



FUNDS TRANSFER AGREEMENT

This Funds Transfer Agreement ("Agreement") is dated as of _____ and is entered into between _____, a _____ ("Customer" or "you", "your" or similar terms) and **Gateway Business Bank** ("Bank" or "we", "us", "our" or similar terms). This Agreement is made to set out the terms under which Customer may transfer funds from Customer-designated accounts.

Bank and Customer agree as follows:

1. **Funds Transfer Requests.** Customer may submit funds transfer payment orders ("Requests") in accordance with the terms and conditions of this Agreement. Subject to security procedures, Bank will execute funds transfers in accordance with Requests received in the name of Customer, whether such Requests are written, oral, telephonic, electronic, telegraphic or via an automatic transfer device, unless otherwise specifically agreed in writing. In order to submit a request electronically, Customer is required to execute Gateway Business Bank's On-Line Cash Management Agreement. Funds must be available in accordance with Bank's funds availability policy in the account specified in the Request at the time the request is made. Bank may choose the funds transfer mechanism (for example, Fedwire, correspondent bank transfer, internal transfer, letter) to be used when acting upon a Request.
2. **Authentication of Requests.** If Bank acts on a Request in compliance with the Security procedures, then Customer will be obligated on the Request and it will be treated as Customer's Request, whether or not authorized by Customer. The security procedures may be changed by Bank from time to time. Customer's continued use of any modified security procedures will evidence Customer's agreement that the modified security procedures are commercially reasonable.

If a Request purports to have been transmitted or authorized by Customer, it will be deemed effective as Customer's Request and Customer will be obligated to Bank for the amount of the Request, even though the Request was not authorized by Customer or by an Authorized Agent, provided Bank acted in compliance with the security procedures referred to in this Agreement (or any other applicable agreement) with respect to the Request.

If a Request received by Bank was transmitted or authorized by Customer, Customer will be obligated to pay the amount of the Request as provided herein, whether or not Bank complied with the security procedures referred to in this Agreement with respect to that Request and whether or not that Request was erroneous in any respect or that error would have been detected if Bank had complied with such security procedures.

Customer is responsible for maintaining the confidentiality of the security procedures, including any codes. Customer agrees to closely and regularly monitor the actions of its employees who have the ability to make Requests. Customer further agrees to notify Bank immediately if any employee authorized to make Requests leaves its employment and in the event Customer suspects that any security procedure used to verify the authenticity of Requests (including but not limited to any confidential code or password) has been or may be compromised or rendered ineffective. Bank may, but is not obligated to, record electronically any telephone calls between Bank and persons acting on Customer's behalf, and may keep these recordings for as long as Bank wishes. Customer must obtain the consent of persons affected by such recording. Customer agrees that these recordings, and any other messages (including telecopy or facsimile messages) received by Bank, will be treated as writings signed by Customer, and will control in the event of any difference with the records of Customer.

The security procedures are set forth at Schedule A. Customer will review the security procedures before choosing one or more for use by Bank. If no other specific election is made by Customer, then the Customer will be deemed to have chosen the Limited Call Back option. Customer: (a) acknowledges that Customer has chosen the security procedures after the Bank offered, and the

Customer refused, the other security procedure options available to Customer; and (b) acknowledges and agrees that Customer (i) has assessed the size, type and frequency of Requests normally issued by Customer and (ii) has determined that one or more of the security procedures offered by the Bank is commercially reasonable for the Customer. If Customer chooses a security procedure that is not commercially reasonable for Customer, Customer acknowledges and agrees that Customer has expressly agreed to be bound by any Request whether or not authorized issued in its name and accepted by Bank in compliance with the security procedure chosen by Customer.

3. **Form and Format of Requests.** You will complete and transmit all Requests in the form, format and manner that we designate. You will not permit anyone to issue Requests on your behalf without proper training and supervision. We may: (a) refuse to accept any Request which is incomplete, ambiguous, not approved by an authorized person, or which does not conform to our requirements; (b) reject any Request that exceeds any threshold we establish for your account or which is not confirmed to our satisfaction before our processing cutoff hour; and (c) execute your Request through any intermediary financial institution or funds transfer system we choose, notwithstanding any contrary information contained in a Request.
4. **Inaccurate Requests.** We are not obligated to review Requests for inconsistencies or to confirm the accuracy or completion of your Request. When a Request contains a name and account number, payment may be made by Bank and/or by other banks to which a Request is forwarded based solely on the account number even if the account number identifies a beneficiary different from the beneficiary named by Customer. Customer acknowledges that Bank and other banks to which a Request is forwarded may rely on any bank identification number supplied by Customer as a means to identify any other bank, even if the identification number is different than the bank named by Customer. Customer's obligation to pay the amount of the funds transfer to Bank is not excused in such circumstances.
5. **Processing Cutoff Hour.** Requests (including amendment and cancellation orders) must be received by us on or before our processing cutoff hour (currently 2 p.m. local time of the Bank for intrabank transfers, 12:00 p.m. local time of the Bank for domestic wire transfers, and 12:00 p.m. local time of the Bank for international wire transfers) in order to be executed on the same day. Requests received after the cutoff hour or on a Saturday, Sunday or holiday will be deemed received by us on our next funds-transfer business day. Transfers may be delayed if an intermediary financial institution or the beneficiary's financial institution is not accepting orders (e.g., due to a local holiday). For purposes of this Agreement, our "business days" are Monday through Friday (holidays not included).
6. **Cancellations and Amendments.** You may not cancel or amend a Request once we have executed it. A Request is considered executed when Bank executes it. You may cancel or amend a Request prior to its execution by providing us with a cancellation or amendment instruction in the form, format and manner that we designate from time to time. At our discretion, we may accept telephonic requests to cancel or amend a Request. Cancellation and amendment of Requests must be received before our processing cutoff hour and must contain all of the information requested by us. We may reject late or nonconforming cancellation and amendment instruction. If we attempt to process late or nonconforming instruction, you agree to reimburse us for all costs, losses and damages we incur as a result. You also agree to indemnify, defend and hold the bank and its agents harmless from all actions, proceedings and claims that may arise, directly or indirectly, if we attempt to cancel, amend or reverse an executed Payment Order at your request.
7. **Rejection of Requests.** We reserve the right to refuse any Request with or without cause or prior notice. Also, we may reject any Request: (a) that fails to comply with this Agreement or the Security Procedure; (b) if you lack sufficient collected funds for the transfer; (c) if the transfer would cause us to exceed any legal, regulatory, payment system or government policy limitation or guideline; or (d) we are uncertain regarding the authority of the person requesting the Request or the identity or authority of the person confirming the Request.

We may notify you of any Request rejection by phone, in writing, electronically, by facsimile transmission or in person. Although we may attempt to notify you of the rejection by telephone, we are not required to send the notice to you earlier than the close of our next funds-transfer business day.

In the event a Request is rejected for any reason, it will be your responsibility to reinitiate the Request. We will have no obligation to resend a returned Request if we originally processed it in accordance with this Agreement. We will debit or credit your account for Request returned to us. Unless the return is caused by our failure to properly execute a Request, we will have no obligation to credit your account with any interest on the amount of the returned Request.

We reserve the right to reject any incoming funds transfer to your account, including a transfer from another account with us, with or without cause. To the extent permitted by law or payment system rule, credit to your account for an incoming funds transfer is provisional until we receive final settlement for the transfer. In the event final settlement is not received, we will be entitled to a refund of the amount provisionally credited.

8. **Your Duty To Review Transactions.** We will not send you a separate confirmation for funds transfers credited to an account with us (e.g., intrabank transfers). Your account statement will serve as our confirmation of funds transfers. All funds transfers will be reflected on Customer's periodic statement.

Customer agrees to: (a) review all statements and notices immediately to confirm the accuracy and authorization of each funds transfer; (b) notify us immediately if there is any discrepancy between your funds transfer and any confirmation or statement of account, or if you discover any other problem with respect to a transfer; and (c) send a written notice to us of the discrepancy or other problem, including a statement of the relevant facts, within a reasonable time (not to exceed 14 days from the date you first discover the problem or receive a statement or notice reflecting the problem, whichever occurs first). If Customer fails to notify Bank of any such discrepancy within one year of receipt of such statement or report, Customer will be precluded from asserting the discrepancy against Bank. Bank will not be responsible for any loss of interest or other loss that occurs as a result of your failure to give us timely notice.

9. **Funds Transfer Method.** Bank may use Fedwire or any other means for transmitting a funds transfer. Bank will not be responsible for failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, terrorist action, war, emergency conditions or other circumstances beyond Bank's control. In addition, Bank shall be excused from failing to accept, execute or settle with respect to a Request if to do so would result in Bank having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in Bank otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. or state governmental regulatory authority

10. **Limitation on Liability.** Bank will exercise reasonable care in processing Requests. Customer will exercise reasonable care in observing security procedures, examining statements and records, and initiating Requests. Customer is responsible for ensuring the accuracy of Requests, and Bank has no duty to verify the accuracy of a Request, nor will it be liable for any losses or damages arising out of Requests that contain erroneous information.

In no event shall Bank be liable for any consequential, special, punitive or indirect loss or damage which Customer may incur or suffer in connection with this Agreement, including without limitation loss or damage from subsequent wrongful dishonor resulting from Bank's acts or omissions pursuant to this Agreement. This limitation shall apply whether or not the likelihood of such losses or damages was known by either Bank or Customer.

Bank will be liable for Customer's lost interest if Bank fails to exercise ordinary care, calculated as follows:

(i) On analyzed accounts, through a credit to the account to reflect the applicable value date or otherwise through an adjustment to recalculate earnings credits;

(ii) On non-interest bearing, non-analyzed accounts, at a rate equal to the average of the federal funds rate set the by Federal Reserve Bank of San Francisco, less reserves, for the period in question; and

(iii) On interest bearing, non-analyzed accounts, at the rate applicable to the account.

Customer will be liable for any losses or damages resulting from Customer's breach of this Agreement or to which Customer's negligence contributed, or which resulted from unauthorized, fraudulent or dishonest acts by Customer's current and/or former authorized agents (including instances where an authorized agent acted to the detriment of Customer). Customer agrees to indemnify, defend and hold Bank, its agents and employees harmless from negligence against any and all damages, liabilities, actions, and claims which result, directly or indirectly, in whole or part, from negligence or fraud of Customer or any agent or employee of Customer.

Notwithstanding any other provision of this Agreement, Bank shall not be liable for any loss, expense or delay caused by accidents, terrorist action, strikes, fire, flood, war, riot, electrical or mechanical failure, software, acts or omissions of the Customer, or any other third parties (including but not limited to acts or omissions of any telephone or telecommunications carrier), acts of God or any other cause or causes which are beyond its reasonable control.

You understand and agree that our fees for this Agreement have been established in contemplation of these limitations on our liability and your agreement to review Request confirmations and notify us immediately of any discrepancies or problems.

11. **No Third Party Beneficiaries.** This Agreement is made for the exclusive benefit of Customer and Bank. No third party has any rights under this agreement.
12. **Assignment.** Customer may not (by operation of law or otherwise) assign or transfer this Agreement or any right or interest hereunder without first obtaining the prior written consent of Bank. Bank reserves the right to assign or transfer this Agreement to a third party without the consent of Customer.
13. **Headings.** The headings herein are for convenience only; they form no part of this Agreement and shall not be given any substantive or interpretive effect whatsoever.
14. **Entire Agreement/Compliance.** This Agreement and your deposit account agreement with us constitute the entire agreement between us with respect to the Agreement. The terms of this Agreement supersede any conflicting terms found in your deposit agreement with respect to the Agreement. Except as otherwise set forth in this Agreement, your Requests will be subject to all applicable funds transfer system rules and Federal Reserve regulations.

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

Customer further agrees not to violate the laws of the United States, including without limitation, the economic sanctions administered by the U.S. Treasury's Office of Foreign Asset Control.

15. **Waivers.** No waiver by you or us will be considered a continuing waiver or a waiver of any other right. In order to be valid, a waiver must be in writing and executed by the party granting the waiver. Our acceptance of one or more late or nonconforming Requests will not be deemed our agreement to accept such Request on an ongoing basis, and we may discontinue accepting such Request without prior notice to you. You and we waive any right to a trial by jury in the event a dispute arises between us in connection with this Agreement.
16. **Data Retention.** Customer shall retain data on file adequate to permit remaking or reconstruction of all Requests for one year following the date of the execution of the Request to which such data relates, and shall provide such data to Bank upon its request.

17. **Term.** The term of this Agreement shall begin on the day a copy of the Agreement is delivered to and executed by Bank, and shall continue in accordance with this Agreement unless otherwise terminated by either party.
18. **Notices, Instructions, Etc.** Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized agent of Customer, and any such communication shall be deemed to have been signed by such person. The names and signatures of Authorized Agents are set forth in Schedule A. Customer may add or delete any Authorized Agent by written notice to Bank in form and substance satisfactory to Bank. Such notice shall be effective on the second business day following the day of Bank's receipt thereof, unless otherwise specifically agreed to by Bank.

Except as otherwise expressly provided herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by United States registered or certified mail, postage prepaid, or by express carrier, and, if to Bank, addressed to: **Gateway Business Bank, 18000 Studebaker Road, Suite 550, Cerritos, California 90703 Attn: Internet Banking Department** and, if to Customer, Address: _____

_____ Attn: _____ unless another address is substituted by notice delivered or sent as provided herein. Except as otherwise expressly provided herein, any such notice shall be deemed given when received.

19. **Fees.** Unless otherwise agreed to in writing, Customer must pay Bank the amount of any funds transfer, plus any applicable fee, before Bank will execute the Request. Bank's funds transfer fees are subject to change. Customer agrees that Bank may deduct the fees directly from Company's accounts held at Bank.
20. **California Law.** This Agreement will be governed by and construed under the laws of the State of California (excluding conflict of law principles).
21. **Telephone Monitoring/Recording.** We may monitor and/or record telephone conversations involving this Agreement.
22. **Foreign Transfers.** Foreign transfers may be subject to delays, charges imposed by other financial institutions, and changes in foreign currency exchange rates. If you direct a Request to a foreign country, we may execute the Request in the currency of the country of the payee's bank at either our buying rate of exchange for U.S. dollar transfers or the exchange rate of the receiving bank. If for any reason the Request is returned to us, you agree to accept the refund in U.S. dollars in the amount of the foreign money credit, based on the current buying rate on the day of the refund, less any charges and expenses incurred by us.
23. **Amendment and Termination.** We may amend, add to, delete or change the terms of this Agreement from time to time with or without providing you with prior written notice, unless prohibited by applicable law. We may terminate this Agreement at any time, with or without cause, and with or without providing you with a notice of termination. We will give a notice of termination as required by applicable law, which may include notice after the fact. You may terminate this Agreement with or without cause by providing us with seven days prior written notice. When this Agreement ends, you must promptly return to us (or destroy at our request) all copies of the Security procedures. Your obligations under sections 2, 6, 8, 9, 10, 15 and 19 shall survive the termination of this Agreement.

This Agreement may be executed in one or more counterparts or duplicate originals, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

***Note: If "Business Customer" is a corporation, then the corporate secretary should sign below. If "Business Customer" is a partnership, then all general partners should sign below. If "Business Customer" is a limited liability company, then the managers or members as indicated in the Articles of Organization should sign below.**

AGREED AND ACCEPTED:

[Name of Company]

By: _____
[Signature of authorized signer/owner/corporate officer]

[Print Name]

Its: _____
[Print Title]

Date: _____

Gateway Business Bank

By: _____

Name: _____

Its: _____

Date: _____