

**Banking Services Provided by:**



**For Nationwide<sup>®</sup> Customers**

**Business Deposit Account Agreement  
and  
Schedule of Fees**

**Effective: November 16, 2018**

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## Agreement for Your Account

Welcome and thank you for selecting Axos Bank® for your financial needs.

This Disclosure and Agreements – Commercial (“Agreement”) agreement explains important terms and conditions which govern your account(s) with us. This Agreement is periodically revised and always available electronically for your reference at [www.axosbank.com](http://www.axosbank.com). Please read this Agreement carefully and keep it with your banking records for future reference.

You agree that your accounts will only be established and used for commercial purposes, and not for personal, family or household purposes. When you sign our signature card, whether in writing or electronically, and/or continue to have an account with us, you and each authorized signer on your accounts effectively agree to this Agreement, together with applicable schedules, disclosures, including fee, and rate disclosures. Your Axos Bank accounts will be deemed located and domiciled in California.

Bank products and services are offered by Axos Bank. All deposit accounts through Axos Bank brands are FDIC insured through Axos Bank. All deposit accounts of the same ownership and / or vesting held at Axos Bank are combined and insured under the same FDIC Certificate 35546. All deposit accounts through Axos Bank brands are not separately insured by the FDIC from other deposit accounts held with the same ownership and / or vesting at Axos Bank.

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

### Account Funding

You agree to fund your account within 30 days of account opening, or we may close the account.

### Account Ownership

The bank may rely solely on its records to determine the form of ownership of your account. The bank may presume that any person named, in addition to you in its records, owns the funds in your account as a co-owner. Account ownership is non-transferrable.

### Account Structure

We may structure your account to consist of two 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 New Account Funding

ACH Funding will be posted upon final credit from the external bank; typically, 2 - 3 business days after the new account is opened.

### Adverse Claims

If any person or entity makes a claim against funds in your account, or if the Bank believes that a conflict exists between or among the *authorized signers* on your account or that there is a dispute over matters such as the ownership of your account or the authority to withdraw funds from your account, the Bank may, without any liability to you, take one or more of the following actions:

- Continue to rely on the Bank's records to determine the ownership of or the identity of the *authorized signer(s)* for your account.
- Honor the claim upon receipt of evidence satisfactory to the Bank to justify such claim.
- Freeze all or a part of the funds in your account until the dispute is resolved to the Bank's satisfaction.
- Close your account and send a check for the *available balance* in your account payable to you or
- Pay the funds into an appropriate court.

The Bank may charge your account for expenses (including attorney's fees and expenses) and any fees the Bank incurs.

### 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).

### 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.

#### 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.

#### Arbitration

You and the Bank recognize that disputes may from time to time arise in connection with the offering and maintenance of business deposit accounts, including without limitation, checking, savings or certificate of deposit accounts ("Deposit Account Disputes"). In order to facilitate resolution of Deposit Account Disputes in an expedient manner, by mutual cooperation and without resort to litigation, you and the Bank shall follow the procedures if and when any Deposit Account Dispute develops:

You and a representative of the Bank holding the rank of Vice President or higher shall speak in person or by telephone, and shall endeavor in good faith to resolve the Deposit Account Dispute. In the event that no resolution of the Deposit Account Dispute is had within thirty (30) days after you or the Bank initiated such attempt at resolution, the matter shall be submitted to arbitration at the request of either party. The party desiring to proceed with arbitration shall file an Arbitration Notice with the San Diego, California office the American Arbitration Association. The arbitration shall be a separate proceeding held before a single arbitrator under the American Arbitration Association's Commercial Arbitration Rules and in accordance with the expedited procedures set forth in such rules. The arbitrator shall be selected by the parties. If the parties cannot agree to an arbitrator within fourteen (14) days following the date of the Arbitration Notice, then the arbitrator shall be selected in accordance with the procedure set forth in the rules of the American Arbitration Association. The arbitrator shall be a licensed member of the California state bar, shall be experienced in banking law, and shall not have performed services for either party during the previous five (5) year period. You and the Bank understand and agree that the right to bring any claim related to any Deposit Account Dispute to court, including the right to a jury trial, is hereby waived. The arbitrator shall render a decision and award, including a statement of reasons upon which such award is based, within thirty (30) days after the arbitration hearing. The decision of the arbitrator shall be in writing, shall be binding upon the parties, and shall be final and non-appealable. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction. All expenses of any arbitration, including fees and expenses of the parties' attorneys, fees and expenses of the arbitrator, and fees and expenses of any witness or the cost of any proof produced at the request of the arbitrator, shall be paid by the non-prevailing party.

You and the Bank acknowledge that our business relationship involves interstate commerce. Insofar as it applies, the United States Arbitration Act shall govern the interpretation of, enforcement of, and proceedings pursuant to, this arbitration clause. Except insofar as the United States Arbitration Act applies to such matters, the agreement to arbitrate set forth herein shall be construed, and the legal relations between the parties shall be determined in accordance with, the substantive laws of the State of California. You and the Bank hereby agree that the issue of arbitrability shall likewise be decided by the arbitrator, and shall not be submitted to any other person or forum for adjudication. As a supplement to arbitration, either party may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause such party irreparable harm.

Except as otherwise provided herein, no action at law or inequity in connection with any Deposit Account Dispute shall be instituted by either party. Nothing herein shall be construed as precluding either party from filing a civil or criminal complaint with, or participating in an investigation before, any appropriate governmental authority. However, each party understands and agrees that it cannot seek or obtain any monetary relief or recovery from any such a proceeding. In addition, nothing herein shall preclude the Bank from exercising any right of set-off or other self-help remedy it might otherwise have, or from closing or suspending any account or service provided to you.

#### Authorized signers

An authorized signer is someone to whom you give all rights you have now or in the future to make withdrawals and deposits, and to otherwise transact on your account and receive account information. 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 to sign an item, withdrawal order, or other instruction on the account.

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.

#### Business Days

Our Business Days are Monday through Friday, excluding federal holidays.

### Check Cashing

Checks drawn on the Bank payable to a non-customer consumer or business may, at the discretion of the Bank, only be negotiated in exchange for a Cashier's Check payable to that exact consumer or business name. Prior to negotiation, the consumer provides identification we deem acceptable or business must have the endorsement guaranteed on that check by its financial institution. We may charge a fee for this service, which may be deducted from the check.

### Choice of Law

This Agreement is governed by federal laws and, when applicable, the laws of the State of California.

### Check Forms and Special Conditions

We require you to use a check printer that meets technical standards for checks that are acceptable to us and the Federal Reserve Bank System. We reserve the right to disregard any information on the check other than the drawer's signature, the payee, the amount, any magnetically-encoded information at the bottom of the check, and endorsements on the reverse side of the check unless we have previously agreed to do so in writing. For example, we will not be liable for any damages because we pay an Item which contained any conditional statement or restriction such as "Void after 90 days", "Void over \$100", or "Payment in Full". We will adhere to such conditional statements only if you notify us of the statements before the Item is presented and we have specifically agreed in writing to honor such conditional payment restrictions. If an Item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the Item, you will be responsible for any cost and liabilities associated with such return or delay.

### Closing an Account

You agree to notify us of your intention to close your Deposit Account, and we reserve the right to request that your notice be in writing that affirmatively acknowledges that closing the account could affect your receipt of Financial Services. After a Deposit Account is closed, we have no obligation to accept deposits or pay any outstanding items or other debits, but we may do so at our option. You agree to hold us harmless for refusing to honor any check, item or other debit on a closed account.

For security reasons, we may close your Deposit Account and require you to open a new account if there is a change in authorized signers, there has been a forgery or fraud reported or committed involving your Deposit Account, any Deposit Account checks are lost or stolen, you have too many transfers from a Deposit Account that has transaction limitations, or you have violated any other provision of an agreement you have with us. If your account is closed mid-cycle, your accrued interest will be forfeited. If your account is at zero at the end of your statement cycle, your accrued interest will be forfeited for that cycle and your account will be closed.

The Bank reserves the right to close your account for any reason or without cause. We need not advise you of the reason for taking this action. The Bank need not give advance notice of any closure. After an account is closed, we have no obligation to accept deposits or pay any outstanding items or other debits, but we may do so at our option. If your account is closed by the Bank, it may issue a single Cashier's Check for the account balance payable to accountholder and may mail or deliver that check to the accountholder, subject to any right the Bank may have under any agreement covering the account or the Bank's right of setoff.

### 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 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 represent and warrant that you will not use, and agree not to use, your account or any service we provide to you for any unlawful purpose. For example, 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 covenant, and 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 on a money market or savings account, if your account frequently has debits against uncollected funds, if your account has excessive deposit activity or if you use a commercial account for consumer purposes.

### 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 such notice 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"

### Demand Drafts and Remotely Created Checks

If you deposit a demand draft or remotely created check (an unsigned draft or preauthorized draft) into your account, you warrant and guarantee that the draft or remotely created check is authorized according to the terms on its face by the person(s) identified as the drawer. You agree to indemnify us from all loss, expense and liability related to a claim that such check or draft was not authorized by the person(s) on whose account it was drawn on.

### Deposit of Preauthorized Drafts

A pre-authorized draft is an arrangement whereby you get authority from a person (a customer usually) to access a deposit account owned by that person to pay a debt that person owes you. You deposit these "drafts" into a deposit account with us, and we collect them from your customers, who may have accounts with us or at other banks. (These "drafts" are checks you create based on information your customer provides you, such as customer's name and account number, and express permission your customer gave you to draw on his account). When you deposit these pre-authorized drafts, you make the following agreements and warranties:

- You have express, verifiable and binding authorization from your customer to access his, her or its account for the amount you ask us to collect;
- You will keep proof of your authorization in retrievable form for not less than two years from the date of the authorization and provide us with proof upon our request;
- We may reverse credit given you for any draft deposited to your account and returned to us regardless of when it is returned or the reason for the return.

### Deposit Preparation, Sorting, and Endorsements

You agree to properly prepare, sort, and endorse all deposits according to requirements specified in any application user guides and Federal Regulation CC. You agree to indemnify us for any loss we incur that result from your failure to comply with these requirements.

### Deposits- Truncation, Substitute Checks, and Other Check Images

If you truncate an original check and create a substitute check or other replacement document, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with the time requirements as outlined in your Remote Deposit Capture Agreement with us. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

### 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.

### Earnings Credit

If an earnings credit accrues on your account, the Bank will periodically apply your accrued earnings credit to eligible Bank fees and expenses (unless the Bank otherwise indicates in writing). The amount of Earnings Credit received each month is based on your Average Collected Balance, multiplied by the current earnings credit rate in effect. The earnings credit rate is determined by the Bank and is set each month based on current market conditions. The rate is subject to change without notice to you. The Bank may debit your account (or any other account you maintain at the Bank) or invoice you for any amount by which the fees and expenses exceed the accrued earnings credit on your account.

### Facsimile or Mechanical Signatures

Many customers use a facsimile or other mechanical signature, including a stamp, referred to herein as (“facsimile signature”) to execute agreements, authorize transactions, provide and authorize instructions and to indorse 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 indorsements 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 indorsement, 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.

### Fraud Prevention

#### Lost or stolen items; unauthorized items

If any of your unissued paper *items* has been lost or stolen, or if you learn that unauthorized *items* are being issued on your account, you agree to notify the Bank at once. To the extent that your failure to so notify the Bank hampers the Bank’s ability to prevent loss, the Bank will be relieved of any liability for such *items*. Upon receipt of any such notice, the Bank may at its sole discretion and without any liability to you take one or more of the following actions:

- Close your account and open a new account for you
- Dishonor any paper item you or an authorized signer have indicated may have been lost or stolen (unless you or an authorized signer subsequently have instructed the Bank to honor such an item) or
- Pay any paper item presented for payment on your account, provided you have instructed the Bank to pay such paper item and given the Bank the number of that paper item

If the Bank opens a new account for you and you have authorized a third party to automatically make regular deposits to or withdrawals from your account (such as wire or ACH transfers), the Bank will have no liability to you if you do not receive any regularly scheduled deposit or if a regularly scheduled payment is not made for you due to your failure to notify that third party in a timely fashion of the number of your new account.

### 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 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.

From time to time we may list fees for some non-account services (such as wires, cashier's checks, travelers' 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.

#### Force Majeure

Neither party to this *Agreement* will be deemed to be in default of any of its obligations under this *Agreement* if its performance is delayed, hindered, or becomes impossible because of any act of God or of any public enemy, hostilities, war (declared or undeclared), guerilla or terrorist activities, act of sabotage, blockade, earthquake, flood, landslide, avalanche, tremor, ground movement, hurricane, storm, explosion, fire, labor disturbance, riot, insurrection, strike, sickness, accident, civil, commotion, epidemic, act of government or its agencies or officers, power interruption or transmission failure, or any cause beyond the control of either party.

#### General Use of Credit File Information

You certify as to the accuracy of the information you provide to us and authorize Axos Bank's affiliated consumer reporting agency/agencies to access your credit file to facilitate the processing of your application for Axos Bank financial products and to authenticate your identity for legal and regulatory compliance purposes. You understand that you may be asked questions based on the information in your credit file as part of this process. You also understand that Axos Bank may review your credit history and past banking relationships.

#### Information at Account Opening

Federal law, including the USA PATRIOT Act, requires all financial institutions to obtain, verify and record information that identifies each person or business that opens an account. When you apply for a business account, we will ask for your business name, address, and Tax Identification Number (TIN). We will also ask for your name, date of birth and social security number, which will allow us to verify your identity. We may validate the information you provide to us to ensure we have a reasonable belief of your identity and your business. If we are not able to verify your identity to our satisfaction, we will not open your account or we may close the account if it was previously funded. When you apply for a Sole Proprietor account, we will ask you and any authorized signer for your legal name, residential address, date of birth and Social Security Number (SSN). We will require one or more forms of unexpired photo identification. We may validate the information you provide to us to ensure we have a reasonable belief of your identity. If we are not able to verify your identity to our satisfaction, we will not open your account or we may close the account if it was previously funded.

#### Legal Process

Legal process includes a writ of attachment, execution, garnishment, tax withholding order, levy, restraining order, subpoena, warrant, injunction, government agency request for information, search warrant, forfeiture or other similar order. We may accept and comply with legal process: served in person, by mail, by facsimile transmission, or by other means. Any such legal process is subject to the Bank's security interest and the right of setoff. The Bank will not notify you of a grand jury subpoena affecting you or your account. Any fees or expenses the Bank incurs in responding to any such legal process may be charged against any account you maintain with the Bank. We may, but are not required to, send a notice to you of the legal process.

#### Limitation of liability; Indemnification

Whether in connection with your account or a service, in no event will either party to this *Agreement* or its respective directors, officers, employees, or agents be liable to the other party for any special, consequential, indirect or punitive damages, weather any claim is based on contract or tort or whether the likelihood of such damages was known to either party. The forgoing limitation of liability will not apply where expressly prohibited by the laws governing your account. The Bank will not have any liability to you if there are not sufficient available funds in your account to pay your *items* due to actions taken by

- The Bank in accordance with this *Agreement* or
- Any third party

Except to the extent that the Bank fails to exercise ordinary care of breaches this *Agreement*, you agree to indemnify and hold the Bank and its directors, officers, employees, and agents harmless from all claims, demands, losses, liabilities, judgments, and expenses (including their attorneys' fees and legal expenses) arising out of or in any way connected with the Bank's performance under this *Agreement*. You agree that this indemnification will survive the closing of your account and the termination of any *service*.

#### 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 the Bank, 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.

### Multiple Signatures

We will have no responsibility for reviewing the number or combination of signatures on an Item drawn on your Account. This means that if you have indicated that one or more signature is required in connection with an Item drawn on your Account, the Bank will have no liability to you if a transaction is conducted on or through your Account contrary to the signature requirements you have specified, provided at least one of the required signatures appears on the Item.

### Our Receipt of Deposits

In receiving deposits, we act only as your collecting agent and assume no responsibility beyond the exercise of ordinary care. All deposits are posted to your designated deposit account conditionally, and only if the item is payable in U.S. dollars, subject to our receipt of final payment. If final payment is not received on any item you deposited to your account or that we cashed for you, or if any direct deposit, automated clearinghouse deposit or electronic fund transfer to your account is dishonored by the issuing financial institution for any reason, you agree to pay us the amount of the dishonored deposited funds, and you authorize us to debit any deposit account with us of which you are an owner, without prior notice and at any time, for the amount of the returned item or other deposit. You also authorize us to debit your account for the amount of our returned item fee, any interest paid on the deposit, and any other fee we pay or loss we incur. We may also use any other legal remedy to recover the amount you owe us. We are not responsible for any transactions, including any transactions sent through the mail, until we actually receive and post the transaction to your account. We are not liable for the default or negligence of our duly selected agents or correspondents, nor for losses in transit.

### Overdrafts

When we determine that you do not have enough available funds in your account to cover a check or other item, then we consider the check or other item an insufficient funds item. We will either authorize or pay the insufficient item and overdraw your account (an overdraft item) or we will decline or return the insufficient item without payment (a returned item).

We pay overdrafts at our discretion, which means we do not guarantee that we will always, or ever, authorize and pay them. If we overdraw your account to pay items on one or more occasions, we are not obligated to continue to paying future insufficient funds items. Our Schedule of Fees herein for your account explains when we charge you fees for overdrafts and for declined or returned items and the dollar amount of the fees.

### Post-Dated Checks

We agree not to pay an Item that you have postdated before the date shown on the Item only if we receive reasonable advance written notice from you before the Item is presented, and you follow the procedures for and pay the fees associated with a Stop Payment Order. Your notice to us must specify the payee, date, amount, and Item number and the fact that you have postdated it. Notices regarding postdated Items are effective only for six (6) months from the date of the Stop Payment Order, and must be renewed to continue to be effective beyond that time. You agree that we may return a postdated Item to the presenter before the date shown on the Item without liability for wrongful dishonor. We may pay or dishonor a check more than six (6) months old without prior notice to you.

### Powers Of Attorney

A Power of Attorney over a Business Deposit Account from an account owner or authorized signer will not be accepted by Axos Bank.

### Preventing misuse of your account

You agree to take reasonable steps to ensure the integrity of your internal procedures with respect to your account and *items* drawn on your account or deposited to it. To help prevent embezzlement and protect your business assets, the Bank recommends that you:

- Daily online account activity review through Online Banking Services.
- Reconcile statements for your account as you receive them and notify the Bank immediately of any problem.
- Review your transaction activity for unexpected fluctuations. A large fluctuation might indicate embezzlement or fraud.
- Destroy any paper *item* that you do not intend to use.
- Notify the Bank immediately when an authorized signer's authority ends so that his/her name can be removed from all signature cards and online banking access and any cards that the Bank has issued to him/her can be cancelled.
- Do not sign blank paper *items*.
- Secure your supply of paper *items* at all times. Stolen paper *items* are a common method of embezzlement.
- Watch for paper *items* cashed out of sequence or made out to cash. These are classic red flags for embezzlement or fraud.
- Assign responsibilities for your account to multiple individuals. Those who reconcile statements for your account should be different from those who issue *items* drawn on your account.
- Obtain insurance coverage for these risks.

### Reclassification of Deposit Accounts

Under federal law, we are required to classify our deposits a certain way for regulatory reporting purposes. The following disclosure explains a change we may make to your Account that, ultimately, has no effect on your Account. We are simply changing the way we report deposit accounts to the government. The change to your Checking Account will not affect your available balance, interest earnings, FDIC insurance, or bank statement. The Account will consist of a checking sub-account and a savings sub-account, and the Bank may periodically transfer funds between these two sub-accounts. On a sixth transfer during a calendar month, any funds in the savings sub-account will be transferred back to the checking sub-account. If your Account is a plan on which interest is paid, your interest calculations remain the same. Otherwise, the savings sub-account will be governed by the rules governing our other savings accounts. This change will be transparent to you and will not affect your statement, any terms and conditions of your account, or any other items in your account.

### 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 the Bank 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.

### Restricted Transactions

You acknowledge and agree that "restricted transactions" as defined in the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG issued thereunder are prohibited from being processed through your account or any relationship between you and the Bank. In the event we identify a suspected restricted transaction, we may block or otherwise prevent or prohibit such transaction and further we may close the account or end the relationship.

### 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/Uncollected Funds – Returned Item fee for each returned item. See the Fee Schedule herein.

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.

#### Stale-Dated Checks

We may choose to pay or not to pay, or accept for deposit, any check presented more than 6 months after the date written on the check unless there is a valid stop payment order in effect. We are not responsible for any liability you may incur as a result of our decision to pay, not to pay or accept for deposit such an item.

#### Standard of Care

The Bank will meet its standard of care for your account, provided the Bank exercises ordinary care in the transaction at issue. When the Bank takes an item for processing by automated means, "ordinary care" does not require that the Bank examine the *item*. In all other cases, "ordinary care" requires only that the Bank follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. The Bank's policies and procedures are general internal guidelines for the Bank's use and do not establish a higher standard of care for the Bank than is otherwise established by the laws governing your account. A mere clerical error or an honest mistake will not be considered a failure of the Bank to perform any of its obligations. If the Bank waives any of its rights as to you or your account on one or more occasions, it will not be considered a waiver of the Bank's rights on any other occasion.

#### Statements

You will be able to review transactions, including images of the front and back of checks or other instruments drawn on your accounts daily for a period of 18 months through Online Banking services. You should review your transaction history daily to protect your rights, including your right to dispute transactions that you believe are unauthorized, counterfeit, or altered, forged. Because you are in the best position to discover and deter any problem, you agree to promptly review and verify your account transactions as if your transaction history shown online was a traditional periodic statement. The Bank hereby disclaims any responsibility for items and/or transactions debited from your account unless you (1) notify us within a reasonable time not to exceed 30 calendar days of its posting (2) results from a forgery, counterfeit or alteration so clever that a reasonable person cannot detect it or (3) as otherwise provided by law or regulation.

We will make a monthly account statement available to you online only for your checking or savings accounts. If you elect to not receive or review your statement, you are responsible for having access to the information provided in the statement and complying with this section.

Check Safekeeping. Copies of your checks and other Items paid from your Deposit Account will be held by us instead of returned to you. An image of the front and back of the checks you write and are presented for payment will be deemed to be made available to you no later than the day after the items are presented to us for payment. We will keep the image copies of the front and back for seven (7) years. copies of Items Upon written or e-mail request, copies of Items will be provided and we may assess a fee for providing such copies. Please see Schedule of Deposit Fees – Business Banking.

Bank's Duty of Care. In accordance with reasonable banking standards, most checks and other Items presented to us for payment are processed through automated processing and, except in limited circumstances and subject to such reasonable sampling procedures as we establish at our discretion, most Items are not individually examined to verify your signature or that the Item is otherwise properly payable. You agree that we act within reasonable banking standards by processing most checks and other Items through automated processing systems.

#### Stop Payment Request

To place a stop payment order on a check or other Item ("Stop Payment Order"), you can use the Website after you login, or write to Customer Service, 4350 La Jolla Village Drive, Suite 140, San Diego, CA 92122. If you use the Website, you must fully complete the Stop Payment Request or the ACH Stop Payment Request Order form. If you use any other method to place the Stop Payment Order, your communication must include the exact amount of the check or other Item, the number of the check, your Deposit Account number, and the name of the payee. We cannot be responsible for the consequences of paying an Item if it is not described with reasonable certainty, or if we are not given reasonable time to place the stop payment. Our acceptance of a Stop Payment Order does not constitute a representation that the Item has not already been paid or that we have a reasonable opportunity to act upon the order. We require written or Website confirmation prior to accepting a Stop Payment Order.

Written Stop Payment Orders, and stop payments entered online, are effective for six (6) months and must be renewed by you to continue to be effective after that time. There is a charge for each Stop Payment Order request and for each renewal. You agree to

hold us harmless from all liability because we refuse to pay an Item subject to your Stop Payment Order. If we re-credit your Deposit Account after paying an Item over a valid and timely Stop Payment Order, you agree to sign a statement describing the dispute you have with the payee, to transfer to us all of your rights against the payee or other holder of the Item, and to assist us in any attempt we make to recover the funds from that person.

**Duration of Order.** Written Stop Payment Orders, and stop payments entered online, are effective for six (6) months and must be renewed by you to continue to be effective after that time. There is a charge for each Stop Payment Order request and for each renewal.

**Hold Harmless.** You agree to hold us harmless from all liability because we refuse to pay an Item subject to your Stop Payment Order. If we re-credit your Deposit Account after paying an Item over a valid and timely Stop Payment Order, you agree to sign a statement describing the dispute you have with the payee, to transfer to us all of your rights against the payee or other holder of the Item, and to assist us in any attempt we make to recover the funds from that person.

**Unsigned Drafts.** If you voluntarily give information about your Deposit Account (such as our routing and transit number and your account number) to a person who is seeking to sell you goods or services or collect a debt, we may consider any resulting debit as authorized by you, even if you did not physically deliver a check to the person or personally sign the instrument, unless you notify us to the contrary in accordance with our rules on Stop Payment Orders. If we receive pre-notification of a transaction, we will make a reasonable attempt to notify you of the pending transaction.

**Cashier's Checks.** We will accept a stop payment order for a Cashier's Check only if it has been lost, stolen or destroyed. We will not issue a replacement check sooner than 90 days after the issue date of the Cashier's Check.

#### [Substitute Checks](#)

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 the 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.

#### [Telephone Calls: Calling, Monitoring and Recording](#)

For our mutual protection, and to enable us to provide better service to you, we may monitor and/or record any of our telephone conversations.

#### [Unclaimed Property – Accounts Presumed Inactive or Abandoned](#)

We define inactive as no customer initiated activity, other than interest posting, and no contact between the customer and the Bank for a minimum period of 24 months. If your account is dormant, the Bank may hold all statements on your account, but the Bank's normal maintenance, service and other fees will continue to be assessed except where prohibited and ATM and POS access may be blocked. Each state has laws that govern when accounts are considered "abandoned" and when we are required to send a customer's funds to the state. This definition may not be consistent with the laws of your state; however, in accordance with California State law, if an account remains in an inactive status for three years, the funds are considered abandoned. We will send you a letter if it's possible that your account is at risk of being transferred to the state. Dormant accounts (if interest bearing) will continue to earn interest, and will be subject to such service charges as may be shown on the Schedule of Fees herein. We will attempt to notify owners of inactive accounts with an e-mail notice to review their account and to communicate with us about it. We will surrender the funds in your inactive account to the state of your last known address on file at the Bank if the account remains inactive for the time period designated by that state. Accounts with a foreign address on file will be surrendered to the state of California. Once the account is turned over to the state, you may reclaim the funds by presenting adequate proof of ownership to the appropriate state. We will have no further liability to you for such funds. When the funds in your account are delivered to the state, your account is closed, and no interest accrues. We encourage you to make sure your accounts remain active so you have full use of your accounts, and avoid the potential of having your account funds transferred to the state as "abandoned or Unclaimed property".

#### [Your insurance coverage](#)

It is recommended and many businesses carry special insurance for employee fraud/embezzlement. The Bank reserves the right to require that you file your claim with your insurance company before making any claim against the Bank. In such event, the Bank will consider your claim only after the Bank has reviewed your insurance company's decision, and the Bank's liability to you, if any, will be reduced by the amount your insurance company pays you.

## Checking and Savings Accounts

From time to time, we may offer you or you may open a variety of deposit accounts. Each such account (the "Account") is subject to the general terms and conditions and any specific terms and conditions relating to that type of account that may be set forth in this Agreement. This disclosure describes the terms, services and the interest calculation with respect to the Deposit Accounts opened through the Bank's website. All Checking and Savings accounts are variable accounts and these rates are subject to change without notice. This Truth in Savings disclosure refers to the Schedule of Fees – Business Banking herein.

### Interest

If your account earns Interest, the following information applies unless otherwise specified in the description for your account type:  
Rate Information:

- The interest rate and corresponding APY for savings and money market accounts are variable and are set at our discretion.
- Your interest rate and annual percentage yield may change.
- Fees may reduce earnings.
- At our discretion, we may change the interest rate on your account.
- We may change the interest rate on your account at any time.
- Interest rates and APYs for different balance ranges are listed on the Bank's website.
- We reserve the right to change balance ranges or apply the same interest rate to more than one range.

Balance Computation Method: We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the balance in the account each day.

Compounding and Crediting: Interest is compounded daily and calculated on a 365/366 day basis. Interest is credited on a monthly basis. If your account is closed before interest is credited, your accrued uncredited interest will be forfeited. If your account is at zero at the end of your statement cycle, we reserve the right to close your account, in which case your accrued uncredited interest for that cycle will be forfeited.

Accrual of Interest on Noncash Deposits: Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

### Limitations on Withdrawals

Federal regulations impose limits on the number of certain types of withdrawals and transfers you can make each month from your savings or money market account. Please note, that these limits do not apply to withdrawals or transfers made at a branch, by mail or at an ATM. You can make no more than a combined total of six (6) per month or monthly statement cycle (subject to Available Balance) from among the following:

- Preauthorized transfers (including transfers for overdraft protection)
- Telephone transfers or other electronic transmissions
- Online Banking and Mobile Banking transfers or bill payment transfers
- Transfers by check, draft, debit card, if allowed on your savings account
- We count checks for the purposes of transaction limitations as of the date the check posts to your account (not as of the date you write them)

In addition, each time a transfer is paid against your account in excess of those allowed by federal regulation, you will be assessed an "Excess Transaction or Withdrawal Fee". See Schedule of Fees herein.

If you exceed the transfer limits on more than an occasional basis, we may convert your account to one not subject to transfer limitations or close your account. If we close or convert your account, you will receive a separate communication from us informing you of our actions.

We may refuse to allow any withdrawals without the Bank creating liability to you, if we have a concern that one or more transactions on your account may have been unauthorized or fraudulent, if there is a dispute concerning the Deposit Account that makes us uncertain regarding the instructions that have been given, the Deposit Account is garnished or attached, the Deposit Account has been pledged to the Bank as collateral for a debt, the availability of the funds on deposit cannot be verified, any required documentation has not been presented, or you have failed to repay an obligation to us on time.

**REFER TO THE ACCOUNT DESCRIPTION FOR YOUR ACCOUNT TYPE BELOW FOR ADDITIONAL IMPORTANT INFORMATION REGARDING YOUR ACCOUNT.**

#### Business Checking NW

**Account Features:**

- Non interest-bearing account
- Two (2) Domestic ATM Fee Reimbursements

**Minimum Deposit to Open Account:** \$200.00

**Monthly Maintenance Fee:** No monthly maintenance fee when you maintain a minimum daily balance of \$3,000; or an Axos Bank accounts combined to maintain a daily minimum balance \$ 5,000; otherwise, \$10.00

#### Business Savings NW

**Account Features:**

- Interest-bearing account

**Transaction Limits:** You can make no more than a combined total of six (6) per month or monthly statement cycle (subject to Available Balance) from among the following:

- Preauthorized transfers (including transfers for overdraft protection)
- Telephone transfers or other electronic transmissions
- Online Banking and Mobile Banking transfers or bill payment transfers
- Transfers by check, draft, debit card, if allowed on your savings account

**Minimum Deposit to Open Account:** \$200.00

**Monthly Maintenance Fee:** None

**Excess Transaction Fee:** \$ 10.00 per item

#### Business Money Market NW

**Account Features:**

Interest-bearing account

- Tiered Interest Earning Account.
- Tiers are as follows:
  - \$0- \$999.99
  - \$1,000-\$9,999.99
  - \$10,000-\$24,999.99
  - \$25,000-\$49,999.99
  - \$50,000-\$99,999.99
  - > \$100,000,000

Two (2) Domestic ATM Fee Reimbursements

**Minimum Deposit to Open Account:** \$ 1000.00

**Monthly Maintenance Fee:** No monthly maintenance fee when you maintain a minimum daily balance of \$1,000; otherwise, \$10.00

**Transaction Limits:** You can make no more than a combined total of six (6) per month or monthly statement cycle (subject to Available Balance) from among the following:

- Preauthorized transfers (including transfers for overdraft protection)
- Telephone transfers or other electronic transmissions
- Online Banking and Mobile Banking transfers or bill payment transfers
- Transfers by check, draft, debit card, if allowed on your savings account
- We count checks for the purposes of transaction limitations as of the date the check posts to your account (not as of the date you write them)

**Excess Transaction Fee:** \$10.00 per item

#### Business Certificate of Deposit (CD)

When you open a Business CD, you agree to keep your funds in the account until the maturity date. You must deposit at least \$500 to open a Business CD. We provide a confirmation notice at account funding. Certificates of deposit are opened for a fixed amount and held for a specific term. Withdrawal prior to the maturity of the term selected will result in an early Withdrawal Penalty which will substantially reduce the interest earned and could result in the loss of some of the principal. Interest rates on CD Accounts will vary based on the term requested. The interest rate and annual percentage yield (APY) on the CD Account is determined on the day we receive your application. This rate is reserved for a period of 10 business days to allow time for your deposit to arrive. Our current rates and annual percentage yields (APY) for time deposits as of today can be found at our Website, [here](#).



## Interest

We use the daily balance method to calculate the interest on your account. Interest begins to accrue on the business day you deposit non-cash items (for example, checks). Interest is compounded daily and credited monthly. We may change the interest rate from time to time, at our discretion. The annual percentage yield (APY) assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings. You must maintain the entire balance in the account until maturity to obtain the disclosed annual percentage yield.

## Terms

Terms for Business Certificates of Deposit are offered in monthly increments up to five years.

## Maturity Options

Business CD's automatically renew for the same term and at the current interest rate then paid for the term in which the Account was renewed. The current interest rates are always available on our Website. You may also email or call us on the maturity date and we can tell you what the interest rate will be for the next renewal term.

## Grace Period

If the Business CD automatically renews, you have 10 calendar days from the maturity date that you can make changes to your CD's term, rate, or make additional deposits or withdraw funds without penalty before it automatically renews for the same term. This time period is referred to as the "Grace Period". Interest earned during one term that is not withdrawn during or within the ten-day grace period immediately after that term is added to principal for the renewal term. If you close the CD during the grace period, you will forfeit any interest accrued since the maturity date.

## Early Withdrawal Penalty

On a Business CD account, we will impose a penalty if you withdraw any or all of the principal before the maturity date. You have contracted to keep your funds on deposit for the agreed term. You may not withdraw all or part of a CD except as provided in this Agreement. At our discretion, we may allow you to withdraw all or part of your funds at times other than the grace period. The penalty imposed will be determined by the following schedule based on the number of days in the stated term. Please note that the term of the CD is the specified period of time you agreed to leave your funds on deposit – not the time remaining until maturity of your CD. We calculate the early withdrawal penalty on the principal amount withdrawn. We withdraw interest before principal. If your account has not earned enough interest to cover an early withdrawal penalty, we deduct any interest first and take the remainder of the penalty from your principal.

CD term of 6 thru 11 months, 90 days' loss of interest, accrued or not;  
CD term of 12 thru 23 months, 180 days' loss of interest, accrued or not;  
CD term of 24 thru 35 months, 12 months' loss of interest, accrued or not;  
CD term of 36 thru 47 months, 18 months' loss of interest, accrued or not;  
CD term of 48 months or greater, 24 months' loss of interest, accrued or not.

If we are required to pay an amount from your CD (i.e. levy or garnishment), we may charge you an early withdrawal penalty, calculated on the amount withdrawn from the CD.

## E- Sign Disclosure and Consent

When applying for a Deposit Account or Loan with Axos Bank™, also known as UFB Direct, you will be asked to give your consent for the Bank to provide disclosures, communications and information to you electronically rather than paper form and agree to sign documents electronically, and we will accept your electronic signature as though it were your handwritten signature.

This eSign Disclosure and Consent (the "Consent") provides the person(s) giving his/her consent below ("you" and "your") with information relating to your electronic receipt of disclosures and notices (collectively, the "Disclosures") in connection with your loan transaction (the "Loan") pending with the Bank ("we", "us" and "our"); or your new Deposit Account. By providing your consent, you agree that we may send you any and all Disclosures (which are described below) relating to the Loan in an electronic form. We will sometimes use the words "Electronic Records" as a short way to refer to the communications and information that we may provide electronically. Before you decide whether or not you wish to give your consent to receiving Electronic Records, you should read and consider the following information.

If you agree to provide your consent, click the "I Agree" button at the bottom of the online acknowledgement. The statement contains important information that we are required by law to provide to you. You should keep a copy for your records. For your convenience, this statement is written in a "Question and Answer" format. If you have any questions about Electronic Records that are not answered, you can contact us as follows:

Send us an e-mail at [customerservice@axosbank.com](mailto:customerservice@axosbank.com)

Call us toll free at 1-844-773-0647 for loan questions  
or 1-877-247-8002 for Deposit Account questions or write to us at:

**Axos Bank**  
Corporate Headquarters  
4350 La Jolla Village Drive, Suite 140 San Diego, CA 92122

[Types of Disclosures and Notices that will be provided in Electronic Form.](#) The Disclosures may include, without limitation, disclosures and notices under the Federal Equal Credit Opportunity Act and Federal Reserve Regulation B, the Federal Truth-in-Lending Act and Federal Reserve Regulation Z, the Federal Fair Credit Reporting Act, the Federal Electronic Fund Transfer Act and Federal Reserve Regulation E, the Federal USA PATRIOT Act of 2001 and Title V of the Federal Gramm-Leach-Bliley Act, together with all rules and regulations that implement the same, as well as all other applicable federal, state and local laws, rules, regulations and ordinances. The Disclosures also include any other information, agreements, disclosures and notices that we wish to provide you in connection with the Loan in an electronic form, even if the information, agreements, disclosures and notices are not required by these laws, rules, regulations or ordinances.

For Online Banking Services the Disclosures may include your periodic Account Statement (As part of the monthly account statement, you will receive information about your account), other periodic or special notices (such as hold notices on availability of funds, or error resolution notices if you assert your rights under the federal consumer protection laws and regulations). These include special notices that federal laws and regulations from time to time might require us to provide to you and Privacy notices and disclosures. (These notices provide you with information about our privacy practices and policies).

[Your Right To Receive Paper Copies of the Disclosures.](#) You are not required to provide your Consent in order to submit an application for the Loan. If you prefer not to provide your Consent, all of the Disclosures will be provided to you in a paper form. If you decide to provide your Consent, you should also print all disclosures and legal documents.

[Your Right To Withdraw Your Consent.](#) You have the right to withdraw your Consent at any time. You will not be charged any fees as a result of the withdrawal of your Consent. If you withdraw your Consent, any Disclosures provided to you after the effective date of the withdrawal will be provided in paper form. You may also receive paper copies of any Disclosures that were previously provided to you electronically as described in Section 8 below.

[Scope of Your Consent.](#) Your Consent applies only to your electronic receipt of Disclosures and legal documents in connection with the origination, closing and servicing of the Loan or deposit account. Your Consent does not apply to other transactions that you may wish to enter into with us.

[To Withdraw your Consent](#) all you need to do is contact us using one of the Contacts described above.

[What records will you provide to me electronically?](#) If you consent, you will receive electronic records that relate to our online banking services. These will include the following types of documents:

- o Your monthly account statement, if applicable. (As part of the monthly account statement, you will receive information about your account).
- o Other periodic or special notices (error resolution notices if you assert your rights under the federal consumer protection laws and regulations). These include special notices that federal laws and regulations from time to time might require us to provide to you.
- o Privacy notices and disclosures. (These notices provide you with information about our privacy practices and policies).

[Do I have an option to regularly receive these records in non-electronic form?](#) After you provide your Consent, you may receive, without charge, a paper copy of any Disclosures that have been provided to you electronically by contacting us using one of the Contacts described above. The Bank's Online Banking Service has been designed and built to provide records to you in electronic form. To put it another way, the system is an electronic banking system and it does not have a paper-based alternative.

[Can I get a copy of the records in non-electronic form if a special need arises?](#) At your request, we can prepare a paper-based version of any of the electronic records you receive, for up to five years after the date it was created. If you want us to prepare a paper-based copy, you can request it by contacting us. Please refer to the Schedule of Deposit Account Fees and Terms for any costs associated with this service.

[If I consent to electronic records now, and change my mind, what can I do and what are the consequences?](#) You can change your mind, and withdraw your consent, at any time, and provide notification to us at the contact information above requesting paper statements and documents be provided to you. However, remember that the Online Banking Service does not support paper-based communications. So the consequence to you, if you withdraw your consent to electronic records, is that your access to and your ability to use the Online Banking Service will end.

[Change of your designated E-Mail Address.](#) If you change your designated e-mail address, you must notify the Bank to ensure continued delivery of electronic records.

[Are there any hardware or software requirements for me to access or retain the electronic records?](#) You will need a computer with sufficient memory to store electronic records, and with a working connection to the Internet. You will need a minimum web-browser version of Internet Explorer 8.0 (or higher version), Firefox 4.0 (or higher version), Safari 6.0 (or higher version), Chrome, with e-mail capability. Your browser will need to have a minimum of 128-bit encryption capabilities. You are responsible for configuring your system to accommodate these requirements. Finally, you will need a printer if you want to print copies of electronic records.

If we change the minimum hardware or software requirements needed to access or retain electronic records, and the change creates a material risk that you will not be able to access or retain a subsequent record, then before the change takes effect we will let you know about the change and let you know what the new requirements are.

We will notify you by e-mail, and at that time you will be allowed to choose whether you still want to give us your consent to receive communications or information by electronic records. If not, you will be allowed to withdraw your consent at that time, without any fee or charge by us.

However, if you withdraw your consent, you may not be able to access the Online Banking Services without upgraded hardware or software. Then, your ability to use the Online Banking Service could also end (as described above, under "If I consent to electronic records now, and change my mind, what can I do and what are the consequences?").

[How will the electronic records be provided to me?](#) All Disclosures are available on the Bank's Website and can be accessed by clicking on the "Disclosures" tab. Other periodic or special notices will be sent to you by e-mail, unless they contain confidential account information at which time they will be sent by secure email through the online banking service on our Website. Your monthly account statements, if applicable, contain confidential information, so they will be stored for you to access (print or review) on the online banking service on our Website, at [www.axosbank.com](http://www.axosbank.com) and will be available to you, for at least 2 years following the date it is first posted.

To access your monthly statements and any notices sent by secure email, you will need to sign-in to the online banking service of the Bank's Website.

[Are there other special requirements for electronic records?](#) You must provide us with your current e-mail address, and keep it current with us at all times. Otherwise, you may not receive electronic records in a timely manner. If you download or print any confidential materials, such as your monthly statements, be sure that, you store them in a secure environment.

## Electronic Banking Services

### General Rules

This agreement (the "EFT Agreement") governs your use of Electronic Funds Transfer Services described below ("EFT Services") that are available for the Accounts opened through the Bank Website (the "Website"). The following provisions apply only to accounts established primarily for personal, family, or household purposes. This EFT Agreement describes your rights as well as your responsibilities and as such should be read carefully. We recommend that you keep the EFT Agreement for future reference.

### Definitions

In this EFT Agreement, "Checking Account" means a Demand Deposit account (DDA), a Negotiable Order of Withdrawal (NOW) account, a Savings account and a Money Market account at the Bank that you open through the Bank website; "Account" includes any Checking, Certificate of Deposit, or Savings account at the Bank opened through the Website or in person. "Access Device" means your Password, or other device or code we make available to you to access your Accounts; "Business Day" means Monday through Friday, except federal holidays; and "Authorized User" means any person you authorize or permit to use your Password or other Access Device to access your Accounts, whether that person uses the Access Device to obtain information or to conduct a transaction.

This EFT Agreement is part of the Banking Documents. Other terms used in this EFT agreement may be defined elsewhere in the Banking Documents.

- Funds Transfers
- Other Electronic Fund Transfer Services
- Liability For Unauthorized Electronic Transfer

### Types of Transactions

We offer the following types of Electronic Fund Transfers (EFT) Services for your Checking Account.

## Direct Deposits

You can arrange for direct deposits to your checking and savings account(s).

## Preauthorized Credits/Debits

We accept, on your behalf preauthorized Credits/Debits drawn on your Deposit Accounts which allow unrestricted activity. Through our online bill payment service, you are able to electronically transfer funds from your Deposit Account to other parties, provided the account allows such activity. We may conduct these transactions via Automated Clearinghouse (ACH) transfer. We may also accept and direct funds by wire transfer. Each of these services has unique fees associated with the transaction. Please consult our Schedule of Fees – Business Banking herein. When you provide the party initiating the withdrawal or deposit with advance authorization to make recurring ACH transfers to or from your Account, the transfers are referred to as "preauthorized transfers." Because these preauthorized transfers are performed electronically through the ACH, they are governed by federal regulations pertaining to EFT Services, which entitle you to certain benefits and protections in connection with the EFT Services, such as the right to receive a copy of your written authorization to make preauthorized transfers from your Account from the party that obtains it.

Use of Wires or ACH originations through Online Banking will require a Treasury Management Agreement, please contact us at 844-678-2726 or our Relationship Manager for more information from 9:00am - 6:00pm (PT).

## Telephone Banking

You may use our Voice Response Unit to speak with a banker or to get your account information, transfer funds between your accounts with us. You must have a valid deposit account and PIN to use this system.

## Online Banking

You may use Online Banking to view your account information, make deposits, transfer funds between your accounts, make payments from your checking account to third parties. You must agree to the additional disclosures for using additional online services.

## Mobile Banking

You may use Mobile Banking to make deposits to your accounts. You must agree to the additional disclosures for using Mobile services.

Mobile Banking is offered as a convenience and supplemental service to the Bank's Online Banking Services. It is not intended to replace access to Online Banking from your personal computer or other methods you use for managing your accounts and services with us. Not all mobile devices will be capable of accessing and using Mobile Banking. The Bank cannot guarantee the availability of underlying data services provided by your mobile carrier, (i.e. we are not responsible for carrier data outages or "out of range" issues). We will not be responsible for any inability of your mobile device to access or use Mobile Banking, or for any loss or damage to your mobile device resulting from your access or use, or attempted access or use, of Mobile Banking (including downloading any associated Java applications for Mobile Banking), and you should satisfy yourself as to these matters before attempting to access or use Mobile Banking. Some mobile devices may store (cache) information that is accessed during a Mobile Banking session. You must have an eligible mobile device capable of SMS messaging (for SMS (Text) Banking), or downloading Java applications and making data connections to the Internet (for Mobile Browser Banking). You must be authorized to use and incur charges on your mobile device cellular account in relation to Mobile Banking.

We make no representation that any content or use of Mobile Banking is available for use in locations outside of the United States. Accessing Mobile Banking from locations outside of the United States is at your own risk.

Mobile Banking consists of two separate features:

**SMS (Text) Banking** – access available account information via text messaging.

**Browser Mobile Banking** - a mobile version of Online Banking accessed via an URL.

To activate Browser Mobile Banking, you must have at least one active deposit Account, be an owner of the Account and be registered for Online Banking. To access the Browser Mobile Banking feature, you must know the Mobile Banking URL and will log in using the required login credentials used for Online Banking.

The following options are available in the Browser Mobile Banking:

**Account information** - includes transaction history (length of time is limited) and does not replace the periodic statements for your Account.

**Transfers** - between Bank accounts.

**Bill Payment** - submit payments to payees already set-up within the Bill Pay module of Online Banking.

We may offer additional mobile services and features in the future. Any such added mobile services and features will be governed by this Agreement and by any terms and conditions provided to you at the time the new mobile service or feature is added and/or at the time of enrollment for the feature or service if applicable.

If at any time you should cancel your Online Banking access or your Online Banking access changes or becomes inactive, Mobile Banking Services may not be available. You may cancel Mobile Banking at any time by contacting us by email or phone.

We do not charge fees for Mobile Banking including EFTs. However, please see our Business Banking Schedule of Fees herein for any excess transaction fees that may apply to your Account. Also, you are responsible for web access and/or data or text message charges that may be billed by your mobile carrier. Check with your mobile carrier for details on specific fees and charges that may be applicable.

For additional security:

Mobile app will automatically wipe your login name and password after each logout

SMS Banking will never ask for sensitive customer information

Update your mobile device operating system and security programs

#### [Linked Account Transfer](#)

You may authorize Axos Bank to transfer funds to and from your business accounts with us for excess balances exceeding your established threshold.

#### [Linked Account Transfer Protection](#)

You may authorize Axos Bank to transfer funds to and from your business accounts for overdraft protection.

#### [Transfers](#)

You may transfer funds to your business Savings, Money Market, or Checking Account at the Bank by logging into online banking.

#### [Electronic Transaction Cancellations](#)

If you have arranged with us in advance to make regular periodic payments out of your designated Account using our Bill Payment Service, you can stop any of those electronic or check payments by following these procedures:

Log into Online Banking and cancel the future payments using in the Bill Payment section.

Call Customer Service, or e-mail in time for us to receive your request three or more business days before the payment is scheduled to be made. If you call, we may require you to put your request in writing so that it reaches us within 14 days after your call.

#### [Your Liability for Unauthorized Electronic Funds Transfers](#)

**TELL US AT ONCE** if you believe your Access Device has been lost or stolen or if you think your PIN or Password is no longer secure or confidential. Telephoning us is the best and fastest way of keeping your possible losses down.

If you believe that your Access Device has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call Customer Service or write the Bank Attention Customer Service. You may also e-mail. You agree that you will not reveal your User ID, Password, PIN, or any other Access Device to any person not authorized by you to use your Access Devices; not write your PIN or Password or on any item kept with your Access Devices; and not leave a computer terminal unattended after you have logged in using your Password or other Access Device.

#### [Transactions Not Subject to Electronic Fund Transfer Act or Regulation E](#)

Electronic transfers made from an account used for business purposes, regardless of account ownership, are not subject to the Electronic Funds Transfer Act, Regulation E or to the error resolution procedures set forth herein. You must notify us immediately of any unauthorized or erroneous electronic transactions not subject to the Electronic Fund Transfer Act or Regulation E shown on your statement or a notice. Your notice must be in writing, must include a statement of relevant facts.

#### [In Case of Errors or Questions about Your Electronic Transfers](#)

Telephone Customer Service at 1-877-541-2634, email, or write us at Axos Bank, P.O. Box 509127, San Diego, CA 92150, as soon as you can, if you think your online statement or receipt is wrong or if you need more information about a transfer listed on the online statement or receipt. We must hear from you NO LATER than 60 days after your FIRST online statement on which the problem or error has appeared. In your communication to us, be prepared to provide us with the following information:

- Your name and Account number (if any).

- A description of 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.
- The dollar amount of the suspected error.
- If you tell us orally, we may require that you send your complaint or question in writing within 10 business days.

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.

For disputes involving the unauthorized use of your VISA Debit Card for VISA point-of-sale transactions, we will provisionally credit your Account within 5 business days. Under the VISA Rules, we may withhold provisional credit to the extent allowed under applicable law if we determine that the circumstances or account history warrants the delay. The VISA Rules do not apply to ATM transactions, certain commercial card transactions, PIN or other transactions not processed over the VISA network.

For purposes of the business VISA Debit Card, transactions by a business co-owner, a cardholder or person authorized by a cardholder, other person with an interest in or authority to transact business on the account, and/or a transaction that exceeds the authority given by the account owner are not deemed as "unauthorized transactions."

### Our Liability For Failure To Complete Electronic Funds Transfers

If we do not complete a transaction from your business account on time or in the correct amount, according to our agreement with you, we will be liable for your losses or damages only directly caused by this failure. However, there are some exceptions. For instance, we will not be liable if: through no fault of ours, you do not have enough available funds in your Account, including any available overdraft line of credit, to make the transaction.

Circumstances beyond our control (such as fire, flood or riot) prevent the transaction, despite reasonable precautions that we have taken.

In the case of pre-authorized credits, the data from the third party is not received, is incomplete or erroneous.

### Amendments

If you do not agree to a change or amendment to this EFT Agreement, you must notify us prior to the effective date of the change or amendment and cancel your EFT Services and surrender or destroy your Access Devices.

### Termination

We may terminate EFT Services, in whole or in part, without notice, due to your default or as a security precaution. If you or we cancel this EFT Agreement you must surrender or destroy all Access Device issued to you and/or the business.

## Funds Availability

### Your Ability to Withdraw Funds

This policy applies to deposits into accounts that are opened at the Bank. All deposits are processed at Bank's processing facility located in San Diego, CA, and are received either electronically, through the mail, or in person. Please do not mail cash deposits. In the event Bank receives cash deposits, you agree that the Bank's determination of the amount of the deposit will be conclusive. The Bank is responsible for mailed deposits only after the Bank has received them. The Bank is not liable for any deposits, including cash, lost in the mail. Remember: when you use the U.S. mail to make a deposit, you will need to allow extra time for the deposit to reach us.

The Bank's policy is to make funds from certain electronic deposits available to you on the business day the Bank receives the deposit. However, the Bank may delay the availability of funds from your check deposits to afford us time to verify the deposit and ensure the funds are collected. During the delay, you may not withdraw the funds and the Bank will not use the funds to pay checks you have written or other debits against the account that you have initiated, such as electronic bill payments.

### Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day, except Saturdays, Sundays, and federal holidays. For in person deposits, if the Bank receives your deposit before 5:00 pm (PT) 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 5:00 pm (PT) to a lobby drop box, we will consider the next business day we are open to be the day of your deposit. The availability of your deposit varies depending on the type of deposit and is explained below.

If you make a deposit through Remote Deposit after 3:00 pm (PT) or on a day we are not open, we will consider the next business day we are open to be the day of your deposit.

This funds availability policy does not apply to checks drawn on banks located outside the United States of America.

#### Same Day Availability

Funds from electronic direct deposits to your account will be available on the same day the Bank receives the deposit. Interbank Transfers initiated from your Online Banking account will be made available upon actual and final credit of the funds. This is typically within 3 to 5 Business Days.

#### Next- Day Availability

Funds from the following deposits on established accounts are available on the first Business Day after the day of your deposit:

- U.S. Treasury Checks that are payable to you
- Wire Transfers
- Checks drawn on the Bank (on-us items)

If you make a deposit in person to one of our employees, funds from the following deposits are also available on the first business day after the day of your deposit:

- Cash
- State and local government checks that are payable to you
- Cashiers, certified, and teller's checks that are payable to you
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

If you do not make your deposit in person to one of our employees (for example you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit.

If you make a deposit using our Remote Deposit Services, funds from these deposits will be available on the 4<sup>th</sup> business day after the day we accept your deposit.

**Note:** At its discretion, the Bank may decline to accept any item for deposit.

#### Check Deposits

Checks are available as follows:

Checks: The first \$200 from a deposit of checks will be available on the first business day after the day of your deposit. The remaining funds from a deposit of checks will be available on the second business day after the day of your deposit. For example, if you deposit a check of \$700 on Monday, \$200 of the deposit is available on Tuesday. The remaining \$500 is available on Wednesday.

If we take longer to make all of the funds from these types of deposits available as disclosed above, we will notify you by e-mail within one business day after we receive your deposit. We will also tell you when the funds will be available

#### Longer Delays May Apply

In some cases, we will not make all funds that you deposit by check available to you by 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 \$200 of your deposits, however, may be available no later than the first business day after your deposit. If we are not going to make all funds from your deposit available by the first business day after the day of your deposit, we generally notify you by mail or e-mail if the Bank delays 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. If you need the funds from a deposit right away, you should ask when the funds will be available.

We may delay the availability of funds you deposit by check for a longer period under the following circumstances:

- The Bank believes a check you deposited will not be paid;
- You deposited checks totaling more than \$5,000 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 communications or computer equipment.

### Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first thirty (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 and wire transfers will be available the first business day after the day of your deposit. The first \$5,000 of a day's total deposits of traveler's, cashier's, certified, teller's and federal, state and local government checks will be available the first business day after the day of your deposit, if the deposit meets certain conditions. For example, the check is deposited into an account held by the payee and in person to an employee of the bank. The excess over \$5,000 will be available on the seventh (7th) business day after the day of your deposit. If your deposit of these checks (other than a US Treasury check) is not made in person to one of our employees, the first \$5,000 will not be made available until the second business day after the deposit.

Funds from all other check deposits will be available on the seventh (7th) 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 deposited it.

### Fund Transfer Services:

The following provisions apply to funds transfers you send or receive through the Bank, but do not apply to electronic funds transfers governed by Regulation E of the U.S. Federal Reserve Board, known as Wire Transfers. If you have a specific agreement with the Bank for these services, these provisions supplement that agreement to the extent these provisions are not consistent with the specific agreement.

The Uniform Commercial Code includes provisions relating to funds transfers. These provisions define the following terms: funds transfer, payment order and beneficiary. These terms are used here as they are defined in Article 4A of the Uniform Commercial Code - Funds Transfers as adopted by the state whose law applies to accounts for which the funds transfer service is provided. In general, a funds transfer is the process of carrying out payment orders that lead to paying a beneficiary. The payment order is the set of instructions given to the Bank to transfer funds. The beneficiary is the person or business who receives the payment. We may charge fees for sending or receiving a funds transfer. We may deduct our fees from your account or from the amount of the transfer. For current fees, please refer to our Schedule of Fees herein.

### Fedwire

Fedwire is the electronic funds transfer system of the US Federal Reserve Banks. When you send a payment order or receive a funds transfer, we or other banks involved in the funds transfer may use Fedwire. If any part of a funds transfer is carried out by Fedwire, your rights and obligations are governed by Regulation J of the Federal Reserve Board.

### Cutoff Times

We have cutoff times for processing payment orders. Cutoff times vary depending on the type of payment order. If the Bank receives your domestic payment order after 1:00 pm (PT), or international payment order after 12:00 pm (PT), or on Saturday, Sunday or federal holiday, it may be processed on the next funds-transfer business day.

### Amending or Canceling Wire Transfers

You may only amend or cancel a payment order prior to the funds transfer being sent by the Bank. If you ask the Bank do this, we may make a reasonable effort to act on your request. But we are not liable to you if, for any reason, a payment order is not amended or cancelled. You agree to reimburse the Bank for any costs, losses or damages that we incur in connection with your request to amend or cancel a payment order.

### Inconsistency of Name or Number

When receiving a payment order, payment may be made by the Bank, or by other banks, to which the payment order is forwarded, based solely on the account number even if the account number identifies a beneficiary different from the beneficiary named by the Originator of the payment order. Furthermore, when receiving a payment order, we may rely, and any other banks to which the payment order is forwarded may rely, on the bank identification number provided in the payment order even if the identification number identifies a bank different from the bank named by the Originator of the payment order.

### Sending Wire Transfer

We may select any intermediary bank; funds transfer system or means of transmittal to send payment orders. Our selection may differ from that indicated in your instructions.



### Notice of Rejection

The Bank may reject payment orders. We notify you of any rejection electronically or orally. We are not liable to you for the rejection or obligated to pay you interest for the period before you receive timely notice of rejection.

### Errors or Questions About Payment Orders

The Bank will notify you about funds transfer by listing them on your account statement. In some cases, we may also notify you electronically or in writing. You must notify us at once if you think a funds transfer shown on your statement or notice is incorrect. You must send us written notice, including a statement of relevant facts, no later than 10 days after the date you first noticed the error or statement on which the problem or error appears. If you fail to notify us within this 10-day period, we are not liable for any loss of interest because of an unauthorized or erroneous debit or because your statement is incorrect. We are not required to compensate you, and we are not required to credit or adjust your account for any loss of interest or interest equivalent.

### Receiving a Wire Transfers

The Bank may receive instructions to credit funds to your account. We may receive a wire transfers directly from the sender, through a funds transfer system or through some other communications system.

### ACH Provisional Payment Rule

Credit given by us to you with respect to an automated clearing house credit or debit entry 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 you in connection with the entry, and the party making payment to you (i.e. Originator of the entry) will not be deemed to have paid you the amount of such entry.

### Notice of ACH Transfer

Under the Operating Rules of the National Automated Clearing House Association which are applicable to ACH transactions involving your account, we are not required to give next-day notice to you of receipt of an ACH item, and we will not do so. However, we will continue to notify you of the receipt of payments in periodic statements we provide to you.

### ACH Debits and Credits

From time to time, originators that you authorize may send Automated Clearing House (ACH) credits or debits for your account. For each ACH transaction, you agree that the transaction is subject to the National Automated Clearing House Association (NACHA) Operating Rules and any local ACH operating rules in effect. You agree that we may rely on the representations and warranties contained in these operating rules and either credit or debit your account, as instructed by the originator of the ACH transaction. You should be cautious about giving someone your account number to help prevent unauthorized transactions on your account. You must notify the Bank immediately of unauthorized activity.

### Endorsements

You authorize us to supply any missing endorsements if items are made payable to you or your order and you have not endorsed them. You warrant that all endorsements on items deposited to your account are genuine. Endorsements must be placed only in the area so designated on the back of an Item.

## Online Banking and Bill Payment Services

This Axos Bank Online Banking Agreement ("Agreement") with Axos Bank applies to your use of the Axos Bank Website. In this Agreement, "you" or "your" means each person that uses the Bank's Website to obtain a Financial Service; "Financial Service" means a deposit account, overdraft credit account, bill payment service, Mobile Banking or any other financial product or service available through the Axos Bank Website; "Provider" means a service provider that offers a Financial Service through the Bank's Website or an affiliate of the Bank's; "The Bank's website" and the "Website" means the Internet site operated by the Bank for itself and the Providers. "Provider Documents" means you have a separate agreement with some or each Provider regarding the Financial Service it provides. "Banking Product Documents" means the Business Deposit Account Agreement and Schedule of Fees, Online Banking Agreement, Electronic Funds Transfer (EFT) Services Agreement, Funds Availability Policy, Terms defined in this Agreement have the same meaning as the Banking Product Documents and, unless specified otherwise, any term defined in a part of the Banking Product Documents has the same meaning.

Consent to Terms and Conditions By submitting the application accessible through the Bank's Website or using any Financial Service, you agree to the terms and conditions set forth in this Agreement and the Provider Documents, if any, governing the Financial Service you obtain through Online Banking. In the event that the Bank amends this Agreement or a Provider amends the Provider Document, to the extent permitted by law; your continued use of the Website or a Financial Service subject to such Provider Document after the effective date of such change evidences your acceptance to such amendment. A Provider may enforce this Agreement against you to the extent it relates to that Provider.

Consumer Credit Reports Consumer Credit reports may be obtained by the Bank or any Provider in connection with any Financial Service that you request or receive. If you ask, you will be informed whether or not such a report was requested, and if so, the name and address of each agency that furnished the report.

#### Bill Payment Processing

Axos Bank customers with an online banking service may use the optional Bill Payment service in the following manner:

- Payments can be entered as a one-time transaction or as recurring transactions that are scheduled.
- You certify that any account you add through the bill payment service is an account from which you are authorized to make payments, and any payment you make using the bill payment service will debit an account that you are legally authorized to use.
- Payments (other than Axos Bank loan payments, entered on our system before 2:00 p.m. PT on a bank business day will be scheduled and begin processing on the same bank business day. Payments that are entered after this cut-off time or on a day that is a non-bank business day will be scheduled for processing and be processed the next bank business day.
- Scheduled recurring payments that fall on a weekend or a non-bank business day will be processed on the next bank business day.
- You authorize us to make payments in the manner we select from the following methods:
  - Electronic Transmission - The majority of payees are this and the payment is sent via ACH to these types of payees.
  - Check - Payees that are not able to be set up as an electronic transmission will receive a check drawn directly from your designated account.
- Scheduling Bill Payments
  - The scheduled "Send Date" is the date you enter for the payment to be sent to the Payee. For payments made by electronic transmission, the payment amount will be debited from, or charged to an account that you designate on the scheduled "Send Date." If the scheduled "Send Date" is a weekend or non-bank business day, then the "Send Date" will be the next bank business day. For payments made by personal check, the account you designate will be debited when the check is presented to us for payment which may occur before, on or after the scheduled send date.
  - For payments made from an Axos Bank deposit account and to an Axos Bank loan, line of credit, or mortgage, Axos Bank will process and credit the payment to the appropriate account effective the same business day, provided the payment is scheduled prior to the 2:00 p.m. PT cut-off.

When you attempt to schedule a payment, we will inform you of the earliest available delivery date. To assure timely payment and obtain the full benefit of the Online Banking Service, you must schedule payments and your account must be in good standing, you will be fully responsible for all late fees, interest charges, or other action taken by the Payee.

Contact Us Contact information for the Bank is provided on the Website or from within Online Banking or Mobile Browser Banking by selecting the "Contact Us" link.

Electronic Communications To the fullest extent permitted by applicable law, this Agreement and any other Financial Services, Provider Documents, notices or other communications regarding Online Banking (collectively referred to as "Communications"), may be provided to you electronically and you agree to receive Communications in an electronic form. Electronic Communications may be posted on the pages within our Website or Online Banking and/or delivered to your e-mail address or access device. Any Communications that are required by law or regulation will be provided, at our Website [www.axosbank.com/nationwide](http://www.axosbank.com/nationwide) in a form you can print and retain for your records. All Communications in either electronic or paper format will be considered to be "in writing," and to have been received no later than five (5) business days after posting or dissemination, whether or not you have received or retrieved the Communication. The Bank and the Providers reserve the right to provide Communications in paper format. Your consent to receive Communications electronically is valid until you revoke your consent by notifying the Bank on behalf of itself and the Providers of your decision to do so. If you revoke your consent to receive Communications electronically, the Bank and the Providers will terminate your right to use Online Banking, Mobile Banking or obtain Financial Services (including redeeming any deposit accounts), and you accept sole liability for any early withdrawal penalty, tax or other consequence resulting from an involuntary termination of a Financial Service, to the extent permitted by law.

You agree to monitor your Account and important account information through your Online Banking service, periodic statements for your Account, if applicable and important notices about your Account delivered by us electronically or by mail, in addition to any services or information you may receive through Mobile Banking. You agree to keep informed of any changes to Mobile Banking by regularly visiting our website.

Governing Law This Online Agreement and Financial Services are accepted by the Bank in the State of California, and is governed by California and Federal law between you and the Bank. Providers may select a state law other than California law to govern matters covered by their specific Provider Documents and the enforcement of this Online Banking Agreement with respect to the Financial Services they provide.

THE FOREGOING SHALL CONSTITUTE THE SERVICE'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY

DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.

**Illegal, Fraudulent Or Improper Activity** You will not use the Website or any Financial Service for any illegal, fraudulent or improper activity. If the Bank or any Provider suspects that you may be engaging in or have engaged in a fraudulent, illegal or improper activity, including a violation of any terms and conditions relating to Online Banking or any Financial Service, your access to Online Banking and any Financial Services may be suspended or terminated. You understand that access to and transactions in your accounts may be suspended or terminated if an access device has been reported lost or stolen or when the Bank or any Provider reasonably believes that there is unusual activity on any of your Accounts. You agree to cooperate fully with the Bank and each Provider to investigate any suspected illegal, fraudulent or improper activity.

**Indemnification** You agree to indemnify, defend, and hold the Bank and its affiliates, officers, directors, employees, consultants, agents, Providers, and licensors harmless from any and all third party claims, liability, damages and/or costs (including but not limited to reasonable attorneys' fees) arising from (a) a third party claim, dispute, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or otherwise in connection with the service; (b) your violation of any law or rights of a third party; or (c) your use, or use by a third party, of Mobile Banking; (d) indirect, incidental, special or punitive damages arising out of or in connection with use of Mobile Banking.

**Internet Access** You certify that you have access to the Internet and a current e-mail address. You have sole responsibility for providing the Bank with a correct and operational e-mail address. Neither the Bank nor any Provider will be liable for any undelivered e-mail communications or any costs you incur for maintaining Internet access and an e-mail account. You must promptly notify the Bank and all Providers of any change in your e-mail address.

**Limit On Liability** To the fullest extent permitted by law, neither the Bank nor any Provider will have any liability in connection with any unauthorized interception or use of data relating to you or the Financial Services; any inability to use or access Online Banking or Mobile Banking for any reason; any actions or transactions by an individual that uses your Online Banking ID together with your Password; or any cause over which the Bank or a Provider does not have direct control, including problems attributable to computer hardware or software (including computer viruses), telephone or other communications, or Internet service providers. Your sole and exclusive remedy for any failure or non-performance of Mobile Banking (including any software or their materials supplied in connection with mobile banking) shall be for us to use commercially reasonable efforts to perform an adjustment or repair of the mobile banking service. The Financial Services accessible through the Website or Mobile Banking are provided "as is" and "as available" with all faults, and the Bank and each Provider hereby disclaims, for themselves and for each other entity involved in the provision of the Financial Services, all warranties, either express or implied or statutory, including, but not limited to, any implied warranties of merchantability, of fitness for a particular purpose and of lack of viruses. In no event shall the Bank or any other Provider be liable (a) for damages caused other than by its own gross negligence or intentional misconduct or (b) for indirect, special, incidental, consequential or punitive damages whatsoever (including, but not limited to, damages for lost profits, disclosure of confidential information, or loss of privacy), arising out of or in any way related to the use of or inability to use Online Banking, Mobile Banking or any Financial Service, even if the Bank or the Provider has been advised of the possibility of such damages. In no event shall the Bank or any Provider be liable for any act or circumstances beyond our control (such as, for example, a fire, flood or other natural disaster, war, riot, strike, act of civil or military authority, equipment failure, computer virus, or failure or interruption of electrical, telecommunications or other utility services). Limitations on this notice with respect to certain electronic funds transfers are stated in the EFT Services Agreement as contained in the Banking Product Documents and displayed on the Website.

**Miscellaneous** Any waiver by the Bank or any Provider must be in writing and signed by an authorized representative of the Bank or the Provider. If a waiver is made, no party is obligated to provide similar waivers in the future. This Agreement and the Provider Documents are binding upon and shall inure to the benefit of permitted successors and assigns of you and the Bank and/or the Providers. If any provision of this Agreement or the Provider Documents is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Mobile Banking Services** Mobile Banking is offered as a convenience and supplemental service to the Bank's Online Banking Services. It is not intended to replace access to Online Banking from your personal computer or other methods you use for managing your accounts and services with us. Not all mobile devices will be capable of accessing and using Mobile Banking. The Bank cannot guarantee the availability of underlying data services provided by your mobile carrier, (i.e. we are not responsible for carrier data outages or "out of range" issues). We will not be responsible for any inability of your mobile device to access or use Mobile Banking, or for any loss or damage to your mobile device resulting from your access or use, or attempted access or use, of Mobile Banking (including downloading any associated Java applications for Mobile Banking), and you should satisfy yourself as to these matters before attempting to access or use Mobile Banking. Some mobile devices may store (cache) information that is accessed during a Mobile Banking session. You must have an eligible mobile device capable of SMS messaging (for SMS (Text) Banking), or downloading Java applications and making data connections to the Internet (for Mobile Browser Banking). You must be authorized to use and incur charges on your mobile device cellular account in relation to Mobile Banking.

We make no representation that any content or use of Mobile Banking is available for use in locations outside of the United States. Accessing Mobile Banking from locations outside of the United States is at your own risk.

Mobile Banking consists of two separate features:

**SMS (Text) Banking** – access available account information via text messaging.  
**Browser Mobile Banking** - a mobile version of Online Banking accessed via an URL.

To activate Browser Mobile Banking, you must have at least one active deposit Account, be an owner of the Account and be registered for Online Banking. To access the Browser Mobile Banking feature, you must know the Mobile Banking URL and will log in using the required login credentials used for Online Banking.

The following options are available in the Browser Mobile Banking:

**Account information** - includes transaction history (length of time is limited) and does not replace the periodic statements for your Account.

**Transfers** - between Bank accounts.

**Bill Payment** - submit payments to payees already set-up within the Bill Pay module of Online Banking.

We may offer additional mobile services and features in the future. Any such added mobile services and features will be governed by this Agreement and by any terms and conditions provided to you at the time the new mobile service or feature is added and/or at the time of enrollment for the feature or service if applicable.

If at any time you should cancel your Online Banking access or your Online Banking access changes or becomes inactive, Mobile Banking Services may not be available. You may cancel Mobile Banking at any time by contacting us by email or phone.

We do not charge fees for Mobile Banking including EFTs. However, please see the Business Deposit Account Agreement and Schedule of Fees for any excess transaction fees that may apply to your Account. Also, you are responsible for web access and/or data or text message charges that may be billed by your mobile carrier. Check with your mobile carrier for details on specific fees and charges that may be applicable.

Password and Device Protection You will not disclose your password to access Online Banking ("Password") to any person. You understand and agree that the Bank and the Providers rely on the use of your Password to confirm your permission to access your account and are therefore authorized to act upon instructions and information received from any person that enters your Online Banking ID (User Name) and Password. You agree not to use any personally identifiable information when creating shortcuts to your Account. You are required to change your Password periodically.

Create a Password that is not easily able to be guessed or identified as relating to you, or is an obvious combination of letters and numbers (e.g. sequential numbers, birth date, etc); do not keep any record of your Password in a form that it can be readily identified, accessed or stored anywhere, in written or electronic form.

**If you forget your password, become locked out and the Bank resets your password, or your password expires you will be required to re-establish your login credentials at a PC or laptop to regain access to Mobile Banking.**

You will notify the Bank immediately if your Password, PC, laptop, mobile device or any another access device used to access your account is compromised, lost, stolen or is suspected of being compromised or lost. If you believe that someone may have unauthorized access to your online Banking or Mobile Banking, you agree to notify us immediately and cancel your Mobile Banking associated with the device.

You agree to notify us immediately if you change or cancel the number of your mobile device.

You agree to take every precaution to ensure the safety, security and integrity of your Account and transactions when using Mobile Banking. You agree not to leave your Device unattended while logged; if you do we will not be liable for any damages. Log off immediately at the completion of each access by you, lock your mobile device or take other steps necessary to stop unauthorized use of Mobile Phone Banking.

Privacy You agree that you have had an opportunity to review, download or print, and that you agree to the Bank's [Privacy Policy](#) relating to the Bank's Website, the Financial Services and the Providers.

Security Features The Bank has taken strong measures to protect the security of information transmitted between the Bank and its customers. The Bank strongly suggests that you use a web browser with 128-bit encryption. In fact, some selected services require a web browser with 128-bit encryption and you will be notified upon your application for access to those specific services. Regardless of the security features in use by you and/or your web browser, the Bank and the Providers are unable to ensure that the data transmitted by you to the Bank or a Provider, or from the Bank or a Provider to you, will not be intercepted by third parties.

Transfer You may not transfer any rights or obligations you may have under this Agreement, under any Provider Documents or with respect to any Financial Service, without the prior written consent of the Bank and any Provider that would be affected. The Bank and each Provider reserve the right to transfer any right or obligation under this Agreement, under any agreement provided with the Provider Documents or with respect to any Financial Service without your consent.

## Email

Through the use of certain Equipment and/or Software, you can use electronic mail (email) to contact us about inquiries, maintenance and/or problem resolution issues. Email is not a secure method of communication over the Internet and we recommend you do not send confidential information by Internet email. If you would like a secure way to contact us, use the Axos Bank Message Center within Online Banking.

## Privacy Policy

We recognize, respect and protect the personal privacy rights of all our customers and work diligently to safeguard your privacy. We are committed to providing the highest level of security and privacy regarding the collection and use of our customers' personal information, as well as the personal information of all consumers who visit our institution. The following [Privacy Policy](#) explains how we use and protect the information about our customers. We ask that you read it carefully.

## Remote Deposit Anywhere Services

Remote Deposit Anywhere services allows you to make deposits to your accounts with Axos Bank from your Android or Apple devices or using your desktop scanner by sending images of paper checks which will convert into electronic items or Substitute Checks. You will capture digitized images of Items using the software and equipment provided by or through us or other software and equipment acceptable to us, and will ensure that the output files are compatible with the Service. Any software necessary shall be maintained by you, except as the parties may otherwise agree in writing, and must meet technical specifications acceptable to us. You shall maintain one or more bank accounts at Axos Bank for the crediting of deposits made using this Service. You shall be responsible for training your own employees in the use of the Service.

### Check Processing and Requirements

Any image of a check that is transmitted for deposit must accurately and legibly provide all the information on the front and back of the check prior to being scanned. The scanned image of the check transmitted must accurately and legibly provide, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) Payee information placed on the check prior to the time an image of the check is captured and properly endorsed on the back of the check.

You will submit Items for processing to us that meet the ANSI X9.37 standards for image quality required by Regulation CC, or other standards established by us or applicable law. Our processing of any items that do not meet the image requirements ("Non-qualifying Items") shall not constitute a waiver by us or obligate us to process such Non-qualifying Items in the future. We may discontinue processing of Non-qualifying Items at any time, without cause or prior notice.

You will not attempt to scan and transmit to us any Item which (a) has been a previously truncated and reconverted Substitute Check (any previously truncated and reconverted Substituted Check must be physically deposited with us); (b) has already been transmitted by you.

### Check Endorsement Requirements

You will (a) ensure that Items are endorsed or otherwise processed to permit only financial institutions to acquire rights of a holder in due course in the collection process of Items, (b) handle, process, maintain and destroy original checks, and (c) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Item or its corresponding electronic Item more than once.

You will use the Service, including the entering, processing and transmittal of Items. In addition, you will provide, at your own expense, an internet connection via a digital subscriber line (DSL) or other connectivity having equivalent or greater bandwidth and all other computer hardware, software, including but not limited to, a Web browser, and other equipment and supplies required to use the Service, all of which must satisfy any minimum requirements or as otherwise acceptable to us. You will provide, or obtain from another party selected by you at your expense, support and maintenance of such internet connection and all other such computer hardware, software, and equipment required to use the Service, including without limitation troubleshooting internet connectivity issues with your internet service provider (ISP), and we will not be responsible therefore.

You shall be responsible for verifying our receipt of your transmission(s) by verifying that deposits have been posted to the appropriate accounts, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with us. You shall be responsible for installing and implementing any changes and upgrades to the Service as required by us within 5 days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of the Service. You will further ensure the equipment for the Service is clean and operating properly, and inspect and verify the quality of images and that the digitized images of Items are legible for all posting and clearing purposes.

## Business Days and Hours

Remote Deposit Anywhere is available Monday through Sunday, 24 hours a day. Deposits will be processed Monday through Friday, excluding Federal Holidays and will post that same day if deposits are received before 3:00 PM (PT); deposits received after 3:00 PM (PT) will be posted the following business day.

Items processed for deposit through the Service will be deemed to have been received by us for deposit at the time the electronic Items are actually received and accepted at the location where our designated agent posts the credit to your account. A deposit of electronic Items will be deemed to have been received and accepted by us for deposit when all of the following have occurred: (a) we have preliminarily verified that the image quality of the electronic Items is acceptable to us in our discretion, all Item information is complete and the deposit totals are balanced to the Item information provided for the deposit; and (b) we have successfully performed all further validation routines with respect to the deposit. Each deposit made through Remote Deposit Anywhere Services count as two items; one for a generated deposit ticket and the second for the check. Notwithstanding the foregoing, Items received by us for deposit may be rejected by us in our sole discretion.

Items will be processed and ready for presentment by us after we receive all good digitized images and associated data for any given transmission from you. We will use commercially reasonable efforts to present Items or corresponding electronic Items to the applicable Endpoint within a reasonable period of time following such receipt. If an Item is not accepted for deposit, you may then submit the original voided Item for processing or contact the maker to reissue the Item. If you submit the original voided Item for processing, we reserve the right to refuse to process the Item for deposit and presentment to the Payor Financial Institution and may instead require you to have the maker reissue the Item.

It is your responsibility to understand and build into your transmission schedules the appropriate deadlines necessary to meet the availability schedules of Axos Bank. You are further responsible for understanding and building into your transmission schedule the changes in transmission windows required by time changes associated with Daylight Savings Time.

You will be solely responsible for establishing, maintaining and following such security protocols as you deem necessary to ensure that output files transmitted directly to us are intact, secure and confidential until received by us. In addition to your security protocols, you agree to implement Security Procedures that we may offer to verify the authenticity of any output files transmitted to us in your name. If we verify the authenticity of an output file using Security Procedures chosen by you, then you agree that we may rely on and you will be obligated on the output file, whether or not the output file was authorized by you. Also, if an output file was authorized by you, you will be obligated on the output file even if we did not verify its authenticity using the Security Procedures and even if the Security Procedures would have prevented error. You agree that the Security Procedures are intended to verify authenticity and not to detect error.

## Compliance with Law

Customers agree to use the products and service for lawful purposes and in compliance with laws, statutes, regulations and ordinances pertaining to the services, all laws relating to the banking transactions contemplated hereunder. Customers will only transmit acceptable items for deposit and have the original items in accordance with applicable laws, rules, and regulations. Customers promise to indemnify and hold Axos Bank harmless for any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof. This indemnity will survive termination of the Account and this Agreement.

## Customer Representations and Warranties

You understand and agree that an item or its corresponding electronic Item that is not paid by a Payor Financial Institution, or is otherwise returned for any reason, will be returned to you and your account charged for the amount of the Item or corresponding electronic Item plus any associated fee as disclosed in our Schedule of Fees – Business Banking herein. Our right to charge your account will apply without regard to whether the Item or corresponding electronic Item is timely returned to us or whether there is any other claim or defense that the Item or electronic Item has been improperly returned to us.

You shall maintain fully qualified, properly trained and experienced administrative staff and employees sufficient to perform your obligations under this Agreement. Your account will be provisionally credited upon our acceptance of electronic Items for deposit which are received by us from you through the Service.

You will create images of Items at your location by use of scanning hardware and software approved or provided by us. You will enter all amounts and any other required information accurately.

The electronic images of Items will be transmitted by you to our authorized processor, over the internet through a web-based interface.

We will maintain the appropriate bank account for you to receive credit and provide other specific information required by us related to the Service. As set forth in this Agreement, all deposits received by us are accepted subject to our verification and final inspection and may be rejected by us at our sole discretion. All deposits are subject to the terms of the Deposit Account Agreement.

You agree to use such communications security software as we may reasonably require in connection with the transmission of output files to us. We may, from time to time, require and change the software required for this purpose, provided such change does not result in any additional license or maintenance fees payable by you.

At any time during the term of this Agreement, we may require in our sole discretion the use of software in connection with the Service. If software is required, we will provide to you a copy of the software. To the extent we require the use of software in connection with the Service; you will implement and use the software, and any applicable materials relating to transmit output files to us.

You acknowledge that (a) your license to any software that may be required for the Service is directly from the software provider, pursuant to the license agreement that appears when any such software is electronically accessed by you or otherwise provided to you, (b) we may provide certain "first level" support to you with respect to the software, but that we will have no responsibility, for maintenance, support, infringement protection, or otherwise, to you with respect to the software, and (c) you will look strictly to the software provider, or its successors, with respect to any issues concerning the software that cannot be satisfactorily resolved with our assistance.

You will use the software solely for the purpose of transmitting output files to us consistent with this Agreement and not for communications with any other party. You will not allow access to the software or the use of the Service by any person other than you, and will not process Items except Items arising from a transaction or obligation between you and your direct payor. You will not process any third-party Items. You represent, agree and warrant to us that (except as otherwise specifically disclosed in writing to us) you are not now engaged, and will not during the term of this Agreement engage, in any business that would result in you being or becoming a "money service business" as defined in the Federal Bank Secrecy Act and its implementing regulations.

For all Items processed by you pursuant to this Agreement, either (a) digitized images will be converted to Substitute Checks and presented for payment to established Endpoints, or (b) Image Exchange Items will be presented for payment through image exchange networks. We may in our sole discretion determine the manner of processing. All such processing and presentment shall be done in accordance with timeframes and deadlines set forth in this Agreement and as otherwise established by us from time to time.

Unless otherwise agreed by you and the Bank, we will process any returned items in accordance with applicable law and the Deposit Account Agreement. In addition to any other rights we may have as regards your accounts, we may hold and use funds in any account following termination of this Agreement for such time as we reasonably determine that any Item or electronic Item processed by us prior to termination may be returned, charged back or otherwise a cause for any loss, liability, cost, exposure or other action for which we may be responsible. Without limitation, you recognize that under the NACHA Rules, the UCC, Regulation CC and the rules of any image exchange network our representations and warranties as regards to electronic Items and Substitute Checks may expose us to claims for several years following processing of the electronic Items or Substitute Checks.

We may at our sole discretion, with or without cause, at any time and from time to time, refuse to process Items or any corresponding electronic Item. We may from time to time establish exposure limitations and assign them to you.

In the event of any Service failure or delays, you acknowledge that you may deposit directly with us any original Items for processing and presentment provided such original Items have not been previously imaged and processed in connection with the Service. In addition, we shall be excused from failing to transmit or delay in transmitting an Item or electronic Item for presentment if such transmittal would result in our having exceeded any limitation upon its intraday net funds position established pursuant to Federal Reserve guidelines or if otherwise violating any provision of any risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority. You may deposit original checks and other Items to any deposit account at Axos Bank in person or in any other manner permitted by agreement between you and the Bank, and you will be responsible for maintaining procedures and facilities to enable you to do so if the Service is unavailable to you.

We may at our sole discretion conduct an on-site inspection, at any time and from time to time, of your place of business to ensure compliance with the provisions of this Agreement.

You make the following additional representations and warranties with respect to each Item processed using the Remote Deposit Service by pursuant to this Agreement (and, if applicable, any corresponding electronic Item): (a) the electronic Item is a digitized image of the front and back of the Item and accurately represents all of the information on the front and back of the Item as of the time you converted the Item to an electronic item; (b) the electronic Item contains all endorsements applied by parties that previously handled the Item in any form for forward collection or return; and (c) all encoding, transfer, presentment and other warranties made under applicable law as we are deemed to make under applicable law, including without limitation those under the UCC, Regulation CC and the rules of any image exchange network; (d) there will be no duplicate presentment of an Item as a digitized image, as a paper negotiable instrument or otherwise and you assume responsibility for any such duplicate presentment of any Item; (e) Files and images transmitted to The Bank will contain no virus or any other disabling features that may have an adverse impact on your network, data, or related systems.

### Dollar Amounts Limitations

The limitations on dollar amounts of Remote Deposit Anywhere transactions are set forth. The following deposit limits of:

- "Daily item volume limit" - 20
- "Monthly item volume limit" - 60
- "Daily Deposit Limit per business day" - \$25,000
- "Monthly dollar Limit" - \$200,000

### Deposit Confirmation

Customers will receive a notification confirming receipt of the deposit; such notification does not mean the image contains no errors or that the item has been accepted for deposit.

### Email Address

Customers will notify the Bank immediately if they change their email address, as this is the email address where notification will be sent.

### Funds Availability

You agree that items transmitted through Remote Deposit Anywhere are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Funds deposited using Remote Deposit Anywhere will be available the fifth (5<sup>th</sup>) business day after the day of your deposit. The Bank may, but is not required to, make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and other such factors as the Bank, in its sole discretion, deems relevant.

Deposits received before 3:00 PM (PT) Monday through Friday, excluding Federal Holidays, will post that same day. Deposits received after 3:00 PM (PT) will be posted the following business day. It is the sole responsibility of each customer to verify that items deposited using Remote Deposit Anywhere have been received and accepted for deposit. Customers understand that any amount credited for items deposited using Remote Deposit Anywhere is provisional credit and agree to indemnify the Bank against any loss suffered because of acceptance of the remotely deposited check.

### In Case of Errors

In the event there has been an error with respect to any original check or image transmitted to The Bank for deposit. Immediately contact The Bank regarding such error, Monday through Friday, 7:30 am to 6:00 pm (PT.) Telephone Number: 877-247-8002 from 6:00am to 6:00pm (PT) or email customer service through Online Banking.

### Rejection of Deposit

The Bank reserves the right to reject any item for remote deposit for any reason, including but not limited to, rejection of a Substitute Check that was created by another financial institution, customer or any other person. Customers are responsible for any loss or overdraft plus any applicable fees due to an item being returned.

### Returned Checks

If images of checks deposited are dishonored or otherwise returned unpaid by the drawee bank, or are returned by a clearing agent for any reason, including, but not limited to, issues relating to the quality of the image and or duplication. Customer understands and agrees that they maintain the original check or have destroyed the original check and therefore the original check will not be returned. Customers understand that the image will be in the form of a paper reproduction of the original check or a substitute check. Unless otherwise instructed, Customers will not deposit the original check and understand that their account will be charged back the amount of the item returned along with a return item fee.

### Storage and Destruction of Original Check

The original check will be securely stored for a period of 90 days after receipt that the file has been accepted. Within those 90 days the appropriate security measures to ensure that: (i) the information contained on the check(s) are not to be disclosed, (ii) the checks will not be duplicated or scanned more than one time, and (iii) checks will not be deposited or negotiated in any form. This means the original check(s) must be accessible after a file has been accepted by The Bank. After such period expires, the original check will be destroyed using a cross-cut shredder. Customers understand that they are responsible for any loss caused due to their failure to secure the original check(s).

### System Requirements

All customers agree, at their sole expense, to use computer hardware and software that meets all the technical requirements for the proper delivery of deposit and the responsibility for the payment of any and all costs and expenses associated with meeting and



maintaining all technical requirements and additional items necessary for the proper use of this service. Customers release the Bank from any and all claims for damages resulting from, or related to, any computer virus or related problems. Axos Bank will not be responsible for or related to defects in or malfunctions to computer hardware or software, or failures of or interruptions in any electrical, telephone, or Internet Services. The following hardware and software is required:

#### Operating System

Windows Vista  
Windows XP (service pack 2)  
Windows 2000  
Windows 7

#### Mobile Devices

Apple  
Android

#### Internet Connection

Broadband (Basic DSL or cable internet)  
Wi-Fi  
Cellular Broadband

#### Scanner

Any TWAIN compatible scanner

#### Termination of Service

The Bank may deny, suspend, or revoke access to Remote Deposit Anywhere immediately at our sole discretion without notice. In the event of termination of service, the customer will remain liable for all transactions performed on the account.

#### Unacceptable Deposits

The following items are not permitted for deposit:

- Any item that is stamped with a "non-negotiable" or "void" watermark.
- Any item that contains evidence of alteration to the original information
- Any item issued by a financial institution in a foreign country
- Any item not payable in US Dollars
- Any item that is "stale dated" or "postdated"
- Any third party check, i.e., any item that is made payable to another party
- Any Savings Bonds

Remotely created checks ("Remotely created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.)

#### Unavailability of Services

Remote Deposit Anywhere may at times be temporarily unavailable due to system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that Remote Deposit Anywhere is unavailable, customers may deposit a check by mailing the original check to:

**Axos Bank**  
PO Box 509127  
San Diego, CA 92150-9948

## SCHEDULE OF FEES

### Business Card Services:

Initial Debit Card/ATM Card (if ordered at account opening)	Free
Debit Card/ATM Card replacement with PIN (if second occurrence and any thereafter)	\$5.00
Debit Card/ATM Replacement - Special Mailing/Rush Delivery Fee	\$50.00
Debit Card/ATM Transactions*	Free
Bank Verification Letter	\$35.00
Collection Items, domestic, per item*	Free
Collection Items, international, per item*	\$35.00 + cost
Visa® Debit Card Foreign Currency Conversion Rate	1%

\* Additional charges may be imposed by other financial institutions

### Statement and Research Services:

Check copy from archive, per item	\$5.00
Legal Processing	\$100.00
Research/Reconciliation, per hour, one hour minimum (includes time spent pulling documentation for legal process)	\$35.00
Statement Copy from Online Banking	Free
Statement Copy from archive with our assistance, per statement	\$10.00
Account Electronic Statement	Free
Account Paper Statement	\$5.00

### Wire Transfer Services (Customers only)

Wire Transfers Incoming (Domestic and International)	Free
Wire Transfers Outgoing (Domestic) Online	\$7.00
Wire Transfers Outgoing (Domestic)	\$15
Wire Transfers Outgoing (International)	\$50

### Other Fees:

Certified or Overnight Mail – Special Mailing/Rush Delivery Fee	\$10.00 + postage
Deposited checks (and other items) returned unpaid, per item	\$10.00
Check Orders For All Checking Accounts	At Cost
Check Orders with our assistance (if second occurrence and any thereafter)	\$10.00 + cost of checks
Escheatment Notification	\$2.00
Excess Transaction or Withdrawal Fee	\$10.00
Non-sufficient/uncollected funds- Paid or Returned Item (includes checks, ACH and bill payments), per item	\$25.00† (Max \$75.00 per day)
Official checks, per item	\$10.00
Online or automated telephone transfers	Free
Overdraft Protection Transfer (from linked account)	Free
Stop payments, per request Online (initial or extension)	\$10.00



Stop payments, per request with assistance (initial or extension)	\$35.00
Axos Bank On-Us Check Cashing Fee for Non-Customers, per item	\$5.00
Non-Customer Notary Fee	\$2.00

†No fee for an item generating a negative balance less than the NSF fee