



## Treasury Management Agreement

(Effective January 6, 2021)

This Agreement sets forth the terms of the treasury management services (“*Service*” or “*Services*”) offered by Cathay Bank (“*us*” or “*we*”). By applying for or enrolling in any Service, you agree to be bound by this 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. 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 right, 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 and online user guides (collectively, "User Guides") in connection with certain Services. You agree to: (a) comply with the User Guides and procedures that we provide to you; (b) take reasonable steps to safeguard the confidentiality and security of the Password, the User Guide, 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 Customer 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 Customer. Customer 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. Customer 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 (“ORDERS”) THAT YOU NORMALLY ISSUE. YOU FURTHER AGREE THAT ORDERS SENT USING OUR SECURITY PROCEDURES VIA OUR FUNDS TRANSFER SERVICE OR OUR WIRE UPLOAD SERVICE OR ANY OTHER SERVICE THAT WE OFFER SHALL BE DEEMED TO BE ORDERS 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 Orders using the Wire 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 payment 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 Orders. 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 errors in your Orders or Files). 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 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 Orders using the Funds Transfer Service or upload Files using the Wire 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 credit worthiness and also may 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 (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. **Cash Vault Service.** If you are approved for this Service, we will make arrangements with a third party to accept coin and currency from you for deposit to your account with us. Please see our separate addendum for the terms of this Service.
8. **Funds Transfer Services.** We offer funds transfer Services that allow 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 Payment Orders. 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 two business days before the payment date and all other ACH Orders one business day prior to the payment date. 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 Orders 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 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 Orders 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 their actions or omissions.

Available Funds. We may refuse an Order if there are not sufficient collected and available funds in your account on the date we initiate the transaction or on the payment date. We may require that your ACH credit transactions be prefunded two business days prior to the settlement date. We may place a hold on funds pending our processing of your Order. Nothing in this Agreement, or any course of dealing between us, shall be construed as our commitment or obligation to lend money to you.

ACH Transaction Rules. You agree to comply with the operating rules (the "*Rules*") of NACHA when you conduct transactions through the ACH. You can obtain a copy of the Rules at [www.nacha.org](http://www.nacha.org) or by telephoning NACHA at 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 banking days following the settlement date of your prenotification entry.

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.

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 drawdown wire Orders only with the prior written authorization of the owners of the accounts affected by such Orders. 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 ACH debit Orders to collect funds for checks or other paper items which have been dishonored and returned for any reason, even if such represented check Orders 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 Orders 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 effected. You agree to indemnify, defend, hold harmless and reimburse us for all expenses, losses, claims, actions, proceedings and damages we incur in effecting or attempting to effect any 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. 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 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 business days after the date the Order was to be effected. We are not required to pay you interest on a rejected Order for the period from refusal of the Order to your receipt of the notice of refusal.

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. We will not be obligated to credit your account with any interest, unless the return is caused by our failure to properly execute the Order. 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 Orders.

Provisional Credit. Credit for an ACH transfer is provisional until the receiving financial institution obtains final settlement. If final settlement doesn't occur, the originator of the transfer is not deemed to have made payment to the beneficiary, and the beneficiary's bank is entitled to a refund of the provisional credit.

Limitations. Payments and transfers from Savings accounts and 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.

9. **Courier Services.** If arrangements are made to transfer 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.
10. **Loan Actions & Loan Transmit.** Customers 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.
11. **Lockbox Service.** With this Service, we will process payments to you that are received through a designated post office box. Please see our separate addendum for the terms of this Service.
12. **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.
13. **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.
14. **Positive Pay Service.**

If you provide us with a list of the serial numbers and the amounts (exact dollars and cents) of the checks that you issue by the cutoff hour for the Positive Pay Service, we will compare the list with the information that is encoded on items presented to us for payment against your designated account. If the information matches, 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. You must then advise us if you do not want us to pay the items listed in the report. Unless you notify us through the Positive Pay Service not to pay the items, we may consider them to be validly issued and properly payable, and may 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.

Payee Positive Pay. If you enroll in Payee Positive Pay Service you may provide us with a list 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 7:00 a.m. PT. 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, an exception will be created. Except as otherwise provided in this paragraph, the terms of the Positive Pay Service also apply to the Payee Positive Pay Service. That is, a check presented for comparison, and an exception created pursuant to such comparison, in the Payee Positive Pay Service will be treated as a check presented for comparison, and an exception created pursuant to such comparison, in the Positive Pay Service.

Checks Covered by Positive Pay Service. The Positive Pay Service applies to checks that are presented for payment through normal interbank clearings and posted to your account each night. It 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, misencoded items, or checks lacking an encoded serial number. The 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 Positive Pay Service and your account. You understand that the 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 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.

We must receive your Positive Pay list on or before our Positive Pay Service cutoff hour each business day. If we receive your list after that hour or on a non-business day, it may not be used to match against incoming checks until the following business day. We will provide you with information on exception items by means of the Work Positive Pay Items list each day we receive checks through inclearings. You must instruct us to pay or return exception items by 12:00 p.m. PT the same business day.

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 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 Positive Pay Service not to pay the items.

Security. You agree to implement reasonable internal security procedures in connection with the 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.

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, 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 Positive Pay Service.

15. **ACH Positive Pay Service.**

The ACH Positive Pay Service allows you to review certain ACH debit entries (“ACH Exceptions”) prior to posting to your designated account and make decisions on whether to pay the ACH debit entries or return the ACH debit entries. 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”).

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. PT in order for the ACH Payment Rule to take effect for the current business day ACH exception decision window, between 5:00 a.m. PT and 12:00 p.m. PT (“Decision Window”). An ACH Payment Rule created, modified or deleted after 4:00 a.m. PT 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.

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 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.

16. **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) 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 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.

17. **Sweep Investment Service.** This Service, which is provided under a separate agreement between you and a third party service provider, allows you to transfer or “sweep” funds between your checking account and the mutual fund that you select for investments. We assume no obligation for the actions or omissions of the service provider. Your funds are insured by the FDIC until they are transferred outside the Bank to purchase investments.

**IMPORTANT NOTE: MUTUAL FUND SHARES: (A) ARE NOT INSURED OR GUARANTEED BY THE FDIC OR ANY OTHER GOVERNMENT AGENCY; (B) ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED BY, THE BANK OR ANY OF ITS AFFILIATES; AND (C) INVOLVE AN INVESTMENT RISK, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNTS INVESTED.**

18. **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 if we are unable to process any report or payment in the manner contemplated by the Service no later than the banking day following the payment date. 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 instruction 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 instruction for an impending tax payment by telephoning us at 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 Services" 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.

19. **Business Mobile Banking.** When you download the application software for Business Mobile Banking or access mobile web via your mobile device's browser, you will enjoy the convenience of managing your accounts whenever and wherever you want, right on your mobile phone. The application will allow you to use your 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 in this document.
20. **Wire Upload Service.** We offer you the ability to upload Files containing Orders to make payments to others and to transfer funds between accounts through the ACH, by wire, or by internal transfer (the "*Wire Upload Service*"). Each Order contained within a File submitted via the Wire Upload Service 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.

## GENERAL PROVISIONS

21. **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.

22. **Arbitration.** If a dispute involving \$50,000 or more arises between us with respect to this Agreement, its enforcement or our Services, either of us may require that it be settled by binding arbitration administered by the American Arbitration Association, in accordance with Title 9 of the United States Code (Federal Arbitration Act) and the Commercial Arbitration Rules of the American Arbitration Association. If litigation is commenced by either party, demand for arbitration must be made within 30 days of service of the complaint on the party demanding arbitration. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. If permitted by law, each of us waives any right to trial by jury for disputes arising out of or relating to this Agreement or the Services.
23. **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.
24. **Cutoff Hours and Business Days.** 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 (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.
25. **Electronic Mail/Internet.** If you 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 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.
26. **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.
27. **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.

28. **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.
29. **Governing Law/Compliance.** This Agreement will be governed by and construed in accordance with the laws 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.
30. **Inactivity.** If you do not use Services for a period of 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.
31. **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.
32. **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.
33. **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 times the average monthly charge for the Service(s) in question for the three months immediately preceding the cost or loss, or (ii) \$25,000.

Any claim, action or proceeding by you to enforce the terms of this Agreement or to recover for any Service-related loss must 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.

34. **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 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 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 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, Customer Service and Treasury Management Implementation and Support Department, 9650 Flair Drive 1-3-C, El Monte, CA 91731.

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.

35. **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 business days following receipt by us of the transaction document, tape, file, entry, transmission, or other order affecting an account.
36. **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.
37. **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.
38. **Termination.** Either party may terminate this Agreement as to some or all of the Services, with or without cause, by giving 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).
39. **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 have our prior written consent, you



may not use the Services to process transactions for third parties or permit others to initiate Service transactions on your behalf.

40. **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.
41. **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.
42. **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 Customer Service Department says and the terms of this Agreement, the terms of this Agreement will prevail.
43. **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.
44. **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**

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 Guarantee**

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

### **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 and any Payment Manager Guarantee shall be void 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 Customer Service by calling 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 Customer Service. 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 customer service via one of the following:

1. Telephone us at 1-800-9CATHAY during customer service hours; and/or
2. Write us at:

Cathay Bank  
Attn: Customer Service and Treasury Management Implementation and Support  
9650 Flair Drive 1-3-C  
El Monte CA 91731

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)

## **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 customer service at 1-800-9CATHAY (1-800-922-8429).

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 customers 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; (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 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 alteration, 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 ten items on any business day and 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 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 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. PT, 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 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.