



Personal Online Banking and Bill Payment Agreement

This Personal Online Banking and Bill Payment Agreement (“Agreement”) states the terms and conditions for Personal Online Banking (“Online Banking”), and Online Bill Payment (“Bill Payment”) offered by Bank of Southern California (“Bank”). When you use or you permit any other person(s) to use Online Banking and Bill Payment, you agree to the terms and conditions of this Agreement. These terms and conditions are in addition to those that apply to any accounts you have with the Bank including those indicated in the Consumer Deposit Account Agreement that you were given when you opened your account and that is amended from time to time.

As used in this Agreement, “you” or “your” refers to each person(s) subscribing to, using or accessing this service; “we”, “us” or “our” refers to the Bank and any agent, independent contractor, designee, or assignee the Bank may, in its sole discretion, involve in the provision of Online Banking. Online Bill Payment is defined as the bill payment service that is available through Online Banking.

Confidentiality of Your User ID and Password. Use of your User ID and Password is the security procedure for you to access Online Banking. In order to prevent unauthorized access to your accounts and to prevent unauthorized use of Online Banking, you agree, by using Online Banking, to keep confidential and to not give or make available your User ID and Password or other means to access your accounts to any person not authorized to access your accounts. We strongly recommend that you change your password every 90 days to maintain a comfortable level of security for your account. We believe that periodically changing your password provides an added layer of protection. The loss, theft or unauthorized use of your account numbers, User IDs and Passwords could cause the loss of some or all of the money in your accounts, plus any amount available under your overdraft protection credit line. If you disclose your account numbers, User IDs and/or Passwords to any person(s) or entity, you assume all risks and losses associated with such disclosure. You are responsible for all transfers and bill payments you authorize using Online Banking. If you permit any other person(s) or entity to use Online Banking or to access or use your account numbers, User IDs, Passwords or other means to access your accounts, you are responsible for any transactions and activities they authorize from your accounts. You agree to immediately notify us by calling (858) 847-4723, or calling your local branch during normal business hours, of any unauthorized use of your account numbers, User IDs, and Passwords or of any other breach of security, or if you believe someone may attempt to use Online Banking without your consent or has transferred money without your permission.

In the event that you experience a problem with your User ID or password, please contact the Bank by calling (858) 847-4723 or by sending us an electronic message using Online Banking, or by contacting your local branch.

Account Information. You may use Online Banking to view current balance information for your linked checking, money market, savings, Certificates of Deposit and loans. For accounts to be linked, they must have the same vesting and taxpayer identification number.

Transfers. You may also transfer funds between your linked accounts on either a one-time or recurring basis. Transfers are permitted between accounts with like vestings and Tax Identification Numbers (TIN). Transfers are not permitted on accounts where this transaction is not allowed (i.e. Certificates of Deposit). Before accounts can be utilized for transfer transactions, you must contact your branch for initial set-up.

Cancellation of Service. If you have not used your Online Banking account for over six months, we reserve the right to cancel this service and remove your access. You may always reapply at a later date.

Other Agreements. Your accounts will continue to be subject to the agreements otherwise governing them. Additionally, each account and online service will be subject to the following:

- The terms or instructions appearing on a screen when using a service;
- The rules and regulations of any electronic funds transfer system used in connection with an online service; and
- Applicable state and federal laws and regulations.

Bill Payment

Definitions. As used in this Agreement, the term “Payee” means the person or entity to whom you wish a bill payment to be directed; “Payment Instruction” means the information provided by you to us for a bill payment to be made to Payee; “Payment Account” means your checking account from which a bill payment will be debited; “Business Day” means Monday through Friday, excluding Federal Reserve holidays; “Scheduled Payment Date” means the day of your choice upon which your bill payment will begin

processing (a Scheduled Payment Date on a non-Business Day will be processed the next Business Day); and “Cutoff Time” means 6:00 p.m. PST on any Business Day.

Information Authorization. Your enrollment in Bill Payment may not be fulfilled if we cannot verify your identity or other necessary information. In addition, you agree that we reserve the right to obtain financial information from a Payee regarding your account with them to resolve payment-posting problems.

Fees. We may assess a fee for any bill payment request drawn against insufficient funds in your Payment Account and an additional fee for overdraft balances that are not promptly repaid on your Payment Account. We will not be liable for failure to pay any request unless it is drawn against available funds credited to the Payment Account at the opening of business on the day the bill payment is scheduled to be debited. If we pay a bill payment that overdraws your Payment Account, you agree to pay us the amount of the overdraft upon demand, whether or not you participated in the transaction creating the overdraft or received any benefit from the debit creating the overdraft. You agree to pay all costs and expenses, including attorneys’ fees, incurred by us in the collection of any overdraft.

Payment Instructions. To use Bill Payment, you must provide information online to us that identify your Payees. You must provide sufficient information about a Payee to permit us to properly direct a payment and permit the Payee upon receipt of a payment to identify you as the payment source. You do this by filling in all required fields with accurate information, as directed by the Bill Payment screen messages. By providing us with the names and account information of those Payees to whom you wish to direct payment, you authorize us to follow the Payment Instructions that we receive through the payment system. When receive a Payment Instruction, you authorize us to debit your Payment Account and remit funds to the Payee on your behalf.

Types of Payments. You will be able to set up the following types of bill payments:

1. Single Payments. You may schedule a payment to be made one time to a Payee. The payment may be scheduled on a future date or on the same day you enter the Payment Instruction provided you enter the Payment Instruction by Cutoff Time.
2. Recurring Payments. You may schedule the same payment to be paid each month.
3. No Duplicate Payments. You may not schedule duplicate payments. A duplicate payment is one that is rescheduled to be made to the same Payee while another payment to such Payee is a “Pending Payment” (hereinafter defined). A duplicate payment is different from a Recurring Payment, which is scheduled for the same Scheduled Payment Date of different months.

Payment Limits. The amount of any Single Payment or Recurring Payment shall not exceed \$10,000.00 with a daily aggregate limit of \$20,000.00. In addition, a Single Payment to a Payee must be “In Process” or “Processed” (hereinafter defined) before an additional Single Payment can be scheduled to the same Payee.

Payee Limitation. We reserve the right to refuse to pay any Payee to whom you may direct a payment for security reasons or any other reason. We will notify you promptly if we decide to refuse to pay a Payee designated by you. This notification is not required, however, if you attempt to make a prohibited payment under this Agreement.

International Payments. International payments are prohibited through Bill Payment with two exceptions:

1. U.S. Territories
 - a. Guam
 - b. Puerto Rico
 - c. U.S. Virgin Islands
2. International Military Bases
 - a. Armed Forces Americas
 - b. Armed Forces Europe, Asia, Canada, Middle East
 - c. Armed Forces Pacific

Scheduling of Payment by Due Date. While it is anticipated that most transactions will be processed on the next Business Day after your Scheduled Payment Date, and be received by the payee approximately five (5) Business Days after your selected Scheduled Payment Date, it is understood that due to circumstances beyond our control, particularly delays in handling and posting payments by slow responding Payees or financial institutions, some transactions may take longer to be credited by your Payee to your Payee account. For this reason, it is necessary that all Scheduled Payment Dates selected by you be no less than five (5) Business Days before the bill’s actual due date, not the late date and/or a date within the grace period. Payment Instructions entered after the Cutoff Time or on non-Business Days will be considered entered in Bill Payment on the next Business Day. For Recurring Payments, this means you must allow additional time for months in which weekends or holidays reduce the number of Business Days between the Recurring Payment date and the bill’s actual due date. If you properly follow the procedures described herein and we fail to send a payment according to the Payment Instructions received, we will bear responsibility for late charges (up to a maximum of \$50.00 per scheduled payment per payee). In any other event, including but not limited to, choosing a Scheduled Payment Date less than five (5)

Business Days before the bill's actual due date, the risk of incurring and the responsibility for paying any and all late charges or penalties shall be borne by you.

Payment Confirmation Number. You will be provided a confirmation number for each payment you schedule using Bill Payment. This number is available on the Bill Payment Reports if you need to refer to it in the future. The confirmation number will help us resolve any questions you have concerning your transactions.

Reasonable Efforts. We will use reasonable efforts to make all your payments properly. However, we shall incur no liability if we are unable to complete any payments initiated by you through the Bill Payment Service 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 available funds to complete the transaction or the transaction would exceed the credit limit of your overdraft account;
2. Bill Payment or Online Banking is not working properly and you know or have been advised by us about the problem before you execute the transaction;
3. The Payee, or any processing third party, mishandles or delays a payment sent by us;
4. You have not provided us with the correct name, phone number or account information for the Payee, or you have not provided us with accurate personal information on your Bill Payment enrollment, or you have otherwise provided incomplete Payment Instructions;
5. 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;
6. We have reason to believe that a particular bill payment is not authorized.

Provided none of the foregoing six (6) exceptions are applicable, if we cause an incorrect amount of funds to be removed from your Payment Account or cause funds from your Payment Account to be directed by 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.

Definition of Pending/In Process/Processed Payments. A bill payment is "In Process" starting at the Cutoff Time on the Scheduled Payment Date and continuing up to the next Business Day after the Scheduled Payment Date. A bill payment is a "Pending Payment" starting from the time you enter Payment Instructions until the payment is "In Process". A bill payment is considered "Processed" on the next Business Day after the scheduled Payment Date.

Canceling or Editing Pending Payments. You may cancel or edit Pending Payment (including Recurring Payments). There is no charge for canceling or editing a Pending Payment. You will receive a confirmation number when your Pending Payment has been edited and canceled. The confirmation number will help us resolve any questions you may have concerning your transactions. For payment edits, this number is available on the Bill Payments Report if you need to refer to it in the future.

Canceling or Editing In Process/Processed Payments. We may not have a reasonable opportunity to act on any stop payment, edit, or cancellation order given after a payment is "In Process" and it is not possible to stop, edit, or cancel a payment which is "Processed". If you desire to cancel, edit, or cancel a payment which is "In Process", you must call the toll free Help Line on the Online Banking Website. If you call, we may also require you to present your request in writing within fourteen (14) days after you call. Although we will attempt to accommodate your request, we will have no liability for failing to do so. Stop payment requests will be accepted only if we have a reasonable opportunity to act on such requests. Stop payment requests will be accepted only if we have a reasonable opportunity to act on such requests. Stop payment requests sent to us via electronic mail or in any other manner may not reach us in time for us to act on your request. The terms and charge as set for in the Consumer Deposit Account Agreement that you received when you opened your checking account and this is amended from time to time.

Means of Payment. Once your scheduled bill payment is "In Process", we may remit your payment to your Payee by any one of the following means at our sole discretion: (1) by electronic funds transfer or (2) by mailing your Payee a check drawn on an account we maintain for this purpose. The timing of when your scheduled bill payment is debited from your Payment Account may vary, depending on the payment means we select.

Statements. All of your payments made through the Bill Payment Service will appear on your monthly account statement(s). You can also view payment activity on the Online Banking Account Activity screen.

Canceling Bill Payment Service. You may cancel your use of Bill Payment at any time by contacting your local branch. You may also cancel your use of Bill Payment by sending an electronic message or request through Online Banking to the Bank. If you notify us by telephone, we may request that you put your request in writing. We cannot cancel your Bill Payment until all Pending Payments have cleared your Payment Account. If you have Pending Payments and do not want to wait for them to clear, you may individually delete these future payments. You will not receive a refund of any service fee if you cancel. The Bank may cancel or suspend your

Bill Payment Service your Bill Payment service, in whole or in part, at any time without prior notice. Cancellation or suspension shall not affect your liability or obligations under this Agreement.

Non-Sufficient Funds to Make Payments. In using Bill Payment, you are requesting that we 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 not sufficient funds in your Payment account to cover the transaction), the transaction may not be completed. In some instances, if your account has become overdrawn, you agree that:

1. You will reimburse us immediately upon demand for the amount your account is overdrawn;
2. You will reimburse us for any fees imposed by the Bank as a result of such overdraft;
3. You will reimburse us for any fees we incur in attempting to collect the amount of the overdraft;
4. We are hereby authorized to report the facts concerning the overdraft to a credit-reporting agency;
5. We may immediately close your Online Banking and Online Bill Payment.

Additional Terms to Online Banking and Bill Payment

Address Changes. You agree to promptly notify the Bank of any address change and/or any change to your telephone number by completing a Change of Address form at your local branch or change to your e-mail address through Online Banking.

Phone and Internet Access Charges. In addition, you will be responsible for paying any telephone company or utility charges and/or Internet access service fees incurred while using telephone lines and/or Internet access services to connect with Online Banking.

Waiver of Requirement for Two Signatures. You recognize that any requirement of verifying two signatures on checks, if such a requirement exists, does not apply to electronic or telephone transfers, including online bill payments, and you release the Bank from liability when making such transfers or payments. This means that any person who is authorized to act as a signer on your account shall be authorized by you to individually make electronic or telephonic transfers including online bill payments from your account even though that person's authority to transfer or withdraw funds from your account by some other means (e.g. by check) must be exercised jointly with one or more other persons.

E-mail to the Bank. Online Banking provides a "contact us" function where you may ask questions about your account(s) or give comments on the Online Banking services. This e-mail function is accessible after you sign on with your password to a secure session. To ensure the security of your account information, we recommend that you use only this e-mail process when asking specific questions about your account(s).

Equipment. You are responsible for obtaining, installing, maintaining, and operating all computer hardware, software, and Internet User services necessary for performing Online Banking. The Bank will not be responsible for any errors or failures from the malfunction or failure of your hardware, software or any Internet User services.

Limitation of User/Security. The Bank may terminate Online Banking in whole or in part at any time without prior notice. The Bank reserves the right to limit or suspend your access to Online Banking at any time. In order to maintain secure communications and reduce fraud, you agree to protect the security of your numbers, codes and other means of identification (including, without limitation, account numbers, Users IDs, and Passwords). We reserve the right to block access to Online Banking to maintain or restore security to our Site and systems, if we reasonably believe your access codes have been or may be obtained or are being used or may be used by an unauthorized person(s).

Damages. Under no circumstances will we have liability for:

1. Losses or damages resulting from the failure of your personal computer hardware, software, or any Internet access services;
or
2. Failing to provide you access to any of your accounts that are linked to Online Banking or Bill Payment. In addition, unless otherwise required by applicable law, we will only be responsible for performing Online Banking and Online Bill Payment services as expressly stated in this Agreement, and will only be liable for any losses incurred by you to the extent such losses directly result from our gross negligence or intentional misconduct in performing such services. IN NO EVENT WILL WE HAVE LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE, INCLUDING LOSS OF PROFITS, LOST BUSINESS OPPORTUNITY, OR FOR ATTORNEYS' FEES INCURRED BY YOU, WHETHER OR NOT ANY CLAIM FOR SUCH DAMAGES IS BASED ON TORT OR CONTRACT OR WE KNOW OR SHOULD HAVE KNOWN THE LIKELIHOOD OF SUCH DAMAGES IN ANY CIRCUMSTANCES.

Non-Liability for Failures of Other Companies. Effective processing of your financial transactions may depend on the readiness of service providers other than the Bank. Such other service providing companies include, but are not limited to, originators of payments to you, recipients of payments you make, your Internet service provider if you have one, and companies that provide your utilities and telecommunications services. To the maximum extent permitted by law, the Bank disclaims responsibility and liability for delays, disruptions or failures by such other companies.

Warranties Disclaimer. THE ONLINE SERVICES AND RELATED DOCUMENTATION ARE PROVIDED “AS IS” AND WE DO NOT MAKE ANY WARRANTIES OF ANY KIND, EITHER EXPRESSED OR IMPLIED, CONCERNING ANY HARDWARE OR SOFTWARE OR ANY PART THEREOF THAT MAY BE USED IN CONNECTION WITH THE ONLINE SERVICES, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Indemnification. Except to the extent that we may be liable under the terms of this Agreement or any other agreement that governs your accounts that are linked to Online Banking or Bill Payment, you agree to indemnify and hold us, our directors, officers, employees and agents harmless from any and all loss, liability, claims, demands, judgments, and expenses arising out of or in any way connected with your use of Online Banking or Bill Payment.

Errors or Questions. In case of errors or questions about Online Banking, call the toll-free Help Line displayed on the Online Banking Website or send us an electronic message using Online Banking, or call your local branch, or write to Central Services at 12265 El Camino Real, Suite 100, San Diego, CA 92130.

Amendments. In addition to this Agreement, you agree to comply with all applicable account agreements including without limitation the Deposit Account and Services Agreement that you received when you opened your checking account and that is amended from time to time.

The Bank may amend or change this Agreement (including applicable fees and service charges) by sending you written notice by electronic mail or by regular mail sent to your address as it appears on your account records. You agree that the Bank may also send you future notices and disclosures about your accounts with the Bank by electronic mail, where permitted by law. Any use of Online Banking after we send you a notice of change will constitute your agreement to such change(s). Further, we may, from time to time, revise or update the Online Banking programs, services and/or related material, which may render such prior versions of such materials obsolete. Consequently, we reserve the right to terminate this Agreement as to all such prior versions of the programs, services, and/or related material, and to limit access to the most current version of Online Banking. We shall not be deemed to have waived any of our rights or remedies hereunder unless such waiver is in writing or signed by us. No delay or omission on our part in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights and remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

By applying for and using Online Banking and/or Bill Payment, you acknowledge receipt of these terms and agree to abide by them. In addition, you consent to receiving electronically any other notice, document or disclosure required to be provided to you in writing for this service. Your consent to receive electronic Disclosures and Agreements is for any notice, document, or disclosure required to be provided to you in writing for the Online Banking and/or Online Bill Payment Services. You may at any time withdraw your consent to receive Disclosures and Agreements electronically. To do so, notify Central Services at (858) 847-4723 during normal business hours.

You are entitled to receive Disclosures and Agreements in writing. To request written Disclosures and Agreements, contact (858) 847-4723 or call your local branch (refer to www.banksocal.com for branch locations) during normal business hours. There is no charge to receive written Disclosures and Agreements.

IMPORTANT INFORMATION

Security. Bank of Southern California is dedicated to maintaining a secure online banking environment. Our commitment is to protect you, as our customer, from security threats by providing adequate and appropriate protection of assets through a comprehensive internal control environment. We have focused on areas where we believe there is risk exposure and put into place procedures designed to control this exposure that could make you vulnerable to any privacy or security risk.

Support. For any questions or concerns you may have in using Online Banking, you may call us at (858) 847-4723 during normal business hours.

Minimum Hardware/Software Requirements. The Online Banking product has been optimized to run on a fairly standard platform which meets the following system requirements:

1. Hardware: PC Computer Equipped with:
 - a. 133 MHz processor
 - b. 64 MB of memory
 - c. 56K modem
 - d. 800 x 600 screen resolution
2. Software: Web Browser with 128 Bit Encryption:
 - a. Microsoft Internet Explorer – Minimum 6.0
 - b. AOL Browser 8.0
 - c. Firefox 1.0
 - d. Macintosh Browser Safari 1.2x

Note: Our product can still run on less robust machines, but response may be slower.