

Check Corporate Payor Report Service Description

- 1. Check Corporate Payor Service.** Banc of California ("Banc") hereby offers Customer and Customer hereby accepts the Check Corporate Payor Service ("Check Corporate Payor Service" or "Service") to enable Customer to receive a report of eligible checks ("Checks") issued by Customer that are presented to Banc for payment and as further described herein. Customer's use of the Check Corporate Payor Service shall constitute Customer's agreement to these Check Corporate Payor Service Terms and Conditions ("Terms and Conditions") and the Enrollment Form to which this Service Description are attached. This Service Description shall be effective when the Service is made available to Customer.
- 2. Treasury Management Services Disclosure; Supporting Documents.** This Service Description forms part of the Treasury Management Services Disclosure ("Disclosure") agreed to by Customer. In the event of conflicts between the terms of this Service Description and the terms of the Disclosure, the terms of this Service Description shall control. Defined terms in this Service Description shall have the meaning provided in the Disclosure, unless otherwise defined in this Service Description.
- 3. Account Designation.** Throughout the term of this Service Description, Customer will maintain an eligible Account with Banc to which the Services will be made available ("Account"). Customer acknowledges that this Service Description covers the Check Corporate Payor Service to be provided by Banc and, except as specifically provided in this Service Description, does not cover the handling of the Account or the processing of Checks drawn on the Account.
- 4. Scope of Check Corporate Payor Service.** The Check Corporate Payor Report is provided by the Federal Reserve Banks' Federal Reserve Financial Services and will allow Customer to review check details for Checks drawn by Customer on Accounts maintained with Banc and that are presented for payment. A report with Check details ("Report") will be sent to Customer via a secured email or secured file site provided directly to Customer by the Federal Reserve Financial Services. The Report is scheduled to be delivered during one or more scheduled delivery times on the morning of each day of Check presentment and is intended to permit Customer to make informed funding decisions for Customer's business and also assist Customer to meet timeframes to submit a stop payment request to Banc for any given Check identified in a Report. Unless otherwise determined by the Federal Reserve Financial Services, the Report is available in two formats: (a) a non-image report in a Microsoft® Excel® (xlsx) format; or (b) an image version in PDF format that includes a black-and-white image of the front and back of each Check.
- 5. Checks Covered by Service.** The Check Corporate Payor Service only applies to Checks that are presented for payment to Banc through normal interbank clearings received from a Federal Reserve Bank. It is not designed to provide to Customer a list of Checks that are presented in any other manner (e.g., at a teller window, through an automated teller machine, or by mail). Any presented Check that is damaged, lost or destroyed ("Damaged Checks") so as to be rejected by automated processing systems during processing will also not be covered by the Service or this Service Description. The Report is also not intended to verify the authenticity of any Check presented for payment, including discovering or identifying duplicate Checks, Checks with duplicate serial numbers, mis-encoded Checks, or Checks lacking an encoded serial number.
- 6. Stop Payment Requests.** Any stop payment request for a Check identified in a Report is subject to the terms and conditions of the Deposit Account Agreement and Disclosure and must be provided directly to Banc. Banc will not be responsible for a stop payment order if Customer does not provide Banc with a reasonable opportunity to act on it before final payment of the Check. When submitting a stop payment request, Customer must select an applicable reason code. Returns made absent a specific reason code applied by Customer may be returned with any reason code determined in Banc's discretion. Customer agrees to promptly provide Banc upon request with Customer's affidavit in support of stop payments for Checks that Customer alleges are fraudulent or otherwise unauthorized.
- 7. Limit on Banc's Responsibility.** In addition to the limitations on Banc's liability provided in the Disclosure, Banc assumes no responsibility for the content of any Report or for detecting or correcting ambiguous, incomplete, untimely or inaccurate information in any Report provided to Customer. Banc's willingness to permit Customer to use the Service will not be considered a waiver of any duties imposed on Customer in the Deposit Account Agreement and Disclosure to review Customer's periodic account statements, monitor account activity or notify Banc of any forged or unauthorized Checks presented for payment against Customer's Account. Banc may prohibit or terminate Customer's access to the Check Corporate Payor Service at any time in Banc's sole discretion and without prior notice.
- 8. Indemnity and Hold Harmless.** In addition to Customer's indemnification obligations provided under the Disclosure, Customer agrees to indemnify, defend and hold Banc harmless from and against any and all liability, loss, demand, damage, debt, claim, action, cause of action, cost and expense, including attorney's fees, arising out of, relating to, or in any way connected to this Service Description, including but not limited to the accuracy or timeliness of any Report provided to Customer. Customer's indemnification obligations under this Service Description shall survive termination of the Service Description.
- 9. Validity.** If any provision of this Service Description is found to be void or invalid, the remainder of this Service Description will remain in full force and effect.

Customer's execution of the Acceptance constitutes Customer's acknowledgement and acceptance of the terms and conditions of the Disclosure, together with each applicable Service Description, including any Supporting Documents, corresponding exhibits, schedules, enrollments, or attachments to the same, each as amended by Banc from time to time.