

**CAUSE NO. 2022-50631A**

<b>ML FACTORS FUNDING LLC</b>	§	<b>IN THE DISTRICT COURT</b>
<b>VS.</b>	§	
	§	
<b>AJX DISTRIBUTION INC DBA</b>	§	
<b>KAHUNA AND MIN HO KIM</b>	§	<b>80<sup>TH</sup> JUDICIAL DISTRICT</b>
<b>VS.</b>	§	
	§	
<b>BANK OF HOPE</b>	§	<b>HARRIS COUNTY, TEXAS</b>
Garnishee.	§	

**BANK OF HOPE’S ANSWER TO WRIT OF GARNISHMENT AND  
REQUEST FOR AWARD OF COSTS**

TO THE HONORABLE JUDGE OF THIS COURT:

Bank of Hope, Garnishee in the above-captioned cause, files this Answer to the Writ of Garnishment issued on or about September 9, 2022, and requests an award of its costs pursuant to Texas Rule of Civil Procedure 677, and would respectfully show the Court as follows:

**I.**

The Writ of Garnishment (the “Writ”) was served on Garnishee on September 9, 2022 by delivery to Garnishee’s registered agent: CT Corporation System, located to 1999 Bryan Street, Suite 900, Dallas, TX 75201. The Writ identifies a Judgment in the amount of Four Hundred Eighty-Three Thousand, Six Hundred Forty-One Dollars and Ninety-Seven Cents (\$483,641.97), with an identified offset/credit in the amount of Eight Thousand Eight Hundred Six Dollars and Thirty-Five Cents (\$8,806.35).

**II.**

After a review of its records and based upon the information provided in the Writ, at the time that the Writ was served on it, Garnishee was indebted to Min Ho Kim in the sum of One Thousand Eight Hundred Seventy-One Dollars (\$1,871.00), this being the Account ending in No. 2419.

**III.**

At the time that the Writ was served, Garnishee was not in possession of any other effects belonging to Min Ho Kim.

**IV.**

Garnishee is not aware of any other person owing any debts to Min Ho Kim or possessing effects belonging to Min Ho Kim.

**V.**

As a result of the service of the Writ of Garnishment, Garnishee has engaged an attorney-at-law to represent it in this proceeding. Garnishee has contracted to pay the sum of \$540.00/hour as a reasonable attorney's fee, as well as costs, which the garnishee is entitled to recover in accordance with Texas Rule of Civil Procedure 677. In the event of an appeal to the Court of Appeals, Garnishee would be further entitled to \$540.00/hour as reasonable attorney's fees. In the event of an appeal to the Supreme Court, Garnishee would be entitled to \$540.00/hour as reasonable attorney's fees.

In addition to Texas Rule of Civil Procedure 677, the Deposit Account Agreement that governs the Account held by Min Ho Kim provides, *inter alia*, that

“You authorize us to charge your account a legal process fee for each order as permitted by law. See Fee Schedule. You agree to pay our fees and expenses for research and copying of documents and all other expenses, including administrative expenses, we incur in responding to any legal process related to your account. These may include attorneys' fees. You authorize us to deduct these fees and expenses from any of your accounts without prior notice to you.

Any legal process requiring us to attach, garnish or turn over your funds shall be subject to our right of setoff and security interest in the account. We are not liable to you for not paying items because we have withdrawn funds from your account or in any way restricted your access to funds because of a legal process or our setoff.”

See Deposit Account Agreement, attached hereto as **Exhibit A**.

As of the date this Answer is filed, Bank of Hope's attorney's fees and costs in connection with this Writ total One Thousand Seven Hundred Five Dollars and Zero Cents (\$1,705.00),

leaving One Hundred Sixty-Six Dollars and Zero Cents (**\$166.00**) payable to the creditor pursuant to this Writ.

WHEREFORE, Bank of Hope holds the sums above, pending the disposition of this cause, and respectfully requests that, on final hearing of the cause, the following relief:

1. That all claims be determined and adjudicated, and that Garnishee be discharged from all liability.
2. That Garnishee recover as provided in Rule 677 of the Texas Rules of Civil Procedure and pursuant to its Deposit Account Agreement, costs and expenses, including reasonable attorney's fees, in a total amount of One Thousand Seven Hundred Five Dollars and Zero Cents (\$1,705.00).
3. That Garnishee shall release the remaining One Hundred Sixty-Six Dollars and Zero Cents (**\$166.00**) held in the Account in the manner directed by this Court.
4. For other such relief to which garnishee may show itself properly entitled.

Respectfully submitted:

**COZEN O'CONNOR, P.C.**

By: 

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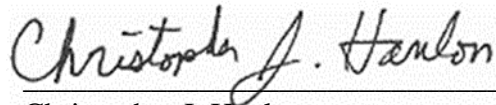
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**ATTORNEYS FOR BANK OF HOPE**

**CERTIFICATE OF SERVICE**

I certify that on September 29, 2022, I served a true and correct copy of the foregoing pleading was served on all counsel of record via the Court's ECF system and pursuant to TRCP 21:

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Christopher J. Hanlon

# **EXHIBIT A**



## Deposit Account Agreement

Effective June 1, 2022

ACCOUNT OWNERSHIP AND BENEFICIARY DESIGNATION .....	1
ACCOUNT OWNERSHIP TYPES FOR NON-CONSUMERS .....	2
ACCOUNT STRUCTURE .....	2
ACH AND WIRES .....	2
ADJUSTMENTS .....	4
AMENDMENTS .....	4
BANK BY MAIL .....	4
BUSINESS ACCOUNT ANALYSIS.....	4
APPROPRIATE ACCOUNT USAGE .....	5
AUTHORIZED SIGNERS .....	5
BUSINESS DAYS .....	6
CASH REPORTING REQUIREMENT .....	6
CHANGE OF NAME, CONTACT INFORMATION OR AUTHORIZED SIGNERS .....	6
CHECK CONVERSION INTO ACH DEBIT ENTRIES .....	6
CHECK LEGENDS .....	6
CHECK PRINTING .....	6
CHECKS PRESENTED IN PERSON FOR PAYMENT BY A NON-ACCOUNT HOLDER.....	7
CHECK PROCESSING .....	7
CHOICE OF LAW; VENUE; JURISDICTION .....	7
CLOSING OR SUSPENDING ACCOUNTS.....	7
COMPLIANCE WITH LAWS, RULES, AND REGULATIONS.....	8
CONVERTING ACCOUNT AND REVOKING PRIVILEGES.....	8
CREDIT VERIFICATION; FINANCIAL AND OTHER INFORMATION.....	8
CUSTOMER IDENTIFICATION NOTICE UNDER THE USA PATRIOT ACT.....	9
CUTOFF HOURS .....	9
DEATH OR INCAPACITY .....	9
DEPOSITS AND CREDITS TO ACCOUNTS .....	10
DIRECT DEPOSITS .....	11
DISPUTE RESOLUTION .....	11
DISPUTED OWNERSHIP; CONFLICTING DEMANDS.....	12
DISPUTED PAYMENTS.....	12
EARLY WITHDRAWAL PENALTIES (AND INVOLUNTARY WITHDRAWALS).....	12
ELECTRONIC SIGNATURES, CONTRACTS AND RECORDS.....	12
ELECTRONIC PRESENTMENT/POSTING.....	13
ENDORSEMENTS.....	13
ESCHEAT NOTICE; DORMANT AND INACTIVE ACCOUNTS .....	13
FACSIMILE, MECHANICAL OR ELECTRONIC SIGNATURES .....	14
FDIC INSURANCE .....	14
FEES .....	14
FORCE MAJEURE .....	14
FOREIGN CURRENCY AND INSTRUMENTS.....	15
FUNDS AVAILABILITY POLICY .....	15
HEADINGS/TERMS.....	16
INTEREST ON DEPOSITS.....	16
LIMITATION ON LIABILITY; HOLD HARMLESS AND INDEMNITY .....	16
JOINT ACCOUNTS .....	17
LARGE CASH WITHDRAWALS.....	17
LEGAL PROCESS.....	17
LIMITATION ON TIME TO SUE.....	18
LOST/STOLEN/DESTROYED CASHIER'S CHECKS.....	18
LOST ITEMS AND DELAYED RETURNS .....	18
MONITORING, RECORDING AND RETAINING.....	18
NOTICES.....	18
ORDER OF PAYMENTS .....	19
OTHER AGREEMENTS .....	20
OVERDRAFT PRACTICES .....	20

**TABLE OF CONTENTS (cont.)**

	<b><u>Page</u></b>
OVERDRAFT LIABILITY AND RELATED FEES .....	21
POST-DATED, STALE DATED AND OTHER CHECKS .....	22
POWER OF ATTORNEY .....	22
PREVENTING FRAUD .....	22
RELATIONSHIP.....	23
RELEASING ACCOUNT INFORMATION.....	23
REMOTELY CREATED CHECKS AND ELECTRONICALLY CREATED ITEMS .....	23
RESERVE ACCOUNT.....	23
RIGHT TO SETOFF.....	24
SAFEGUARDING BLANK AND CANCELED CHECKS.....	24
SAFE DEPOSIT BOX RENTALS.....	24
SAMPLE SIGNATURES .....	24
SECURITY INTEREST .....	24
SEVERABILITY .....	24
SIGNATURES GENERALLY, FORGERIES, MISSING SIGNATURES AND ALTERATIONS .....	24
STATEMENTS.....	25
STATE REGISTERED WARRANTS.....	26
STOP PAYMENTS .....	26
SUBSTITUTE CHECKS.....	26
SUBSTITUTE CHECKS AND YOUR RIGHTS .....	27
TAXPAYER IDENTIFICATION NUMBER AND WITHHOLDING .....	27
TRANSACTION LIMITATIONS.....	28
TRANSFER AND ASSIGNMENT .....	28
WAIVERS .....	28
WITHDRAWALS .....	28
ELECTRONIC FUND TRANSFER DISCLOSURE .....	28
COMMERCIAL ACCOUNTS .....	32
VIRTUAL WALLET .....	32
ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS .....	33



**Deposit Account Agreement  
Effective June 1, 2022**

Welcome to Bank of Hope. This Deposit Account Agreement ("Agreement") explains important terms and conditions which govern your account(s) with us. Please read this Agreement carefully and keep it with your banking records for future reference.

**NOTE THAT THIS AGREEMENT INCLUDES IMPORTANT CONSUMER DISCLOSURES, INCLUDING DISCLOSURES PROVIDED PURSUANT TO THE ELECTRONIC FUND TRANSFER ACT AND THE EXPEDITED FUNDS AVAILABILITY ACT.**

**FURTHER NOTE THAT IF A DISPUTE ARISES BETWEEN US, THIS AGREEMENT MAY REQUIRE THE DISPUTE TO BE RESOLVED THROUGH JUDICIAL REFERENCE, ARBITRATION OR TRIAL BY JUDGE WITHOUT A JURY, RATHER THAN BY JURY TRIAL. PLEASE CAREFULLY READ THE "DISPUTE RESOLUTION" PROVISION ON PAGE \*\* FOR DETAILS**

When you sign our signature card, whether in writing or electronically, or maintain a deposit account with us, you and each authorized signer on your accounts effectively acknowledge receipt of and agree to this Agreement, together with applicable signature card, schedules, disclosures, including fee, rate and privacy disclosures. Refer to our current schedule of rates and fees (the "Fee Schedule"). Note: The fees, rates and benefits described in this agreement and in our account disclosure were current as of the date of publication, but are subject to change. You can obtain current information by calling us at 1-888-811-6272. Prices listed are subject to sales tax wherever applicable.

As used in this Agreement, the words "we," "our," "us," and "Bank" mean Bank of Hope and the words "you" and "your" mean the owner(s) of the account(s) and any "agent" appointed by or on behalf of the owner(s) to sign on the account(s) in a representative capacity. Except to the extent otherwise defined herein, the term "commercial account" or "business account" shall mean an account that is not primarily established for personal, family or household purposes. The term "consumer account" shall mean an account that is primarily established for personal, family or household purposes. The word "items" as used in this Agreement includes a check, draft, demand draft, preauthorized draft, or other order or instruction for the payment, transfer or withdrawal of funds including a withdrawal slip, deposit slip/adjustment, automatic transfers, electronic transactions, and miscellaneous charges to your account. An item also means any other document created or authorized in your name that would be a check or draft but for the fact that it has not been signed. Except to the extent otherwise indicated in this Agreement, the term "may" shall mean that you authorize us to take action or not to take action, at our sole discretion without resulting liability to you. The existence of the rights set forth herein shall not impose an obligation on us to assert such rights or to deny a transaction. Unless expressly provided otherwise in this Agreement, all references to time will refer to Pacific Time.

This Agreement applies to all accounts you have with us. This Agreement supersedes any previous deposit account agreement and applicable disclosures with us.

#### ACCOUNT OWNERSHIP AND BENEFICIARY DESIGNATION

These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified in our account records. We reserve the right to refuse some forms of ownership on any or all accounts. Some account ownership designations may only be available to accounts opened in certain states. You agree, upon request by us, to provide us with documentation acceptable to us designating each authorized signer with respect to your account(s) and related services. **Note:** *Because decisions concerning whether an account should be held in a particular capacity may have significant legal, tax and estate planning consequences, consultation with your attorney or tax advisor is recommended.*

**Individual Account** - This account is issued to one person who does not intend (merely by opening this account) to create any survivorship rights to any other person.

**Joint Account** - This account is owned by the named parties with right of survivorship. Upon the death of any of them, ownership passes to the survivor(s), subject to our right to setoff and security interest in the account and to the specific state law governing the account owner(s) and beneficiaries.

**Community Property Account** - This account is the community property of the named parties who are a married couple. The ownership during lifetime and after death of a spouse is determined by the law applicable to community property generally and may be affected by a will and is subject to our right to setoff and security interest in the account.

**Tenancy in Common Account** - This account is a joint account owned by the named parties as tenants in common, without the right of survivorship. Upon death of any party, the ownership interest of that third party passes to the estate of that party and is subject to our right to setoff and security interest in the account.

**Custodian for Minor** - This account shall be governed by the provisions of the applicable state Uniform Transfers to Minors Act, as amended from time to time ("UTMA"). The account is controlled by the custodian, but is owned by the minor. The custodian is solely responsible for managing these funds and disbursing them in accordance with the UTMA. If the custodian resigns, is removed or dies, we will recognize the designated successor custodian. The custodian can designate a person or entity as a successor custodian to act when the current custodian resigns, or becomes legally incapacitated or dies. If no successor custodian is named, applicable state law will govern the determination of a successor custodian. The custodian and/or any person opening this account agree to indemnify, defend and hold us harmless from and against any and all claims, damages, liability, or exposure, including reasonable attorney's





fees, that we may suffer or incur arising out of any action or claim by any beneficiary or other custodian with respect to the authority, action or inaction taken by the custodian in handling or dealing with the account.

**Payable on Death (POD) Account** - One or more parties may open this account. The balance may be paid to any or all the account owners during their lifetime. When all account owners have died the account is owned by the surviving P.O.D. payee(s). A P.O.D. payee must survive the death of all account owners to receive any interest in the account funds. When there is more than one surviving POD payee, each payee's interest in the funds will be deemed to be in equal shares, unless otherwise expressly reflected in our records and as provided by applicable state law.

**Totten Trust Account** - A Totten Trust Account (also known as an "informal I.T.F" account) is an informal trust account, reflected on our records, but without a written trust agreement. One or more parties may open this account. The balance may be paid to any or all the account owners during their lifetime. When all account owners have died the account is owned by the surviving Totten Trust beneficiaries. A beneficiary must survive the death of all account owners to receive any interest in the account funds. When there is more than one surviving beneficiary, each beneficiary's interest in the funds will be deemed to be in equal shares, unless otherwise expressly reflected in our records and as provided by applicable state law.

**Trust & Other Fiduciary Accounts** - Legal title to the account is owned by the signing party(ies) as trustee, custodian, guardian, executor, administrator, conservator, or other fiduciary (collectively, "fiduciaries") for the named beneficiary(ies) under a separate trust agreement, employee benefit plan, court order or other fiduciary arrangement. Certain beneficiaries may, in turn, be acting as trustee or fiduciary for others. The fiduciary(ies) certify that they are authorized to manage funds in this account and agree to indemnify, defend and hold us harmless (in their individual capacity and jointly and severally) from and against any and all claims, damages, liability, or exposure, including reasonable attorney's fees, that we may suffer or incur arising out of any action or claim by any beneficiary, account owner or other fiduciary with respect to the authority, action or inaction taken by the fiduciaries in handling or dealing with the account. We will not be responsible for monitoring a trustee or other fiduciary's management of the account. We will not be obligated to monitor items deposited to, or drawn against, accounts held by a trustee or other fiduciary to determine whether a trustee or fiduciary is acting consistently with or in breach of any fiduciary duty. As for formal trust accounts, you may be asked to provide a copy of relevant pages of the trust agreement, execute a trustee's certification of trust, or other documents.

#### ACCOUNT OWNERSHIP TYPES FOR NON-CONSUMERS

Business accounts may be available to both profit or non-profit businesses and associations.

**Corporate, Partnership, Limited Liability or Other Statutory Business Entity Account** - These business accounts are established pursuant to statutory organizational requirements.

**Proprietorships** - If a proprietorship account is permitted to be opened with multiple individuals as co-owners, the account will be treated as a joint account with right of survivorship held for a business purpose, unless otherwise required by applicable law. We reserve the right to refuse to open, or allow an account to be maintained, as a proprietorship account with multiple owners.

**Fictitious Business Name Account** - If the name in which the account is held is fictitious, the account holder represents that he or she has the right to use that name and has fulfilled all legal requirements for using and or doing business under that name.

**Organization Account** - Such an account is issued in the name of a legal entity, such as a club or a league. We reserve the right to require the governing body of the legal entity to give us a signed authorization telling us who is authorized to act on its behalf. We may honor such an authorization until we actually receive written notice of a change from the governing body.

**Attorney-Client Trust Accounts** - Attorneys may establish client trust accounts, as required by law, for the purpose of receiving and disbursing client funds that are nominal in amount or on deposit for a short time. Interest on these "IOLTA" or "IOLA" accounts is paid to the State Bar or a foundation or trust established by the State. If you want to open an "IOLTA" or "IOLA" account, you must indicate that on your signature card. Otherwise, we may assume that it is not an "IOLTA" or "IOLA" account.

#### ACCOUNT STRUCTURE

We may structure your account to consist of two or more sub-accounts to take advantage of an interpretation of federal regulations. The sub-accounts, a checking account, and money market account, will be used to allow for the transfer of funds between the accounts, subject to federal regulations. This structure will occur solely on our books and will not be visible to you, nor will it affect your account in any way. Also, this will not affect the FDIC coverage of your account.

#### ACH AND WIRES

We may offer you automated clearing house (ACH) origination and wire transfer services, subject to the terms of our separate service agreements. From time to time, you may be a party to an ACH entry or a wholesale (wire) funds transfer, which may be credited to or debited from your account. Article 4A of the Uniform Commercial Code governs wholesale (wire) funds transfers, as well as non-consumer ACH credit entries and those consumer ACH credit and debit entries that may be excluded from the Electronic Fund Transfer Act and its implementing Regulation E (referred to herein as "payment orders"). The term



"payment order(s)" includes payment orders, as defined in Article 4A of the Uniform Commercial Code. We reserve the right to choose any wire transfer system to affect your payment orders.

**Provisional Credit.** Credit given by us to you with respect to a payment order is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your account in connection with the payment order, and the party (the originator of the entry) making payment to you will not be deemed to have paid you the amount of the payment order. Further, we will notify you of the receipt of payments in the periodic account statements we provide you. You acknowledge that we will not give next day notice to you of receipt of a payment order. Credits to your account will be reflected on the applicable periodic statement.

**Form and Accuracy.** All payment orders must be provided to us, which may be required to be in a form prescribed by us, presented either in-person, by facsimile to the number approved by us, or e-mail to the address provided by us. If you will communicate payment orders using our online banking services, all payment orders must also be consistent with our separate online agreement.

You assume the sole responsibility for providing us with accurate transaction information in the form and format that we require. We are not responsible for confirming such information, or for failing to detect and reject duplicate payment orders. If you provide us with a payment order that is incorrect in any way, you agree that we may charge your accounts for the transaction whether or not the error could have been detected by us. We are not obligated to detect errors in your transfer or payment instructions.

**Inconsistent Information.** We advise you that any receiving financial institution (including us) of a payment order is entitled to rely on any account or bank number you have provided even though that account or bank number may identify a party different from the person or entity you have described by name in any transfer order.

**Security Procedures.** You may agree with us to the use of certain procedures and security devices (referred to individually and collectively, "Security Device(s)") designed to verify the authenticity of payment orders. In this regard, application of the procedures and Security Devices to authenticate a payment order will be collectively referred to as the "Security Procedures" in this Agreement. In the absence of a separate applicable agreement addressing the Security Procedures, you agree that the applicable Security Procedures customarily followed by us for payment order requests will be deemed to be the Security Procedures for the purpose of this Agreement. If we take any action not provided in the Security Procedures in connection with any payment order, such additional action shall not be deemed to become a mandatory part of the continuing Security Procedures. You understand and agree that we will use the Security Procedures to verify the authenticity of payment orders and that the Security Procedures are not designed to, and are not used for the purpose of, detecting errors in transmission or content of payment orders, including discrepancies between account names and numbers.

Before sending a payment order request to us, you agree to review the Security Procedures and determine whether the Security Procedures will provide a commercially reasonable method for verifying whether a payment order is yours. As part of the review, you will consider the size, type, and frequency of payment orders you normally make or anticipate making, along with such other factors as you may deem relevant or appropriate.

**Commercially Reasonable Procedures.** If the size or type or frequency of payment orders made by you change such that the Security Procedures in use by you no longer provide a commercially reasonable method of providing security against unauthorized payment orders, you agree to immediately notify us.

**Supplemental Security Devices.** We may offer to you or require you to use additional authentication tools or methods from time to time. If you choose not to implement supplemental authentication tools, your access to some or all of the services may be limited. The term "Security Devices" will include any supplemental authentication tools that are used by you. Your continued use of any modified Security Procedures will evidence your agreement that the modified Security Procedures are commercially reasonable for you.

**You Are Responsible for Verified Payment orders, Even if Unauthorized.** If we act on a payment order in compliance with the Security Procedures, then you will be obligated on the payment order, and it will be treated as your payment order, whether or not authorized by you.

**You Are Responsible for Payment orders Actually Authorized.** Regardless of whether or not we complied with the Security Procedures, any payment order received by us will be treated as yours and will bind you if the payment order is delivered to us directly or indirectly by any authorized representative. You will also be responsible for the payment order if you would otherwise be legally bound by the payment order, regardless of whether the payment order was erroneous in any respect or that any loss would have been prevented if we had complied with the Security Procedures.

**Notice of Errors.** You agree to review all statements and notices promptly to confirm the accuracy and authorization of each payment order. You must notify us immediately if there is any discrepancy between your payment order and any confirmation or statement of account, or if you discover any other problem with respect to a transfer. You must 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 have access to a statement or notice reflecting the problem, whichever occurs first). Note: Different rules apply to foreign remittance transfers.

**Safeguarding.** You will use and safeguard the Security Devices and Security Procedures. In connection with such safeguarding obligations, you will implement and maintain physical, technical, and administrative controls and procedures sufficient to prevent impermissible or unauthorized access to or use of the ACH and wire services, Security Device or Security Procedures. You assume all risks associated with disclosure of any part of the Security Procedures, including a Security Device, to third parties, including employees. You agree to limit disclosures of Security Devices to those third parties, employees, or agents that you authorize to access the services on your behalf, or who have a specific need to know.



*Delay or Refusal.* We may delay or refuse to execute any payment order. We may do so for any reason or for no reason. We may provide notice to you of such delay or refusal but are not obligated to do so. We may delay or refuse processing of a payment order, for example, if: (A) processing would or may exceed the available funds in your affected account; (B) the payment order is not authenticated to our satisfaction or we believe the payment order may not have been authorized by you; (C) the payment order contains incorrect, inconsistent, ambiguous, or missing information; (D) processing would or may involve funds which are subject to lien, security interest, claim, hold, dispute, or legal process prohibiting withdrawal; (E) processing would or may cause a violation of any laws or rules applicable to you or to us; (F) for any reason determined by us in our sole discretion; or (G) for any other reason under the Agreement.

*Recall, Cancel or Amend.* If you inform us that you wish to recall, cancel or amend a payment order after it has been received by us, we may, but will not be required to, use reasonable efforts to assist you to do so; however, we shall not be liable for any loss, cost or expense suffered by you if we do not, or are unable to, amend, cancel or recall a payment order. You hereby agree to indemnify us against any loss, liability, and claim or expenses (including legal fees) we may incur in connection with assisting you to recall, cancel or amend a payment order, and you agree to immediately reimburse us for any monies paid by us associated with such losses, liability, claims or expenses incurred by us.

*Foreign Transactions.* Foreign transfers may be subject to delays, charges imposed by other financial institutions, and changes in foreign currency exchange rates. If you direct a payment order to a foreign country, we may execute the order 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 payee bank. If the transfer is made in U.S. dollars, we cannot guarantee that the beneficiary will receive the funds in U.S. currency. The beneficiary bank may convert the funds into the local currency and may also charge incidental fees. If for any reason the payment order 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. Unless you advise us otherwise, we may charge your account to pay for fees imposed by intermediary banks or instruct such banks to obtain payment of their charges for services and expenses by deducting the amount from your order. A portion of those charges may be shared with us. Different rules may apply to foreign remittance transfers subject to the Electronic Fund Transfer Act.

*Screening.* We may screen payment orders that would result in debits or credits to your account for compliance with applicable laws, rules, and regulations. Where we believe a credit to your account may be subject to being blocked or frozen under the OFAC-administered sanctions laws of the United States or of sanctions laws of another country, or may be otherwise suspicious or illegal, we may block (or "freeze") the funds and deny you access to them for a reasonable time sufficient to allow us to resolve the matter.

#### ADJUSTMENTS

We may make adjustments to your account from time to time. This may be due, for example, to the return of an item you deposited which was unpaid or if a deposit is posted in the wrong amount. Adjustments will be reflected on your periodic statement (if any). If we make an adjustment to your account as a result of an error caused by you, we will impose a Deposit Correction Fee. Refer to Fee Schedule.

If there is a discrepancy in a check you have written between the amount in numbers and the amount in words or embossed numbers, we may utilize either amount in our discretion in paying the item or may dishonor the item, without liability.

#### AMENDMENTS

We reserve the right to amend, modify, add to, or delete (collectively referred to herein as "change(s)") the terms or conditions of this Agreement without prior notice to you, except as required by law. Your continued use of a service or an account constitutes your acceptance of the change. Changes may include a deletion, modification, or amendment of an existing term or the addition of a new term not otherwise contemplated when you entered into this Agreement or opened your account(s). Any change will take effect immediately, unless stated otherwise in any notice we make available to you. Unless otherwise expressly required by law, a notice of the changes, or a copy of the revised Agreement or schedule, may be sent to you to the address as it appears on our records, by posting information in our offices, on our website, or by otherwise making the information available to you in writing or electronically.

#### BANK BY MAIL

You agree that all transactions by mail shall be undertaken at your sole risk and shall be subject to rules and regulations applicable to withdrawals and deposits in general. You agree not to include any currency in any deposit by mail and shall hold us harmless from any liability in connection with currency allegedly lost through deposit by mail.

#### BUSINESS ACCOUNT ANALYSIS

Subject to our prior approval, certain commercial accounts may be eligible for account analysis. Our account analysis service ("Service") allows you to offset eligible account and treasury management service charges with an "Earnings Credit" that is based on the balances you maintain with us.

**Earnings Credit.** The Earnings Credit is calculated based on the average investable balance maintained in the account to support services.

**Use of Earnings Credit.** Unlike interest, the Earnings Credit is not paid to you and does not accumulate. The Earnings Credit may only be used to offset charges that are subject to analysis and that are incurred during the month covered by analysis. Unless we agree otherwise in writing, excess Earnings Credit is not carried forward or backward to other billing periods.



If the Earnings Credit is insufficient to cover service charges during any statement period, we may charge the difference to your account. If you have several analyzed accounts, you can designate which account should be charged. We may stop calculating the Earnings Credit and applying it against service charges for any analyzed account that becomes dormant (i.e., has no deposits or withdrawals for 24 months).

Your Account Officer can give you an estimate of the balances that may be needed to compensate for the type and volume of services that you use. The actual amount may vary, however, due to changes in the Earnings Credit Rate, service charges, the services used, or other aspects of analysis.

We may impose charge for Negative Available Balance and Additional charge for Negative Ledger Balance for float that exceeds an account's ledger balance. See our current schedule of account analysis charges for the current rates. These charges will be in addition to any overdraft fee that we may impose. Charges for negative balances (ledger and available) are calculated using the average balance method. This method applies a daily periodic rate to the average negative ledger balance or negative available balance in the account for the number of days in the billing month. Daily periodic rate is calculated by dividing the annual interest rate by 365 (or 366 for leap years).

We do not calculate the Earnings Credit for accounts that are not linked to the Service or allow Earnings Credit to offset charge against unanalyzed accounts.

You agree to maintain sufficient balances on analyzed accounts to offset the account fees and charges. Depending on the level of activity in the analyzed accounts and the types of services required, your accounts may be taken off account analysis, in our discretion. Charges associated with certain third party services providers may not be eligible for analysis unless they are normal banking functions and you agree to additional terms and conditions with us. We may refuse to apply third party service provider charges against account analysis.

**Analysis Service Charges.** Account analysis charges, the Earnings Credit Rate, Charge for Negative Available Balance and Additional Charge for Negative Ledger Balance are subject to change from time to time without prior notice. Current rate and service charge information is available from your Account Officer.

**Exceptions.** The analysis system may not always change simultaneously with changes in compensating balance, reserves or other factors. We reserve the right to input changes in our systems as of the beginning or end of any statement or analysis cycle. As a result, some changes input at the end of a cycle may relate back to the entire cycle.

**Third Party Funds.** If you deposit funds that belong to others ("beneficial owners") in an analyzed account, you represent to us that (a) you are authorized by the beneficial owners to benefit from the use of any associated Earnings Credit, and (b) your use of the Earnings Credit will not violate any contract, law or regulation. You also agree to indemnify and hold us harmless from and against any and all claims, actions, proceedings, losses, costs (including attorney fees and other charges), liabilities and/or damages that arise from your use of the service or the manner in which you compensate or charge beneficial owners for your use of our services. This provision shall survive the termination of this agreement.

**Limitation of Liability.** We will not be liable under any circumstances for special, indirect or consequential damages related to our Service actions or omissions. In no event will our liability exceed the amount of any Earnings Credit which we fail to apply against a service charge. You agree to review account notices and statements immediately upon receipt and to send us a written notice of any problem within a reasonable time (not to exceed 14 days from the date you receive the first notice or statement reflecting the problem).

#### APPROPRIATE ACCOUNT USAGE

Do not use a consumer account as a commercial account. If you do, it may be reclassified as a commercial account, and we reserve the right to change your consumer deposit account type to a commercial deposit account type.

#### AUTHORIZED SIGNERS

An authorized signer is someone to whom you give all rights you have now or in the future to make regarding your account, including the authority to make withdrawals and deposits, to obtain ancillary services (for example, electronic fund transfer services, wire services, and online banking access), and to otherwise transact on your account, receive account information and provide instructions to us regarding your account. You agree that signatures by your authorized agents (for example, person acting under a power of attorney) are valid, even if the agent relationship is not indicated on the check or instruction. To the extent we have a specimen signature on file for an authorized signer, you agree that we may refuse to pay any check that bears a signature that in our opinion does not satisfactorily compare with the specimen signature for the authorized signer. Merely by designating an authorized signer you do not give any ownership rights in the account. Any one of the authorized signers may sign checks or withdrawal orders and give us instructions regarding the account, including an instruction to close the account. However, if there is a conflict, we reserve the right to require all authorized signers or account owners to sign an item, withdrawal order, or other instruction on the account.

You agree that we may honor checks drawn by an authorized signer against your account even if these checks are made payable to that authorized signer and even if cashed or deposited into that signer's personal account. We have no duty to investigate or question the nature of the signer's withdrawals or payments.



Even if the authorized signers on an account change, we may continue to honor checks, withdrawal orders, and other instructions by authorized signers until we are notified in writing not to do so by an account owner.

#### BUSINESS DAYS

For the purpose of this Agreement, our business days are Monday through Friday, excluding Saturdays, Sundays, and legal holidays we observe.

#### CASH REPORTING REQUIREMENT

The Bank Secrecy Act ("BSA"), a federal law, requires all financial institutions to report currency transactions of more than \$10,000 to the Financial Crimes Enforcement Network ("FinCEN"). In addition, we may report to FinCEN multiple cash transactions which together total more than \$10,000 in any one day. In order to better comply with the law, we may maintain a log of all sales of bank checks or drafts, cashier's checks, money orders or traveler's checks for \$3,000-\$10,000 in currency. We may also report to the FinCEN or other government agency transactions that may be structured to avoid the reporting requirement and other transactions that appear to involve illegal activity. In order to satisfy the BSA's requirement, we may, and, in many cases, must request certain information about the individual presenting the transaction, as well as the organization or individual for whom the transaction is being conducted. This includes the individual's/organization's full name, permanent street address, social security number or other taxpayer identification number, identification number (such as a driver's license, government issued photo identification, or passport), date of birth (if applicable), and business, occupation or professions.

#### CHANGE OF NAME, CONTACT INFORMATION OR AUTHORIZED SIGNERS

You agree to notify us immediately in writing of any change of name (including a change of organization capacity, such as sole proprietorship change to corporation), contact information (including address, email address, telephone and mobile numbers), or change of authorized signers. Your notice to us regarding the change will be effective after we have had a reasonable time to react. If an authorized signer on your account changes, we may continue to honor items and instructions given earlier by any previously authorized person(s) until we receive specific notice from you in writing not to do so (Note: A new or updated signature card, by itself, does not constitute notice to terminate any pre-existing payment or transfer plan). In some instances we may require you to close your account or provide us with stop payment orders in order to prevent transactions from occurring. There may be a delay in implementing a change in the authorized person(s) on our records, and you agree that we will be given a reasonable opportunity to make the changes necessary. We may rely on account records to determine ownership of an account.

We may accept a change of address request for your account from any account holder. The address is changed only for the accounts you specify and does not affect your other account relationships with us unless you specify that you want the address changed for those accounts as well. We may also change the mailing address of record we have for you if we receive an address change notice from the U.S. Postal Service and any such change may be temporary until we receive your signed written change of address notice. We are only required to attempt to communicate with you using the address you have provided to us. If you fail to notify us of a change of address, an incorrect address fee may be assessed (see Fee Schedule for details). If sent statements or other documents are returned indicating an incorrect address, and we are not notified of the new address, you authorize us, at our discretion, to block your account or services until we can verify your correct address. You hereby verify that you are the current subscriber or owner of any phone numbers you provide to us.

#### CHECK CONVERSION INTO ACH DEBIT ENTRIES

Merchants may take a check you provide and convert it into an ACH debit entry for electronic collection against your account. When this happens, we will not provide you a copy of the original check with your periodic statement. Treat the voided check with care because someone else who obtains possession of it could use the information to initiate additional debits against your account. When you provide the merchant with your check by mail, the merchant should give you notice of their intent to convert the check into an ACH debit, and the merchant in these instances should destroy your original check. Whether your check is converted to an ACH debit at the point of sale or by the merchant when they receive the check by mail, a description of the transaction will appear on your periodic statement from us.

#### CHECK LEGENDS

You agree not to print, otherwise present, checks, withdrawal orders or other items with special limitations, including when drawn on your account. Examples of special limitations include, but are not limited to, "void over \$100" or "paid in full" or "void after 90 days." If you do print, or otherwise present, checks, withdrawal orders or other items with any special limitations, you agree that we are not bound by such limitations. You authorize us, but we will not be obligated, to pay such items, or take them for deposit, without regard to the stated limitation(s). You further agree to indemnify us and hold us harmless for any claims or losses arising out of our refusal to honor said restrictions. In no event will we be liable for our refusal to honor the special limitations, whether or not we previously honored them.

#### CHECK PRINTING

You agree that the name(s) printed on your checks will agree with the name(s) on our account records. We offer checks in a number of styles and at various prices, with fraud prevention features. If you choose not to use them or other checks that include fraud prevention features, you agree to assume a heightened degree of care for safeguarding your checks, and for reviewing all returned checks and statements as soon as you receive them. The cost of any checks purchased through us will be automatically charged to your account. If you create your own checks, or obtain them from someone else, and we cannot



accurately verify your signature on an item by comparing it with an item that posted to your account, you are responsible for any losses that may result from our inability to use that check to verify your signature.

#### CHECKS PRESENTED IN PERSON FOR PAYMENT BY A NON-ACCOUNT HOLDER

If an item drawn against your account is presented for payment in person for payment by a payee who is not an account holder of Bank of Hope, we may charge a fee to the person presenting the check as a condition for cashing the check. See the Fee Schedule. We may also require identification acceptable to us and not prohibited by law, including a fingerprint of the person presenting the check or other fraud prevention methods. You agree that we may refuse to honor payment for checks presented for payment in person by a non-account holder, if the person refuses to pay the fee or provide the identification requested by us. You agree that none of the foregoing will be deemed to be wrongful dishonor by us.

#### CHECK PROCESSING

We have automated collection and payment procedures. These automated procedures rely primarily on information encoded on each check or item in magnetic ink. In paying and item or processing an item for deposit, we may rely on the information encoded on the check's magnetic ink character recognition (MICR) line, according to general banking standards, whether or not that information is consistent with the other information on the item. You will reimburse us for any loss or expense we incur because you issue or deposit an item containing altered or extra information in the MICR line. You agree that automated check processing is reasonable and that you have responsibility for preventing and reporting forgeries, alterations, and other unauthorized use of your account. We do not fail to exercise ordinary care by posting or paying items without sight examination of the items.

We will not be obligated to monitor items deposited to, or drawn against, accounts held by a trustee or other fiduciary to determine whether a trustee or fiduciary is acting consistently with or in breach of any fiduciary duty. When we take an item for processing by automated means, "ordinary care" does not require that we examine each item. "Ordinary care" requires only that we follow banking standards prevailing in the area in which we are located and that do not vary unreasonably from the general standards followed by similarly-situated financial institutions. A mere clerical error, or an honest mistake, is not considered a failure of us to perform any of our obligations. Our own policies and procedures are used solely for our internal reasons and do not establish a higher standard of care for us other than that which is provided by law or regulation.

We are not responsible for the neglect, mistake or fault of another financial institution or person, including for the loss or destruction of an item or misrouting of an item in transit or in the possession of others. If a deposited item is lost or misrouted and we gave you provisional credit for that item, you agree that we may charge back the amount of the item to your account if we do not receive payment for the item, even if the item is not timely returned.

#### CHOICE OF LAW; VENUE; JURISDICTION

Except as stated herein or as otherwise may be required by applicable law, the provisions of this Agreement are governed by, as applicable, federal laws and regulations, the laws and regulations of the state of California (excluding choice of law rules specific to each state), and applicable local clearinghouse rules, including the operating circulars of the Federal Reserve Banks, as amended from time to time (collectively, the "Rules"). You agree that we do not have to notify you of a change in the Rules, except to the extent required by applicable law. If there is any inconsistency between the terms of this Agreement and the Rules, the terms of this Agreement shall supersede the rules, unless otherwise provided in the Rule. In addition, our rights under this Agreement may be limited by laws, rules or regulations; to the extent this is so, this Agreement is modified to the extent needed to prevent representing that a transaction confers or involves rights, remedies, or obligations which we do not have or which are prohibited by law. However, where a law, rule, or regulation that is not otherwise capable of being modified by this Agreement results in a limitation on our rights, then our rights under this Agreement are limited to the extent (but only to the extent) necessary to prevent a violation of that law, rule or regulation.

Subject to the "Dispute Resolution" provision set forth in this Agreement: (i) Any suit, action or proceeding arising hereunder, or the interpretation, performance or breach hereof, shall, if we so elect, be instituted in any court sitting in Los Angeles County, California (the "Accepted Forum"); and (ii) You agree that the Accepted Forum is convenient to you, and submit to the jurisdiction of the Accepted Forum and waive any and all objections to jurisdiction or venue. Should such proceeding be initiated in any other forum, you waive any right to oppose any motion or application made by us to transfer such proceeding to the Accepted Forum.

#### CLOSING OR SUSPENDING ACCOUNTS

We may, at any time and in our sole discretion, close or suspend your account or any service we are providing to you. We may do so for cause or without cause. We may deliver the balance after an account is closed by any means chosen by us, including mailing a check for the balance by U.S. Postal Service, sent postage prepaid, to your last address as shown on our records. We may remit the balance by check payable to the name on the account as shown on our records, even if contrary evidence of account ownership has been given to us. We will provide you with notice before or after taking this action, unless prior notice is required by law, in which case we will provide you with such notice as is required by law. The account closing balance will be subject to any right we may have under any security agreement covering the account or our rights of setoff.

Except to the extent otherwise agreed with us, you may close your account at any time upon notice to us, unless your account has a scheduled maturity date, subject to any applicable early withdrawal penalty. You will remain liable for the payment of accrued fees on the account and for checks in the process of collection, as well as any other obligations relating to actions or inaction prior to account closure. If you close an account, it may be subject to accrued or



prorated fees or charges. You agree to reimburse us immediately upon request for any overdrafts that arise after an account is closed, whether closed by you or by us.

We may honor any account holder's or authorized signer's request to close or suspend an account or transaction. At our discretion, we may require the signatures of all account holders and/or authorized signers before permitting the withdrawal of funds or the closing or suspension of an account.

Without limiting any of the foregoing, you authorize us, in our sole discretion, to "freeze" or place a hold on the balance in your accounts with us if we suspect that there is uncertainty regarding the ownership of the funds, we are unable to determine any person's authority to give us instructions, we are requested by any governmental agency to freeze the account or reject a transaction due to the suspected financial abuse of an elder or dependent adult, we suspect irregular, fraudulent or illegal activity, or we receive conflicting instructions involving your accounts. Should we place a "freeze" on your accounts to reasonably investigate our concerns, you agree that we shall not be liable to you for any claims you might have, including but not limited to claims of wrongful dishonor.

We may dishonor any check, withdrawal order, item or transaction presented for payment after an account is closed or frozen by you or by us. At our option, we may honor checks, withdrawal orders, items or transactions after an account is closed or frozen if the transaction was guaranteed by us under any check guarantee program or was part of an electronic fund transfer system, if you fail to place a stop payment order for any outstanding checks or other items or if we otherwise elect to honor the transaction in our discretion. You shall remain responsible and liable for such checks, items, and transactions.

#### COMPLIANCE WITH LAWS, RULES, AND REGULATIONS

You agree to comply with all laws, rules, and regulations applicable to you, to your activities and to your use of the account and our services. This includes your agreement to comply with (to the extent applicable to you and your actions) federal anti-money laundering laws, sanctions laws administered by the Office of Foreign Assets Control, currency transaction or Bank Secrecy Act reporting and recordkeeping requirements, and any state counterpart of the same. Upon request by us, you must inform us about and disclose to us the identity of all persons who have a beneficial interest in you (if you are a non-natural person) and in your transactions. You further agree that you will comply with any state or local laws that may apply to you, including, but not limited to, laws governing the payment of interest on escrow or other similar laws, and you agree that you are solely responsible for compliance with such laws, including the payment or nonpayment of any interest due under such laws.

Without limiting the foregoing, you represent, warrant and agree not to accept or make payments in connection with the participation of any person (including yourself) in unlawful Internet gambling. You acknowledge that "restricted transactions" (as defined in the Unlawful Internet Gambling Enforcement Act and its implementing regulations) are prohibited from being processed through your accounts or your relationships with us. We reserve the right to deny transactions or authorization from merchants apparently engaging in the Internet gambling business or identifying themselves through card transaction records or otherwise as engaged in that or any other illegal or improper business. Further, we reserve the right to block or close any account which we believe may be involved in any such restricted transactions.

You represent and warrant that you are not, and you agree to take no action that would result in your being deemed or treated as, a money service business under any applicable state or federal law, except to the extent that you have specifically and in writing previously informed us that you are a money service business. Notwithstanding the foregoing, we reserve the right to refuse to open or to continue to maintain any deposit account.

You represent and warrant that the foregoing is true and correct, as of the opening of your account and again each time you make a deposit or withdrawal or otherwise use a service offered by us. You agree to provide us with evidence showing that you are in compliance with the above, reasonably satisfactory to us, upon our request. If we are uncertain regarding the legality of any transaction, we may refuse the transaction or freeze the amount in question while we investigate the matter. You agree to indemnify, defend and hold us harmless from every action, proceeding, claim, loss, cost and expense (including attorney's fees) suffered or incurred by us due to any U.S. or foreign government entity seizing, freezing or otherwise asserting or causing us to assert control over any account or funds in an account of yours (or ours) when purportedly caused by or arising out of your action or inaction. This will apply whether or not such action is ultimately determined to be authorized under the laws of the U.S. or its territories, or of any foreign jurisdiction. We are not required to inquire or determine the authority of any action taken by the U.S. or foreign government entity prior to acceding to any legal process initiated by it.

#### CONVERTING ACCOUNT AND REVOKING PRIVILEGES

Without limiting our ability to close your account, we may alternatively convert your account to another type of account or revoke privileges when we consider it appropriate or necessary to do so. For example, we may revoke privileges, or convert your account to another account type if you make frequent transactions in excess of account restrictions, if your account frequently has debits against uncollected funds, if your account has excessive deposit activity or if you use an account for a purpose that is different than the purpose for which the account was opened (for example, if you use a consumer account for business purposes).

#### CREDIT VERIFICATION; FINANCIAL AND OTHER INFORMATION

From time to time we may obtain consumer credit information about you from check or credit reporting agencies and/or other means. We may do so at the time you open an account, request a service, at any time while your account is open, or the service is available, or after your account or service is closed, or as otherwise permitted by law. We may also order a consumer credit or background report on you or any other signer on the account. You agree that by requesting to open an account or acquire a service from us, or by becoming an authorized signer on an account with us, we may obtain consumer credit information from a credit-reporting agency. For example, new accounts are subject to verification through ChexSystems (the "Reporting Agency") and may be



declined based in whole or in part on information obtained in a consumer credit report from the Reporting Agency. You have a right under the Fair Credit Reporting Act to know the information contained in your consumer credit file at ChexSystems. If we decline to open an account or otherwise provide deposit services, the Reporting Agency will have played no part in our decision and would be unable to supply specific reasons why we would have denied the account or services. You have a right to a free copy of your consumer credit report from the Reporting Agency, if you request it no later than 60 days after you receive notice of a declined account or service. In addition, if you find that any information contained in a consumer credit report received by you is inaccurate or incomplete, you have the right to dispute the matter with the Reporting Agency. The Reporting Agency's full name, address and phone number is as follows:

ChexSystems  
Attn: Consumer Relations  
7805 Hudson Road, Suite 100  
Woodbury, MN 55125  
(800)428-9623

Accounts not maintained in a satisfactory manner with us are subject to closure by us and are reported to ChexSystems. You are also hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report. If you believe that we have provided incomplete or inaccurate information about your account to a consumer reporting agency, write to us at Bank of Hope, 1655 W. Redondo Beach Blvd., Suite 300, Gardena, CA 90247.

**Department of Motor Vehicles Information.** You authorize us to obtain address information from the Department of Motor Vehicles or any other government agency. As such, you waive your rights under California Vehicle Code 1808.21 (or other state equivalent).

**Additional Financial and Other Information.** You further agree to provide us with financial statements or other information regarding your financial condition upon our request. You agree to provide us with at least 30 days advance notice of: (i) any material (20% or more) change in your ownership; (ii) any material change in the type, scope or nature of your business; or (iii) any anticipated (20% or more) increase in the amount or volume of your payment order activity over the preceding calendar quarter, as applicable.

#### CUSTOMER IDENTIFICATION NOTICE UNDER THE USA PATRIOT ACT

#### IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means to you: When you open an account, we will ask for your name, address, date of birth, tax identification number (TIN) and other information that will allow us to identify you. We may also ask to see a driver's license, government issued photo identification, or other identifying documents for account owners (and possibly authorized signers).

We may further ask you for specific information regarding the nature of anticipated activity, the sources of your funds, the purposes of transactions, the relationship you have with persons to whom you send funds and persons who send funds to you, the anticipated frequency of such transactions, the ultimate beneficiaries of funds you send and receive, and other questions that may help us clarify the nature and purpose of transactions. We may close accounts if we are unable to understand the purpose of the account, the structure of the organization, the authority of the signers, the documentation provided or the general risk associated with the establishment of the account. We may elect not to disclose the specific reason for our action.

Owners for fiduciaries, partnerships, corporations, and fictitious business names or other business names may also be asked at account opening and from time to time to provide us with valid documentation of trust agreements (or certification of trust), court orders, partnership agreements, certificates of limited partnership, articles of incorporation, filed fictitious business name statements, and financial statements, in addition to any other documents deemed necessary by us.

#### CUTOFF HOURS

A number of our services are subject to processing cutoff hours. Communications received after the cutoff hour or on a non-business day may, in our discretion, be deemed received as of the next business day. Alternatively, some services may require you to resubmit a communication when it is received after the cutoff hour or on a non-business day.

#### DEATH OR INCAPACITY

You agree to immediately notify us about the death or incapacity of any owner or authorized signer on your account. Until we receive notice satisfactory to us in writing, and have a reasonable opportunity to act on it, we may continue to honor items drawn on your account by the authorized signer(s). We may suspend, refuse, and reverse any transactions or deposits (for example, automatic federal direct deposits of benefit payments belonging to the decedent) if





any owner or authorized signer dies or is declared by a court to be incompetent. However, even with knowledge, we may pay checks drawn on the account for ten (10) days after the date of death. Refer to the discussion below regarding the treatment of "Direct Deposits".

If we receive satisfactory notice of the death or incompetence of the sole signer on a business account, we may freeze the balance of the account and refuse or suspend any transactions, deposits, withdrawals or transfers and we are not required to release the funds in the account until we receive satisfactory documents (in our sole reasonable discretion) or a court order establishing the authority of a new signer to transact banking business on behalf of the organization.

## DEPOSITS AND CREDITS TO ACCOUNTS

**Deposits and Credits Generally** - You authorize us to accept an item for deposit to your account from anyone. We are not required to question the authority of the person making the deposit. Joint accounts include accounts held as joint tenancy, tenancy-in-common or as community property. A joint account holder authorizes the other account holder(s) to endorse items in that person's name and to cash the items or deposit them into the joint account, with or without an endorsement. You will be responsible for any loss because of your failure to identify your account properly by name and number on any deposited item. We may accept for deposit to your account all items made payable to you or purportedly endorsed by you as an individual payee or joint payee, regardless of whether those items bear your endorsement, subject to our verification and final inspection. You guarantee to us the payment of all such deposited items.

We may refuse any deposit (whether in cash or by item or other charge) to an account, limit the amount of any deposit or funds that may be maintained in an account, or return all or any part of a deposit to you without prior notice, whether the deposit is attempted to be made by you or anyone else on your behalf. We reserve the right to return to you any item or other charge that we receive for deposit to your account, if we decide not to handle that item or other charge. If we make this decision, we will send a notice by the next business day after we receive it.

You authorize us to present an item again for payment, after it has been returned or dishonored, without telling you that the item was returned unpaid or that we are presenting it again. You also authorize us to process and deliver to you a photocopy or other image of a returned item or other returned item, in lieu of the original, whether it is charged back to your account or automatically presented again, and whether or not the original item is available.

Deposits received at unstaffed facilities will be credited on the day funds are removed, verified and processed by us. We may delay the verification of large currency and coin deposits until such time as armored transportation to a secure facility is completed, and delay the posting of the deposit to your account until verification and processing is complete. We may pass-through the costs or otherwise charge you a fee for the additional secure logistics that we require. We are not responsible for transactions initiated by mail until we actually receive them. Deposit receipts do not necessarily indicate the correct balance in the account or the amount being deposited.

Although we may make funds available to you and may take steps to determine whether a check will be paid, you are responsible for any loss that occurs if the check is returned to us for any reason (e.g., because it is counterfeit). Our employees cannot promise that checks drawn on or issued by other institutions, including cashier's checks, will be paid.

If we accept a deposit or payment from you or on your behalf that is not accompanied by instructions indicating how or where it is to be credited, we may apply it at our discretion to any loan or deposit account you maintain with us.

**Provisional Credit: Returned and Unpaid Items and Other Credits** - Any item or other charge posted for credit to your account, including an item we cash for you, is subject to final payment by the payor or receiving bank (as applicable). If we credit your account for an item or other charge, we may charge back that item or other charge at any time, if we do not receive payment for the item or other charge or if we receive notice that the item or other charge will not be paid. We act as a collection agent for you when we receive an item for deposit or when we cash an item for you, and are not responsible for the actions, whether or not negligent or inactions of other financial institutions during the collection process. You assume all risk of loss of an item in transit. You authorize us to reverse any credit given and any interest accrued for an item that is lost in transit or otherwise not paid, and we may recover from any account you maintain with us the funds given to you for a cashed item that is lost in transit or otherwise not paid. You agree that we can notify you of the return as part of the account statement or other communication method (including electronic communication). We reserve the right to charge the applicable account if an item credited to the account is dishonored, returned or not paid even if we have not sent you notice of the dishonor, return or nonpayment. We also reserve the right to charge a dishonored, returned or unpaid item or other charge against the applicable account even if the item or other charge is dishonored or returned late, the dishonor or return does not comply with applicable laws, rules or regulations (including any clearinghouse rules), or we could have made a claim for reimbursement on the item or other charge from the bank on which the item was drawn or from another bank. We may charge a dishonored, returned or unpaid item or other charge against the applicable account even if the charge results in an overdraft. In addition to returned items fees, you agree to pay applicable overdraft fees. You authorize us to charge your account for the amount of the item and for any returned item fee for each item returned unpaid, even if there is a delay in notifying you or in returning the unpaid item (or photocopy or other image) to you.

You authorize us without notice to you to charge an item back to your account even if you have already used the funds, if we receive an affidavit of forged, missing or unauthorized endorsement or alteration, or similar document, and we have no obligation to investigate the accuracy of such affidavit or similar document. You acknowledge that we may not return an item to you if we cannot recover its full amount from your accounts.

**Daily Cutoff Time** - All transactions received after our daily cutoff time on a business day, or received on a calendar day we are open, or received on a day which we are not open for business, may be treated and recorded as if initiated on the next business day that we are open. Our daily cutoff times may vary by



location. Check with your branch for that branch's daily cutoff time. If the daily cutoff time is not stated, the cutoff time will be at close of business day of the branch.

**Collection Items** - Handling an item as a "collection item" means that instead of accepting an item for deposit, we send the item directly to the issuer's financial institution for payment. If the item is returned unpaid, we will return the item to you. We are obligated only to use ordinary care in collecting items on your behalf. You agree that we have sole discretion to determine whether to accept an item or check for deposit or collection. If we do credit your account for a collection item, but do not receive final payment for an item or if the item is later returned, we may charge your account for the item plus any interest earned and associated fees. You agree to be responsible for all fees and charges assessed in the collection process as outlined in the Fee Schedule. We may notify you that an item is not a deposit, but rather a collection item, as soon as practicable after we determine to handle the item as a collection item. This may include after you have left a branch office, for example. Items drawn on an institution located outside the United States are handled on a collection basis only. Collection items may be credited to your account, however you agree that availability of these funds may be delayed by us until we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by us for credit to your account or for collection. An item or check accepted for collection will not be deemed accepted for deposit for purposes of Regulation CC and is not governed by our funds availability policy.

#### DIRECT DEPOSITS

If, in connection with a direct deposit plan, we deposit or credit any amount in your account which should have been returned to the state or federal government or any other third party for any reason, you authorize us to deduct the amount from your account or from any other account you have with us without prior notice and at any time, except as prohibited by law. You also authorize us to use any other legal remedy to recover the amount of our liability.

#### DISPUTE RESOLUTION

**California.** If you open an account with us in California and a dispute involving \$50,000 or more (including all claims of all parties) arises between us with respect to your account, this Agreement, its enforcement or our account services, either of us may require that it be resolved by judicial reference in a California Superior Court in accordance with California Code of Civil Procedure, Sections 638, et seq. The referee shall be a retired judge, agreed upon by the parties or appointed by the court. All costs of the reference procedure, including, among other costs, the fee for the referee and the fee for the court reporter, shall be paid equally by all parties as the costs are incurred. The referee shall hear and decide all pre-trial and post-trial matters, including requests for monetary damages and equitable relief, prepare an award with written findings of fact and conclusions of law, and apportion costs between the parties as appropriate. Judgment upon the award shall be entered in the court in which such proceeding was commenced and all parties shall have full rights of appeal.

**Other States.** For accounts opened at a bank location outside the State of California, YOU AND WE EACH WAIVE OUR RESPECTIVE RIGHTS TO A TRIAL BEFORE A JURY in connection with any disputes between us related to this Agreement, its enforcement, your account or our account services to the fullest extent permitted by law. This waiver shall not apply if your account is opened with us in a state where a jury trial waiver is not permitted by law. If your account is opened with us in a state where jury trial waiver is not permitted by law, you and we agree as follows: A lawsuit may be brought in court by either you or us only if the claims of all parties, including damage claims of all types, total less than \$50,000. If the claims of all parties total \$50,000 or more, you and we agree that all disputes of fact and law in connection with this Agreement, its enforcement, your account or our account services shall be decided, at the option of either party, by binding arbitration, under the Rules of 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. You and we agree that the arbitrator(s) may conduct some or all of the arbitration by telephone if the arbitrator(s) find that doing so is appropriate given the location of the parties and the amount in question.

A single arbitrator will decide any dispute that involves total claims of \$250,000 or less. In that case, the arbitrator will only have the power to award up to \$250,000, including all damages and costs of every kind. A submission to a single arbitrator will be deemed a waiver of any right to recover more than that amount. A dispute involving total claims exceeding \$250,000 will be decided, upon the request of either party, by a majority vote of a panel of three arbitrators. Any arbitrator appointed under this Agreement must be an attorney with 15 or more years of practice or a retired judge. No arbitrator shall have the power to award any remedies that could not be ordered by a court under the laws of the state where your account was opened. The arbitrator(s) shall decide the dispute in accordance with the law of the state where the account was opened, and the arbitrator(s) shall not have the power to decide the dispute on any other basis.

Neither you nor we may bring, join, or consolidate disputes as a representative or member of a class in any arbitration, or act in any arbitration in the interest of the general public or in a private attorney general capacity.

**All States.** Nothing in this Agreement limits or prevents either party from exercising any lawful self-help remedies, such as set off, exercising any right or remedy as a secured party against any collateral pursuant to the terms of a security agreement or otherwise, or from complying with legal process involving accounts or other property. Further, nothing in this Agreement limits or prevents any party from filing a lawsuit in court to obtain provisional or ancillary remedies such as attachment, replevin or writ of possession, injunctive relief, the appointment of a receiver, or to interplead funds in the event of a dispute. Any action or arbitration brought in accordance with this Agreement may be brought only in the state where your account was opened, except that any lawsuit for provisional or ancillary remedies may also be brought in the state where the defendant resides or the collateral or other assets are located. Disputes in an amount subject to the jurisdiction of the state's small claims court shall not be subject to an arbitration or judicial reference proceeding.

**Accounts Opened Online.** Except to the extent otherwise required by applicable law, and unless we agree otherwise, accounts opened online will be deemed to be domiciled in the State of California.



## DISPUTED OWNERSHIP; CONFLICTING DEMANDS

If we have any uncertainty regarding the ownership of an account or its funds, if a dispute arises over control of or access to your account, or if we receive conflicting instructions from you (including any owner, joint account holder, contracting officer and/or other authorized signer on your account), or in the case of a corporate or partnership or association/LLC account, conflicting board resolutions or partnership authorizations or member instructions, we may require, but are not obligated to require, the signatures of all account owners and authorized signers on items, withdrawals, or other transactions. We may also, but are not obligated to, "freeze" the account until we get evidence satisfactory to us that either the dispute is resolved or there is general agreement on payment of or access to the funds in the account.

Without limiting the foregoing, you also authorize us to do one or more of the following:

- (1) We may ignore any instructions (such as an instruction by one account holder not to honor items or other withdrawal orders by another account holder) that conflict with the terms of the signature card for the account unless all account owners and authorized signers sign the instructions;
- (2) We may reverse any debits or credits to the account in dispute, or other accounts with us, to correct what we believe in our sole discretion resulted from action taken to the disadvantage of one account owner, over another;
- (3) We may return items unpaid, marked "Refer to Maker" or otherwise at our discretion;
- (4) We can close the account and issue a single cashier's check for the available account balance jointly payable to all account owners, and we may mail or deliver that check to any one of the account holders or signatories, or to the address of record;
- (5) We may commence an action in interpleader, giving the disputed funds to a court so that it can decide who has the right to control the funds. We will not be liable to you for any costs, claims, damages, or other expenses that result from the payment or non-payment of items or other request for payment of the deposited funds. We will charge the account for our costs and expenses (including attorneys' fees) in commencing an action in interpleader or may seek recovery of such costs and expenses from the funds deposited in the interpleader action;
- (6) Continue to pay items and other withdrawals when the instructions to do so are given to us by an owner of the account according to our records; and/or
- (7) We can take any other action we believe to be reasonable under the circumstances even if the action is not listed here. These actions include but are not limited to any specific procedures that may be applicable under a law or regulation.

You agree to assume all liability for, and you agree to indemnify, defend, and hold us harmless from and against any and all losses, damages, claims, costs or expenses (including attorneys' fees and costs) incurred by us as a result of any dispute that arises under this Section. In addition to the foregoing rights, you authorize us in our sole discretion to elect to close your accounts pursuant to this Agreement.

Without limiting the foregoing, if we believe, in our sole judgment, that following an owner's instructions might at any time expose us to any claim, suit, loss, expense or liability, we may request indemnity (or security for it satisfactory to us before following the instructions).

## DISPUTED PAYMENTS

If you have a dispute regarding an amount you owe to us, you must direct all correspondence regarding the dispute to us at: Bank of Hope, 1655 W. Redondo Beach Blvd., Suite 300, Gardena, CA 90247. Any communications regarding the disputed payment that are sent elsewhere or to someone else will be of no legal effect. We will disregard any notations such as "payment in full" or similar language, and may cash the check or draft without agreeing to settle for the face amount of the instrument. We will only be bound to settle for the face amount of the instrument if we have expressly agreed to do so, in writing.

## EARLY WITHDRAWAL PENALTIES (AND INVOLUNTARY WITHDRAWALS)

We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your deposit account product details for further information.

## ELECTRONIC SIGNATURES, CONTRACTS AND RECORDS

When any payment order or other service generates items or transactions to be charged to an account of yours, you agree that we may charge the affected account without requiring your signature and without prior notice to you. Any transactions resulting from your instructions which we receive in your name and under your credentials shall be deemed to have been "a writing" and authenticated by you "in writing" for purposes of any law in which a writing or written signature is needed or required.

You agree that we may use electronic communications to enter into agreements and contracts between you and us and otherwise to establish terms and conditions for products and services you receive from us. Your consent to or acceptance of the electronic communication or agreement may occur by your clicking "agreed" or similar terms, or by your subsequent use of a product or service, or otherwise as may be specified in the communication or agreement or as provided by law (subject to any limitations set forth in the communication or agreement). Your signature and agreement may be obtained by us electronically and includes mouse clicks, keystrokes, your use of passwords or other authentication systems, or as is otherwise set forth in the particular electronic communication or agreement.



All records we maintain of agreements or transactions under your name or credentials shall be deemed to have been "signed" by you and will further constitute an "original" when printed from electronic or paper records established and maintained by us or our authorized agent in the normal course of business. The foregoing includes, but is not limited to, instances where we or our authorized agent has scanned an original paper copy of a contract or record, including, but not limited to, your account signature card. You agree not to contest the authorization for, or validity or enforceability of, our electronic images, records, contracts and documents, or the admissibility of copies thereof, under any applicable law relating to whether certain agreements or records are to be in writing or signed by the party to be bound thereby. Records, contracts and electronically "signed" documents, if introduced as evidence on paper in any judicial or other proceedings, will be admissible to the same extent and under the same conditions as other documentary business records. You and we further agree that delivery of a signature page to this or any agreement with us, including, but not limited to, your account signature card, by email transmission of a scanned image, facsimile, or other electronic means, shall be effective as delivery of an originally executed signature page. Upon our written request, you agree to manually sign or place your signature on any paper original of any record, contract or "signed" document which we provide to you containing your purported signature.

#### ELECTRONIC PRESENTMENT/POSTING

We may charge your account on the day that a check or other transaction is presented (or returned) to us directly or electronically for payment. We may charge your account or place a hold on funds at an earlier time if we receive notice that a check or other item deposited to your account is being returned, or if we receive notice that your check or electronic payment (e.g., at a point-of-sale) is being processed for collection. Some merchants may obtain authorizations in advance for point-of-sale transactions in an amount greater than the final transaction amount. You agree that we may place a hold on sufficient funds to cover the amount of the authorized transaction, pending its final settlement through the system, even if that amount exceeds the actual amount of the transaction. This could affect the balance available to cover other transactions.

#### ENDORSEMENTS

You warrant that all endorsements on items deposited to your account are genuine and further warrant that you are authorized to negotiate and/or deposit any items that contain no endorsements. You authorize us to supply your endorsement to any item taken for collection, payment, or deposit to your account. Also, you authorize us to collect any unendorsed item made payable to you without first supplying your endorsement, provided the item was deposited to your account, but may, at our option, require your personal endorsement prior to accepting an item for deposit.

We may require that each payee personally endorse any items, including government checks, insurance company items, or other special types of items. You agree to indemnify, defend, and hold us harmless from and against any and all losses, damages, claims, costs or expenses (including attorneys' fees and costs) incurred by us in connection with your failure to endorse an item exactly as it is drawn or for any item that is alleged to have a forged, missing or unauthorized endorsement.

We are not bound by any restrictions you make on the face of an item or in the endorsement of any items unless we agree in writing to them.

We reserve the right to refuse items that bear or require more than one endorsement, including the endorsements of individuals who are not known to us. If you wish to deposit or cash an item which has been previously endorsed by one or more individuals, we reserve the right to require all endorsers to be present before we accept the item or to require that their endorsements be guaranteed by their financial institution.

To the extent legally permitted, each co-owner of an account appoints the other co-owner as his or her attorney-in-fact with full power to endorse the name of any co-owner on any item for deposit, or to deposit without endorsement any such item, into the account or cash the item.

#### ESCHEAT NOTICE; DORMANT AND INACTIVE ACCOUNTS

The funds in your account may be transferred to the appropriate state if no activity occurs in the account within the time period specified by state law.

We may consider accounts with no activity for a requisite period to be dormant. To the extent permitted by state law, a dormant account will continue to be charged a normal monthly service charge. You authorize us to hold statements on accounts that are in a dormant status until the account has been removed from dormant status, but we are not required to do so by this Agreement. You authorize us to, at our discretion, refuse to permit withdrawals from an account that has become dormant until we are satisfied that we are dealing with the true owner or authorized signer of the account.

State law governs when accounts are considered inactive or abandoned, the type of notice, if any, that we are required to provide, when and how we are required to provide the funds to the state and how you or your representatives, heirs, or beneficiaries may reclaim the accounts from the state. In certain states (including California, New Jersey, New York, and Illinois), if an account or other property does not have activity for more than three (3) years (or other period or as required by law as may apply to the account or property), we may comply with what we in good faith believe to be any legal requirement to turn the balance over to the state of California or to another jurisdiction. To the extent required by law, we will send a notice to your last known address or by other method required by the statute, before we turn your account or other property over to the state. To the extent permitted by state law, a fee will be imposed against your account for this notice. Refer to the Fee Schedule for fee amount. If your mail has been returned to us as undeliverable, we may not send you any notice. If you discover that an account of yours has been turned over to the state, you may be able to reclaim your funds pursuant to the requirements of the applicable state.



## FACSIMILE, MECHANICAL OR ELECTRONIC SIGNATURES

Many customers use a facsimile, electronic or other mechanical signature, including those computer generated or created via a stamp, referred to herein as ("facsimile signature") to execute agreements, authorize transactions, provide and authorize instructions and to endorse or otherwise complete other documents. If you use any form of facsimile signature in connection with any account, you agree to deliver a sample to us before you begin using it, and to execute and deliver agreements in a suitable form, if we so require. If you use a facsimile signature for any of these purposes, you are responsible for any such transactions, instructions or endorsements that appear to us to bear a signature that resembles the signature of a person authorized to sign on your account. When you use a facsimile signature in connection with any account, you agree you shall have the sole responsibility for maintaining security of the facsimile signature or device by which it is affixed, and you shall bear the entire risk for unauthorized use thereof, whether or not you are negligent, except as may be required by law. You agree that we may rely on facsimile signatures that resemble the appropriate original or any signature specimen given to us and that appears to have been made through an authorized medium, regardless of how the facsimile signature came to be placed on the item. We may rely on facsimile signatures, even if they were placed on agreements, transactions, instructions, items or otherwise without your knowledge or consent. We may pay items bearing facsimile signature, regardless of the persons to whom they are drawn or paid. A facsimile signature that resembles an authorized signer's signature or any facsimile signature specimen is not considered a forgery or an unauthorized signature, and such a facsimile or automated signature shall be effective as your signature or endorsement, without regard to color variation, whether or not you have been negligent. You further agree to indemnify, defend, and hold us harmless from and against any and all losses, damages, claims, costs or expenses (including attorneys' fees and costs) incurred by us as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile signature or the device by which it is affixed. This means that we are not responsible for any misuse of a facsimile signature we believe you authorized.

## FDIC INSURANCE

We are a member of the Federal Deposit Insurance Corporation (FDIC). At this time, the standard deposit insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

For current information relating to deposit insurance coverage, you may contact the FDIC toll-free at (877) 275-3342 or visit the FDIC website at [www.fdic.gov](http://www.fdic.gov).

## FEES

A schedule of fees associated with our personal and business deposit accounts is provided in our Fee Schedule. The schedule that applies to your account is part of the contract between you and us. You agree to pay the fees we charge, and you give us the right to collect any fees, as earned, directly from any of your account balances. You further authorize us to impose multiple fees as well as the same fees multiple times (such as fees for overdrafts, returned unpaid items, and returned deposited items) in connection with a single check or other debit transaction that has been returned or presented multiple times. This includes, for example, when an overdraft results from an item or ACH debit that is returned after being redeposited, or paid or rejected after being represented for payment.

From time to time we may list fees for some non-account services (such as wires, cashier's checks and so on) in the Fee Schedule. We may change non-account fees at any time without notice. You can get current information about non-account services and fees that apply at any of our banking offices. Some services are subject to separate terms between us, including fees for those services.

In addition to fees, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with your account or account-related services (excluding any income tax payable by us). Monthly service charges are accrued the first day of the statement period and may be collected on the last day of the statement period or the date the account is closed. Service charges are not prorated for partial months.

## FORCE MAJEURE

Notwithstanding any other provisions of the Agreement, we shall not have any responsibility or liability for any failure, error, malfunction or any delay in carrying out any of its obligations under the Agreement if such failure, error, malfunction or delay results from events due to any cause beyond its reasonable control, including, without limitation, unavailability of any communications system, sabotage, fire, flood, explosion, acts of God, civil commotion, terrorist attack, strikes, stoppages of labor or industrial action of any kind, riots, insurrection, war or acts of government, power or equipment failure (including that of any common carrier, transmission line or software), emergency conditions, earthquake, adverse weather conditions or any other factor, medium, instrumentality, condition or cause not in our control. We will not be liable or responsible for the acts or omissions of any other financial institution or any third party or for any inaccuracy or omission in a notice or communication received by us from you, your agents, your authorized signers, other financial institutions, or any other third party. In addition, we shall be excused from failing to transmit, or delaying the transmission of, any transaction, if such transmittal would result in our having exceeded any limitation upon its intra-day net funds position established pursuant to present or future FRB guidelines or in our otherwise violating any provision of any present or future risk control program of the FRB or any rule or regulation of any other U.S. governmental regulatory authority. We shall not be liable for any failure to perform any of its obligations under the Agreement if such performance would result in it being in breach of any law, regulation, requirement or provision of any government, government agency, banking or taxation authority in accordance with which we are required to act, as shall be determined in our sole discretion.



## FOREIGN CURRENCY AND INSTRUMENTS

You may not write items or other withdrawal orders on your account which order payment in a foreign currency.

The processing and collection of foreign instruments are not subject to United States laws and regulations. We may refuse to accept for deposit or collection an item that is payable in a currency other than U.S. dollars or that is drawn on a bank or a branch of a bank located outside of the United States (a "foreign instrument"). If we accept a foreign instrument for deposit or collection, you bear all the risks associated with the collection process and foreign currency fluctuation (exchange rate risk). A foreign instrument may be returned unpaid much later (sometimes several months after we process the foreign instrument) than instruments that are drawn on banks located in the United States. You bear all the risks of a late return. We may decide not to credit a foreign instrument to your account until we receive the proceeds in cleared funds from the paying bank. If we do provide credit, such credit is provisional and we may reverse the credit at any time if the foreign instrument is returned unpaid or is initially paid but then subsequently returned for fraud or any other reason. You agree that we may use the current exchange rate and we may charge your account for the full value of the foreign instrument, including any applicable fees, which may result in a loss to you. You are responsible for all fees incurred including exchange rate, our collection fee, and other charges assessed by the payor bank. You understand that foreign instruments sent for collection are sent solely for you and at your risk and that we are not liable for any event in the collection process which is beyond our control including a default by any banks or agents involved in the collection process or for loss of the foreign instrument in transit.

## FUNDS AVAILABILITY POLICY

### Your Ability To Withdraw Funds

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Our cutoff hour for deposits varies depending on the branch or ATM location where your deposit is made. The earliest cutoff hour that may apply is 5:00 p.m. local time. If you make a deposit before our cutoff hour on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after our cutoff hour or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

We offer access to make limited cash deposits through participating ATMs we do not own. If you make a deposit at a deposit-accepting ATM that we do not own or operate, your deposit will be available no later than the fifth business day after the day of deposit. All of our proprietary ATMs have been labeled with our name.

### Longer Delays May Apply

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$225 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will send you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid;
- You deposit checks totaling more than \$5,525 on any one day;
- You redeposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six months; or
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

### Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first



business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

#### Holds on Other Funds (Check Cashing)

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

#### Holds on Other Funds (Other Account)

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

#### HEADINGS/TERMS

The headings in this Agreement are for convenience only and are not part of these terms.

#### INTEREST ON DEPOSITS

**Interest Rates.** Interest rates paid on our accounts are determined by our management, based on market conditions and other business factors. Except for time deposits (which earn the same interest rate through maturity), the interest rate and Annual Percentage Yield on deposits can change as often as daily, at our discretion, without prior notice to you. On tiered-rate accounts, the entire balance is subject to the interest rate for the balance tier of your end-of-day balance. For current rates, please call or visit one of our offices or contact us at 1-888-811-6272.

**Interest Calculations.** Interest is calculated on an actual/365 day basis (366 days for leap years), except for certain public fund accounts where interest is calculated on an actual/360 day basis. Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks). We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

**Payment of Interest.** Depending on the account, interest may be credited to your account at the end of your monthly or quarterly cycle, at maturity, or when your account is closed. See your account disclosure for details. Interest is paid to the last day of each payment period, the date of withdrawal, and the maturity date. Interest may be lost on some accounts if the account is closed prior to the end of the statement period or the regular interest payment date.

**Matured Time Deposits.** At maturity, certain time deposit accounts will automatically renew for a new term at the rate then in effect for accounts of the same type, amount and duration. You have a 10-calendar day grace period after maturity during which a withdrawal can be made without penalty. We reserve the right to change the rate of interest for automatically renewable accounts at each renewal period. If we elect not to permit the renewal of an automatically renewable time deposit, we will notify you in advance. Unless specifically stated otherwise, any bonus or special promotion we are offering will not apply to automatically renewing time deposits. Time deposit accounts which do not automatically renew will stop earning interest at maturity.

**Early Withdrawals from Time Deposits.** Time deposit customers agree to keep funds on deposit for a fixed period of time. Unless otherwise provided, partial withdrawals and additional deposits are not permitted. If we permit an early withdrawal of principal from a time deposit, we may impose an early withdrawal penalty. See your account disclosure for details. Tax penalties also may apply to premature distributions from IRAs.

Please see your account disclosure for additional details regarding how we calculate and pay interest and the penalties we impose for early withdrawals from time deposits.

#### LIMITATION ON LIABILITY; HOLD HARMLESS AND INDEMNITY

Except as otherwise stated in this Agreement or as specified by applicable law, we will be liable to you only for damages arising directly from our intentional misconduct or negligence. "Ordinary care" requires only that we follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. Our policies and procedures are general internal guidelines for our use and do not establish a higher standard of care for us that is otherwise established by the laws governing your account. A mere clerical error or an honest mistake will not be considered a failure by us to perform any of our obligations.

Except to the extent limited by applicable law, we are not liable for loss, damage, harm or expense ("Loss") from: (a) any inaccuracy, act or failure to act of any person not within our reasonable control; (b) the failure of other financial institutions to accept or perform in connection with items or other charges; or (c) your



negligence or breach of this Agreement. Without limiting the foregoing, and except to the extent limited by applicable law, our liability for Loss will be reduced: (a) by the amount of the loss that is caused by your own negligence or lack of care; (b) to the extent that damages could not have been avoided by our exercise of ordinary care; and (c) by any loss recovery that you obtain from third parties (apportioned in accordance with this provision). We will not be liable for any loss that is caused in part by your negligence if we acted with ordinary care.

Our liability for any act or failure to act is limited to your proven direct Loss (and interest on that loss, if required by law, at the average Federal Funds rate at the Federal Reserve Bank of New York for the period). Except if specifically imposed by statute that cannot be waived between parties, WE ARE NOT LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES, such as loss or damage from subsequent wrongful dishonor from our acts or omissions, even if we are aware of the possibility of the same. You agree to pursue all rights you may have under any insurance policy covering any loss and to provide us with information regarding coverage. Our liability will be reduced, proportionately in accordance with our responsibility for any loss, by the amount of any insurance proceeds you receive or are entitled to receive for the loss. If we reimburse you for a loss and the loss is covered by insurance, you agree to assign us your rights under the insurance policy to the extent of our reimbursement, in accordance with this provision. You waive all rights of subrogation against us with respect to any insurance policy or bond.

In addition to any other rights we may have under this Agreement or any related agreement, or at law or in equity, and except as expressly limited by applicable law or regulation, you agree that you will indemnify, defend, and hold harmless Bank of Hope and our directors, officers, shareholders, employees and agents, against any and all third party suits, proceedings, claims, demands, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses ("Indemnified Losses") that result from or arise out of: (a) the wrongful acts or omissions of you, or any person acting on your behalf (including without limitation your processor, if any), in connection with your use of your accounts or services we offer to you, including, without limitation: (i) the breach by you of any provision, representation or warranty; (ii) the negligence or willful misconduct (whether by act or omission) of you, or any third party on behalf of you; (iii) any misuse of the account or services by you, or any third party within the control or acting on behalf of you; or (iv) the failure by you to comply with applicable state and federal laws and regulations applicable to you; (b) any act or omission of ours that is in accordance with this Agreement or instructions from you; (c) actions by third parties, such as the introduction of a virus that delays, alters or corrupts the transmission of information to us; or (d) any loss or corruption of data in transit from you or on your behalf to us.

If you are a consumer and suspect a problem with a substitute check, notify us of your suspicions. For these purposes, the terms "consumer" and "substitute check" are used as defined in Federal Reserve Board Regulation CC. See the "Substitute Checks and Your Rights" disclosure in this Agreement for information on rights you may have with respect to substitute checks. If you suspect a problem with an electronic fund transfer to or from your consumer account, see the "Electronic Fund Transfer Act" disclosure in this Agreement for information on rights you may have with respect to these transfers.

#### JOINT ACCOUNTS

If your account is a joint account, any one of the account holders may, without notice to the other account holders, enter separate service agreements that bind all account holders, initiate withdrawals or close the account, and, in the case of checking accounts, write items against the account or request stop payments (whether or not drawn by the requesting account owner). Each account holder is authorized to act for the other account holder(s) and we may accept orders and instructions regarding the account from any account holder. Each joint account holder is jointly and severally liable to us for any and all overdrafts to the account.

#### LARGE CASH WITHDRAWALS

We may require reasonable advance notice for large cash withdrawals. We may also refuse to honor a request to withdraw funds in cash from your account or to cash an item (including a cashier's check or other official item) at a branch if we believe that the amount is unreasonably large or that honoring the request would cause us an undue hardship or security risk. We may require that such withdrawals be made at one of our cash vaults by an armored courier, acceptable to us and at your sole risk and expense. We are not responsible for providing for your security in such transactions. Rather than permitting a large cash withdrawal, we reserve the right instead to provide you with a cashier's check for the amount requested.

#### LEGAL PROCESS

You authorize us to accept and act on any legal process that we believe to be valid without any liability by us to you, whether served in person, by mail, by facsimile transmission or electronic communication, and whether at locations other than the branch or office at which the account, property, or records are held or in one state for property or records held in another state. "Legal process" includes a subpoena, restraining order, injunction, writ of attachment or execution, levy, garnishment, or other legal order relating to you or your account. If we are permitted, we will use good faith efforts to send you notice of any legal process received by us, but this Agreement does not require us to do so.

We have a legal process cutoff time. If we receive legal process against your account before our cutoff time for legal process which requires us to attach, garnish or turn over your funds, and you do not have enough funds in the account to cover the legal process, we may return items or other items presented against your account the previous business day and apply the funds to satisfy the conditions of the legal process. We have designated a central location for acceptance of service of legal process. Irrespective of where your account is located within our branch network, service of legal process on our central location will apply to all accounts you have with us wherever located.





If any legal process directs us to attach, garnish or turn over funds or other property, then, depending on the type of order, we either immediately deliver the funds or property or hold them for a legally permitted period. We do not pay interest on the funds during the period we hold them. If we use funds from a time deposit account, we may impose an early withdrawal penalty.

You authorize us to charge your account a legal process fee for each order as permitted by law. See Fee Schedule. You agree to pay our fees and expenses for research and copying of documents and all other expenses, including administrative expenses, we incur in responding to any legal process related to your account. These may include attorneys' fees. You authorize us to deduct these fees and expenses from any of your accounts without prior notice to you.

Any legal process requiring us to attach, garnish or turn over your funds shall be subject to our right of setoff and security interest in the account. We are not liable to you for not paying items because we have withdrawn funds from your account or in any way restricted your access to funds because of a legal process or our setoff.

#### LIMITATION ON TIME TO SUE

Unless another time is provided in another provision of this Agreement, or required by applicable law, an action or proceeding by you to enforce an obligation, duty, or right arising under this Agreement or under applicable law with respect to your account must be commenced within one year after the cause of action accrues.

#### LOST/STOLEN/DESTROYED CASHIER'S CHECKS

You do not automatically have the right to stop payment on cashier's checks you purchase from us. If a cashier's check is lost, stolen or destroyed, please contact us for the procedures to obtain reimbursement or have the cashier's check reissued. In general, you must complete a declaration of loss form describing the cashier's check and how it was lost, stolen or destroyed. We will then wait ninety (90) days from the date the check was issued before we pay your claim. If ninety (90) days has already passed, we will act on your claim within a reasonable time. If the check is presented during the ninety (90) day waiting period, we may pay the item to a person entitled to enforce the check. If this happens, we will not pay your claim.

If we determine that any such instrument is presented by or on behalf of a person who may be a holder in due course or who may otherwise have the right to obtain payment of the cashier's check from us, we may, without notice to you, pay the cashier's check, even though you may have paid us a fee to not honor the cashier's check.

#### LOST ITEMS AND DELAYED RETURNS

We act only as a collection agent for you when we receive an item for deposit or which we cash for you. If that item is lost, stolen or destroyed in the process of collection, we may reverse the credit for any deposit or charge your account for the cashed item.

You are responsible for the condition of an item when you issue it, or present it for deposit to your account. If an item is returned or payment is delayed as a result of any writing or marking that you or a third party placed on the front or back of the item, you will be responsible for any costs or liabilities incurred as a result.

#### MONITORING, RECORDING AND RETAINING

You authorize us (but we are not obligated) to monitor, record electronically and retain telephone conversations and electronic communications between you (including your purported authorized representatives) and us. Accordingly, you agree on behalf of yourself, and your employees and agents that we may monitor and record your telephone and electronic communications in connection with your account at any time. Unless required by applicable law, we may monitor and record these communications without further notice. You agree that we may produce the telephonic or electronic recordings or computer records as evidence in any proceedings brought in connection with the Agreement, and you hereby acknowledge the validity and enforceability of such telephonic or electronic recordings.

#### NOTICES

Except as otherwise provided in this Agreement, and subject to the notice requirements provided in our other agreements with you, all notices and other communications by you to us shall be in writing and, addressed to:

Bank of Hope  
1655 W. Redondo Beach Blvd., Suite 300 Gardena  
CA 90247

or at such other address as we may specify in writing. Notices and communications to you may be mailed or made available to you electronically at the statement, email or mailing address shown for you in our records, or at our website. Any notice or communication sent or made available by us to you will be deemed given and effective when sent or otherwise made available to you, or as otherwise stated in the notice or communication. Certain notices and communications may be provided to you by telephone, facsimile or other electronic transmission at the telephone number, facsimile number or other location or number as shown in our records.



Any notice, instruction, or other communication sent by you to us will be effective when we have actually received and have had a reasonable time to act on the notice, instruction, or other communication. Notwithstanding anything to the contrary herein, we may rely on all notices, instructions, and other communications sent to us via facsimile or electronic transmission as though they are originals. Without limiting the foregoing, we are entitled to rely on any notice, instruction, or other communication believed by us in good faith to be genuine or to have been signed or authorized by your authorized representative.

If there are multiple authorized signers, we may send or make available communications to any one or more of them (unless otherwise agreed by us). You assume the risk of loss in the mail or in electronic transit.

If we hold mail for you and a statement or other communication is not picked up within 30 days, we may send it to you at the address shown in our account records or destroy it. If two (2) consecutive statements and/or notices are returned to us by the Postal Service for any reason, we may hold subsequent statements and notices of every kind until we receive forwarding information from you, and we may destroy such statements and notices.

#### **Consent For Us to Contact You By Email and Phone, Including Cell Phone and Text Messaging**

You agree that we and our affiliates and agents may contact you at any email address or telephone number you provide to us (including cell phone calls and text messages) to communicate with you regarding your account, any transaction with us, and/or your relationship with us. You further represent to us that you own the email addresses and telephone numbers you provide to us, or that you are authorized to provide this consent on behalf of the owner. You authorize us to make autodialed, prerecorded or artificial voice ("PAV") calls to any number(s) you provide and you acknowledge that, in any event, by voluntarily providing your telephone number(s) to us, you expressly agree to receive autodialed, PAV messages and texts from us, including from our affiliates and third parties calling on our behalf. Your service provider may impose a charge you for those calls/messages, including message and data rates. If necessary, you may change or remove any of the email addresses or telephone numbers at any time by contacting us at Bank of Hope, 1655 W. Redondo Beach Blvd., Suite 300, Gardena, CA 90247.

**Right to Opt-Out.** You may opt-out of autodialed, PAV calls or text messages from us at any time. To opt-out of autodialed and PAV calls (but not text messages), call us at 1-888-811-6272. You may also opt-out of receiving text messages from us, subject to applicable law. To opt-out of text messages, reply STOP to any text message you receive. For help, text HELP. You acknowledge and agree that you may receive a text message confirming your opt-out.

Link to our Privacy Notice can be accessed at <https://www.bankofhope.com/privacy-and-security>

#### **Electronic Communications**

An electronic communication is a notice, disclosure, statement document or other communication or message that we provide to you via electronic means in a format that allows visual text or images to be displayed on equipment such as a computer, mobile phone screen or other electronic equipment. You agree that we may at our option use electronic communications to provide you with any information, notice, disclosure, statement, document or other communication or message from us to you, including communications that we are required by law to provide to you in writing. We may at any time terminate paper delivery of communications and substitute electronic communications in lieu of the paper communication. Refer to the Electronic Signatures, Contracts and Records section of this Agreement for further details regarding electronic communications.

If we receive an electronic communication in your name that was authorized by you or by someone authorized by you, you are bound by the communication and we may rely upon and treat the communication as an authorized communication from you. This is true even if we did not authenticate the communication using security procedures applicable to the system or service and notwithstanding our use of those security procedures may have detected error. If we receive an electronic communication in your name that was NOT authorized by you or by someone authorized by you, you are nevertheless still bound by the unauthorized communication and we may rely upon it and treat the communication as an authorized communication from you if we verify the authenticity of the communication using security procedures applicable to the system or service. NOTE: This paragraph does not apply to consumer transactions where federal or state law protects you against liability (or limits your liability) for unauthorized use. Consumer liability for unauthorized use in these cases is described in the "Electronic Fund Transfer Disclosure" section of this Agreement. This paragraph does not supersede the terms and conditions of separate service agreements if the term or condition in that agreement would result in your being bound by an authorized or unauthorized communication, but does supersede the service agreements if application of its terms or conditions would not result in your being bound by the communication.

#### **Additional Electronic Notification Provisions for Consumer Disclosures**

Owners of consumer accounts have certain rights under law to receive consumer disclosures about their accounts in a non-electronic form unless you affirmatively consent to the receipt of consumer disclosures electronically and have not withdrawn your consent. If you are a consumer, we will not substitute electronic communications in lieu of written consumer disclosures unless your consent is first obtained electronically in accordance with applicable law. This restriction does not apply to all electronic communications from us to you, only those that include consumer disclosures under applicable law that would otherwise be required to be delivered in writing.

#### **ORDER OF PAYMENTS**

This paragraph describes, generally, how we post transactions to accounts. Please note that this process may change from time to time, without prior notice to you. Our order of posting depends on a number of factors, including when a transaction occurs, whether it has already been approved by us or has become final, the order in which it is presented, the amount, system availability, potential risk of loss to us, and the type of transaction in question, among other variables. Transactions are generally posted each business day in the following order. Deposits and electronic credits such as ACH or incoming wire transfers received before the deposit cutoff time that day are posted first. Then your withdrawals/payments that have been previously authorized and cannot be returned unpaid, such as ATM withdrawals, debit card purchases, checks cashed at Bank of Hope, transfers between accounts, or outgoing wire transfers



are posted from lowest to highest dollar amount in respective order. Automatic payments (ACH) are posted from lowest to highest dollar amount before checks. In general, checks deposited and cleared at Bank of Hope will be cleared before checks deposited at other financial institutions. Otherwise, for consumer accounts, checks will be processed based on the dollar amount, from low to high. For commercial accounts, checks will be posted in order of check number, from low to high.

We always reserve the right to post transactions that are payable to us first, and we may post any transaction earlier or later in the process than indicated. As such, if you want to avoid an overdraft or the possibility of a rejected transaction, you should take steps to ensure that your account has sufficient funds to cover each of your transactions and our fees.

Our order of processing your transactions may not be the order in which they occur, and the order in which transactions are processed and cleared can affect the total amount of fees (including NSF charges) you incur. Sweep arrangements, if available, may help you to avoid NSF charges and returned items.

The order in which these checks and other transactions are processed is important if there is not enough money in your account to pay all of the charges that are presented. We think our policy attains a reasonable balance between minimizing additional cost to you and paying your more important items. Using the order method described above is our way of trying to be neutral. We reserve the right to change the order of payment without notice to you, including under circumstances we deem necessary and appropriate (for example, if we suspect fraud or possible illegal activity affecting your account). In addition to the provisions of the "Force Majeure" Section in this Agreement, we shall be excused from posting transactions in the order described above if a failure or delay to post transactions in the order described above is caused by legal constraint, interruption of transmission, or communication facilities, equipment failure, war, pandemic, emergency conditions or other circumstances beyond our control. In the event of any of the foregoing failure or delays, you acknowledge that transactions may be posted in a different order.

#### OTHER AGREEMENTS

You may have other agreements with us which, by their terms, supersede this Agreement in whole or in part.

#### OVERDRAFT PRACTICES

**DO NOT OVERDRAW YOUR ACCOUNT.** If you overdraw your account, our fees and charges can be expensive and so you should make sure not to overdraw your account. This section helps explain overdrafts and how they affect you, but an important thing for you to understand is that overdrafts are expensive, can cost you a lot of money and, and are not something we promise to pay or honor under our standard overdraft practices. There are ways to avoid overdrafts, including avoiding poor account management.

**When overdrafts occur.** An overdraft occurs when you do not have enough available funds on deposit in your account to pay checks and other payments that are being charged to your account. An overdraft is the negative balance that results. It can occur due to an automated teller machine (ATM) withdrawal, a debit card transaction, a preauthorized automatic debit, a telephone- or web-initiated transfer, a check, or paper or electronic transfers or withdrawal. When you conduct a transaction, make sure that you have enough available funds on deposit in your account (or under an overdraft plan) to cover the transaction and avoid the overdraft.

Processing your checks, other deposits and other payments is a dynamic environment that is complex and may change due to technological innovation, changes in payment systems or changes in our policies and practices, including our order of processing. Overdrafts can arise due to a number of factors, so bear in mind that:

- You should not assume or expect that you will be able to avoid an overdraft by making a covering deposit before your transaction settles with us. Your checks, for example, can clear very quickly - sometimes even on the same day as you deliver the check to a merchant or other payee;
- As noted above, the order in which transactions are processed and cleared can affect the total amount of overdraft fees incurred by you;
- When an overdraft fee and charge is imposed, it operates to reduce the available balance in your account. You should consider this when you decide about whether to engage in a transaction that would overdraw the account, since you might erroneously believe that a transaction may be covered when it would not because fees had eroded the limit available;
- If you use an ATM or debit card, sometimes a hold is placed on your account by us. The hold amount may be more than the actual transaction, based on system processing methods and the type of transaction and the merchant involved. A hold can result in an overdraft, since "held" funds may not be available for other transactions. You should therefore check to be sure your funds are not being "held" if you are concerned that another transaction might cause an overdraft;
- You can see an account balance online, via an ATM or by calling us. This account balance typically will not disclose the predetermined amount under the standard overdraft services;
- You may not be able to tell if a particular transaction will or may cause an overdraft. For example, a merchant point-of-sale terminal may not provide account balances, or a balance at an ATM may reflect yesterday's balance information. Your bank account balance is continually changing, so any balance you see may not reflect current transactions or may otherwise be out of date. You can call us at 1-888-811-6272 if you want clearer information about your balances, to help avoid overdrafts;
- The predetermined amount under the standard overdraft services may change at any time, increasing or decreasing. This is also true of our order of payment and processing. However, we do not manipulate on a daily, or on a customer-by-customer basis, in order to maximize customer fees; and



- Our standard overdraft practices are NOT designed to help avoid your future financial challenges and should not be used by you in that way. Extensive use of overdrafts may be an indicator of poor account management and can result in significant expenses for you.

**What happens when your account has insufficient funds.** If you do not have sufficient available funds on deposit in your account at the time an item or other charge is presented for payment or any other transaction is posted to your account or received by us, we may return the check or other charge unpaid or otherwise reject the transaction. However, in our sole discretion, we may pay checks or other charges on your account, even if paying a particular check or other charge results in an insufficient balance in your account to pay one or more other checks or other charges, including those that otherwise could have been paid. We may also pay any check or other charge by overdrawing your account.

**Available Funds.** The available funds in your account refer to the available balance which is the amount of funds available for withdrawal and authorizing transactions. Your available balance may be less than the ledger balance or the collected balance. The available balance may not include the following: (i) the amount of pending transactions, such as a point-of-sale transaction; (ii) funds on hold in accordance with our funds availability policy; (iii) funds related to our receipt of a notice that a transaction will be presented or returned; (iv) our receipt of legal process related to funds in your account; and (v) funds frozen for another reason, such as funds pledged as collateral for a loan or commitment you have made. Note: If you make a deposit on the same day that an item, service charge or transaction creates an overdraft (a "temporary" or "intra-day overdraft"), we may charge the fee for the overdraft since the covering deposit may not be posted until the end of the business day. In some cases (e.g., deposits received after our processing cutoff hour), the deposit may not be deemed received until the next business day. We also may impose a fee for overdrafts created by fees or deposited items that are returned.

**Our standard overdraft practices.** Note that we do not promise to pay overdrafts under our standard overdraft practices. This includes overdrafts due to checks or automatic bill payments, and overdrafts to pay ATM and everyday debit card transactions. We may at your discretion not authorize or pay any of these transactions. Ask us to learn about our overdraft protection plans, which can be less expensive and may be more effective to cover transactions that might otherwise cause an overdraft.

**Overdraft protection options.** We offer overdraft protection options through an automated savings sweep service. This plan requires our prior approval, and you may be required to enter a separate agreement with us. Additional terms and conditions for a savings sweep may be provided to you separately. If you are interested, call us at 1-888-811-6272 to speak with a Bank of Hope representative about these options.

**Commercial accounts.** The above discussion regarding overdrafts may not apply to commercial accounts. If you are interested in our overdraft practices as they apply to your business accounts or relationship accounts, please contact us at 1-888-811-6272.

**Education resources.** Additional Information Concerning Overdraft Programs. Additional literature regarding overdraft programs may be obtained by visiting the FDIC's website, [www.fdic.gov/consumers/overdraft](http://www.fdic.gov/consumers/overdraft), or FDIC's Money Smart website, [www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart), which provides supplementary financial education.

## OVERDRAFT LIABILITY AND RELATED FEES

You agree not to overdraw your account. Unless we have expressly agreed with you in writing otherwise, any overdraft on your account is due and payable to us immediately. We have no liability to you for rejecting some checks or other charges and paying others, or otherwise processing a transaction when your account is overdrawn, even if:

- The check or other charge that we choose to pay is payable to us; or
- Your account is overdrawn due to Bank of Hope charges.

Each account owner is jointly and severally responsible for paying all overdraft amounts created by any authorized signers, regardless of whether the account owner authorized the check or other charge or received any benefit from the check or other charge. You agree that we may, to the maximum extent permitted by law, apply deposits (including Social Security, SSI, and similar benefits) to overdrafts and overdraft fees or other Bank of Hope fees and charges, without notice to or further specific consent from you.

If we pay an item or other charge, cash a check for you, or process a transaction, and the amount we pay or process is more than the available balance in the account on which it is drawn, we may hold balances in other accounts of yours, up to the amount we have paid until we have received final payment for the check we paid or the transaction we processed.

Unless otherwise agreed between you and us, if we pay checks or other charges by overdrawing your account, we are not obligated to continue paying your overdrafts in the future. We may stop paying overdrafts without notice to you. If we pay your check or other charge against nonsufficient funds, you must deposit enough to cover your overdraft and any Bank of Hope fees or charges. You will be required to pay for any costs of collection (including attorneys' fees) that we incur in recovering from you.

**Non-Sufficient Funds (NSF) or Uncollected Funds (UCF) Fee.** There is a fee associated with each transaction that we either pay which results in an overdraft, or do not pay and which would have resulted in an overdraft had we paid it. See Fee Schedule. Such a fee may apply to overdraft transactions created by check, automated clearing house (ACH) debit, and by certain other electronic means as permitted by law. We may impose multiple fees as well as the same fees multiple times (such as fees for overdrafts, returned unpaid items, and returned deposited items) in connection with a single check or other debit transaction that has been returned or presented multiple times. This includes, for example, when an overdraft results from an item or ACH debit that is



returned after being redeposited, or paid or rejected after being represented for payment. For consumer accounts, we will not apply a fee to overdraft transactions created by one-time debit card transactions or ATM transactions regardless of whether we pay them or not. We will not charge a Non-Sufficient Funds Fee or Uncollected Funds Fee if the available balance in your consumer account is overdrawn by \$5.00 or less, after posting all transactions at the end of the business day. We will not charge Non-Sufficient Funds Fees and/or Uncollected Funds Fees in aggregate more than five (5) times each business day for consumer accounts. In the absence of a separate written overdraft agreement providing otherwise, overdrafts on a business account may bear interest at our prevailing rate until the overdraft has been paid.

#### POST-DATED, STALE DATED AND OTHER CHECKS

Processing checks is a highly automated service, and we use commercially reasonable efforts to process them. We may pay checks drawn on an account even if one or more of the following are true: the check is dated after the date we pay it; the check is presented to us for payment more than six months after the date on the check; a stop payment previously requested has expired; the check contains language that purports to make it void before the time it was paid; or the check contains other language that purports to establish conditions under which it may be paid.

Unless you give us and we agree to honor a special "notice of post-dated check," we may charge your account for an item that is otherwise properly payable from the account, even though we pay the check before the date on it. You can provide this special notice to us verbally, but it must be received by us so as to give us a reasonable opportunity to act on it before final payment of the item. In placing your notice of post-dated check, to meet our computer system requirements, you must describe the check by giving the date, the check number, the exact amount of the check and the name of the payee in order for us to return the item if it is presented for payment before the date on the check. Unless we expressly agree otherwise, within fourteen (14) days of your verbal notification not to pay a post-dated item, we require that you provide notice to us in writing. We have a special form for this purpose. If you do not put your notice in writing, then your notice of post-dated check will expire at the end of the fourteen (14)-day period. If you put your notice in writing to us, then your notice of post-dated check will remain in effect for a total of six (6) months. If you wish to continue your notice of post-dated check for additional six (6)-month periods, you must renew your notice before the current notice of post-dated check expires. We will impose a fee for each notice of postdated check and each renewal. See the Fee Schedule. We may pay the item as of its date, even if you have given us a notice of post-dated check. If you do not want the item to be payable as of its date, you must provide us with a stop payment order in time for us to act on it before the date of the item.

Upon presentment of an item for payment more than six (6) months after its date, you agree that we may, in our sole discretion and without notice or inquiry to you, charge your account for the item. However, we are not obligated to do so. You agree that our obligation of good faith does not require us to make any inquiry of you or require us to give you notice prior to the payment of an item more than six (6) months after its date. Our payment of the item will be in good faith absent written notice from you in the form of a timely received stop payment order. If you want to ensure that we do not pay a stale dated item, you should place a stop payment order on the item.

#### POWER OF ATTORNEY

Under certain types of account ownership, you may authorize another person as your agent and attorney-in-fact to act on the account ("agent"). You shall be bound by and responsible for the actions of your agent, even if the agency relationship is not indicated on the item, withdrawal order or other instruction. Unless prohibited by applicable law, we may require the appointment to be in a form satisfactory to us. Unless prohibited by law, we may reasonably refuse to honor a power of attorney or agency that you grant to others for any reason. Subject to applicable state law, we may require you or your agent to present the original form. In some cases, we may require that the agent confirm in an affidavit that the powers have not been revoked or terminated. We may continue to rely on the instructions and actions of your agent until we receive written notice in accordance with applicable law and this Agreement that the agent's authority has been terminated, and we have had time to act upon it. You must tell us of any changes involving the power of attorney. We will not be liable to you or anyone else if we, in good faith and without actual knowledge that the power of attorney is deficient or has terminated for any reason, act on the instructions of your attorney-in fact. You agree that a signature by your authorized agent (e.g., your attorney-in-fact under a power of attorney that we have on file) is valid, even if the principal agent relationship itself is not indicated on the check or instruction. We reserve the right to require additional information, documentation, or action from your agent, to the extent not prohibited by applicable law. Unless prohibited by applicable law, we may charge you a fee to cover our costs to review any power of attorney document other than the form we provide.

#### PREVENTING FRAUD

To help you protect your account, you should consider using some or all of the following preventative measures: reconciling your statements as you receive them, watching for out-of-sequence checks and checks made payable to cash, and reviewing your transaction activity for unexpected fluctuations. Business customers should consider assigning responsibilities for opening mail, reconciling bank statements and issuing checks to different individuals. Do a thorough background check on agents, bookkeepers, accountants or other employees who may be handling any part of your banking and/or who have access to your confidential records. You must contact us immediately if you discover any irregularities.

You should be cautious about giving someone your account number. If you give your account number to a third person and authorize that third person to initiate one or more transactions on your account, you may be liable for all transactions initiated by the third person even if you did not intend to authorize a particular transaction.

Positive pay is an additional fraud prevention service offered by us. This service allows the business customer to transmit a list of checks that are written on their account to us. We, in turn, compare the list to incoming items presented for payment. In cases where there is a discrepancy, the business customer is notified and can make an accept or return decision, subject to defaults and cutoff hours within the system. We may recommend that you close your account



and open a new account when your account is suspected to be compromised. If there are any unauthorized transactions on your account, we may require the closing and renumbering of your account and if you elect not to do so, you agree to hold us harmless against any subsequent losses or damages on the account due to unauthorized transactions. You are responsible for notifying any third parties of your new account number that need to know. If you are a business customer and elect not to close and renumber your account or utilize the positive pay service or other fraud tools that we make available to you, or you fail to use the positive pay service or other fraud tools in accordance with the applicable service description or our other applicable documentation, you agree to hold us harmless against any losses you may suffer as a result of your failure to identify fraudulent or unauthorized account activity that could have been detected with the fraud prevention services.

#### RELATIONSHIP

Our relationship with you concerning your accounts is that of debtor and creditor. No fiduciary, quasi-fiduciary or similar special relationship exists between you and us.

#### RELEASING ACCOUNT INFORMATION

You authorize us to release information regarding the current status and history of your account to others. For example, we may release information: (1) where it is necessary or helpful to complete a transaction; (2) to verify the existence and condition of your account for a third party, such as a merchant or another financial institution; (3) to comply with the law or a court order; (4) when an inquiry is made regarding whether your account has sufficient funds to cover an item drawn on your account; (5) with your authorization; (6) for other legitimate business purposes and (7) as otherwise permitted by law.

We, from time to time, enter into agreements with third parties to provide bank-related services for us. The services provided by the third parties may include check processing services, data processing services or other bank-related services. You authorize us to release information regarding your account to such third party service providers in connection with the service providers providing bank-related services for us.

For consumer account customers, refer to our separate privacy policy for our information use and sharing practices.

#### REMOTELY CREATED CHECKS AND ELECTRONICALLY CREATED ITEMS

A remotely created check is a writing not signed by the customer that is created by a third party under the purported authority of the customer for the purpose of charging the customer's account with a financial institution. A remotely created check is also known as a demand draft. A remotely created check must contain the customer's account number and may contain the customer's printed or typewritten name, a notation that the customer authorized the draft, or the statement "no signature required" or words to that effect. An electronically created item is an electronic image resembling a check, created from your information that was not actually derived from an original paper check.

If you voluntarily give information about your account (such as our routing number and your account number) to someone and authorize them to draw against your account, we may charge your account and pay any items, including remotely created checks and electronic items initiated by the person to whom you gave the information. You also agree that we may pay an electronically created item even though the item was not created from an original paper check, whether presented in the form of a remotely created check or an electronic item. You authorize us to continue to honor items or debits from a payee previously authorized by you, until you instruct us to cease to do so, whether or not the payee is acting within the scope of your initial authorization, subject only to such liability as may be imposed upon us by law. If you want us to stop honoring items from a payee previously authorized by you, you must tell us in writing. Until you notify us that such items are not authorized, we can continue to pay them and will not be liable to you even though the items are not in accordance with any authorization you may have given.

This does not, however, obligate us to honor remotely created checks, electronically created items or similar items or entries. We may refuse to honor remotely created checks, electronically created items or similar items or entries without cause or prior notice, whether or not we have honored or dishonored similar items or entries previously.

You agree that we are under no obligation to verify whether the name and account number shown on the remotely created checks or electronically created items are consistent. If any information on a remotely created check or electronically created item is incomplete, inaccurate, or in error, you agree that we may, at our sole discretion, either pay the remotely created check or electronically created item and charge your account for the check or item as drawn or refuse to honor the check or item and, without prior notice to you, return the check or item unpaid. You further agree to indemnify and hold us harmless for losses resulting from our honoring or dishonoring any such debit.

You further agree not to present remotely created checks or electronically created items for deposit, unless we have given prior express written approval.

#### RESERVE ACCOUNT

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



## RIGHT TO SETOFF

Subject to applicable law, we may, but are not obligated to, use the funds in your accounts to pay any due and payable debt(s) and obligation(s) that you owe us which are not paid when due. This is referred to as a "setoff." If we exercise this right of setoff, we shall comply with all applicable laws. We will notify you promptly of the action taken. Generally, you agree that all sums in deposit accounts will be subject to our right of setoff for liabilities owed to us by any one or more of the account owners, including any other person who is a joint account owner; or any partnership of which you are a general partner; or any other person or entity with whom you are a co-obligor, or have agreed to act as surety or guarantor, or for whose debts you are liable or may be contingently liable. You authorize us to use account funds to pay your debts and obligations to us even if the setoff results in an early withdrawal penalty or the dishonor of items. If your account is a checking or money market account and if we exercise our right of setoff, our duty to pay any items presented for payment on your account during the business day preceding the day on which the setoff occurs may be terminated, and you agree that we may return those items unpaid. If we do return items, we also will charge you a Non-Sufficient Funds fee for each returned item. See the Fee Schedule.

If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balances for which we properly accelerated the due date under the note.

We will not be liable for the dishonor of any item or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

This right of setoff does not apply to this account if: (a) it is an IRA or a tax-deferred retirement account; (b) the debt is created by a consumer credit transaction under a credit card plan; or (c) the debtor's right of withdrawal only arises in a representative capacity.

## SAFEGUARDING BLANK AND CANCELED CHECKS

You agree to safeguard your blank and canceled checks and to take reasonable steps to prevent unauthorized access to or use of your checks. This means that you will store them under proper control in a secured, locked location accessible only to authorized signers. You further agree to notify us immediately if one or more of your blank checks are lost or stolen. You agree to accept all responsibility for any failure to safeguard your blank checks.

## SAFE DEPOSIT BOX RENTALS

Safe deposit box rentals will be subject to separate terms and conditions with us. Safe deposit boxes and their contents are not insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures funds in deposit accounts, subject to certain limitations. Safe deposit boxes are considered storage facility/services. Check with your insurance carrier to determine whether your safe deposit box contents are covered under your own property insurance policy or if you need to acquire additional insurance. We are not obligated to provide safe deposit box insurance information to safe deposit box customers. Except to the extent otherwise required by applicable state law, the contents in your box, or the proceeds from the sale of the contents in your box, may be transferred to the appropriate state upon running of the earlier of: the time period specified by state law from the date the lease or rental period on the box expired; or from the date of termination of any agreement because of which the safe deposit box was furnished to the owner without cost.

## SAMPLE SIGNATURES

To determine the authenticity of your signature, we may refer to the signature card or to an item or other document upon which your signature appears. We may use an automated process to reproduce and retain your signature from an item based on the format and other attributes of checks we offer to customers.

## SECURITY INTEREST

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

## SEVERABILITY

If any provision of this Agreement is determined to be void or invalid, the remainder of the Agreement shall remain in full force and effect. No provision of this Agreement shall be deemed to deny (and any term to the contrary is modified so as not to deny) protections, rights or privileges that under state or federal law are required to be made available to consumers or to consumer accounts, except that any modification of your protections, rights and privileges under this Agreement will be effective to the extent (but only to the extent) that the relevant state or federal law allows us and you to agree to modify them.

## SIGNATURES GENERALLY, FORGERIES, MISSING SIGNATURES AND ALTERATIONS

The authorized signatures for an account are noted on the account signature card. Any one of the authorized signers may sign items or withdrawal orders and give us instructions regarding the account. We do not offer accounts on which two or more signatures are required for a withdrawal or other instruction on an item or other charge. If you indicate on your signature card or other account opening documents that more than one signature is required, this indication is for your own internal procedures. It is not binding on us. We may attempt on occasion to enforce any multiple signature requirement, but we may cease to do so



at any time without prior notice to you. We may act on the instruction or pay out funds from your account if the item or other charge is signed or authorized by (or otherwise authenticated as being the act of) any owner or by any authorized signer (including when acting alone). We have no liability to you if we do this. However, if there is a conflict, we reserve the right to require all authorized signers to sign an item or withdrawal order.

If your negligence contributes to a check being altered, changed or forged, we will not be responsible if we pay the check in good faith and in accordance with the reasonable commercial standards of our business. If anyone disputes the payment of a check because it was altered, changed, forged, bore an unauthorized signature or was otherwise improper, we may not credit the amount to your account until the dispute has been resolved.

We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless a law, rule or regulation provides otherwise, such a claim is deemed not to have been made until submitted in writing to us. You agree to fully cooperate in our investigation of such a claim. Except to the extent prohibited by applicable law, your cooperation may include among other things, at our discretion: (1) a requirement that you submit a declaration under penalty of perjury describing your claim; (2) a report filed with the appropriate police and/or investigatory authority; (3) promptly providing documentation in support of your claim that we request from you; and (4) if your claim arises from employee fraud or embezzlement, we may require you to make a claim against any insurance coverage that you might carry for such a claim. Our liability to you will be reduced by the amount your insurance company pays you for any claim you tendered to it. Any failure to cooperate in our investigation may result in our decision not to honor your claim. We may, although we are not required to do so, provisionally credit your account pending the final outcome of the investigation. If we determine, in our sole discretion, that the debit to your account was not improper, then we may reverse any provisional credit made to your account.

We will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you to recover your loss against the person responsible and you agree to indemnify and hold us harmless from any such losses. In the event that we reimburse your loss, you agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources, including insurance coverage. At our request, you will provide us with all reasonable information about your insurance coverage, including the name of your insurance carrier, policy number, policy limits and applicable deductibles.

## STATEMENTS

With certain exceptions, we make account statements available to account holders. Statements and notices sent or made available to any of you are deemed to be received by all of you. If we hold them because you fail to provide us with a current address, they will be deemed delivered to you when they are prepared (for held statements), mailed (for returned mail) or otherwise made available to you (e.g., at a website or email address if you have agreed to electronic communications). We may hold statements if the Post Office notifies us that your mail is undeliverable. At our discretion, we may destroy mail that is returned to us or determined to be undeliverable.

You agree to promptly examine your statements as soon as we make them available to you. You acknowledge that the original items and checks may be destroyed without being returned to you. Unless otherwise agreed, you waive any right to receive any original item after it is paid. You agree to allow any imaged document, or copy thereof, to serve as an original item for any and all purposes, including charging your account or determining the validity of any signatures or otherwise. Upon your request, we will provide you, without charge, with legible copies of two checks from each account statement. Additional copies of canceled checks are subject to our service charges. You can make a request for these copies by telephoning us at 1-888-811-6272. You agree that if we provide your requested copies within five (5) business days that we will have provided the copies within a reasonable time, in any event you acknowledge that we may need additional time depending on the size of your request.

You assume full responsibility for monitoring and reviewing the activity of your account, including the work of your employees, agents and accountants (as applicable). You agree to review your account statement as a fraud prevention measure. If you are a business, you agree not to entrust the writing of checks and the reconciliation and review of your account statements and notices to the same person without frequent monitoring. We may deny a claim for monetary loss due to forged, altered or unauthorized checks if you fail to follow these procedures.

With respect to items paid from your account, when we make an account statement available to you, including electronically or by mail, we are required to provide sufficient information to enable you to identify the items paid. If we describe the paid items by item number, amount, and date of payment, such information shall be treated as sufficient information for purposes of this Agreement. You agree to notify us immediately if you think there is an error or an unauthorized transaction shown on your statement, including, forgeries, altered or unauthorized items. If you fail to notify us promptly, but no later than 30 days following the earlier of the statement mailing date or the date we make the statement available to you, then you agree that you cannot assert any error, problem or unauthorized transaction or forged, altered or unauthorized item against us. This 30-day limitation is without regard to whether we did or did not use ordinary care and does not otherwise restrict any right we have under law or other agreements with you. You further agree that if you fail to notify us within 30 days (14 days for residents of New York) of making the statement available to you, then you are precluded from asserting against us the error, problem, unauthorized transaction or forged, altered or unauthorized item and any subsequent forged, altered or unauthorized item from the same wrongdoer. If you do not receive your scheduled statement it is your obligation to notify us of that fact and, except to the extent otherwise required by applicable law, if you fail to do so, we will not be required to reimburse you for any legal claim related in any way to check errors or unauthorized items that appeared on a statement that you failed to report as not received within the earlier of 30 days following the statement mailing date or the date we made the statement available to you.

If you are a consumer customer and suspect a problem with a substitute check, notify us of your suspicions. For these purposes, the terms "consumer" and "substitute check" are used as defined in Federal Reserve Board Regulation CC. See the "Substitute Checks and Your Rights" disclosure in this Agreement for information on rights you may have with respect to substitute checks. If you are a consumer customer and suspect a problem with an electronic fund





transfer to or from your consumer account, see the "Electronic Fund Transfer Disclosure" in this Agreement for information on rights you may have with respect to these transfers.

#### STATE REGISTERED WARRANTS

Registered warrants issued by California, or similar instruments issued by other states, are subject to special rules. These instruments are state IOUs and are not paid by the state until they are called for redemption. Unless we otherwise explicitly agree in writing, you may not deposit registered warrants to your account.

#### STOP PAYMENTS

If you want to stop payment on a check you have written, you may place a written stop payment order at a banking branch office before it is finally paid by us. Any authorized signer on the account may furnish a stop payment order and cancel a stop payment order.

In placing your stop payment request, to meet our computer system requirements, you must furnish us with the date, the check number, the exact amount of the check and the name of the payee in order for us to stop payment on the item. If you provide us with any incorrect information, we will not be responsible for our failure to stop payment on the check. We will not be responsible for a stop payment order if we do not have a reasonable opportunity to act on it before final payment of the item. You may not stop payment on a check guaranteed by us.

You may furnish the stop payment order orally or in writing. Unless expressly agreed to by us otherwise, if you give us an oral stop payment order, then it will be effective for fourteen (14) days. In these instances, the stop payment order will expire at the end of fourteen (14) days unless you give us written notice of the stop payment order. We have a special form for this purpose. Upon confirming the order in writing, the order will remain in effect for six (6) months and must be renewed by you every six (6) months to remain in effect. If you do not renew the stop payment order when it expires and the item is presented for payment, we may pay the item and charge it to your account. There is a charge for each stop payment order and renewal order requested. See Fee Schedule.

In some cases, we may pay an item even if a stop payment request is in effect. If we, or another person or entity, is determined by us to be a "holder in due course" of the item, we may pay the item. If we pay a check which has a valid stop payment order on it with correct information, we may be responsible to you for up to the face amount of the item if you establish that you have suffered a loss because we paid the item. You agree to assign to us all of your rights against the payee and/or any other holder of your check. You also agree to cooperate fully with us in any legal actions that we subsequently take against such persons.

Anyone holding the check, including Bank of Hope, may be entitled to enforce payment against you despite the stop payment order. You agree to indemnify, defend, and hold us harmless from all costs (including attorneys' fees), actions, damages, claims and demands related to or arising from our action in stopping payment on the check.

#### SUBSTITUTE CHECKS

You agree not to deposit substitute checks, as described below, or checks bearing a substitute check legal equivalence statement ("This is a legal copy of your check. You can use it the same way you would use the original check.") to your account without our prior written consent. Unless we agree otherwise in writing, our acceptance of such checks shall not obligate us to accept such items at a later time, and we may cease doing so without prior notice. If we approve the deposit of substitute checks, you agree to indemnify, defend and hold us harmless from all losses, costs, claims, actions, proceedings and attorney's fees that we incur as a result of such checks, including without limitation, any indemnity or warranty claim that is made against us because: (a) the check fails to meet the requirements for legal equivalence, (b) a claimant makes a duplicate payment based on the original check, the substitute check, or a paper or electronic copy of either; or (c) a loss is incurred due to the receipt of the substitute check rather than the original check. Upon our request, you agree to provide us promptly with the original check or a copy that accurately reflects all of the information on the front and back of the original check when it was truncated.

We may convert original checks to substitute checks.

The following "SUBSTITUTE CHECKS AND YOUR RIGHTS" notice applies to consumer accounts and supersedes, where inconsistent, other terms in this agreement with respect to substitute checks.



## SUBSTITUTE CHECKS AND YOUR RIGHTS

### IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT

#### What Is a Substitute Check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

#### What Are My Rights Regarding Substitute Checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

#### How Do I Make a Claim for a Refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at 1-888-811-6272. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

#### Your claim must include-

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and the following information to help us identify the substitute check: check number, the name of the person to whom you wrote the check, and the amount of the check.

## TAXPAYER IDENTIFICATION NUMBER AND WITHHOLDING

We are required to obtain an identification number from you for each account you open or maintain with us. As an example, this may include a taxpayer identification number (TIN) for an individual, such as a social security number (SSN). The identification number for a business is usually an employer identification number (EIN). If your account is interest bearing, the identification number may be included on reports we must file with state and federal tax authorities about interest we pay you.

U.S. persons, including resident aliens may be required to complete a Form W-9 to certify their TIN and backup withholding status. To establish that you are not a U.S. citizen or other U.S. person (including a resident alien individual), we may require you to complete a Form W-8. We may report interest in cases where it is not mandated for us to do so. We are not responsible for your action or inaction in selecting or completing a form, and no information in these matters that may be supplied by us to you should be relied upon by you. In all tax matters, you should consult your own tax advisor. **You agree to notify us and submit a new Form W-9 or W-8, as applicable, within 30 days if any certification made on the form becomes incorrect.**

If you fail to provide your TIN and certify that it is correct, or if you fail to certify that you are not subject to backup withholding or if the IRS notifies us that you have furnished an incorrect taxpayer identification number, then federal tax rules may require us to re-solicit your TIN and/or withhold a percentage of interest



paid to you. We forward amounts withheld to the IRS. If there are any fines, penalties, or charges assessed upon us due to any incorrect name/TIN mismatch or error not caused by us, you agree to reimburse us for the fine, penalty, or charge, and we may charge your account for the same.

When an account earns interest, we may report the interest paid and the amount withheld to the IRS (and to the California Franchise Tax Board). You will receive a copy of the information reported to the tax authorities.

#### TRANSACTION LIMITATIONS

We reserve the right to at any time require not less than seven (7) days' notice in writing before each withdrawal from an interest-bearing account or from any other savings account as defined by Regulation D. Demand deposit accounts, regardless of whether they earn interest, are not subject to this 7-day notice requirement.

#### TRANSFER AND ASSIGNMENT

This Agreement is made exclusively for your and our benefit, and you may not assign this Agreement without our written consent. As such, no other person shall have any right against you or us hereunder. In addition, your account may not be negotiated, transferred or assigned without our prior written consent.

#### WAIVERS

We may delay enforcing our rights under this Agreement without losing them. Any waiver by us shall not be deemed a waiver of other rights or of the same right at another time. You waive diligence, demand, presentment, protest and notice of every kind, except as otherwise set forth in this Agreement.

#### WITHDRAWALS

Unless otherwise clearly indicated to the contrary, any one of you who signs in the space designed for signatures on the signature card, including any authorized signers and agents, may withdraw or transfer all or any part of the account balance at any time. At our discretion, we may require suitable identification and/or presentation of account ownership records, and may require all of your signatures for the withdrawal of funds and/or the closing of an account. We may refuse to honor any transaction if the funds on deposit are insufficient or unavailable to cover the transaction or there is a dispute or question as to the ownership of account funds. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. Without limiting the foregoing, we reserve the right to refuse any withdrawal or transfer request, which is attempted by any method not specifically permitted, which is for an amount less than any minimum withdrawal requirement, or which exceeds any frequency limitations. We may limit the amount of cash that can be withdrawn each day. Even if we honor a nonconforming request, repeated abuse of the stated limitation may eventually force us to close this account. Additional withdrawal limitations may be disclosed elsewhere.

#### **ELECTRONIC FUND TRANSFER DISCLOSURE**

Some of the provisions of the following Electronic Fund Transfer Disclosure apply only to electronic fund transfers to or from accounts established primarily for personal, family, or household purposes ("consumer accounts"). This is true regardless of any consumer account protections disclosed in this document, with your periodic statements, or other communications from us.

This Electronic Funds Transfer Disclosure governs the use of electronic funds transfer services, including Bank of Hope the Visa enhanced debit card ("Debit Card") (references "Card" shall refer to both the ATM Card and the Debit Card, unless otherwise expressly indicated), telephone transfer service, and preauthorized transfers (as applicable).

**TRANSFER TYPES** - When you use a Card with your personal identification number (PIN), you authorize us to accept deposits, make transfers and permit withdrawals and advances from or deposits and payments to your accounts with us. All Cards remain the property of Bank of Hope, and are non-transferable.

Subject to there being sufficient available balances in your account, you may use your Card to:

- (1) Withdraw available cash from your linked savings or checking accounts;
- (2) Make deposits to your linked checking or savings account at participating and eligible ATMs (currently, you can make deposits at Bank of Hope ATMs, as well as compatible AllPoint ATMs);
- (3) Transfer funds between your linked checking and savings accounts;
- (4) Initiate point-of-sale (POS) transactions - Using your Card and PIN, pay for purchases at merchant locations that have agreed to accept the Card. In addition, a Debit Card may be used, with a PIN, with a signature or without either, for POS transactions to purchase goods and services at any merchant location that displays the Visa logo. However, we are not responsible for the refusal of any merchant to accept or honor a Card;
- (5) Obtain a cash advance at financial institutions that accept Debit Cards with the Visa logo; and
- (6) Learn the balance in your linked checking or savings accounts (Note: the information may not reflect recent transactions, and may include funds which are not available for immediate withdrawal).



Some of these services may not be available at all ATMs, terminals, or merchant locations. When you use your Card at any electronic terminal operated by another institution or company, the amount, frequency, and type of transactions may be subject to limitations or fees imposed by the operator of the terminal, in addition to those disclosed herein.

**ELECTRONIC CHECK CONVERSION** - You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to;

- (1) Pay for purchases; and
- (2) Pay bills.

**LIMITATIONS GENERALLY**- We reserve the right to impose dollar, volume, activity, exposure or other limitations on Card transactions, and to change them at any time. We may increase dollar or other limitations for one or more Cards or Card transactions upon request by any person who is an authorized signer on the linked account. You accept the risks associated with this possibility of higher dollar or other limitations.

#### **DOLLAR LIMITATIONS**

- (1) You may withdraw up to \$500 each 24-hour period when you use the Card at an ATM;
- (2) You may purchase up to \$1,500 in point-of-sale (POS) transactions processed through a compatible POS network each day using your Card. This amount increases to \$2,000 for commercial accounts; and
- (3) Transfers between your checking and savings accounts are limited to the available balance of the account from which money is withdrawn.

Note: Transactions occurring on weekends or holidays are aggregated, for purposes of these limitations, with transactions occurring on the next business day. Transactions occurred on the previous day(s) that have not yet posted to your account are also aggregated with the transactions occurring for the day towards the daily card limit.

This means, you may not be able to use your Card up to the daily limit as described above if there is any previous transaction that has not yet posted to your account. For security reasons, there may be times when we further limit this amount. Different limitations may apply at terminals that are not owned and operated by us.

**FEES** - Refer to the Fee Schedule for our current electronic fund transfer fees. When you use an ATM or terminal not owned by us, you may be charged a fee by the ATM or terminal operator or through the networks used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

**CARD ACTIVATION** - If your Card requires activation, you agree to make a reasonable effort to activate the Card immediately. Cards not activated promptly may be subject to cancellation. You also agree to promptly sign on the portion of the Card designated for this purpose.

**REFUSAL TO ACCEPT CARD** - We will not be responsible for the decision of any other entity or person to not accept the Card for payment or for the acts of others in processing or failing to process any Card transaction, whether valid or fraudulent, except as required by law.

**AUTOMATIC ACCOUNT UPDATING FEATURE** - If you have arranged with your merchant to make recurring payments using your Card and your Card expires or is reported lost, and a new Card is issued, participating merchants may electronically receive your updated Card information (new card number, expiration date or account close status). **YOU MAY OPT OUT OF THIS AUTOMATIC ACCOUNT UPDATING FEATURE AT ANY TIME BY** calling us at 1-888-811-6272. Opting out of the automatic account updating feature will only apply to your Card number identified in the opt out request. Please allow two business days for us to process your opt out request upon receipt. We will respond to you with written confirmation that your request is complete.

**CARD AND PIN SECURITY**-You agree not to disclose or otherwise make your Card or PIN available to others without our prior written consent. For security reasons, you agree not to write your PIN on your Card or keep it in the same location as your Card. You agree to return your Cards to us upon our request.

We utilize the Visa Secure (previously Verified by Visa) service to provide you with a way of increasing security when making online purchases at participating merchants with your registered Visa debit Card. If you do not register for participation in Visa Secure, you may not be able to use your Visa debit Card for certain online purchases.

**TRANSACTION HOLDS**- When you use your Card to pay for goods or services, certain merchants may ask us to authorize the transaction in advance. When we do, we commit to make the requested funds available when the transaction finally settles, and may place a temporary hold on your account for the amount requested by the merchant. Until the transaction finally settles, or we determine that it is unlikely to be processed, the funds subject to the hold will not be available to you for other purposes (e.g., to cover checks, ATM withdrawals, or other transactions). Occasionally, a merchant may incorrectly estimate the amount of a transaction or fail to notify us that a transaction has been canceled (e.g., because you later decide to pay by check).

**REFUNDS ON PURCHASES**- Cash refunds will not be made to you for purchases made with your Card. If a merchant gives you a credit for merchandise returns or adjustments, it may do so by processing a credit adjustment, which we will apply as a credit to the account from which the original funds were debited.



**MERCHANT DISPUTES** - Since your card is not a credit card, if you have a dispute with the merchant regarding the quality, price, warranty or otherwise of the goods or services you purchase with your card, you may have to settle your dispute with the merchant directly. We are not responsible for a merchant's actions, including any misrepresentations by a merchant.

**ILLEGAL TRANSACTIONS** -You agree not to use your Card for any illegal transactions, including but not limited to illegal Internet gambling.

**FOREIGN CURRENCY TRANSACTIONS** - If a Card is used to conduct a transaction in a currency other than U.S. dollars, then the merchant, network or card association that processes the transaction may convert any related debit or credit into U.S. dollars in accordance with its current policies and may impose fees or charges as part of this process. Visa currently uses a conversion rate that is either: (a) selected from a range of rates available in the wholesale currency markets (note: this rate may be different from the rate that Visa receives), or (b) the government-mandated rate. Visa and others may impose fees or charges and add them to the price of the conversion. The conversion rate may be different from the rate in effect on the date of the transaction or date posted on the account. You agree to pay the converted dollar amount to us, as well as the International Service Assessment ("ISA") charges, a fee equal to up to 5% of the transaction amount, which may change from time to time.

**PIN-LESS TRANSACTIONS OUTSIDE OF VISA**-In addition to Visa network processed transactions (for the Debit Card), the Card is enabled to allow non-Visa network transaction processing. This means you may use your Card on a PIN debit network ("PIN Debit Network"). Not all PIN Debit Network transactions require a PIN to authenticate transactions. At this time, the PIN Debit Network for which such transactions are allowed is the PULSE Network. Examples of the types of actions that you may be required to make to initiate a Visa network transaction on the Debit Card include signing a receipt, providing a Card number over the phone or via the Internet, or swiping the Card through a POS terminal. Examples of the types of actions you may be required to initiate a transaction on a PIN Debit Network include initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of a PIN.

**TELEPHONE BANKING SERVICE** -You may use the telephone transfer service by calling 1-888-811-6272 to: obtain linked account information; transfer funds between your linked savings and checking accounts; make a loan payment by funds transfer to your linked loan. Please note that if you call your branch to initiate a telephone transfer (not as part of the Telephone Banking Service) between your accounts with the same account owners, we will not require a separate telephone transfer agreement, however, we will still authenticate your identity before initiating the transfer. We will provide you with a personal identification number in order to access this service and provide us with instructions. We highly recommend you change your initial PIN that we provide to you. You agree not to disclose your PIN to others and to safeguard its confidentiality. By using the Telephone Banking Service with your personal identification number, you authorize us to transfer funds between your linked checking or savings accounts and linked credit or loan accounts with us in accordance with instructions given by you through the Telephone Banking Service. All telephone transfer service transactions are covered by our rules and regulations governing accounts, including applicable transfer restrictions. There is no service fee required to use the Telephone Banking Service. Transfers are subject to your linked account having sufficient available balances. Balance information may not reflect recent transactions, and may include funds that are not available for immediate withdrawal. We will act upon instructions received prior to 5:00 p.m. (Pacific Time) on any business day. If we receive a transfer or payment instruction after the cutoff hour or on a non-business day, it may not be processed until the next business day.

## DOCUMENTATION

**Terminal Transfers** - You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or at point-of-sale terminals; however, receipts for transactions of \$15 or less may not always be available. All ATM transactions are subject to later verification by us.

**Preauthorized Credits** - If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call your local branch or office or call us at 1-888-811-6272 to find out whether or not the deposit has been made.

**Periodic Statements** - You will get a monthly account statement unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

## PREAUTHORIZED PAYMENTS

**Right To Stop Payment And Procedures For Doing So** - If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how :

Call us at:  
1-888-811-6272

or Write us at:  
Bank of Hope  
1655 W. Redondo Beach Blvd., Suite 300  
Gardena, CA 90247

in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge you the stop payment fee listed in our Fee Schedule for each stop payment order you give.

**Notice Of Varying Amounts** - If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.



**Liability For Failure To Stop Payment Of Preauthorized Transfer (Only Applicable To Consumer Accounts)** - If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**CONSUMER LIABILITY (Only Applicable To Consumer Accounts)**

Tell us AT ONCE if you believe your Card or Personal Identification Number has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit, if applicable). If you tell us within 2 business days after you learn of the loss or theft of your Card or Personal Identification Number, you can lose no more than \$50 if someone used your Card or Personal Identification Number without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your Card or Personal Identification Number, and we can prove we could have stopped someone from using your Card or Personal Identification Number without your permission if you had told us, you could lose as much as \$500. For unauthorized Debit Card transactions of individual California resident cardholders, your liability will continue to be limited to \$50, provided you comply with the 60 day notification period described in the following paragraph.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was sent to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

**VISA'S ZERO LIABILITY POLICY**

If the Debit Card is used in a transaction that is processed through a VISA, Interlink, or Plus network, including ATM transactions, then the Visa Zero Liability Policy may apply. The VISA Zero Liability Policy does not apply to transactions not processed by VISA or certain commercial card transactions. If the VISA Zero Liability Policy applies, upon notification from you of unauthorized transactions, we will limit your liability for those transactions to zero and will provide you with provisional credit for those transactions within five business days from receipt of notification; provided that you provide us with written confirmation of those transactions. Subject to limits provided under the Electronic Fund Transfer Act, we may withhold provisional credit, to the extent allowed under applicable VISA rules or otherwise allowed by law, if we determine that the circumstances or account history warrant the delay. For purposes of this Section and the VISA Zero Liability Policy, the term "unauthorized transaction" excludes any transaction not otherwise subject to the VISA Zero Liability Policy, as set forth in the applicable VISA operating regulations, as amended from time to time. The Visa Zero Liability Policy does not apply if we determine that you were negligent or fraudulent in the handling of your account or Debit Card.

**CONTACT IN EVENT OF UNAUTHORIZED TRANSFER**-If you believe your Card or Personal Identification Number has been lost or stolen, call or write us at the phone number and address listed below.

Call us at:  
1-888-811-6272

or Write us at:  
Bank of Hope  
1655 W. Redondo Beach Blvd., Suite 300  
Gardena, CA 90247

During after-hours (i.e. when we are closed), you should call our 24 hour toll free number 1-800-472-3272 and select the option 2 to report your card lost or stolen. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

**FINANCIAL INSTITUTION'S LIABILITY (Only Applicable To Consumer Accounts)**

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer;
- (2) If the transfer would go over the credit limit on your overdraft line;
- (3) If the automated teller machine where you are making the transfer does not have enough cash;
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer; or
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.

There may be other exceptions stated in our agreement with you.

**CONFIDENTIALITY**- We will disclose information to third parties about your account or the transfers you make:

- (1) where it is necessary for completing transfers, or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- (3) in order to comply with government agency or court orders, or
- (4) if you give us your written permission.



Refer to our privacy notice, applicable to consumer accounts for further details.

**CHANGE IN TERMS/TERMINATION OF SERVICE**-We may change the terms, terminate or suspend your use of some or all of our electronic fund transfer services at any time, with or without cause and without affecting your outstanding obligations herein. In our sole discretion, our ability to terminate or suspend your use of some or all of the services (including Card privileges) may occur, for example, if your mail is returned undeliverable, your Card has had no activity for a period of time determined by us, or when we suspect fraud. This is not an exhaustive list. If you ask us to terminate your account or the use of any Card, you will remain liable for subsequent transactions performed by you or any authorized signer.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS (Only Applicable to Consumer Accounts)**

Call us at:  
1-888-811-6272

or Write us at:  
Bank of Hope  
1655 W. Redondo Beach Blvd., Suite 300  
Gardena, CA 90247

as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number;
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and
- (3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

**COMMERCIAL ACCOUNTS**

The error resolution and liability provisions applicable to consumers accounts in the Electronic Funds Transfer Disclosure portion of this Agreement, at the end of or with any periodic statements or other documents you may receive from us, do not apply to commercial accounts. Use of your Card or PIN is controlled by you. All use of a Card will be and will be deemed to be an act of and the responsibility of yours, whether or not the Card is or is not a valid Card. Unless your liability may be limited as described under the Visa Zero Liability Policy, you will be liable for all transactions made using a Card, PIN or Card number. You shall be responsible regardless of whether such Card transactions were effectuated: (a) by or on behalf of any authorized individual, or for any authorized purpose, or by an unauthorized person or in conflict with any of your established usage limitations; (b) using a valid PIN; or (c) in accordance with any rules or regulations of Visa, Bank of Hope or any merchant. Without limiting the foregoing, you are responsible for any and all transactions of any type processed through an authorized system if we receive transaction data identifying a Card, PIN or other access device as one issued to you. For purposes of this Agreement, an authorized system is any system that will process transaction data for valid Cards. Under no circumstances will we be liable for any special or consequential damages involving commercial accounts. The owners of commercial accounts assume sole responsibility for any unauthorized use of the account's Cards, and/or PIN, and/or any other access device or other electronic transaction, and shall indemnify, defend and hold us harmless from all claims, actions, proceedings, losses and damages related to or arising out of any unauthorized transaction.

**VIRTUAL WALLET**

*Registering Eligible Debit Cards.* You may register eligible Bank of Hope Debit Cards with compatible programs that allow card transactions through a "Virtual Wallet," by following the instructions of the Virtual Wallet provider. Once registered, the Virtual Wallet allows you to store digital representations of your Debit Card on your supported mobile device to make contactless payments at select merchants utilizing the merchant's contactless terminal or in-app or other digital commerce payments at merchants participating in the Virtual Wallet service. We may require your accounts with us be in good standing to be eligible to maintain enrollment in a Virtual Wallet. The Virtual Wallet may not be accepted at all the places or merchants where your Debit Card is currently accepted.

*Debit Card Terms Continue to Apply.* The terms of this Agreement which apply to your Debit Card do not change when you add your Debit Card to a Virtual Wallet. The Virtual Wallet simply provides another way for you to make purchases with the Debit Card. Any applicable fees and charges that apply to your Debit Card will also apply when you use the Virtual Wallet to access your Debit Card. At this time, we do not charge you any additional fees for adding your Debit Card to a Virtual Wallet or using a Virtual Wallet to pay for a transaction using your Debit Card. Third parties such as wireless companies or data service providers may charge you fees for enrolling in and using a Virtual Wallet and you are responsible for any such wireless carrier data or usage fees incurred.



**Security.** You are responsible for keeping your Virtual Wallet login and credentials private and secure. After enrolling in a Virtual Wallet, you should secure your mobile device with the same care you would your Debit Card, cash, checks and other personal identification numbers and passwords in order to avoid unauthorized use of your Debit Card account(s). If you share your credentials with any other person, they may be able to use your mobile device and get access to your personal and payment information available through the Virtual Wallet service. You should call us and your Virtual Wallet provider immediately if you believe your mobile device or authentication credentials have been lost, stolen or compromised in any way or an unauthorized person has used or may use your credentials without your authorization.

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

**Our limited liability.** Except to the extent prohibited by applicable law, we have no responsibility or liability for any loss, damage, function, malfunction, delay or other problem or claim directly or indirectly associated with the Virtual Wallet, including, but not limited to, the security, accuracy, legality, appropriateness, content, what information is collected or accessed, performance or non-performance of the Virtual Wallet, nor the actions of the Virtual Wallet provider or any other third party regarding any agreement you enter into with the Virtual Wallet provider or associated third party relationships that may impact your use of the Virtual Wallet. It is your responsibility to read and understand the terms and conditions of the Virtual Wallet before enrolling in, creating, activating or using your Debit Card in a Virtual Wallet.

**To Remove Debit Card From Virtual Wallet.** If at any time you wish to remove your Debit Card from a Virtual Wallet, you will need to follow the process provided by the Virtual Wallet provider.

#### ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements you receive.
4. Don't lend your Card to anyone.
5. Remember, do not leave your Card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your Card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your Card or PIN over the telephone. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
9. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
10. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your Card and leave. You might consider using another ATM or
11. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
12. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
13. We want our ATM and night deposit facilities to be safe and convenient for you. Therefore, please tell us if you know of any problem with our facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

#### BANK OF HOPE

**For additional information about any Bank of Hope product or service, please visit one of our branches or call us at: 1-888-811-6272.**





### **Automated Certificate of eService**

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Bonnie Hampton on behalf of Christopher Hanlon

Bar No. 24065367

bhampton@cozen.com

Envelope ID: 68759885

Status as of 9/29/2022 4:57 PM CST

#### Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Bonnie Hampton		bhampton@cozen.com	9/29/2022 4:43:03 PM	SENT
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