



BUSINESS INTERNET BANKING AGREEMENT

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

GETTING ESTABLISHED

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

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

- 2. Accounts.** You will need to designate certain accounts for specific purposes in connection with some of the Services. Your Service application or setup form may list certain accounts that you wish to access with the Services. If it includes the accounts of your parent company, subsidiaries or affiliates, you warrant that they have authorized you to access their accounts through the Services in the same manner as your own accounts. You agree to provide us with their written authorization, in form and substance acceptable to us, evidencing that authority, and to notify us immediately in writing of any change to that authorization.
- 3. Security Procedure and User Guides.** We may provide you with one or more identification numbers, tokens, passwords and/or other means of identification and authentication (collectively, “*Password*”) to access our Services. We also may provide you with online instructions and guides (“*User Guides*”) in connection with certain Services. You agree to: (a) comply with the User Guides that we make available to you; (b) take reasonable steps to safeguard the confidentiality and security of your Password; (c) limit access to your Password to persons who have a need to know such information; (d) closely and regularly monitor the activities of employees who access the Services; (e) notify us immediately if you have any reason to believe the security or confidentiality required by this provision has been or may be breached; and (f) immediately change your Password if you know or suspect that the confidentiality of the Password has been compromised in any way. Our security procedures are not designed for the detection of errors (e.g., duplicate payments or errors in your funds transfer instructions). We will not be obligated to detect errors by you or others, even if we take certain actions from time to time to do so.

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

As an alternative to verifying transactions by means of a Password (or at your request if your Password is not functioning properly), we may elect to verify the authenticity or content of any order or instruction by placing a call to any authorized signer on your account or any other person designated by you for that purpose. We may deny access to the Services without prior notice if we are unable to confirm to our satisfaction any person’s authority to access the Services or if we believe such action is necessary for security reasons.

Each time you make a transfer or payment with a Service, you warrant that our security procedures are commercially reasonable (based on the normal size, type, and frequency of your transactions). Some of our Services allow you or your Administrator to set transaction limitations, establish internal controls, and arrange for alerts. Your failure to set such limitations, implement such controls, and arrange for alerts increases your exposure to, and responsibility for, unauthorized transactions. You agree to be bound by any transfer, instruction or payment order we receive through the Services, even if it is not authorized by you, if it includes your Password or is otherwise processed by us in accordance with our security procedures.

OUR SERVICES

4. **Account Information Service.** You can use our Standard or Premium Business Service to obtain balance and other account information online. Since certain information and transactions are not processed by us until after the close of our Business Day, some transactions may not be reflected in the system until the next Business Day. Posted items may be reversed due to insufficient funds, stop payment orders, legal process, and other reasons. Certain balances also may not be subject to immediate withdrawal. We assume no responsibility for any loss arising from incomplete information or for any temporary interruption in our information Service. If you are unable to access our system for any reason, you can contact your branch or call us at (800) 593-4345.
5. **Automated Clearing House (ACH) Payments and Collections.** If we approve your use of our ACH Service, this Agreement incorporates and supplements the terms of our Automated Clearing House Origination Service Agreement with you. The terms of that agreement will supersede any conflicting terms in this Agreement.
6. **Bill Payment Service.** This internet-based Service allows you to make current, future and recurring payments to others from one or more of your designated checking accounts with us.

Eligible Payees. We reserve the right to determine who may be a payee. Unless we advise you otherwise, payments may only be made to payees located in the United States. You agree not to use the Service to transmit tax payments or alimony, child support or other court-directed payments.

Initiating Payments. To initiate a payment, you must specify the person or business you are paying, the date for processing your payment, the amount to be paid, and (if you have one) your account number with the payee. The first time you request a payment to be made to a payee, you must also specify the payee's address and the number of the account from which the payment is to be made. We may modify the payee address to accommodate special processing requirements. We will send your payment to the payee either by transferring the funds electronically or by mailing a check to the payee. Bill payment requests received on a non-Business Day or after 6:00 p.m. (Pacific Standard Time) on a Business Day may be deemed received on our next Business Day.

Bill Payment Limitation. The maximum payment amount per check is limited to \$9,999.99, and only one payment may be made per payee each Business Day. If the total payment amount exceeds \$9,999.99, multiple payments may be required over several Business Days.

Charging Your Account. When you transmit a payment request, you authorize us to charge your designated account. If your account does not have enough available funds to cover a payment, we may reject the transaction.

Scheduling Bill Payments. You may specify a payment date up to 365 days in advance. If your payment will be sent by check, you should enter and transmit your payment instructions at least **10 full Business Days** before the payment is due (although payments may be made as late as seven full Business Days before the due date, you should allow 10 Business Days). If your payment is made by electronic payment, you should enter and transmit your payment instructions at least **five full Business Days** before the due date (although payments may be made as late as three full business days before the due date, you should allow five full Business Days). You are solely responsible for ensuring that payment requests are submitted in a timely fashion and that you have provided for sufficient lead time for payments to be received. We assume no obligation for late charges, penalties or other damages that you may incur if you fail to do so.

Automatic Recurring Payments. You may use this Service to arrange for the automatic payment of bills that have a fixed frequency and amount. Once your automatic bill payment arrangements are established, they will be made without the need for further requests by you. If the payment due date for an automatic payment falls on a weekend or holiday, the payment may be made the following Business Day.

Bill Payments with Invoice Detail. When using the "Pay invoices" option of this Service to make a payment with invoices, you have the ability to include payment detail such as invoice numbers, credits, adjustments, or discounts. Please note that all payments with invoices will be made by check.

Erroneous Payment Orders. You assume sole responsibility for accurately describing payees, payment amounts, payee addresses, and payee account numbers. We are not responsible for confirming such information, or for monitoring or refusing to process duplicate payment instructions. If you give us a payment instruction that is incorrect in any way, you agree that we may charge your account for the payment whether or not the error could have been detected by us. We are not obligated to detect errors in your transfer or payment instructions.

Rejecting Payment Orders. We may reject payment orders with or without cause or prior notice. If we do, we will notify you of the rejection orally, electronically or in writing.

Canceling Bill Payments. You may use the Service to cancel any payment request that has already been scheduled, provided your request is received at least one Business Day before the day the payment is scheduled to be sent. If the cancellation request is not received by that time, we cannot guarantee your payment will be cancelled. If it is too late to cancel a payment through the Service, you may be able to do so by calling our Helpline at (800) 593-4345. We will attempt to cancel the payment as long as we receive your cancellation request prior to the time the payment is initiated.

7. **Electronic Data Interchange Service.** If you are approved for this Service, you may originate or receive data transmissions that consist of documents and payment instructions. This Agreement applies only to the EDI Services that we provide to you. The legal relationships, and the terms and conditions relating thereto, between you and your trading partners will be governed by the terms of the EDI contracts between you and them, and will not be binding on us.
8. **Federal and State Tax Payments.** If we approve your use of our tax payment Service, this Agreement incorporates and supplements the terms of our Business Internet Banking Tax Payment Service Agreement with you. The terms of that agreement will supersede any conflicting terms in this Agreement.
9. **Internal Transfers.** Transfers between your deposit accounts with us are subject to the terms of your account agreement. Although you may instruct our online system to make transfers between your accounts at any time on any day, transfer requests received on a non-Business Day or after our cutoff hour (9:00 P.M. Pacific Time) on a Business Day may be deemed received by us as of the start of the next Business Day.
10. **Stop Payment Service.** You can use our stop payment Service to stop the payment of a check against one of your designated accounts. You must provide us with timely, complete and accurate information on: the number of the account in question, the date of the item, the item number, the payee, and the EXACT amount of the item (dollars and cents). If any information is incomplete or incorrect, we will not be responsible for failing to stop payment on the transaction. Requests become effective when we confirm their receipt. There is a fee for each request (effective for six months), whether or not we receive your request in time to act upon it. Requests received after our cutoff hour (9:00 P.M. Pacific Time) or on non-Business Days may be deemed received by us as of the start of the next Business Day. If our on-line system is not available for any reason, you can contact your branch of account to make your request.
11. **Wire Transfers.** If we approve your use of our online wire transfer Service, this Agreement incorporates and supplements the terms of our Business Internet Banking Wire Transfer Service Addendum with you. The terms of that agreement will supersede any conflicting terms in this Agreement.

GENERAL PROVISIONS

12. **Amendments.** We may amend (add to, delete or change) the terms of this Agreement, the Service fees, and our User Guides by providing you with prior notice. We may amend our security procedures without prior notice if immediate changes are required for security reasons or the changes do not have a material impact on your use of the Services.
13. **Assignment.** We may assign our rights and delegate our duties under this Agreement to a company affiliated with us or to a third party. You may not assign any right or delegate any obligation under this Agreement without our prior written consent.
14. **Cutoff Hours and Business Days.** Some of our Services are subject to processing cutoff hours. Information on cutoff hours is available by calling us and may be found online or in your separate Service agreement with us. Our business days are Monday through Friday, excluding holidays. Instructions received after the cutoff hour or on a non-Business Day may be deemed received as of the next Business Day. Services may occasionally be unavailable due to needed maintenance or system/network interruptions.
15. **Dispute Resolution.** If a dispute involving \$25,000 or more arises between us with respect to this Agreement, its enforcement or our Services, either of us may require that it be resolved by judicial reference in accordance with the terms of your account agreement with us.

16. **Electronic Mail/Internet.** If you send us electronic mail (“e-mail”), we may not receive or review it immediately. We will have a reasonable time to act upon any e-mail request or notice, and reserve the right to reject any transaction or request received by e-mail (e.g., a request to wire funds). You acknowledge that, even though e-mail may be encrypted, we cannot ensure that it will not be intercepted or affected by the actions or omissions of others, such as third party networks or persons with access to the Internet. Our service providers and we assume no responsibility for viruses created by third parties, or for any third party’s unauthorized access to, or use of, your computer system. Please do not include any sensitive information about yourself or your accounts in e-mail that is not encrypted and sent through a secure e-mail system.
17. **Entire Agreement.** This Agreement incorporates, supplements, and supersedes where inconsistent the terms of your account agreement with us. Unless we provide otherwise in writing, they constitute (along with any related Service applications, setup forms, User Guides, and schedules) the entire agreement between you and us with respect to the Services.
18. **Fees.** You agree to pay us the fees we establish for each of the Services. If your accounts with us are analyzed, you may be able to use your available earnings credit to offset certain Service charges. In addition to Service charges, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services and/or this Agreement. If your analyzed accounts contain funds belonging to third parties, you represent that your use of any related earnings credit is not limited by law, regulation or any agreement with such third parties, and that you have any required authorization by such third parties for such use.
19. **Financial Statement.** You agree to provide us with a current financial statement and other information regarding your financial condition upon our request.
20. **Governing Law/Compliance.** This Agreement will be governed by and construed in accordance with federal law and, to the extent applicable, by the laws of the State of California, without reference to its conflict of law provisions. You agree not to conduct any transactions that would violate the laws of any state or the United States, including the economic sanctions administered by the U.S. Treasury’s Office of Foreign Assets Control. You may not use your account or any Service to process Internet gambling transactions or facilitate any activity that would violate applicable law.
21. **Indemnification.** You agree to indemnify, defend and hold us, our parent company, affiliates, and subsidiaries, and our respective directors, officers, employees and agents, harmless from and against any claim, damage, loss, liability and cost (including, without limitation, attorney's fees) of any kind which results directly or indirectly, in whole or in part, from: (a) our actions or omissions, if they are in accordance with your instructions or the terms of this Agreement; (b) the actions or omissions of you, your agents or employees; or (c) any warranty that we, a funds-transfer system, or a correspondent bank are required or deemed to make to a third party in connection with a Service. This provision shall survive the termination of this Agreement.
22. **Information Processing and Reporting.** Some of our Services require us to receive, process and report information involving your accounts and transactions. We will not be responsible for determining the accuracy, timeliness or completeness of any information that you, your agents or others provide to us. We will not have a duty to interpret the content of any data transmitted to us, except to the limited extent set forth in this Agreement. Unless otherwise agreed in writing, we will not be required (by means of any security procedure or otherwise) to detect errors in the transmission or content of any information we receive from you or third parties. Our sole responsibility for any reporting errors caused by us will be to reprocess the information for the period in question and to provide corrected reports at our own expense. You agree to maintain adequate backup files of the data you submit for a reasonable period of time in order to facilitate any needed reconstruction of your transactions (e.g., due to a telecommunications failure). If we are unable to provide a Service for any reason, we will promptly inform you of the problem and will take reasonable steps to resume processing.
23. **Limitation of Liability.** Except as otherwise stated in this Agreement, we will be liable to you only for damages arising directly from our intentional misconduct or gross negligence in the performance of the Services. We will not be responsible for any loss, delay, cost or liability to the extent that it arises, directly or indirectly, in whole or in part, from: (a) your actions or omissions, or those of third parties which are not within our immediate and reasonable control; (b) your negligence or breach of any agreement with us; (c) any ambiguity, inaccuracy or omission in any instruction or information provided to us; (d) any error, failure or delay in the transmission or delivery of data, records

or items due to a breakdown in any computer or communications facility; (e) accidents, strikes, labor disputes, blackouts, civil unrest, fire, flood, water damage (e.g., from fire suppression systems), or acts of God; (f) causes beyond our reasonable control; (g) the application of any government or funds-transfer system rule, guideline, policy or regulation; (h) the lack of available funds in your account to complete a transaction; (i) our inability to confirm to our satisfaction the authority of any person to act on your behalf; or (j) your failure to follow our Service instructions. There may be other exceptions to our liability, as stated in your account or other Service agreements with us.

We will not be responsible under any circumstances for special, indirect, or consequential damages which you incur as a result of our actions or omissions, even if we are aware of the possibility for such damages. Our liability and your remedy for actual costs and losses resulting from our failure to transmit funds in the correct amount or to the correct payee listed in your instructions shall not exceed the direct money damages that you incur as a result of the failure (e.g., the amount of a payment that is sent to the wrong party, or the amount by which a transfer exceeds the amount you authorized, plus interest as permitted by law). In all other cases, our liability and your remedy for actual costs and losses resulting from our actions and/or omissions, whether the claim is in contract or tort, will not exceed the lesser of (i) six times the average monthly charge for the Service(s) in question for the three months immediately preceding the cost or loss, or (ii) \$25,000.

Any claim, action or proceeding by you to enforce the terms of this Agreement or to recover for any Service-related loss must be commenced within one year from the date that the event giving rise to the claim, action or proceeding first occurs. You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with your Services. You acknowledge that our Service fees have been established in contemplation of: (a) these limitations on our liability; (b) your agreement to review statements, confirmations, and notices promptly and to notify us immediately of any discrepancies or problems; and (c) your agreement to assist us in any loss recovery effort.

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

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

Unless otherwise agreed, notices required by this Agreement must be in writing. Notices to you may be mailed or sent to you at the statement, e-mail or mailing address shown for you in our deposit or Service records, or by posting the notice at our website. You agree to provide us with advance notice of any change in your address or email address. Notices to us must be sent to your branch of account.

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

- 25. Records.** Unless a different period is provided in a User Guide, you will retain and provide to us, upon request, all information necessary to remake or reconstruct any transaction, transmission, file or entry for 10 Business Days.
- 26. Reliance on Third Parties.** Our ability to provide certain Services is dependent upon our ability to obtain or provide access to third party vendors and networks. In the event any third party is unavailable or we determine, in our discretion, that we cannot continue providing any third party network access, we may discontinue the related Service or

may provide the Service through a different party. In such situations, we will have no liability for the delay or unavailability of access. We will not be responsible for any services you receive from third party vendors.

27. **Security Interest.** You grant us a security interest in your accounts with us (other than fiduciary accounts maintained for the benefit of others) to secure the repayment of any overdraft or other obligation that you incur under this Agreement.
28. **Termination.** Either party may terminate this Agreement as to some or all of the Services, with or without cause, by giving 30 days prior notice to the other party. We may suspend or terminate any Service or this Agreement immediately and without prior notice if: (a) you breach any agreement with us; (b) the confidentiality of your Password is compromised; (c) we have reason to believe that an unauthorized transaction has taken or may take place involving any of your accounts or any of the Services; (d) you become insolvent or the subject of a bankruptcy, receivership, or dissolution proceeding; or (e) we are uncertain as to any person's authority to give us instructions regarding your accounts or the Services. The termination of this Agreement will not affect the rights or obligations of the parties that arise prior to termination.
29. **Third Parties.** This Agreement is made for the exclusive benefit of you and us. No third party has any rights under this Agreement. Unless you have our prior written consent, you may not use the Services to process transactions for third parties or permit others to initiate Service transactions on your behalf.
30. **Transaction Limits and Safeguards.** You agree not to exceed the transaction limits we establish from time to time for your account or any Service. You will not allow anyone to initiate transactions on your behalf without proper supervision and adequate safeguards. You agree to review pending instructions prior to their submission to ensure that they are complete, accurate and properly authorized.
31. **Validity/Waivers/Overdrafts.** If any provision of this Agreement is found to be void or invalid, the remainder of this Agreement will remain in full force and effect. Any waiver by us must be in writing to be effective. Our waiver of any right will not be deemed a waiver of other rights or of the same right at another time. Our practice of allowing overdrafts will not obligate us to continue the practice at a later date. We may discontinue permitting overdrafts at any time and without prior notice.