule, the entry will be blocked, and you can review the ACH Exception and decide whether to pay the ACH debit entry or return the ACH debit entry. An ACH Payment Rule must be created, modified or deleted prior to 4:00 a.m. PST in order for the ACH Payment Rule to take effect for the current Business Day ACH exception decision window, between 5:00 a.m. PST and 12:00 p.m. PST (“Decision Window”). An ACH Payment Rule created, modified or deleted after 4:00 a.m. PST will take effect for the following Business Day Decision Window.

**ACH Payment Decisions.** An “ACH Payment Decision” is an action you take on an ACH Exception that determines whether the ACH Exception is paid or returned. You can make an ACH Payment Decisions during the Decision Window. If you do not make an ACH Payment Decision during the Decision Window, the ACH Exception will be returned at the close of the Decision Window.

Your ACH Payment Decision options are “Pay,” “Return” or “Pending Decision.” If you decide to Pay or Return an ACH Exception, any required approvals must be obtained before the ACH Payment Decision is applied to the ACH Exception.

For the ACH Positive Pay Service, the Bank’s recommended default decision is RETURN ALL. Unless you, or your agent(s), change the ACH Exception default decision to PAY, the incoming debit item will be Returned to the originator.

**Alerts.** We may offer you the ability to subscribe to alerts to enable you to better manage your ACH Exceptions. Such alerts may include an “ACH Positive Pay” alert, which notifies you when there are ACH Exceptions that require attention, or an “ACH Positive Pay Exception Reminder” alert, which notifies you approximately an hour before the Decision Window closes if there are ACH Exceptions that do not have ACH Payment Decisions.

**Liability.** The ACH Positive Pay Service does not apply to ACH debit entries that have posted before an ACH Payment Rule has been applied to the designated account. You understand that we assume no duty to identify and/or block, and the ACH Positive Pay Service may not identify and/or block, any duplicate ACH debit entries presented. As such, you agree to review promptly all statements, reports and other transaction information that we make available to you.

If we pay any ACH debit entry in accordance with this Agreement, you release us from any claim that the ACH debit entry was not properly payable. If we return any ACH debit entry in accordance with this Agreement, you release us from any claim that the ACH debit entry was properly payable and any claim for wrongful dishonor. You agree to be bound by any instructions to pay or return an ACH debit entry, whether or not authorized by you, that are issued in your name and accepted by us in accordance with this Agreement.

**Status Reporting.** We may offer you the ability to review a summary of your ACH Exceptions and view details about the ACH Exceptions including originator company name, return reason, amount, ACH Payment Decision, and individual who made the decision.

**Security.** You agree to implement reasonable internal security procedures in connection with the ACH Positive Pay Service. We strongly recommend that you impose a dual control environment in connection with an ACH Payment Decision. If you elect not to do so, you agree to be subject to a higher standard of care with respect to your accounts, transactions and statements.

## 18. Stop Payment Service

You may stop the payment of a check or other transaction by following the procedures established for the specific Service. For ACH stop payments, call [1-800-9CATHAY \(1-800-922-8429\)](tel:1-800-9CATHAY) or go into a Cathay Bank branch. To stop payment on a check, you must provide us with timely, complete and accurate information on: the number of the account in question; the date of the item; the item number; the payee information and the EXACT amount of the item (dollars and cents). If any information is incomplete or incorrect, we will not be responsible for failing to stop payment on the transaction. Requests become effective when we confirm their receipt and have verified that the item has not been paid. There is a fee for each request (effective for six (6) months), whether or not we receive your request in time to act upon it. Requests received after our cutoff hour or on non-Business Days may be deemed received by us as of the start of the next Business Day. If our on-line system is not available for any reason, you can contact your branch of account to make your request.

## 19. Sweep Services

This Service allows you to authorize an automated transfer or “sweep” funds between your checking account and another checking or savings account, a third party investment account (Insured Cash Sweep Account “ICS”) refer to the ICS section below for additional information on this account type, or a line of credit. You or your agent have the ability to establish the balance requirements for the accounts to initiate the sweep. This includes Zero Balance Accounts “ZBA” and Targeted Balance Accounts “TBA” options. Please see our separate addendums and agreements for the terms of these Services.

## 20. Tax Payment Service

If you are approved for this Service, you appoint us to act as your agent for the purposes of preparing and making tax payments and deposits on your behalf. Upon our request, you agree to execute such additional enrollment forms and authorizations as we may request. You and we will agree in writing regarding the specific taxes that are to be paid as part of the Service. You authorize us to release account and tax payment information to any taxing authority in performing the Service and to confirm payments.

**Accuracy.** You are solely responsible for determining the amount of any taxes due and transmitting payment information in accordance with our procedures. You must furnish us with complete and accurate master file and tax payment information, in the form and format specified by us. Transmission of transaction data to us will be at your expense. Our record of your transmitted payment data will be deemed correct and complete. We will have no responsibility for (a) determining the correctness of any tax computation or payment, (b) questioning the timing or amount of any payment, (c) determining or questioning the correctness of any report or information submitted by you (even if it appears incorrect on its face), or (d) any penalty which may be imposed if you instruct us to make a payment after our cutoff hour or the date the tax payment is due. You are responsible for promptly making required tax payments by another means in the event there is an interruption in the Service.

**Inability to Process.** We will notify you orally, electronically or in writing no later than two (2) Business Days after the date the Order was to be effected, if we are unable to process any report or payment in the manner contemplated by the Service. If you fail to maintain sufficient collected and available funds in your account, we may refuse to perform the Service. If an Order is rejected, it will be your responsibility to resubmit the Order.

**Funds Awaiting Distribution.** When we receive your, or your agent's Order to make a tax payment, we will charge your account for the amount of the payment(s). The funds will be held by us as a non-interest bearing deposit liability to you, but will not be held in trust. Until we make your tax payment, your funds will be subject to offset for any debts owed to us.

**Cancellation.** You may cancel a payment Order for an impending tax payment by telephoning us at [800-922-8429](tel:800-922-8429) prior to our cutoff hour on the same calendar day as the original instruction. We will not be liable to you for failing or refusing to stop payment of taxes if your notice is received after the cutoff hour. If we attempt to cancel or amend a payment or to retrieve funds at your request after an Order has been confirmed or acted upon, you agree to indemnify, defend and hold us harmless from all claims, actions, losses, expenses and costs which arise, directly or indirectly, as a result.

**Your Duty to Pay Taxes.** You assume the risk of any failure to transmit the data to us in a timely and correct manner. Any interruption of the Service, regardless of the reason, will not relieve you of your obligation to make a 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 Service.

**ACH.** Tax payments are made through the Automated Clearing House and will be subject to the "Funds Transfer Service" section of this Agreement.

**No Tax Advice.** You acknowledge that our 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 us or our employees.

**Notice to Originator.** Note that credit entries may be transmitted through ACH. Your rights and obligations as an Originator with respect to credit transfers are governed by and construed in accordance with the laws of the State of California.

## **21. Business Mobile Banking**

When you download the application software for Business Mobile Banking or access mobile web via your or your agent's mobile device's browser, you or your agent will enjoy the convenience of managing your accounts whenever and wherever you want, right on your mobile phone. The application will allow you or your agent to use a mobile device to capture images of checks and other items and then transmit those images and other data to us electronically for deposit to your account. Please refer to the END USER TERMS FOR BUSINESS MOBILE BANKING section of this document.

## **22. File Upload Service**

We may offer you or your agent the ability to upload Files using a secure file transfer protocol, which is the secure transfer of Files between your computer systems and our computer systems (the "File Upload Service"). You or your agent may use the File Upload Service to (a) transfer funds to others and between your accounts with us, in each case, through ACH, by wire, or by internal transfer, and (b) designate checks subject to our Check Positive Pay Service and Check Payee Positive Pay Service. Each File submitted via the File Upload Service otherwise is subject to the terms of this Agreement, including the security procedure agreed to herein, as if it were an Order submitted via the Funds Transfer Service. All Files must be formatted and otherwise in accordance with our User Guide or applicable setup form. For the avoidance of doubt, all Orders and other communications contained in any File are subject to the applicable cutoff time.

## **23. Outbound Data Services**

The bank offers you the ability to request that we transmit account information to you, your agent, or another financial institution designated by you in either a Bank Administration Institute "BAI" or Society for Worldwide Interbank Financial Telecommunications "SWIFT" file format. Please see our separate addendums and agreements for the terms of these Services. The service is only available to business clients with Business Analyzed Checking Account Product Types.

## 24. Electronic Data Interchange (EDI)

Access to the bank's secure server to retrieve additional transaction information, that is not included in the standard reporting. Please see our separate addendums and agreements for the terms of these Services. The service is only available to business clients with Business Analyzed Checking Account Product Types.

## 25. Insured Cash Sweep (ICS) and Certificate of Deposit Registry Service (CDARS)

A third-party Investment Services that offers FDIC insurance on all funds deposited within the network. Please see our separate addendums and agreements for the terms of these Services.

## 26. Zsuits Services

Services offered thru our third party provider include ZEscrow and ZRent.

**ZEscrow.** A digital sub accounting service, which allows you to open, close, and transact on sub accounts online.

**ZRent.** A recurring payment collection service that enables ACH services for the account holder.

The service is only available to business clients with Business Analyzed Checking Account product types. Please see our separate addendums and agreements for the terms of these Services.

## General Provisions

### 27. Amendments

We may amend (add to, delete or change) the terms of this Agreement and the Service fees by providing you with prior notice. We may amend our security procedures without prior notice if immediate changes are required for security reasons or the changes do not have a material effect on your use of the Services. User Guides may be updated from time to time without prior notice.

### 28. Arbitration

All parties to this Agreement give up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed. All controversies, claims, or disputes that may arise between you and us concerning any subject matter, issue, or circumstance, including, but not limited to, controversies, claims, or disputes concerning the Services, shall be determined by arbitration through the American Arbitration Association and governed by the Commercial Rules of the American Arbitration Association. The Commercial Rules of the American Arbitration Association, and any amendments thereto, are incorporated into this Agreement, and, at the time of execution of this Agreement, can be located at: [https:// www.adr.org/sites/default/files/Commercial%20Rules.pdf](https://www.adr.org/sites/default/files/Commercial%20Rules.pdf).

All parties waive the right to litigate in court or arbitrate any claim or dispute as a class action, either as a member of a class or as a representative, or to act as a private attorney general. This class action waiver means that the parties agree to arbitrate any and all controversies, claims, or disputes on an individual basis.

This Agreement to arbitrate applies regardless of whether the dispute arises from conduct or actions entered into or occurring prior to, concurrent with, or subsequent to the date of this Agreement. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited. The ability of the parties to obtain documents, witness statements, and other discovery is governed by the Commercial Rules of the American Arbitration Association, which are generally more limited than in court proceedings. The arbitrator(s) do not have to explain the reason(s) for their award. The rules of some

arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court. The other provisions of this agreement as pertaining to dispute resolution, including the class action waiver, would still apply under such circumstances.

The costs of arbitration shall be paid equally by all parties as the costs are incurred, unless otherwise determined by the arbitrator(s), and under no circumstances shall your portions exceed 50% of the costs of arbitration. Judgment upon the award of the arbitrator(s) may be entered in any court, state or federal, having jurisdiction. This dispute resolution provision will not be deemed to limit or constrain either party's right to exercise self-help remedies such as set off, to obtain provisional or ancillary remedies, such as injunctive relief or the appointment of a receiver, to interplead funds in the event of a dispute, to exercise any right or remedy as a secured party against any collateral pursuant to the terms of a security agreement, or to comply with legal process involving your account designated in connection with the Services or other property. Venue for any action or arbitration brought in accordance with this provision shall be in the state where your account designated in connection with the Services is maintained by Cathay Bank. Disputes in an amount subject to the jurisdiction of that state's small claims court shall not be subject to arbitration but may instead be filed in small claims court

## **29. Assignment**

We may assign our rights and delegate our duties under this Agreement to a company affiliated with us or to a third party. You may not assign any right or delegate any obligation under this Agreement without our prior written consent.

## **30. Cutoff Hours and Business Days**

The bank adheres to Pacific Standard Time, and does observe Daylight Savings Time hours from March thru November of the calendar year. Some of our Services are subject to processing cutoff hours. Information on cutoff hours, which can change (from time to time, can be found in certain User Guides and Service schedules. You also can obtain information by calling us at 1-800-922-8429 or by going online at [www.CathayBank.com](http://www.CathayBank.com). Our Business Days are Monday through Friday, excluding holidays. Instructions received after the cutoff hour or on a non-Business Day may be deemed received as of the next Business Day. Services may occasionally be unavailable due to needed maintenance or system/network interruptions.

## **31. Electronic Mail/Internet**

If you or your agent send us electronic mail ("e-mail"), we may not receive or review it immediately. We will have a reasonable time to act upon any e-mail request or notice, and reserve the right to reject any transaction or request received by e-mail (e.g., a request to wire funds). You acknowledge that, even though e-mail may be encrypted, we cannot ensure that it will not be intercepted or affected by the actions or omissions of others, such as third party networks or persons with access to the Internet. Our service providers and we assume no responsibility for viruses created by third parties, or for any third party's unauthorized access to, or use of, your or your agent's computer system. Please do not include any sensitive information about yourself or your accounts in e-mail that is not encrypted and sent through a secure e-mail system.

## **32. Entire Agreement**

This Agreement incorporates, supplements, and supersedes where inconsistent the terms of your account agreement with us. Unless we provide otherwise in writing, they constitute (along with any related Service applications, setup forms, User Guides, and schedules) the entire agreement between you and us with respect to the Services.

## **33. Fees**

You agree to pay us the fees we establish for each of the Services (see our related fee schedules for details).

If your accounts with us are analyzed, you may be able to use your available earnings credit to offset certain Service charges. If your analyzed accounts contain funds belonging to third parties, you represent that your use of any related earnings credit is not limited by law, regulation or any agreement with such third parties, and that you have any required authorization by such third parties for such use.

In addition to the Service fees, you agree to pay for all taxes, tariffs, fines, penalties and assessments levied or imposed by any government agency in connection with the Services, this Agreement, and/or the software or equipment made available to you (excluding any income tax payable by us). You also are responsible for the costs of any communication lines and any data processing charges payable to third parties.

### **34. Financial Statement/Audit**

You agree to provide us with a current financial statement and other information regarding your financial condition upon our request. You agree to cooperate with us in any audit we perform to confirm your compliance with the terms of each Service selected by you.

### **35. Governing Law/Compliance**

This Agreement will be governed by and construed in accordance with the laws of the State of California, without reference to its conflict of law provisions. You agree not to conduct any transactions that would violate the laws of any state or the United States, including the economic sanctions administered by the U.S. Treasury's Office of Foreign Assets Control. You will not use your account or any Service to process Internet gambling transactions or facilitate any activity that would violate applicable law.

### **36. Inactivity**

If you do not use Services for a period of one hundred eighty (180) consecutive days, whether or not a fee is paid and whether or not there are any scheduled payments or transfers pending, your User ID maybe automatically terminated. In order to reinstate the Services, you will be required to re-enroll.

### **37. Indemnification**

You agree to indemnify, defend and hold us, our parent company, affiliates, and subsidiaries, and our respective directors, officers, employees and agents, harmless from and against any claim, damage, loss, liability and cost (including, without limitation, attorney's fees) of any kind which results directly or indirectly, in whole or in part, from: (a) our actions or omissions, if they are in accordance with your instructions or the terms of this Agreement; (b) the actions or omissions of you, your agents or employees; (c) any warranty that we or a correspondent bank are required to make to a third party in connection with a Service; or (d) your use or distribution of any equipment or software made available to you through a Service that is inconsistent with the license or sublicense that you receive. This provision shall survive the termination of this Agreement.

### **38. Information Processing and Reporting**

We offer a number of Services that require us to receive, process and report information involving your accounts and transactions. We will not be responsible for determining the accuracy, timeliness or completeness of any information that you, your agents or others provide to us. We will not have a duty to interpret the content of any data transmitted to us, except to the limited extent set forth in this Agreement. Unless otherwise agreed in writing, we will not be required (by means of any security procedure or otherwise) to detect errors in the transmission or content of any information we receive from you or third parties. Our sole responsibility for any reporting errors caused by us will be to reprocess the information for the period in question and to provide corrected reports at our own expense. You agree to maintain adequate backup files of the data you submit for a reasonable period of time in order to facilitate any needed reconstruction of your transactions (e.g., due to a telecommunications failure). If we are unable to provide a Service for any reason, we will promptly inform you of the problem and will take reasonable steps to resume processing.



### **39. Limitation of Liability**

Except as otherwise stated in this Agreement, we will be liable to you only for damages arising directly from our intentional misconduct or gross negligence in the performance of the Services. We will not be responsible for any loss, delay, cost or liability to the extent that it arises, directly or indirectly, in whole or in part, from: (a) your actions or omissions, or those of third parties which are not within our immediate and reasonable control; (b) your negligence or breach of any agreement with us; (c) any ambiguity, inaccuracy or omission in any instruction or information provided to us; (d) any error, failure or delay in the transmission or delivery of data, records or items due to a breakdown in any computer or communications facility; (e) accidents, strikes, labor disputes, civil unrest, fire, flood, water damage (e.g., from fire suppression systems), or acts of God; (f) causes beyond our reasonable control, including the failure to perform by any third party service provider; (g) the application of any government or funds-transfer system rule, guideline, policy or regulation; (h) the lack of available funds in your account to complete a transaction; (i) our inability to confirm to our satisfaction the authority of any person to act on your behalf; or (j) your failure to follow any applicable software manufacturer's recommendations or our Service instructions. There may be other exceptions to our liability, as stated in your account or other Service agreements with us.

We will not be responsible under any circumstances for special, indirect, or consequential damages which you incur as a result of our actions or omissions, even if we are aware of the possibility for such damages. Our liability and your remedy for actual costs and losses resulting from our failure to transmit funds in the correct amount or to the correct beneficiary listed in your funds transfer Orders shall not exceed the direct money damages that you incur as a result of the failure (e.g., the amount of a wire transfer that is sent to the wrong party, or the amount by which a transfer exceeds the amount you authorized, plus interest as permitted by law). In all other cases, our liability and your remedy for actual costs and losses resulting from our actions and/or omissions, whether the claim is in contract or tort, will not exceed the lesser of (i) six (6) times the average monthly charge for the Service(s) in question for the three (3) 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 be commenced within one year from the date that the event giving rise to the claim, action or proceeding first occurs. You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with your Services. You acknowledge that our Service fees have been established in contemplation of: (a) these limitations on our liability; (b) your agreement to review statements, confirmations, and notices promptly and to notify us immediately of any discrepancies or problems; and (c) your agreement to assist us in any loss recovery effort.

### **40. Notices**

You agree to notify us immediately if you discover: (a) any error or discrepancy between your records and the information we provide to you about your accounts or transactions (e.g., in a statement, confirmation, or electronic report); (b) unauthorized transactions involving any account; (c) a breach in the confidentiality of any Password; or (d) other problems related to the Services. You must send us a written notice of any discrepancy or other problem, including a statement of the relevant facts, within a reasonable time (not to exceed fifteen (15) days from the date you first discover the problem or receive information reflecting the problem, whichever occurs first). If you fail to notify us in writing within fifteen (15) days, you agree that, in addition to any other limitations on our liability: (a) in the case of an erroneous funds transfer, you will be liable for all losses up to the amount thereof (as well as any loss of interest), which result from your failure to give us such notice or which might have been prevented by your giving us such notice; and (b) in the case of an unauthorized funds transfer, we will not be liable for any loss of interest which results from your failure to give us such notice or which might have been prevented by your giving us such notice. If we hold mail for you at your request, your statements and notices will be deemed delivered to you when they are first made available to you.

You agree to provide us with at least thirty (30) days' advance notice of: (a) any material (20% or greater) change in your ownership; (b) any material change in the type, scope or nature of your business; or (c) any anticipated (20% or greater) increase in the amount or volume of your automated clearing house transactions over the preceding calendar quarter (if applicable).

Unless otherwise agreed, notices required by this Agreement must be in writing. Notices to you may be mailed or sent to you at the statement, e-mail or mailing address shown for you in our deposit or Service records, or by posting the notice at our website. You agree to provide us with advance notice of any change in your address or email address. Notices to us must be sent to Cathay Bank, Treasury Management Implementation and Support Department, 777 North Broadway, Los Angeles, CA 90012. [CashMgmt.SIS@CathayBank.com](mailto:CashMgmt.SIS@CathayBank.com)

You agree on behalf of yourself, your employees and agents that we may monitor and record your telephone and electronic communications in connection with the Services at any time.

#### **41. Records**

Unless a different period is provided in a User Guide, you will retain and provide to us, upon request, all information necessary to remake or reconstruct any transaction, transmission, file or entry until ten (10) Business Days following receipt by us of the transaction document, tape, file, entry, transmission, or other order affecting an account.

#### **42. Reliance on Third Parties**

Our ability to provide certain Services is dependent upon our ability to obtain or provide access to third party vendors and networks. In the event any third party is unavailable or we determine, in our discretion, that we cannot continue providing any third party network access, we may discontinue the related Service or may provide the Service through a different party. In such situations, we will have no liability for the delay or unavailability of access. We will not be responsible for any services you receive from third party vendors.

#### **43. Security Interest**

You grant us a security interest in your accounts with us (other than fiduciary accounts maintained for the benefit of others) to secure the repayment of any overdraft or other obligation that you incur under this Agreement.

#### **44. Termination**

Either party may terminate this Agreement as to some or all of the Services, with or without cause, by giving thirty (30) days prior notice to the other party. We may suspend or terminate any Service or this Agreement immediately and without prior notice if: (a) you breach any agreement with us; (b) the confidentiality of your Password is compromised; (c) we have reason to believe that an unauthorized transaction has taken or may take place involving any of your accounts or any of the Services; (d) you become insolvent or the subject of a bankruptcy, receivership, or dissolution proceeding; (e) we are uncertain as to any person's authority to give us instructions regarding your accounts or the Services, or (f) we are unable to provide any Service due to the non-performance by any third party service provider. The termination of this Agreement will not affect the rights or obligations of the parties that arise prior to termination (e.g., the indemnification and record retention requirements).

#### **45. Third Parties**

This Agreement is made for the exclusive benefit of you and us. No Third Party has any rights under this Agreement. Unless you (a) have our prior written consent or (b) have elected otherwise pursuant to Section 45 of this Agreement or your Service agreement with us, you may not permit others to initiate Service transactions on your behalf. In addition, you may not use the Services to process transactions for third parties unless you have our prior written consent.

## 46. Third Party Access to Business Online Banking

The terms in this Section 44 apply if you elect to provide a Third Party (“Third Party”) with online access to your accounts at Bank by means of the Business Online Banking Service so that they can transfer funds to and from such accounts, and/or obtain information regarding, such accounts and we agree to such election.

**Authority of Third Party.** You authorize each Third Party to use the Business Online Banking Service to transfer funds to and from accounts accessible through the Business Online Banking Service and to obtain information regarding such accounts. You authorize us to act upon the online instructions of the Third Parties in accordance with this authorization. You acknowledge and agree that the individual(s) designated by a Third Party as the Third Party’s administrator and all individual users designated by the Third Party’s administrator will have the ability to access your accounts, obtain account information, and transfer funds to and from your accounts.

**Obligations.** You acknowledge and agree that:

- (a) We shall have no obligation to prevent any of your funds from being commingled with the funds of any Third Party or any other person;
- (b) We shall have no obligation to ensure that funds are used for a particular purpose or for the benefit of a particular person;
- (c) We may act upon the instructions of any person identified as an administrator, user, authorized representative, or signer by a Third Party;
- (d) We may provide you and a Third Party with one or more identical security codes to access the Business Online Banking Service;
- (e) We will not monitor transactions performed by Third Parties to ensure that they are for the benefit of you or otherwise comply with any agreements between you and the Third Party;
- (f) Third Parties may use any of the Business Online Banking Service functions that the Bank may make available from time to time in connection with the accounts;
- (g) We may act upon any online instruction that is in accordance with Bank’s security procedure or that is accompanied by the security code or other means of authentication approved for an account, whether or not the procedure or code is being used by an authorized user or in an authorized manner; and
- (h) We will have no additional security obligations as a result of this section.

**Your Oversight of Third Party.** You shall ensure that each Third Party complies with all aspects of this Agreement. Each of the representations that you make to us regarding use of the Business Online Banking Service under this Agreement shall apply equally to the use of the Business Online Banking Service by a Third Party on your behalf, even if any acts or omissions by the Third Party are not authorized by you or violate the terms of this Agreement.

**Your Representations.** You represent and warrant the following with respect to each Third Party that you elect to authorize access to your accounts:

- (a) You and the Third Party have entered into a separate agreement with respect to their use of the Business Online Banking Service; and you acknowledge that we have no obligation to know or enforce the terms of that agreement; and
- (b) You have executed all necessary authorizations, corporate resolutions, or other permissions necessary to authorize the Third Party to access information regarding your accounts and conduct online banking and other transactions involving this your accounts.

**Indemnification.** In addition to your indemnity obligations under this Agreement, you shall indemnify, defend and hold the Bank, its directors, officers, employees and agents harmless from every demand,

claim, damage, action, liability, loss and/or cost arising from: (a) the actions or omissions of us in accordance with this section; or (b) the actions or omissions of any Third Party, its employees and/or agents involving the Business Online Banking Service or any account. This provision will survive the termination of this Agreement.

**Suspension/Termination of Third Party.** We may suspend or terminate any Third Party's online access to your accounts at any time, without cause or prior notice. You may terminate a Third Party's authority to have online access to your accounts by giving us at least five (5) Business Days prior written notice.

**Termination.** In addition to all other termination or suspension rights set forth in this Agreement, we may immediately terminate this Agreement or suspend the Business Online Banking Service if: (a) you or a Third Party acting on your behalf breach any obligation to us; (b) we are unsure as to any Third Party's continuing authorization to access your accounts; or (c) we have any reason to believe that an unauthorized transaction has taken or may take place involving any account. The existence of our right to suspend or terminate shall not be deemed to create any obligation on our part to question any online activity by a Third Party involving any of your accounts.

## 47. Financial Management Software

Financial Management Software ("FMS") includes Quickbooks®, a registered trademark of Intuit, Inc., and any other software we may identify on our website. The Quickbooks software enables use of the Direct Connect Service ("DCS"). You are responsible for obtaining and maintaining a valid and separate license with the provider of the FMS. Your license agreement with the FMS provider may limit or restrict the duration of your online access and we are not liable for any such limitations or restrictions.

**Access to Services.** We may allow you to download information into an FMS from certain accounts. In our sole discretion, we may add to, modify, or delete any feature of your ability to access Services through your FMS. Not all the information in your accounts can be downloaded into your FMS.

**Your Representations and Warranties.** You represent and warrant the following with respect to your FMS:

- (a) You and your FMS has entered into a separate agreement, and you acknowledge that we have no obligation to know or enforce the terms of that agreement; and
- (b) You have executed all necessary authorizations, corporate resolutions, or other permissions necessary to (i) authorize the FMS to access information regarding your accounts, and (ii) use any related services.

In addition, you acknowledge and agree that we make no warranties and have no liability as to each of the following:

- (a) Your access and use of the FMS according to the terms and conditions of any and all applicable license agreements with the FMS provider;
- (b) The performance or nonperformance of your FMS;
- (c) The accuracy, completeness, availability or timeliness of the information, text, graphics, or other items in the account information that you download through your FMS or your reliance on such information (for example, if the FMS includes transactions that have not settled or been completed);
- (d) Errors or omissions in the delivery or transmission of account information from us to you, your FMS, and/or the computer you use;
- (e) The fitness for a particular purpose and non-infringement of any Third Party rights for the FMS you select;
- (f) The unauthorized access, misuse or alteration of accounts or account information; and
- (g) The inability to access information or the FMS (including the failure of electronic or mechanical

equipment, interconnection problems with telephone providers or Internet service providers, natural disasters, strikes, or other labor problems).

You understand and agree that:

- (a) The account statements we generate are the official record of your account transactions;
- (b) The account information you download through the FMS is provided to you “as is” and “as available” and is for tracking purposes only and should not be considered an official record;
- (c) Account information will not necessarily reflect activities and transactions that have not been completed or settled, and will only reflect the information about your accounts at the exact point in time you download the information;
- (d) Bank does not automatically update account information downloaded to the FMS, and you must update that information as you deem appropriate;
- (e) All risk is assumed by you that unauthorized third parties may access any information, including for example if you download and store information in the FMS, and we are not responsible for any resulting damage to the computer (or other electronic device or network) to which such information is downloaded or sent;
- (f) We are not liable for any loss, damages, or expenses of any kind as a result of your reliance upon the account information reflected in your FMS (which may not be up to date);
- (g) If you send information in an unsecure manner or take the account information out of our secure systems by downloading it, we are no longer responsible for the security and confidentiality of that information, and the responsibility is now yours (or may be shared with others, such as your FMS provider);
- (h) We are not responsible for the security and confidentiality of the account information if you:
  - a. Use wireless connections to download your account information, in which case you acknowledge other persons may be able to access the information being downloaded; or
  - b. Let others access or use your FMS; and
- (i) Downloads of account information are at your own risk. You are solely responsible for any resulting damage to the computer (or other electronic device) to which you download any information.

**Fees.** There are no fees from us to use an FMS. Your Internet, telephone, and/or mobile device service provider may assess fees and bill them separately.

**Suspension/Termination by You.** To suspend or terminate the authority of your FMS to access your account(s), you must contact us by providing us at least five business days prior written notice.

**Termination by Us.** In addition to all other termination or suspension rights set forth in this Agreement, we may immediately terminate this Agreement or suspend the Business Online Banking Service if: (a) there is a breach of any obligation to us; (b) we are unsure as to whether the FMS is authorized to access your account(s) information; or (c) we have any reason to believe that an unauthorized transaction has taken or may take place involving any account. The existence of our right to suspend or terminate shall not be deemed to create any obligation on our part to question any online activity of your FMS involving any of your accounts.

## **48. Transaction Limits and Safeguards**

You agree not to exceed the transaction limits we establish from time to time for your account or any Service. You will not allow anyone to initiate transactions on your behalf without proper supervision and adequate safeguards. You agree to review pending instructions prior to their submission to ensure that they are complete, accurate and properly authorized.

## 49. Validity/Waivers/Overdrafts

If any provision of this Agreement is found to be void or invalid, the remainder of this Agreement will remain in full force and effect. Any waiver by us must be in writing to be effective. Our waiver of any right will not be deemed a waiver of other rights or of the same right at another time. Our practice of allowing overdrafts will not obligate us to continue the practice at a later date. We may discontinue permitting overdrafts at any time and without prior notice.

## 50. Disputes

In the event of a dispute, you agree to resolve the dispute by looking to this Agreement. You agree that this Agreement is the complete and exclusive statement of the agreement between you and the Bank which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Bank relating to the subject matter of this Agreement. If there is a conflict between what an employee of the Bank or Treasury Management Implementation & Support Department says and the terms of this Agreement, the terms of this Agreement will prevail.

## 51. No Waiver

The Bank shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

## 52. Captions

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

## Terms and Conditions of Payment Manager (Business Bill Payment Service)

If you have enrolled in Payment Manager, the following additional terms and conditions supplement, and supersede where inconsistent, other terms of the Agreement.

### Definitions

- **“Payment Manager”** means the business bill payment service offered by us.
- **“Payment Manager Agreement”** means these terms and conditions of the business bill payment service.
- **“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 Instruction”** is the information provided by you for a bill payment to be made to the Payee (such as, but not limited to, Payee name, Payee account number, and Scheduled Payment Date).
- **“Payment Account”** is the checking or money market account from which bill payments will be debited.
- **“Billing Account”** is the checking account from which all Payment Manager related fees will be automatically debited.
- **“Business Day”** is every Monday through Friday, excluding Federal Reserve holidays.

- **“Scheduled Payment Date”** is the day you want your Payee to receive your bill payment and is also the day your Payment Account will be debited, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.
- **“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.
- **“Scheduled Payment”** is a payment that has been scheduled through Payment Manager but has not begun processing.

### **Payment Scheduling**

Transactions begin processing four (4) Business Days prior to your Scheduled Payment Date. Therefore, the application will not permit you to select a Scheduled Payment Date less than four (4) Business Days from the current date. When scheduling payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Payee statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates should be prior to any late date or grace period.

### **Payment Manager No Express Guarantee**

Due to circumstances beyond our control, particularly delays in US Mail, handling, and posting payments by Payees or financial institutions, some transactions may take longer to be credited to your account. We will not bear any responsibility for any late payment related charges should a payment post after its Due Date.

### **Payment Authorization and Payment Remittance**

By providing names and account information of Payees to whom you wish to direct payments, you authorize us to follow the Payment Instructions that we receive through the payment system. In order to process payments more efficiently and effectively, we may edit or alter payment data or data formats in accordance with Payee directives.

When we receive a Payment Instruction, you authorize us to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. You also authorize us to credit your Payment Account for payments returned to us by the United States Postal Service or Payee, or payments remitted to you on behalf of another authorized user of Payment Manager.

We will use our best efforts to make all your payments properly. However, we shall incur no liability if we are unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:

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

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

### **Payment Methods**

We reserve the right to select the method in which to remit funds on your behalf to your Payee. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a laser draft payment.

### **Payment Cancellation Requests**

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

### **Stop Payment Requests**

Our ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. We 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 Treasury Management Implementation & Support by calling [1-800-9CATHAY \(1-800-922-8429\)](tel:1-800-9CATHAY). Although we will make every effort to accommodate your request, we will have no liability for failing to do so. We may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.

Stop payment requests cannot be made using Mobile Banking or Text Banking.

### **Prohibited Payments**

Payments to Payees outside of the United States or its territories are prohibited through Payment Manager.

### **Exception Payments**

Tax payments and court ordered payments may be scheduled through Payment Manager, however such payments are discouraged and must be scheduled at your own risk. In no event shall we be liable for any claims or damages resulting from your scheduling of these types of payments. The Payment Manager Guarantee as it applies to any late payment related changes is void when these types of payments are scheduled and/or processed with Payment Manager. We have no obligation to research or resolve any claim resulting from an exception payment. All research and resolution for any misapplied, mis-posted or misdirected payments will be the sole responsibility of you and not of the Bank.

### **Payments from Money Market Accounts**

Transfers from Money Market deposit accounts may be limited. These limits are disclosed to you in the Truth in Savings Initial Disclosure provided to you when you opened your account. Refer to your account agreement and disclosure for further information.



## 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 (e-bills) options, you also agree to the following:

**Information provided to the Payee.** We are unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic 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.

**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.

**Notification.** We will use our best efforts to present all of your electronic bills promptly. We may send an e-mail notification to the e-mail address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from 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 presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Payee to Payee. It may take up to sixty (60) days, depending on the billing cycle of each Payee. We will notify your electronic Payee(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. We 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 us 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.** We are not responsible for the accuracy of your electronic bill(s). We are only responsible for presenting the information we receive from the Payee. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Payee directly.

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

## Exclusions of Warranties

PAYMENT MANAGER AND ITS RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## Fees and Additional Charges

There is no fee to enroll, and no monthly fee to use, Payment Manager. Any fees associated with your standard deposit accounts will continue to apply. You are responsible for any and all telephone access fees

and/or Internet service fees that may be assessed by your telephone and/or Internet service provider.

### **Failed or Returned Transactions**

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

1. You will reimburse us immediately upon demand the transaction amount that has been returned;
2. For any amount not reimbursed to us within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed;
3. You will reimburse us for any fees imposed by other financial institutions as a result of the return;
4. You will reimburse us for any fees incurred in attempting to collect the amount of the return from you; and,
5. We are authorized to report the facts concerning the return to any credit reporting agency.

### **Alterations and Amendments**

This Payment Manager Agreement, applicable fees and service charges may be altered or amended by us from time to time. In such event, we shall provide notice to you. Any use of Payment Manager after we provide you a notice of change will constitute your agreement to such change(s). Further, we may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, we reserve the right to terminate this Payment Manager Agreement as to all such prior versions of the applications, services, and/or related material and limit access to only more recent revisions and updates.

### **Address or Banking Changes**

It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made either within the application or by contacting Client Care Center at [1-800-9CATHAY \(1-800-922-8429\)](tel:1-800-9CATHAY). Any changes in your Payment Account should also be made in accordance with the procedures outlined within the application's Help files. All changes made are effective immediately for scheduled and future payments paid from the updated Payment Account information. We are not responsible for any payment processing errors or fees incurred if you do not provide accurate Payment Account or contact information.

### **Termination, Cancellation, or Suspension**

In the event you wish to cancel Payment Manager, you may have the ability to do so through the product, or you may contact Treasury Management Implementation & Support via one of the following:

1. Telephone us at [1-800-9CATHAY \(1-800-922-8429\)](tel:1-800-9CATHAY) during support hours; and/or
2. Write us at:

Cathay Bank  
Attn:Treasury Management Implementation and Support  
777 North Broadway  
Los Angeles, CA 90012

Any payment(s) we have already processed before the requested cancellation date will be completed. All Scheduled Payments including recurring payments will not be processed once Payment Manager is cancelled. We may terminate or suspend Payment Manager at any time. Neither termination nor suspension shall affect your liability or obligations under this Payment Manager Agreement.

### **Payee Limitation**

We reserve the right to refuse to pay any Payee to whom you may direct a payment. We will notify you promptly if we decide 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 Payment Manager Agreement.

### **Returned Payments**

In using Payment Manager, you understand that Payees and/or the United States Postal Service may return payments 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. We will use our best efforts to research and correct the returned payment and return it to your Payee or void the payment and credit your Payment Account.

### **Information Authorization**

Your enrollment in Payment Manager may not be fulfilled if we cannot verify your identity or other necessary information. Through your enrollment in the Payment Manager, you agree that the Bank reserves the right to request a review of your credit rating at its own expense through an authorized bureau. In addition, you agree that the Bank reserves the right to obtain financial information regarding your account from a Payee or another financial institution (for example, to resolve payment posting problems or for verification).

## **Terms and Conditions of Zelle® Service for Small Business**

### **Description of Services**

We have partnered with the Zelle® Network ("Zelle®") to enable Zelle® Service for Small Business. We will refer to financial institutions that have partnered with Zelle® as "Network Banks."

Zelle® provides no deposit account or other financial services. Zelle® neither transfers nor moves money. You may not establish a financial account with Zelle® of any kind. All money will be transmitted by a Network Bank.

Transfers using the Zelle® Service for Small Business will be governed by the rules of any funds transfer system through which the transfers are made, as amended time from time, including, without limitation, the National Automated Clearing House Association or real time payment services.

THE ZELLE® SERVICE FOR SMALL BUSINESS IS INTENDED TO SEND MONEY FOR BUSINESS PURPOSES TO COUNTERPARTIES THAT YOU TRUST. YOU SHOULD NOT USE THE SERVICE TO SEND MONEY TO RECIPIENTS WITH WHOM YOU ARE NOT FAMILIAR OR YOU DO NOT TRUST.

For the avoidance of doubt, the Zelle® Service for Small Business constitutes a Service in accordance with this Agreement, and is subject to the terms of this Agreement, including but not limited to the "GENERAL PROVISIONS" set forth in this Agreement. If you have enrolled in the Zelle® Service for Small Business, the following additional terms and conditions supplement, and supersede where inconsistent, other terms of this Agreement.

## Eligibility and User Profile

When you enroll to use the Zelle® Service for Small Business or when you permit others to whom you have delegated to act on your behalf to use or access the Zelle® Service for Small Business, you agree to the terms and conditions of this Agreement. You represent that you have the authority to authorize debits and credits to the enrolled business bank account. You further agree to use your enrolled business account to send or receive payments for business purposes, and you will not enroll nor use any consumer account to send or receive payments that are intended for personal, family or household purposes in connection with the Zelle® Service for Small Business.

You further agree that you will not use the Zelle® Service for Small Business to send money to anyone to whom you are obligated for tax payments, payments made pursuant to court orders (including court-ordered amounts for alimony or child support), fines, payments to loan sharks, gambling debts or payments otherwise prohibited by law, and you agree that you will not use the Zelle® Service for Small Business to request money from anyone for any such payments. You agree that you will not authorize a Third Party to use the Zelle® Service for Small Business or share your credentials with a Third Party to use the Zelle® Service for Small Business on your behalf except in legally authorized situations.

You agree that you will not upload or provide content or otherwise post, transmit, distribute, or disseminate through the Zelle® Service for Small Business any material (“Content”) that: (a) is false, misleading, unlawful, obscene, indecent, lewd, pornographic, defamatory, libelous, threatening, harassing, hateful, abusive, or inflammatory; (b) encourages conduct that would be considered a criminal offense or gives rise to civil liability; (c) breaches or infringes any duty toward or rights of any person or entity, including rights of publicity, privacy or intellectual property; (d) contains corrupted data or any other harmful, disruptive, or destructive files; (e) advertises products or services competitive with Zelle®, as determined by Zelle® in its sole discretion; or (f) in Zelle®’s or our sole judgment, is objectionable, restricts or inhibits any person or entity from using or enjoying any portion of the Zelle® Service for Small Business, or which may expose us, Zelle® or our respective affiliates or clients to harm or liability of any nature.

Although neither we nor Zelle® have any obligation to monitor any Content, both we and Zelle® have absolute discretion to remove Content at any time and for any reason without notice. We and Zelle® may also monitor such Content to detect and prevent fraudulent activity or violations of the terms and conditions. You understand that by using the Zelle® Service for Small Business, you may be exposed to Content that is offensive, indecent, or objectionable. We and Zelle® are not responsible for, and assume no liability, for any Content, including any loss or damage to any of your Content. We and Zelle® make no representation or warranty that Content uploaded to a User profile accurately identifies a particular User of the Zelle® Service for Small Business.

The Zelle® Service for Small Business may include functionality for you to add a unique alpha-numeric identifier to your registered User profile to be used in lieu of your phone number or email address when sending or receiving money, which will be your “Zelle® tag.” You will be limited to one Zelle® tag per business bank account, and each Zelle® tag must have one U.S. mobile phone number or email address associated with it. Your Zelle® tag must meet the Content standards. You may not select a Zelle® tag that misleads or deceives other Users of the Zelle® Service for Small Business as to your identity, or otherwise. Although neither we nor Zelle® have any obligation to monitor User Zelle® tags, both we and Zelle® have absolute discretion to remove a User Zelle® tag at any time and for any reason without notice. We and Zelle® may require you to change your Zelle® tag in our sole discretion, and we may elect to make a Zelle® tag unavailable to you, without any liability to you. We and Zelle® may also monitor User Zelle® tags to detect and prevent fraudulent activity or violations of the terms and conditions. You understand that by using the Zelle® Service for Small Business, you may be exposed to a Zelle® tag that is offensive, indecent, or objectionable. We and Zelle® are not responsible for, and assume no liability, for any User Zelle® tags, including any loss or damage caused thereby. We and Zelle® make no representation or warranty that a User Zelle® tag accurately identifies a particular User of the Zelle® Service for Small Business. We respect the intellectual property

of others and require that users of the Zelle® Service for Small Business comply with relevant intellectual property laws, including copyright and trademark laws. We may, in appropriate circumstances and at our discretion, limit or terminate the use of our products or services for users who use or publish Content on the Zelle® Service for Small Business that is subject to intellectual property rights claims.

### **Wireless Operator Data**

Your wireless carrier and other service providers may also collect data about your account in connection with the Zelle® Service for Small Business, and their practices are governed by their own policies. We or Zelle® may use information on file with your wireless operator to further verify your identity and to protect against or prevent actual or potential fraud or unauthorized use of the Zelle® Service for Small Business. By using the Zelle® Service for Small Business, you authorize your wireless operator (AT&T, Sprint, T-Mobile, US Cellular, Verizon, or any other branded wireless operator) to disclose your mobile number, name, address, email, network status, client type, client role, billing type, mobile device identifiers (IMSI and IMEI) and other subscriber status and device details, if available, to our Third Party service provider solely to allow verification of your identity and to compare information you have provided to us or to Zelle® with your wireless operator account profile information for the duration of our business relationship. See Zelle®'s Privacy Policy for how it treats your data, as well as our Privacy Policy for how we handle your data.

### **Enrolling for the Zelle® Service for Small Business**

You must provide us with an email address that you regularly use and intend to use regularly (i.e., no disposable email addresses) and a permanent U.S. mobile phone number that you intend to use for an extended period of time. You may not enroll in the Zelle® Service for Small Business with a landline phone number, Google Voice number, or Voice over Internet Protocol.

Once enrolled, you may:

1. authorize a debit of your account to send money to another User either at your initiation or at the request of that User; and
2. receive money from another User either at that User's initiation or at your request, subject to the conditions of the Section below titled "Requesting Money."

If at any time while you are enrolled, you do not send or receive money using the Zelle® Service for Small Business for a period of 18 consecutive months, we may contact you and/or take other steps to confirm that the U.S. mobile phone number or email address that you enrolled still belongs to you. If we are unable to confirm that you are the owner of the mobile phone number or email address, then you understand that we may cancel your enrollment and you will not be able to send or receive money with the Service until you enroll again.

Once enrolled, a Z logo will appear on your profile picture for each U.S. mobile number and/or email address that you have enrolled with Zelle®. The Z logo will be displayed to other Users to aid them in determining which of your U.S. mobile numbers or email addresses should be used to send money with Zelle®. If a User sends you money using a different U.S. mobile number or email address that they may have for you (one that is not already enrolled), you will receive a message with instructions on how to enroll with Zelle®.

### **Consent to Emails and Automated Text Messages**

By participating as a User, you represent that you are the owner of the email address, U.S. mobile phone number, Zelle® tag, and/or other alias you enrolled, or that you have the delegated legal authority to act on behalf of the owner of such email address, U.S. mobile phone number, Zelle® tag and/or other alias to send or receive money as described in this Agreement. You consent to the receipt of emails or text messages from

us, from Zelle®, from other Users that are sending you money or requesting money from you, and from other Network Banks or their agents regarding the Zelle® Service for Small Business or related transfers between Network Banks and you. You agree that we may, Zelle® may or either of our agents may use automatic telephone dialing systems in connection with text messages sent to any mobile phone number you enroll. You further acknowledge and agree:

1. You are responsible for any fees or other charges that your wireless carrier may charge for any related data, text or other message services, including without limitation for short message service. Please check your mobile service agreement for details or applicable fees.
2. You will immediately notify us if any email address or mobile phone number you have enrolled is (i) surrendered by you, or (ii) changed by you.
3. In the case of any messages that you may send through either us or Zelle® or that we may send or Zelle® may send on your behalf to an email address or mobile phone number, you represent that you have obtained the consent of the recipient of such emails or automated text messages to send such emails or text messages to the recipient. You understand and agree that any emails or text messages that we send or that Zelle® sends on your behalf may include your name.
4. Your wireless carrier is not liable for any delay or failure to deliver any message sent to or from us or Zelle®, including messages that you may send through us or through Zelle® or that we may send or Zelle® may send on your behalf.
5. To cancel text messaging from us, send STOP to [20736](#). For help or information regarding text messaging contact our Treasury Management Implementation & Support Representative at: [1-800-9CATHAY \(1-800-922-8429\)](#). You expressly consent to receipt of a text message to confirm your “STOP” request.
6. Supported Carriers: AT&T, Sprint, T-Mobile, US Cellular, Verizon, or any other branded wireless operator.

### **Receiving Money; Money Transfers by Network Banks**

Once a User initiates a transfer of money to your email address, mobile phone number, or Zelle® tag enrolled with the Zelle® Service, you have no ability to stop the transfer. By using the Zelle® Service for Small Business, you agree and authorize us to initiate credit entries to the business bank account you have enrolled.

Most transfers of money to you from other Users will occur within minutes. There may be other circumstances when the payment may take longer. For example, in order to protect you, us, Zelle® and the other Network Banks, we may need or Zelle® may need additional time to verify your identity or the identity of the person sending the money. We may also delay or block the transfer to prevent fraud or to meet our regulatory obligations. If we delay or block a payment that you have initiated through a request for money, we will notify you in accordance with your User preferences (i.e., email, push notification).

If you are receiving a payment from a business or government agency, your payment will be delivered in accordance with both this Agreement and the procedures of the business or government agency that is sending you the payment.

### **Sending Money; Debits by Network Banks**

You may send money to another User at your initiation or in response to that User’s request for money. You understand that use of this Zelle® Service for Small Business by you shall at all times be subject to: (a) this Agreement; and (b) your express authorization at the time of the transaction for us to initiate a debit entry to your bank account. You understand that when you send the payment, you will have no ability to stop it. You may only cancel a payment if the person to whom you sent the money has not yet enrolled

in the Zelle® Service for Small Business. If the person you sent money to has already enrolled with Zelle®, either in the Zelle® mobile app or with a Network Bank, the money is sent directly to their bank account (except as otherwise provided below) and may not be canceled or revoked. In most cases, when you are sending money to another User, the transfer will occur in minutes; however, there are circumstances when the payment may take longer. For example, in order to protect you, us, Zelle® and the other Network Banks, we may need additional time to verify your identity or the identity of the person receiving the money. If you are sending money to someone who has not enrolled as a User with Zelle®, either in the Zelle® mobile app or with a Network Bank, they will receive a text or email notification instructing them on how to enroll to receive the money. You understand and acknowledge that a person to whom you are sending money and who is not enrolling as a User may fail to enroll with Zelle®, or otherwise ignore the payment notification, and the transfer may not occur.

The money may also be delayed or the transfer may be blocked to prevent fraud or comply with regulatory requirements. If we delay or block a payment that you have initiated, we will notify you in accordance with your User preferences (i.e. email, push notification).

We have no control over the actions of other Users, other Network Banks or other financial institutions that could delay or prevent your money from being delivered to the intended User.

### **Transaction Limits**

Transactions using the Zelle® Service for Small Business are limited to \$2,500.00 per transaction and \$2,500.00 per business day. Your current Zelle® limits will be displayed on screen at the time of your Zelle® transaction. We may change these limits at our sole discretion based on periodic risk assessments.

### **Liability; Error Reporting**

Neither we nor Zelle® shall have liability to you for any transfers of money, including without limitation: (a) any failure, through no fault of us or Zelle® to complete a transaction in the correct amount; or (b) any related losses or damages. Neither we nor Zelle® shall be liable for any typos or keystroke errors that you may make when using the Zelle® Service for Small Business, nor any failure to provide any service if the business account(s) involved are no longer linked for the Zelle® Service for Small Business.

We shall only have liability to you in instances where we fail to exercise ordinary care in processing a transaction. Our liability in any such case is limited to the amount of funds improperly transferring from your business account less any amount that would have been lost, even if ordinary care had been used. Notwithstanding the foregoing, You must report to us any unauthorized or improper transfer or error within thirty (30) days of the bank statement we provide to you showing such unauthorized or improper transfer. If you do not notify us within this period, we are relieved of any liability for losses sustained after the expiration of the thirty day period, and you shall be precluded from asserting such a claim or error, regardless of the care or lack of care either you or we exercised.

THE ZELLE® SERVICE FOR SMALL BUSINESS IS INTENDED FOR SENDING MONEY TO COUNTERPARTIES WHOM YOU TRUST. YOU SHOULD NOT USE ZELLE® TO SEND MONEY TO COUNTERPARTIES WITH WHOM YOU ARE NOT FAMILIAR OR YOU DO NOT TRUST. NEITHER WE NOR ZELLE® OFFERS A PROTECTION PROGRAM FOR AUTHORIZED PAYMENTS MADE THROUGH ANY SERVICE, INCLUDING THE ZELLE® SERVICE FOR SMALL BUSINESS (FOR EXAMPLE, IF YOU DO NOT RECEIVE THE GOODS OR SERVICES THAT YOU PAID FOR, OR THE GOODS OR SERVICES THAT YOU RECEIVED ARE DAMAGED OR ARE OTHERWISE NOT WHAT YOU EXPECTED).

### **Requesting Money**

You may request money from another User. You understand and acknowledge that Users to whom you send payment requests may reject or ignore your request. Neither we nor Zelle® guarantee that you will receive

money from other Users by sending a payment request, or that you will receive the amount that you request. Neither we nor Zelle® accept responsibility if the other User rejects or ignores your request, or sends you an amount that is less than you request. If a User ignores your request, we may decide or Zelle® may decide, in our sole discretion, that we will not send a reminder or repeat request to that User.

By accepting this Agreement, you agree that you are not engaging in the business of debt collection by attempting to use the Zelle® Service for Small Business to request money for the payment or collection of an overdue or delinquent debt; to request money that is owed to another person; or to collect any amounts that are owed pursuant to a court order. You agree to indemnify, defend and hold harmless Zelle®, its owners, directors, officers agents and Network Banks from and against all claims, losses, expenses, damages and costs (including, but not limited to, direct, incidental, consequential, exemplary and indirect damages), and reasonable attorney's fees, resulting from or arising out of any request for money that you send that is related to overdue or delinquent amounts.

You agree to receive money requests from other Users, and to only send requests for legitimate and lawful business purposes. Requests for money are solely between the sender and recipient and are not reviewed or verified by us or by Zelle®. Neither we nor Zelle® assume responsibility for the accuracy or legality of such requests and do not act as a debt collector on your behalf or on behalf of the sender of a request for money.

We reserve the right, but assume no obligation, to terminate your ability to send requests for money in general, or to specific recipients, if we deem such requests to be potentially unlawful, abusive, offensive or unwelcome by the recipient.

### **Fees**

We do not currently charge for the Zelle® Service for Small Business; however, your mobile service provider may charge for web access and sending and receiving text messages on your mobile phone. You are responsible for any fees or other charges that your wireless carrier may charge for any related data or message services, including without limitation for short message service. Check with your service provider for details on specific fees and charges that may apply. Fees separately disclosed to you in connection with your account or any transaction-related fees incurred in using the Zelle® Service for Small Business may apply.

### **Disclaimer of Warranties**

EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO APPLICABLE LAW, ZELLE® MAKES NO EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR ENDORSEMENTS WHATSOEVER WITH RESPECT TO THE ZELLE® SERVICE FOR SMALL BUSINESS. ZELLE® EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, WITH REGARD TO THE ZELLE® SERVICE FOR SMALL BUSINESS DESCRIBED OR PROVIDED. ZELLE® DOES NOT WARRANT THAT THE ZELLE® SERVICE FOR SMALL BUSINESS WILL BE UNINTERRUPTED, TIMELY, INVULNERABLE TO CYBER ATTACK, SECURE OR ERROR-FREE, OR THAT DEFECTS WILL BE CORRECTED. THE ZELLE® SERVICE FOR SMALL BUSINESS IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS.

### **Limitation of Liability**

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, INCLUDING SECTION 35 OF THE "GENERAL PROVISIONS" OF THIS AGREEMENT, AND SUBJECT TO APPLICABLE LAW, IN NO EVENT WILL WE, ZELLE®, ITS OWNERS, DIRECTORS, OFFICERS, AGENTS OR NETWORK BANKS BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING, BUT NOT LIMITED TO ANY DIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR OTHER INDIRECT DAMAGES ARISING OUT OF (I) ANY TRANSACTION CONDUCTED THROUGH OR FACILITATED BY THE ZELLE® SERVICE FOR SMALL BUSINESS; (II) ANY



CLAIM ATTRIBUTABLE TO ERRORS, OMISSIONS, OR OTHER INACCURACIES IN THE ZELLE® SERVICE FOR SMALL BUSINESS DESCRIBED OR PROVIDED; (III) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; OR (IV) ANY OTHER MATTER RELATING TO THE ZELLE® SERVICE FOR SMALL BUSINESS DESCRIBED OR PROVIDED, EVEN IF WE OR ZELLE® HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IF YOU ARE DISSATISFIED WITH THE ZELLE® SERVICE FOR SMALL BUSINESS OR WITH THE TERMS OF THIS AGREEMENT, YOUR SOLE AND EXCLUSIVE REMEDY IS TO DISCONTINUE USING THE ZELLE® SERVICE FOR SMALL BUSINESS.

IN THOSE STATES WHERE THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES MAY NOT APPLY, ANY LIABILITY OF WE, ZELLE®, ITS OWNERS, DIRECTORS, OFFICERS AND AGENTS OR THE NETWORK BANKS LIABILITY IN THOSE STATES IS LIMITED AND WARRANTIES ARE EXCLUDED TO THE GREATEST EXTENT PERMITTED BY LAW, BUT SHALL, IN NO EVENT, EXCEED ONE HUNDRED DOLLARS (\$100.00).

### **Indemnification**

In addition to the indemnification obligations set forth in Section 33 of the “GENERAL PROVISIONS” of this Agreement, You acknowledge and agree that you are personally responsible for your conduct while using the Zelle® Service for Small Business, and except as otherwise provided in this Agreement, you agree to indemnify, defend and hold harmless Bank, Zelle®, its owners, directors, officers, agents and Network Banks from and against all claims, losses, expenses, damages and costs (including, but not limited to, direct, incidental, consequential, exemplary and indirect damages), and reasonable attorneys’ fees, resulting from or arising out of your use, misuse, errors, or inability to use the Zelle® Service for Small Business, or any violation by you of the terms of this Agreement that pertain to the Zelle® Service for Small Business.

### **Miscellaneous**

Subject to the terms of this Agreement, the Zelle® Service for Small Business is generally available 24 hours a day, seven days a week with the exception of outages for maintenance and circumstances beyond our or Zelle®’s control. Live customer service generally will be available Monday through Friday, excluding US bank holidays.

Zelle® and the Zelle® related marks are wholly owned by Early Warning Services, LLC and are used herein under license.

## End User Terms for Business Mobile Banking

Business Mobile Banking is provided to you by Cathay Bank and powered by a Third Party (the “Licensor”) mobile technology solution. Section A of these End User Terms is a legal agreement between you and Cathay Bank. Section B of these End User Terms is a legal agreement between you and the Licensor.

### Section A

#### Cathay Bank Business Mobile Banking Terms and Conditions

If you have enrolled in Business Mobile Banking, the following additional terms and conditions supplement, and supersede where inconsistent, other terms of the Agreement. In case of questions please contact Treasury Management Implementation & Support at [1-800-9CATHAY \(1-800-922-8429\)](tel:1-800-9CATHAY).

Business Mobile Banking and the downloadable application are available to Business Online Banking enrollees only. All terms applicable to the Service apply to these services.

#### Terms and Conditions

1. The services are separate and apart from any other charges that may be assessed by your wireless carrier or that of your authorized users. However, you and/or your authorized users are responsible for any fees or other charges that your or your authorized user’s wireless carrier may charge for any related data or message services.
2. The services are provided by Cathay Bank and not by any other third party.
3. Cathay Bank does not currently charge for its Business Mobile Banking service; however, the mobile service provider for each individual that you authorized to use this service may charge for web access on the user’s mobile phone. Your authorized users must check with their service provider for details on specific fees and charges that may apply. Fees separately disclosed to you in connection with your account or any transaction-related fees incurred in using the Services may apply.
4. Each individual that you authorize or permit to use this service must have a web-enabled mobile device to use Business Mobile Banking. You represent that each such individual is the owner, or authorized user of the wireless device that they use for this service. If they have a mobile Internet browser and Internet access from their mobile device, it is likely they can use Business Mobile Banking. Their mobile device must support WAP (Wireless Application Protocol) 2.0 or higher, the international standard for applications using wireless communication. Most mobile devices today support WAP. If they are using an older device that does not contain the required security features to use Mobile Banking, they may need to upgrade to a newer device to use Business Mobile Banking. Bank will not be liable for any delays or failures in the receipt of any web-based communication as delivery is subject to effective transmission from their network operator and processing by their mobile device. Business Mobile Banking is provided on an AS IS, AS AVAILABLE basis.
5. Data obtained from you in connection with Business Mobile Banking service may include your authorized user’s IP address and the date, time, and content of their directions and other information that they may provide. We may use this information to contact you and to provide the services you request from us, and to otherwise operate, develop, and improve the service. We will only use the information your authorized users provide to the service as described in this document. Nonetheless, we reserve the right at all times to disclose any information as necessary to satisfy any law, regulation, or governmental request, to avoid liability, or to protect our rights or property. When you or your

authorized users complete forms online or otherwise provide us information in connection with the service, you agree to provide accurate, complete, and true information.

6. The wireless carrier and other service providers for your authorized users may also collect data from your Business Mobile Banking usage, and their practices are governed by their own policies. We are not responsible for the privacy practices or security of these providers. You and your users are encouraged to review such provider's privacy policy (ies) before supplying any personal information. The content and materials received through the service are proprietary to us and our licensors, and is for your use only. You shall not damage, impair, interfere with, or disrupt the service or its functionality.
7. Business Mobile Banking is available only in the United States.
8. **Business Mobile Check Deposit.** This feature is only available via the Business Mobile Banking application. If you are approved for this feature, in addition to Business Mobile Banking, you and your authorized users can use mobile devices to deposit checks to your Bank account by capturing images of the original paper checks and transmitting the digital images and associated deposit information ("images") to us. This feature may not be available to clients who have separately enrolled in Remote Deposit Capture.

**Eligible Items.** You agree to use the service only to deposit images of original paper checks that are payable only to you. You agree that you will not use the service to deposit: (a) checks payable to others (even if endorsed over to you); (b) checks payable to you and another party, unless a fully executed third party check acceptance agreement is on file; (c) demand drafts or remotely created checks (i.e., checks that do not bear the signature of the person who owns the account on which the check is drawn); (d) substitute checks (i.e., paper checks created from an electronic image); (e) checks that are irregular in any way (e.g., where the numerical and written amounts are different); (f) checks that have previously been returned unpaid for any reason; (g) checks that are postdated or more than six (6) months old; (h) checks drawn on a foreign bank or payable in a foreign currency; (i) checks payable to "Cash" or "Holder"; (j) checks drawn on another account owned by you; (k) registered government warrants; (l) checks that contain evidence of alternation, or that you suspect may be fraudulent or not properly authorized; (m) payable through drafts (i.e., a draft payable through a specific bank); (n) checks that exceed any limitation described in this Agreement; (o) travelers checks, cashier's checks, money orders, or U.S. savings bonds; (p) checks that do not comply with the Bank's procedures relating to this service, as specified in the "Requirements" section below, or (q) checks that are otherwise not acceptable under the terms of your account agreement with us. Our processing of any of the checks described above shall not obligate us to continue that practice, and we may stop doing so without cause or prior notice.

**Requirements.** Each image must provide all information on the front and back of the original check at the time of transmission, including the information set forth on the check as presented to you by the drawer. You agree to place the words "For Mobile Deposit Only" and your account number above the endorsement on the reverse side of all checks you deposit through the service.

**Deposit Limits.** Unless we advise you otherwise, you may not use this service to deposit any check with a face value greater than \$10,000 or more than \$10,000 in checks on any Business Day. In addition, you may not deposit more than \$40,000 in any 30-day period. Note: Transactions occurring on a Saturday, Sunday or holiday will be combined with transactions on the next Business Day for this purpose. We may change these limits from time to time. Unless we advise you otherwise, revised limits will be effective immediately upon notice to you.

**Receipt of Deposit.** We will send an email when we receive an image for deposit to your account. You agree to verify that your deposits have been correctly posted to your account each day and to notify us immediately of any discrepancy. You should electronically store or print a copy of the email confirmation for your records. If you do not receive a confirmation, it may mean that we did not receive your transmission or

that there was a problem with some of the information. If check information received by us is not complete and otherwise usable for any reason, we may reject the deposit, notwithstanding any confirmation by us of its receipt, and charge the amount back against any provisional credit to your account.

Following receipt, we may process the image by preparing a paper “substitute check” or clearing the item electronically. We may refuse any check for deposit, with or without cause, or may elect to take a check on a collection basis only. Please see your account agreement for other terms related to deposits.

**Your Responsibility.** You are responsible if any of you, intentionally or unintentionally, submit incorrect, duplicate or illegible images to us or if the service is used by authorized or unauthorized persons to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

**Original Checks.** After you receive confirmation that we have successfully received an image, you must securely store the original check for not more than fifteen (15) days, at which time you must thoroughly destroy it (e.g., by marking it “VOID” and cutting it into small pieces). At our request, you must provide us with the original check (if it is still in your possession) or a legible copy within five (5) Business Days. If you fail to do so, we may reverse the amount from your account.

You agree that you will never negotiate, deliver, transfer, present, or deposit the original check (or a copy) once it is processed by us. You agree to indemnify and hold us harmless if anyone is asked to make a payment based on an original check that has already been paid (or any copy or other reproduction of that check).

**Funds Availability.** If we confirm our receipt of your deposit information on a Business Day before 5:00 p.m. PST , we will consider that day to be the day of your deposit. However, if we confirm receipt of your deposit information after this hour or on a day we are not open, we will consider that the deposit was made on the next Business Day. We will generally make funds from your check deposits available to you in accordance with the timeframes and in the amounts set forth in your account agreement. If we decide to delay availability for a longer period, we will notify you. If the maker of a check or another Third Party makes a claim against us or seeks a recredit with respect to any check processed through this service, we may provisionally freeze or hold aside a like amount in your account pending our investigation and resolution of the claim. We also may charge your account for any check that is returned, whether or not the return is timely or proper. If a check is returned to us for any reason, we may return it to you in the form of a substitute check. If you decide to redeposit the returned item, you may only redeposit the substitute check in person at one of our branches; you may not deposit the original check without advising us that it was previously deposited electronically and obtaining our written approval.

**Your Warranties.** You represent and warrant the following with respect to each check that you deposit through the service: (a) You have the legal right to deposit and negotiate the check, regardless of the name of the payee shown on the check; (b) You are the holder of the check and the person entitled to enforce it; (c) The images and information that you transmit accurately represent all of the information on the front and back of the original check, including (without limitation) all endorsements, at the time of transmission; (d) You have not taken any action that would obscure, alter or impair the capture or transmission of information on the front or back of the check or that otherwise may prevent us or another bank from capturing or processing such information; (e) You make all warranties that would otherwise apply to the check if it had been a paper item deposited with us (e.g., you warrant that the check has not been altered); (f) You make all encoding, transfer, presentment and other warranties that we or any correspondent bank we use are deemed to provide to others (e.g., as a reconverting bank) under any law, regulation, operating circular, clearing house rule, or image exchange network rule or agreement to which we are a party; (g) You have possession of the original check and it will not be transferred, endorsed to a third party, or submitted for deposit or payment; (h) No check, whether in paper or electronic form, will be presented for deposit or payment more than once; (i) The check is not prohibited by this Agreement; (j) You assume responsibility for any check that is transmitted

to us which for any reason is not paid; and (k) You will only use the service for lawful purposes and in compliance with our service instructions and applicable law.

**Service Unavailability.** In the event that the service is unavailable, you may deposit original checks at our branch or through our ATMs.

**Notice of Errors and Other Problems.** You agree to notify us immediately in writing if you discover: (a) any error or discrepancy between your records and the information we provide to you about your mobile deposit transactions (e.g., in a statement, confirmation, or electronic report); (b) unauthorized or unreported deposits; (c) a breach in the confidentiality of your Password; or (d) other problems related to this service. Unless you notify us within thirty (30) days, the statements, confirmations and reports regarding mobile deposits made through this service shall be deemed correct, and you are prohibited from bringing a claim against us for the alleged unauthorized transaction or discrepancy (absent manifest error).

**System Security and Security Procedures.** You agree that for each mobile device used by you or your authorized users: (a) the internet browser software is current, (b), the systems are protected by commercially reasonable and current fraud prevention software, c) upgrades to both browser and fraud prevention software are installed on a regular basis, (d) system fraud review is conducted on a regular basis by a qualified employee or third-party, (e) there is a segregation of duties between administrators and users, (f) software is processed only on a secure, nonpublic network, and (g) any identified system security issues are resolved timely. You may be required to provide proof of current virus and other related software installations. You further agree to maintain operational controls and risk management practices satisfactory to us and that are subject to annual independent audit or a self-assessment in accordance with criteria and format determined by us and to make such written audit or self-assessments available to us upon request.

**Limitation of Liability.** We will not be liable for any indirect, incidental, special, consequential or exemplary damages in connection with mobile deposit service. In addition, we will not be responsible for any loss, delay, cost or liability which arises, directly or indirectly, in whole or in part, from: (a) your actions or omissions, or those of third parties which are not within our immediate and reasonable control; (b) your negligence or breach of any agreement with us; (c) any ambiguity, inaccuracy or omission in any information provided to us; (d) any error, failure or delay in the transmission or delivery of data, records or items due to a transmission error or a breakdown in any computer or communications facility; (e) accidents, strikes, labor disputes, civil unrest, fire, flood, water damage (e.g., from fire suppression systems), or acts of God; (f) causes beyond our reasonable control; (g) limitations placed on transactions by any bank regulatory agency, clearing house or exchange network rules or guidelines; (h) your failure to provide us with complete and correct check images and data in accordance with this Agreement and our instructions regarding this service; (i) our inability to confirm to our satisfaction the authority of any person to act on your behalf; (j) the return of any check by the institution upon which it is drawn; (k) any information that is lost, intercepted or destroyed during its transmission to us; (l) the unavailability of this service for any reason; (m) your failure to follow any applicable software manufacturer's recommendations or our instructions regarding this service; or (n) limitations placed on transactions by Federal Reserve, clearing house or exchange network rules or guidelines. You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with this service.

**Indemnification.** You agree to indemnify, defend, and hold us, our service providers and agents harmless from and against any and all demands, actions, proceedings, liabilities, losses, costs (including attorneys' fees), penalties, fines, and claims, including (without limitation) warranty claims, that result from or arise in connection with: (a) your use of this mobile deposit service or our processing of checks in accordance with this Agreement; (b) your actions or omissions, including your breach of any representation or failure to comply with this Agreement; (c) your failure to comply with applicable state and federal laws and

regulations; (d) actions by third parties, such as the introduction of a virus, that delay, alter or corrupt the transmission of images to us; or (e) any claim by a recipient of a substitute check corresponding to a check processed through this service, that the recipient incurred a loss due to (i) the receipt of a substitute check instead of the original check, or (ii) multiple payments with respect to the same original check, based on any combination of the original check, the substitute check and/or any paper or electronic copy of either. This section shall survive the termination of this Agreement.

## **Section B**

### **End User License Agreement Terms for the Downloadable App**

To be Agreed to by End User Prior to Use of the Downloadable App:

#### **1. Ownership**

You acknowledge and agree that a third party provider or licensor to your financial services provider (“Licensor”) is the owner of all right, title and interest in and to the downloaded software to be used for access to mobile banking services from your financial services provider and the computer programs contained therein in machine readable object code form as well as any accompanying user documentation along with all subsequent copies, updates or versions thereof which are made available to you (if any), regardless of the media or form in which they may exist (collectively the “Software”).

#### **2. License**

Subject to the terms and conditions of this Agreement, you are hereby granted a limited, nonexclusive license to use the Software in accordance with the terms of this Agreement. All rights not expressly granted to you by this Agreement are hereby reserved by the owner of the Software. Nothing in this license will entitle you to receive hard-copy documentation, technical support, telephone assistance, or updates to the Software. This Agreement may be terminated at any time, for any reason or no reason. Upon termination, you agree to immediately destroy all copies of the Software in your possession or control.

#### **3. Restrictions**

You shall not: (i) modify, revise or create any derivative works of the Software; (ii) decompile, reverse engineer or otherwise attempt to derive the source code for the Software; (iii) redistribute, sell, rent, lease, sublicense, or otherwise transfer rights to the Software; or (iv) remove or alter any proprietary notices, legends, symbols or labels in the Software, including, but not limited to, any trademark, logo or copyright.

#### **4. Disclaimer Warranty**

THE SOFTWARE IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. NO WARRANTY IS PROVIDED THAT THE SOFTWARE WILL BE FREE FROM DEFECTS OR VIRUSES OR THAT OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED. YOUR USE OF THE SOFTWARE AND ANY OTHER MATERIAL OR SERVICES DOWNLOADED OR MADE AVAILABLE TO YOU THROUGH THE SOFTWARE IS AT YOUR OWN DISCRETION AND RISK, AND YOU ARE SOLELY RESPONSIBLE FOR ANY DAMAGE RESULTING FROM THEIR USE.

#### **5. Limitations of Warranty**

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL LICENSOR , THE PROVIDER OF ANY FINANCIAL SERVICES AVAILABLE THROUGH OR RELATED TO THE SOFTWARE, ANY

OF THEIR CONTRACTORS OR PROVIDERS OR ANY OF EACH OF THEIR AFFILIATES BE LIABLE FOR ANY DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE SOFTWARE, INCLUDING BUT NOT LIMITED TO ANY GENERAL, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, AND REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH ANY CLAIM IS BASED. IN ANY CASE, LIABILITY OF LICENSOR OR ANY OF THE OTHER PERSONS OR ENTITIES DESCRIBED IN THE PRECEDING SENTENCE ARISING OUT OF THE USE OR INABILITY TO USE THE SOFTWARE SHALL NOT EXCEED IN THE AGGREGATE THE LESSER OF \$10.00 OR THE SUM OF THE FEES PAID BY YOU FOR THIS LICENSE.

## **6. U.S. Government Restricted Rights**

The Software is commercial computer software subject to RESTRICTED RIGHTS. In accordance with 48 CFR 12.212 (Computer software) or DFARS 227.7202 (Commercial computer software and commercial computer software documentation), as applicable, the use, duplication, and disclosure of the Software by the United States of America, its agencies or instrumentalities is subject to the restrictions set forth in this Agreement.

## **7. Miscellaneous**

This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof. This Agreement will be governed by and construed in accordance with the laws of the state of Florida excluding that body of laws pertaining to conflict of laws. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, such provision will be enforced to the maximum extent possible and the other provisions will remain effective and enforceable. All disputes relating to this Agreement are subject to the exclusive jurisdiction of the courts of Florida and the parties expressly consent to jurisdiction and venue thereof and therein. The parties confirm that this Agreement and all related documentation are and will be in the English language. The application of the United Nations Convention on Contracts for the International Sale of Goods is hereby expressly waived and excluded.

## **8. Content and Services**

Neither Licensor nor the provider of the wireless network is the provider of any financial services available through or related to the Software, and neither Licensor nor the provider of the wireless network or any contractor of the provider of the financial services available through or related to the Software, is responsible for any of the materials, information, products or services made available to you via the Software.