

## **COMMONWEALTH BUSINESS BANK BUSINESS DEBIT CARD AGREEMENT TERMS AND CONDITIONS**

**INTRODUCTION** This Commonwealth Business Bank Debit Card Agreement (“Agreement”) contains contract terms and other important information relating to your Commonwealth Business Bank Debit Card (“Card”). In this Agreement, the words “we”, “our”, and “us” refer to Commonwealth Business Bank which issues the Card. The words “you” and “your” refer to the owner of the specific account for which Card transactions are permitted. The word “Cardholder” refers to any person authorized by you to use the Card. These terms govern the operation of this account unless varied or supplemented in writing. This agreement also incorporates any other terms and conditions provided separately with your account agreement as well as the terms of any disclosures you may have received. You should read this Agreement carefully and keep a copy for your record.

**APPLICABLE LAW** This Agreement will be governed by the laws of the State in which your account is located as well as federal law and regulations. Normal banking customs and practices also apply.

**BUSINESS PURPOSE** You and any Cardholder agree that this Card is for use by business owners and employees. The Card can be used for business purpose point-of-sale and Automated Teller Machine (ATM) transactions only. The Card may not be used for personal purposes. You acknowledge and understand that the Card shall not be treated as a consumer card under the provisions of state and federal law. You agree to provide a written instruction to all Cardholders that the Card shall not be used for consumer purposes. We assume all transactions are for business purposes. We do not monitor transactions to determine their purpose.

**ACCOUNT REQUIREMENT, PAYMENT RESPONSIBILITY, TRANSFERABILITY, ENFORCEABILITY** The services described in this Agreement will be available to you only as long as you maintain a business checking account with us. You are liable for the payment of Card transactions authorized by you or your agent or any Cardholder or their agent. This account may not be transferred or assigned without our written consent. If any terms of this Agreement cannot be legally enforced, it will be considered changed to the extent necessary to comply with applicable laws. If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable.

**HOW TO USE THE BUSINESS CARD, SECURITY PROCEDURES** The Card allows Cardholders to directly access the business checking specified in your Card Application. We will issue Cards and codes to you at your request. Each Card will identify your business as well as the Cardholder. You agree to the following security procedures. Each Cardholder must sign their Card before it may be used. The word “use” shall include any presentation of the Card or disclosure of the PIN in any manner, which permits any person to purchase goods and services or to obtain cash. Once a Card has been issued it cannot be transferred to another person. You agree to immediately notify us when you terminate a Cardholder’s rights and to promptly return the Card to us. Until we receive your written notification and the Card, we can continue to honor transactions initiated with the Card and you will be liable for those transactions. You agree to provide written instructions to all Cardholder about the importance of protecting the Card and code. You agree to examine your receipts and period statements in a timely manner. You agree that the dollar/frequency limits assigned to each Cardholder will also act as a security procedure.

**CARD TRANSACTIONS** Depending on the spending limit options you have selected for the Authorized Users on the Application, the Cards may be used as follows:

- Point of Sale Transactions – PIN or Signature Authorized. Card may be used for point-of-sale (“POS”) transactions to purchase goods and services for business purposes at any merchant location where Visa Cards are honored. However, we are not responsible for the refusal of any merchant to accept or honor a Card.
- ATM Transactions – If you selected a transaction option for one or more Authorized Users, which permits transactions by ATM, we will issue a PIN for use with those Cards. This will enable the Authorized User to obtain cash at any ATM displaying a Visa logo. The number and amount of transactions which can be made in one day through ATMs will be restricted depending on the spending option you select. All PINs must be kept in confidence by you and by the Authorized User. You agree to take all necessary steps and institute all appropriate precautions and security measures to protect and maintain the secrecy and security of each PIN. You further agree to instruct the Authorized Users concerning the proper business use of the Cards and the appropriate procedures, which must be followed to maintain the confidentiality and security of the Cards and the associated PINs. If you or the Authorized Users permit someone to use

a Card and associated PIN, you are authorizing them to access your Account and to do anything that you or the Authorized Users would be authorized to do with your Account, and you will be liable for all Card transactions and cash withdrawals, which may result. All ATM transactions performed with the cards are subject to the cutoff times established from time to time by the owners or operators of the ATM for processing ATM transactions, and any ATM transaction initiated after the cutoff time will be posted to your Account on the following business day.

**AUTHORIZED USER TRANSACTION LIMITS** On the Application, you selected spending limit options for each Authorized User. Those spending options determine the type and amount of the transactions an Authorized User may perform in a single day. You understand and agree that each Authorized User's transaction activity will only be limited by either the daily limit set for the type of transaction or the amount of collected funds in the Account. You agree that the Authorized Users will not exceed these designated limits, and that we have the right to deny any transaction if the transaction will cause an Authorized User to exceed those limits or the collected balance in the Account. If the Authorized Users initiate transactions, which exceed those limits, we can charge all transactions to your Account without giving up any of our rights under this Agreement. In addition, if we permit Authorized Users to exceed their limit on any occasion, we are under no obligation to do so in the future. When an Authorized User exceeds this limit, you will be in default under this Agreement. The amount an Authorized User may withdraw in a single transaction may be less than the above limits under certain circumstances. For example, an ATM or an ATM network may become inoperative or may be unable to communicate with its authorization center. When this occurs, the Authorized User may not be able to withdraw funds from the Account, or the Authorized User may be limited to an amount less than the Authorized User's transaction limit until such time as the ATM, network, or authorization center is back in service. We have the right to change these limits from time to time. We also have the right to refuse to allow any transaction if there are insufficient collected funds, or if the transaction will cause an Authorized User to exceed his or her daily transaction limit. If the merchant, POS terminal, ATM or financial institution is not able to communicate with its authorization center, the Authorized User may not be able to complete a transaction even though the Authorized user has not exceeded the transaction limits.

**OVERDRAFTS** Unless you have a separate line of credit or overdraft privilege limit with us, you may not overdraw the Account or any other business checking Account you maintain with us under any circumstances. If you do, you will be in default under this Agreement, the Disclosure and any other related agreement. As a result, we will be under no obligation to authorize any additional transactions. If we pay a transaction initiated with a Card which results in an overdraft in your Account, you agree, upon receiving notice, to immediately deposit sufficient funds to the Account to cure the overdraft.

**ACCOUNT DEBITS** Any use of a Card by an Authorized User or any other person allowed to use a Card shall authorize us to charge your Account for the amount of any purchase, cash advance, or other withdrawal. You waive any right to stop payment on any Card transaction. If the payment of a Card transaction would overdraw the Account, we have the option to charge all or a portion of the transaction amount against any other deposit accounts you maintain with us. You agree that we may pay Card transactions in any order we choose, including paying Card transactions prior to checks and other items drawn on the Account. We also have the right to place immediate holds on funds in the Account in order to pay for Card transactions which we have authorized and are subsequently presented to us for payment. If you gain access with the use of a Card to an account which is not properly available to you, we can charge or credit the transaction to the Account or any of your existing business checking accounts.

**DEFAULT** You will be in default if you fail to comply with any of the terms and conditions of this Agreement or if you are in default under any other loan, deposit or banking services agreement, or arrangement which you have with us now or in the future. You will also be in default if any of the following events occur:

- You permit the Account to be overdrawn or you exceed the credit limit of any associated overdraft line of credit.
- You fail to make any payment under any indebtedness to us or any of our affiliates when due.
- You provide or cause to be provided to us any false or misleading signatures or representations.
- A garnishment, judgment, tax levy, attachment, or lien is entered or served against you, or against any of the property owned by you.
- You die, become legally incompetent, are dissolved or your existence is terminated, you cease to operate your business, become insolvent, make an assignment for the benefit of creditors, fail to pay any debts as they become due, a receiver or other custodian is appointed or takes possession of any of your property, or you become the subject of any bankruptcy, insolvency or debtor rehabilitation proceeding.
- We learn from a credit reporting agency or other source that your financial condition has deteriorated significantly or your debt or available unused credit lines from other lenders, in our opinion, has become excessive.
- We have reasonable cause to believe that you will not be able to repay us, for any reason, any amounts you owe us under this Agreement, the Account Agreement or any other agreement between you and us.

Upon the occurrence of any event of default, we will be entitled to terminate your rights under this Agreement without notice to you and recover possession of all Cards which have been issued to you. We also have the right to deny all Card or other transactions relating to the Account and we may immediately charge the Account for accumulated Card transactions. We also will have the right to terminate, freeze and enforce our security interest against the Account and any other deposit account you maintain with us, and we may refuse to authorize any further Card transactions and return unpaid any checks or the items drawn on the Account or any other business checking account you maintain with us which may have been presented to us for payment. Our failure to take action or exercise any remedy on one occasion will not amount to a waiver of future remedial rights on any other occasion.

**TRANSACTION AUTHORIZATIONS** Certain purchases and cash advances may require an authorization from us or our service bureau prior to completion of the transaction. In some cases, the Authorized User may be asked to provide identification. If the authorization system is not functioning, we or our data processor may not be able to authorize a transaction even if the Account has sufficient funds and you or your Authorized Users are within the established limits. We will not be liable to you or the Authorized User if any of these events should occur and a transaction is not authorized and completed.

**DISPUTES WITH MERCHANTS** You agree to resolve with any merchant any disputes you may have concerning the merchant's charges for goods and services you pay for by use of your card or your PIN.

**LODGING RESERVATIONS AND MERCHANT AUTHORIZATIONS** Under certain circumstances, a hotel may require the use of a Card to hold reservations, and such use may result in a hold on the collected funds in your Account (a "Guaranteed Reservation"). If an Authorized User cancels any Guaranteed Reservation made using the Card, the Authorized User must obtain a cancellation number. If the Authorized User fails to do so, the hold placed for the Guaranteed Reservation will not be canceled and the amount will be held against the collected balance in the Account. This may limit the future transactions by all Authorized Users. Further, if the hotel subsequently charged the amount of the Guaranteed Reservation to the Account, we will not be obligated to re-credit the Account if the Authorized User fails to obtain a cancellation number, even though the charge was an error and you followed the error resolution procedures contained in the Agreement. In addition, authorizations issued for Card transactions at non-hotel merchant locations must be canceled when an Authorized User initiates a Card transaction and subsequently uses another form of payment for the transaction such as a credit card or cash, since failure to have the authorization canceled may also result in a hold on funds in the Account and limit future transactions by all Authorized Users.

**LOST OR STOLEN CARDS AND PINS** If you believe that a Card and/or its associated PIN has been lost or stolen, you must notify us AT ONCE. Telephoning us is the best way of initially notifying us and reducing your possible losses. However, if you initially notify us by telephone, you must promptly confirm such notice in writing to address listed in this Agreement.

**ACCOUNT STATEMENT AND ACCOUNT INFORMATION** Each month you will receive an Account statement which will describe all Card transactions. This information should be compared to receipts from merchants and ATMs to insure that transactions were processed correctly. You understand and agree that Authorized Users who are authorized to make ATM transactions will be able to obtain daily balance and other information about the Account. If you wish to restrict Authorized Users' access to such information, you must not authorize ATM transactions by those Authorized Users.

**ADDITIONAL RISK ASSOCIATED WITH USE OF BUSINESS PURPOSE CARDS** You will not have the benefit of any consumer law limiting liability with respect to the unauthorized use of your Card. This means your liability for the unauthorized use of your Card could be greater than the liability in a consumer debit card transaction. You accept and agree to undertake the additional risk and greater measure of liability associated with the use of business purpose cards as described in this agreement.

**YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS** You are liable for Card transactions you do not authorize if we can prove that we processed the transaction in good faith and in compliance with a commercially reasonable security procedure to which we both agreed, unless otherwise required by law.

Tell us AT ONCE, if you believe your Card and/or code has been lost or stolen. 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 your Card and/or code is lost, stolen, or used without your permission, you agree to notify us immediately and to promptly confirm such notice in writing. Your liability for transactions with your Card and/or code will continue until 2 business days after the day we receive such written notice. If you do not notify us within 60 days from when the periodic statement containing an unauthorized transaction was first mailed or made available to you, we will be entitled to treat the information in the periodic statement as correct, and you will be precluded from asserting otherwise.

**ADDITIONAL LIMIT ON LIABILITY** Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any transactions using your lost or stolen Card if you report the unauthorized transfer within 60 days of the

mailing date of the first statement showing the unauthorized transfer. Unauthorized transfers do not include: 1) any transaction by a business co-owner, a cardholder or person authorized by a cardholder or other person with an interest in or authority to transact business on the account; or 2) any transaction by a cardholder that exceeds the authority given by the Visa Business check card account owner. This additional limit on liability does not apply to ATM transactions or to transactions using your Personal Identification Number which are not processed by Visa®.

**CONSEQUENTIAL DAMAGES** We will not be liable for any consequential or incidental damages resulting from the unauthorized use of your Card.

**ERROR RESOLUTION** You agree to examine your receipts and periodic statements using ordinary care and to report any errors or problems to us within a reasonable time. You agree that the time to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 60 days from when the statement containing the error or problem was first mailed or made available to you. If you do not report within 60 days, we will be entitled to treat such information as correct and you will be precluded from asserting otherwise. You further agree that if you fail to report to us within 14 days from when the statement was first mailed or made available to you that we will not be required to pay interest on any refund to which you may be entitled. We will only recredit your account for errors or problems as required by law.

Call or write us immediately with errors or questions about your electronic transfers at the telephone number or address listed in this disclosure. If you tell us orally, we may require your complaint or question in writing within 14 business days.

We will determine whether an error occurred within 5 business days after we hear from you and will correct any error promptly. If we need more time, however, we will credit your account within 5 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. We will tell you the results within three 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.

COMMONWEALTH BUSINESS BANK  
OPERATIONS ADMINISTRATION  
3435 Wilshire Blvd., Suite#700  
Los Angeles, CA 90010  
Business Days: Monday through Friday  
Excluding Federal Holidays  
Phone: 323-988-3000

**CREDIT INFORMATION** When you signed the Application, you authorized us to obtain a credit report and any other information about your credit worthiness, as well as the credit worthiness of any of your principle owners. Any unfavorable information will be grounds for us to deny your application or terminate this Agreement or other agreements or accounts you may have with us. By issuing Cards to you, we are relying on all financial and other information you have given us from time to time. You agree to provide us with financial information at our request so that we can evaluate your continued capacity to meet your obligations under this Agreement.

**FORCE MAJEURE** We will not be liable for our inability to perform our obligations under this Agreement when such inability arises out of causes beyond our control, including, without limitation, any act of God, accident, equipment failure, system failure, labor dispute, or the failure of any third party to provide any electronic or telecommunications service used in connection with the acceptance and processing of Card transactions.

**DAMAGES, ATTORNEY'S FEES, COSTS AND INTEREST** You will be liable for any loss or damages resulting from your breach of this Agreement or to which your negligence contributed. You will also be liable for any loss or damages resulting from unauthorized, fraudulent, or dishonest acts by any current or former Authorized User or any of your current or former officers, employees, agents or representatives. In the event we take any legal action under this Agreement, in addition to or instead of arbitration proceedings, to collect overdrafts on the Account, or any other amounts you owe us, or because you break any other promise under this Agreement, or if we become involved in any other litigation or proceeding initiated by a third-party, including but not limited to our responding to an attachment, garnishment or levy with respect to the Account, you agree to reimburse us for any costs and expense we incur, including, but not limited to, our reasonable attorney's fees, together with interest at the maximum interest rate allowed by law, and you further agree that we may charge those amounts against the Account without prior notice to you.

**NO WAIVER** If we delay enforcing any of our rights under this Agreement, we will not lose those rights.

**TERMINATION** You may terminate this Agreement at any time by providing us with written notice and returning the Cards which have been issued in connection with the Account. Termination of service will be effective the first business day following receipt of your written notice and the return of all Cards which have been issued to you. We have the right to terminate this Agreement or cancel any of the cards at any time without notice. In the event this Agreement is terminated for any reason, you must still pay any present or future transactions resulting from the use of any Cards or PIN. Termination of this Agreement will not affect the rights and responsibilities of parties under this agreement for transactions initiated before termination. At all times, the Cards will remain our property and must immediately be surrendered to us at such time as this Agreement is terminated, the Account is closed, or any Card is canceled.

**CHANGE OF TERMS** We may change, amend, add to or delete any term or condition of this Agreement, including, but not limited to, the amount of any fees or charges at any time. If we make such a change, you agree that we may provide you with notice of the change by any reasonable method, such as by including a message on or with your Account statement. The change will be effective upon the date of the notice unless otherwise provided. If under applicable law any such change requires your approval, your continued use of the Cards on or after the date, you receive the notice means that you accept and agree to the change. If the change is necessary to maintain or restore our security system, however, we will not notify you in advance.

**CURRENCY CONVERSIONS** When you use your Card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

**BUSINESS DAYS** Every day is a business day, except Saturdays, Sundays and days on which federal holidays are observed by us. Transactions processed after normal business hours, and on Saturdays, Sundays and federal holidays, will be posted on the next business day.

**ASSIGNMENT AND SUCCESSORS** You may not assign to anyone your rights under this agreement. This Agreement shall be binding upon your successors, administrators, and personal representatives.

**NOTICES** We may provide notice to you under this Agreement by mailing the notice to your current address in our records. All notices from us will be effective when we have mailed them or delivered them to the last address that we have for you in our records. Any notice you provide to us pursuant to the Agreement must be in writing and sent to us at the address listed in this Agreement. Notices from you will generally be effective the first business day following the day we receive them at the appropriate address specified in this Agreement. If more than one person signed your application, notice to or from one of the individuals who signed the application will be effective for everybody who signed it.

**COMMONWEALTH BUSINESS BANK  
BUSINESS DEBIT CARD APPLICATION**

(for business purposes only)

By my signature below, I am requesting a Commonwealth Business Bank Business Debit Card. I understand that my Business Debit Card will allow access to my bank accounts listed below. I understand to memorize my Personal identification Number (PIN) where it can be stolen or lost with my Business Debit Card. The Bank may obtain a current credit report upon receipt of this application. I agree to abide by the agreement established by Commonwealth Business Bank as related to the use of the Business Debit Card.

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> <b>New</b>            | <input type="checkbox"/> <b>Update</b>    | <input type="checkbox"/> <b>Limit Adjust</b> | <input type="checkbox"/> <b>Delete</b>             |
| <input type="checkbox"/> <b>Card &amp; PIN</b> | <input type="checkbox"/> <b>Card Only</b> | <input type="checkbox"/> <b>PIN Only</b>     | <input type="checkbox"/> <b>Information Change</b> |

Account Name \_\_\_\_\_  
 Port No. \_\_\_\_\_ Checking Account No. \_\_\_\_\_  
 Business Phone No. \_\_\_\_\_ Number of Cards Requested \_\_\_\_\_

<b>Authorized User Name &amp; Signature:</b>	TIN:	<b>Daily Limit Per Card</b>	
Name: _____	Card No.:	PIN Based ATM Dollar Limit: _____	
X _____		POS Dollar Limit: _____	
Address: _____	City: _____	State: _____	Zip: _____
<b>Authorized User Name &amp; Signature:</b>	TIN:	<b>Daily Limit Per Card:</b>	
Name: _____	Card No.:	PIN Based ATM Dollar Limit: _____	
X _____		POS Dollar Limit: _____	
Address: _____	City: _____	State: _____	Zip: _____
<b>Authorized User Name &amp; Signature:</b>	TIN:	<b>Daily Limit Per Card:</b>	
Name: _____	Card No.:	PIN Based ATM Dollar Limit: _____	
X _____		POS Dollar Limit: _____	
Address: _____	City: _____	State: _____	Zip: _____

X \_\_\_\_\_ X \_\_\_\_\_  
 Signature of Principal Date Signature of Principal Date

**FOR CORPORATION ONLY**

Certified Copy of Corporation Resolution for Business Debit Card Application

RESOLVED: The \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ or \_\_\_\_\_, of this corporation are hereby authorized, from time to time, to be users of Business Debit Card in the name of this corporation.

**CERTIFICATION**

I certify that this resolution was adopted by this organization in accordance with law and its charter documents at a meeting duly held by this organizations' governing body, and is now in effect. I certify that all of the signature above are genuine and are those of the person(s) who are authorized to execute the form who has such title as is listed above. I further certify that I have authority to execute this certification. Commonwealth Business Bank is entitled to rely upon this certification until written notice of its revocation is delivered to Commonwealth Business Bank.

\_\_\_\_\_ X \_\_\_\_\_  
 Print Name/Title (Must be Secretary or Assistant Secretary) Signature Date

**BANK USE ONLY**

Date \_\_\_\_\_ Received By \_\_\_\_\_ Approved By \_\_\_\_\_

Input By \_\_\_\_\_ Date \_\_\_\_\_